

DEPARTMENT FOR

environment **and heritage**

2001–02

Annual Report

1 July 2001 to 30 June 2002



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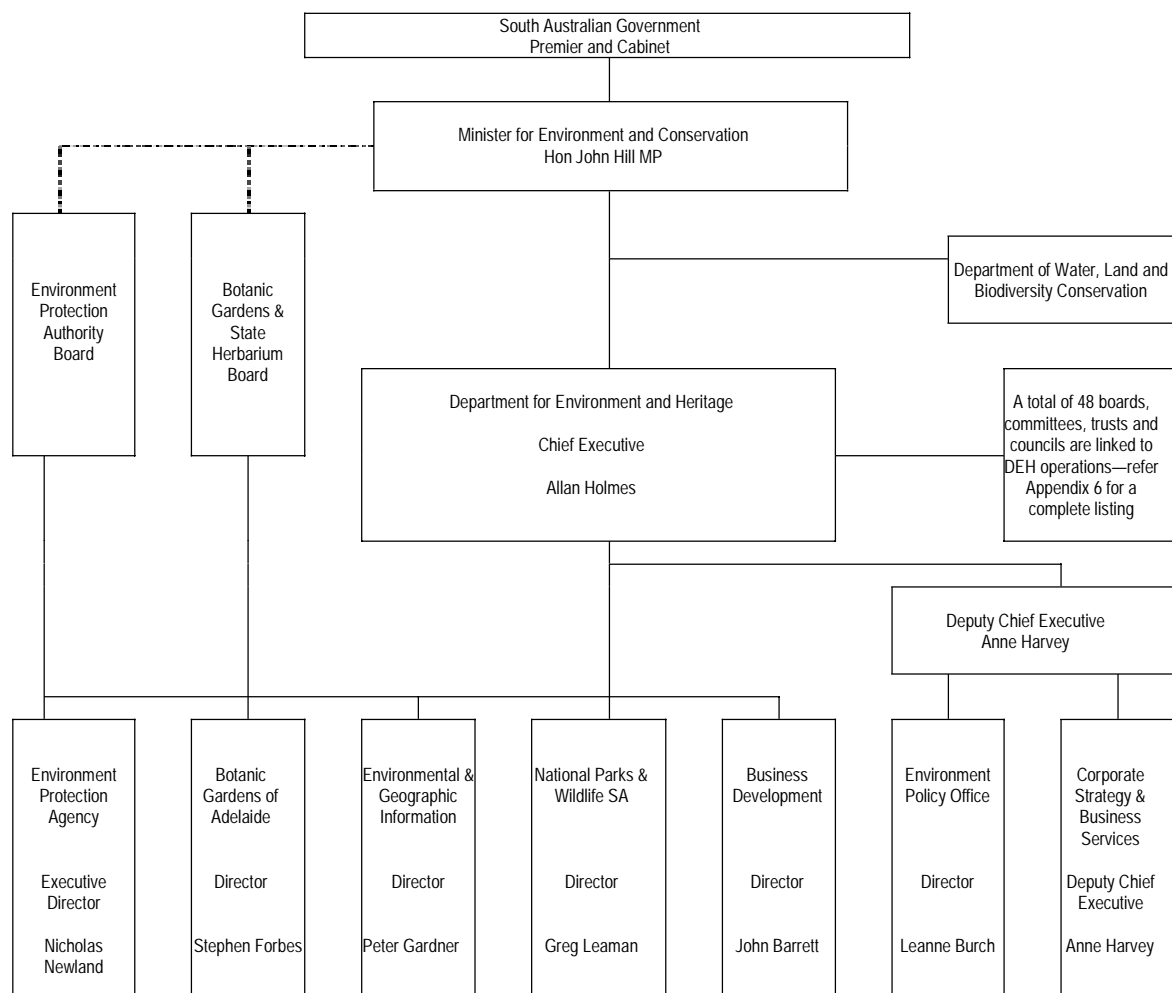
Dear Minister

In accordance with the requirements of the *Public Sector Management Act 1995*, I have pleasure in presenting the annual report of the Department for Environment and Heritage for the year ended 30 June 2002.

Allan Holmes
Chief Executive
Department for Environment and Heritage

DEH Organisational Chart as at 30 June 2002

The department is responsible to the Minister for Environment and Conservation.



To fulfil a Government policy commitment the Environment Protection Agency reported directly to the Minister for Environment and Conservation from March 2002, however, for administrative reporting purposes remained part of the Department for Environment and Heritage until 30 June 2002.

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The year in review

I am pleased to submit the annual report of the Department for Environment and Heritage (DEH) for the financial year 2001–02.

The year in review was one of substantial change for the department beginning with the transfer of the Office for Recreation, Sport and Racing and the Office for Volunteers to other portfolios following changes in ministerial arrangements late in 2001. While it was always likely that these units had only a limited time as part of the department, the opportunity to work with them was a valuable one and will leave an enduring legacy as we adopted some of their thinking in our own practices.

More substantial change resulted from the change of Government in March 2002. The incoming Government had very clear policies for new administrative arrangements within the Environment and Conservation portfolio:

- a new Department of Water, Land and Biodiversity Conservation;
- a revamped EPA reporting to its own Board and independent from the Minister; and
- the Department for Environment and Heritage (DEH) which would include a new Office of Sustainability (OoS) that would drive the sustainability agenda across Government.

Considerable effort was devoted within the department (and the former Department for Water Resources—DWR) to develop detailed proposals to implement these policies.

The Department of Water, Land and Biodiversity Conservation (DWLBC) was established on 8 April 2002 with the transfer of employees of DWR (which was abolished) and the substantial majority of employees in the Sustainable Resources Group from the Department of Primary Industries and Resources SA (PIRSA).

The focus of this new department will be the management of land and water use for productive purposes in both rural and urban environments. It will relate to groups and communities at national, State and regional levels that are concerned with the responsible management of economic development and its impact on the environment.

DWLBC will ensure that biodiversity conservation is integrated effectively into natural resource management through the implementation of biodiversity plans across the State. DWLBC will draw on expertise and information from a range of sources including the other agencies in the Environment and Conservation and River Murray portfolios. The biodiversity conservation role of DWLBC was enhanced by the transfer of a small number of employees from DEH in June 2002.

Issues relating to the revamped EPA were the nature of the administrative structures to be put in place and the functions and employees to be transferred from DEH to the independent agency.

With regard to the first matter, the model proposed is to re-constitute the members of the Authority as the Board of the EPA with a full time chief executive as its chair. The chief executive will be given the powers and functions of a chief executive under the *Public Sector Management Act 1995* in relation to a new administrative unit, also to be known as the Environment Protection Authority. The new administrative unit will be established on

1 July 2002 and legislation to give full effect to these arrangements was being drafted as at 30 June 2002 for introduction early in the 2002-03 financial year.

With regard to the EPA's functions, it was to take a more focussed regulatory role and place less emphasis on public education programs, which were seen to be more appropriately part of the Office of Sustainability. A small number of staff changes were made to give effect to this.

The EPA will focus on regulation with the aim of either preventing or reducing the level of pollution in the environment. Its emphasis will be a stronger approach to regulation, particularly in an industrial context. This will be coupled with the necessary programs to achieve greater eco-efficiency through improved production processes. Through its regulatory function, the EPA will promote the health and well being of the environment and the general public.

The EPA's primary client focus will be individuals in the community seeking to raise concerns about health or amenity as well as individual businesses seeking to behave responsibly towards the environment or whose practices may need to be regulated by the EPA.

Associated with these changes will be the establishment of a new Office of Sustainability (within DEH) to have effect from 1 July 2002. Its role, as announced by the Minister for Environment and Conservation on World Environment Day, is to be to:

- develop future scenarios for South Australia and identify practical measures for responding to them
- develop broad strategic directions for the Environment and Conservation and River Murray portfolios and seek to integrate those agendas and develop strategic frameworks across government
- critically evaluate proposals from all areas of Government to ensure that Cabinet is able to take an integrated approach to considering options
- develop and implement accountability and reporting tools with an emphasis on sustainability (Green Print, State of Environment Reporting)
- ensure an appropriate legislative framework is in place across the environment portfolios
- ensure effective policy coordination across the Environment and Conservation and River Murray portfolios
- support the focus on innovation in the public, private and business sectors
- raise public awareness of sustainability and eco-efficiency issues
- maintain a Green Business Unit to provide advice and support to developing innovative green ideas.

As a result of these changes, DEH is now clearly defined as the Government's principal environment department. Its role is one best explained as:

- providing policy advice and leadership to Government on:
 - the environmental sustainability of all human activities
 - the conservation, use and enjoyment of natural and cultural heritage, and public land
- managing, on behalf of Government, the use and enjoyment of public land, special places and wildlife.

The Minister has also indicated his expectation that the Chief Executive of DEH will undertake a coordinating role across the Environment and Conservation portfolio.

I have been encouraged by staff's continued commitment to the department's four organisational emphases—Policy Leadership, In Business, People and Work and Connected to People—as a basis for improvement. These ideas are as important now as they were 12 months ago. In each we have made significant progress. Our Policy Leadership role is at the heart of public service. Where else will Government get advice that is in the public interest and not partisan?

The mind shift to more holistic and integrated approaches to policy advice and service provision underpin the idea of Connected to People. Across the department much progress has been made both within and outside to better engage and cooperate. A fine balance is required as one risks stalling action if process overrides outcome.

The People and Work emphasis has drawn our attention to the relationship between productivity and life–work balance. We have recognised that staff who are active participants in community and family life are likely to be more productive at work than those who are not, and we are continuing to look at a range of options to help promote and support a healthy life–work balance for staff.

We have also made significant gains in greening the department as our Environmental Report demonstrates. Our Aboriginal Partnerships initiative has begun to take hold and effect change in our business.

The 2001–02 year has been one of significant achievement in DEH. I must take this opportunity to acknowledge the support and direction provided by the previous Minister and the new Minister. Both have enjoyed and immersed themselves in the portfolio and have made valuable contributions to environment and heritage issues in South Australia.

I also extend my thanks to the department's staff and Executive team for their support and dedication, through what has been a period of significant change for DEH and Government as a whole. We are privileged to work in a department focused on issues—the environment and heritage—that are so easy to be passionate about.

Allan Holmes
Chief Executive

Highlights for 2001-02

- Completed pilot programs with Port Adelaide, Enfield, Adelaide City and Adelaide Hills councils to develop a partnership approach to environmental management
- Completed Stage 1 of the Adelaide Coastal Waters Study
- Implemented National Environment Protection Measure on Used Packaging: Eighteen per cent of South Australian brand owners signed up to covenant
- Published water quality information on bathing waters of metropolitan Adelaide beaches on DEH's website
- Progressed load-based licensing incentive system to reduce pollution
- Progressed Greater Mount Lofty Parklands—Yurrebilla, including additions of 316 ha of land to five parks
- Finalised construction of Rocky River Visitor Centre in Flinders Chase National Park
- Celebrated Encounter 2002, including a scientific expedition to the Nuyts Archipelago, cooperative projects with SA Research and Development Institute, DEH, the Australian Geographic Society and the Royal Society of SA, exhibitions at Plant Biodiversity Centre, and opening of Baudin Conservation Park and Lesueur Conservation Park on Kangaroo Island
- Continued to support research for improved understanding of the Mundulla Yellows plant disease
- Constituted Gawler Ranges National Park
- Published Oodnadatta Track Heritage Survey and completed Birdsville/Strzelecki Tracks Heritage Survey
- Published Twentieth Century Heritage book for Australian Heritage Information Network
- Installed Garden Island Maritime Heritage Trail and produced an accompanying booklet
- Completed surveys of South East shipwrecks 1916–2001 and Kangaroo Island shipwrecks 1918–2001
- Assisted Natural Resource Management (NRM) groups to develop draft integrated NRM plans, including for Mount Lofty Ranges, Northern and Yorke districts, and Kangaroo Island
- Amended Schedule 1 of the *Environment Protection Act 1993* to address licensing of railway systems
- Implemented the Environment Protection (Motor Vehicle Fuel Quality) Policy 2002
- Supported SA's bid for, and organisation of, the international Local Agenda 21 *Sustaining Our Communities Conference* in Adelaide, 3–6 March 2002
- Coordinated State Government input into the preparation for the *World Summit on Sustainable Development* and participated in national delegation to Cambodia
- Prepared the Nuclear Waste Storage Facility (Prohibition)(Referendum) Amendment Bill 2002

- Assisted development of a Marine Planning Framework under the Planning Strategy in conjunction with Planning SA
- Consulted with Commonwealth and State agencies on implementing 2001 Bilateral Agreement on National Action Plan for Salinity and Water Quality and Natural Heritage Trust
- Prepared a formal agreement between Botanic Gardens and the National Wine Centre for the cooperative management of surrounds for consideration of respective Boards
- Completed the Botanic Park Management Plan
- Improved partnership arrangements for major events and reduced long-term impacts on the Gardens
- Developed a Prior Knowledge trail in Adelaide Botanic Garden
- Improved accessibility to environmental information for the business sector and the general community through the revised and expanded Environmental Reporting Online website
- Completed a mapbook for the Riverland and Murray Lands to support emergency service activities
- Facilitated the Youth Environment Council of South Australia to conduct three Youth for Environmental Action workshops
- Started 24 on-ground environmental action projects as part of the Youth Environment Council Community Plan
- Hosted the first ever joint Public Sector Mapping Authority Inc and Australia & New Zealand Land Information Council meeting in SA
- Converted 236 perpetual leases to freehold title
- Converted 128 shack leases to freehold title
- Restructured the Environment and Conservation Portfolio 2002 (including the creation of the Office of Sustainability; establishment of the new Environment Protection Authority; transfer of biodiversity functions from DEH to the new Department of Water, Land and Biodiversity Conservation)
- Implemented DEH Graduate Induction Program
- Commenced internal DEH cross-cultural awareness pilot programs
- Continued Greening DEH—embracing the portfolio changes to encompass all departments within the Environment and Conservation Portfolio
- Conducted World Environment Day 2002 activities

Profile of the department

Purpose

As outlined in the Year in Review, the past year has been one of fundamental change for the department. New administrative arrangements have been introduced within the Environment and Conservation Portfolio to deliver the incoming Government's policy agenda.

Historically, DEH has been diverse agency with principal responsibilities for the:

- management of South Australia's national parks, botanic gardens and coastline
- protection and management of biodiversity and state heritage
- environmental protection, policy and regulation
- protection, conservation and restoration of the State's natural eco-systems with an emphasis on the public reserve system
- monitoring of the quality of South Australia's water, air and land
- provision of environmental information.

Recent changes have resulted in DEH being clearly defined as the Government's principal environment department, with key responsibilities including:

- providing policy advice and leadership to Government on:
 - the environmental sustainability of all human activities
 - the conservation, use and enjoyment of natural and cultural heritage, and public land
- managing, on behalf of Government, the use and enjoyment of public land, special places and wildlife.

As the Government's principal environment department, DEH has a key leadership role in promoting and pursuing environmental sustainability. The achievement of this outcome will be driven by the soon to be established Office of Sustainability, and will be dependant on education and a partnership approach within, and between, all spheres of government, the private sector and the community.

The department also plays a role in influencing broad issues of national interest such as national legislation, standards and approaches, competition policy, and clarification of the roles of different spheres of government including the question of devolution and sharing of responsibility.

DEH makes a significant contribution to the social and environmental well-being of South Australians, and is working to ensure that the State's highly diverse natural environments, heritage and lifestyle remains the envy of others.

Our Vision

Securing a thriving future through fostering:

- healthy environments
- healthy communities
- healthy people.

Planning framework

The department operates within a planning framework that is informed by whole-of-government directions and policy commitments, the DEH Strategic Framework and organisational priorities. During 2001–02, DEH undertook a major review of its planning framework. A significant training program was undertaken in each division aimed to develop the understanding of planning and of outputs and their link to planning. This training underpinned the review of outputs and performance measures reflected in DEH's Strategic Plan 2002–05. A new set of high level outcomes and strategies were also developed, setting up a framework for developing the outputs.

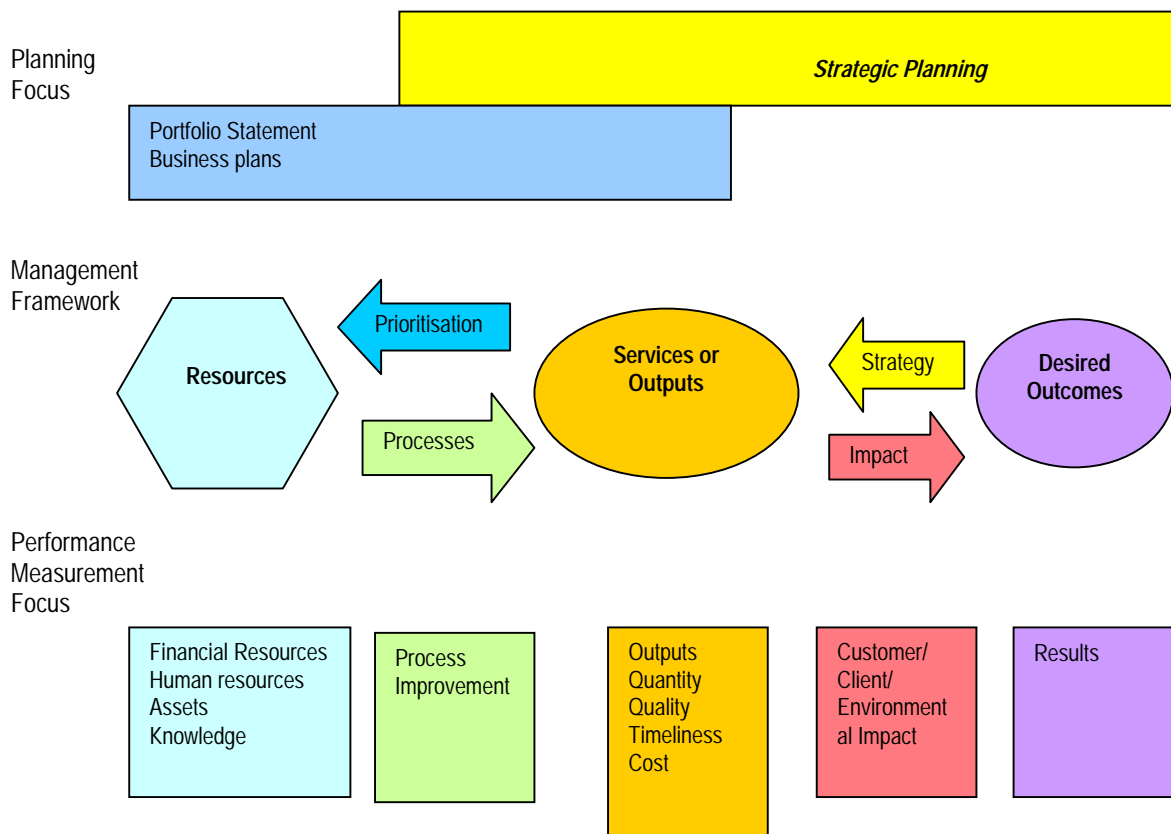
The framework incorporates:

- Planning—strategic and business planning
- Managing—in a pro-active, business-like way
- Measuring performance—using a balanced, holistic approach.

This is demonstrated by:

- outcomes = expressed as desired outcomes or goals
- strategies = expressed as policy choices in the programs to achieve the outcomes
- outputs = defining the services delivered by the department to the community.

The following diagram represents the framework:



Stakeholder consultation

DEH recognises the importance of gaining input from its key stakeholder community. During the development of its new planning framework, views from key stakeholder representatives were sought on the priorities for the environment as well as their expectations from the DEH/Environment and Conservation Portfolio over the next 18 months. Their contributions were invaluable in developing DEH's outcomes and priorities.

Outcomes

The department develops and implements strategies that contribute to the achievement of the Government of South Australia's priorities for conservation, protection and enhancement of the State's environmental resources and natural and built heritage. DEH's outcomes are:

- ***A Sustainable and Eco-efficient Society***—viable, innovative and sustainable communities where individuals, households, businesses and government use resources efficiently, with minimal waste and minimal other environmental impacts
- ***Clean Air, Water and Land***—healthy environments capable of supporting richly diverse life into the future
- ***Conserved Ecosystems***—viable populations of native plants and animals and viable ecosystems for future generations

- ***Conserved and Celebrated Heritage***—conservation of significant heritage to identify and celebrate the landscapes, human history and sense of place of the land now known as South Australia
- ***Sustainable Use of Natural Assets and Resources***—sustainable use and enjoyment of natural assets and resources to enhance prosperity, a sense of community and quality of life.

Categories of strategies that deliver these outcomes

Leading Policy	Developing policy and legislation
Engaging	Providing extension services, advice and assistance, education services, grants and incentives
Services	Developing and managing visitor facilities and services
Conserving	Providing conservation services and works
Monitoring	Undertaking survey, assessment and monitoring work and collecting, storing and recording information
Regulating	Providing regulation, listing, enforcement and licensing services

Strategies and services relationship

The diagram below demonstrates the relationship between strategies the department seeks to achieve and services (outputs) we deliver:

Strategies						
	<i>Leading Policy</i>	<i>Engaging</i>	<i>Services</i>	<i>Conserving</i>	<i>Monitoring</i>	<i>Regulating</i>
Outputs— services we deliver	Developing policy and legislation	Providing extension services, advice & assistance, education services, grants and incentives	Developing and managing visitor facilities and services	Providing conservation services and works	Undertaking survey, assessment and monitoring work and collecting, storing and recording information	Providing regulation, listing, enforcement and licensing services
	Policy and Advice	Conservation advice and support Conservation education and interpretation services	Parks Facility and Visitor Management Services	Species and habitat restoration and management	Biological research, monitoring and reporting services	Crown Land Administration Services
		Coast & Marine education, grants & advisory services	Botanic Gardens Management Services	Coast Protection Services	Pollution Assessment and Monitoring Services	Wildlife Regulation Services Protected area system development
		Botanic Gardens Information and Interpretation Services			Geographical and Property Information Services	Marine protected area system development
		Environmental Education, Impact Avoidance and Reduction Programs	Botanic Gardens Management Services			Environment Protection Regulatory and Compliance Services
		Heritage grants and advisory services				Animal Welfare Protection Services
		Environmental Information Education and Coordination Services				Heritage Protection Services

Our customers

DEH's customers include:

- the Minister and Cabinet
- the public of South Australia including:
 - national parks and botanic gardens visitors
 - non-government organisations
 - educational institutions
 - researchers
 - students
- specific interest groups including:
 - landholders
 - owners of heritage sites
 - manufacturing industry
 - real estate industry

DEH's Organisational Emphases

The department has also developed four key organisational emphases to focus support services, as shown below.

Policy Leadership

- Enhancing the ability of senior managers to provide visionary leadership in the public debate on environment and heritage policy
- Developing capacity for thorough and extensive policy analysis

- Establishing the Office of Sustainability as a leader across the portfolio in policy advice
- Advancing the Greening of Government and broader sustainability agenda

In Business

- Strengthening corporate and business planning and reporting to drive improved organisational performance
- Developing the skill and competence of staff in governance and management
- Reforming the management of information in DEH

People and Work

- Improving the health, safety and welfare performance of the department with a focus on staff involvement in improving physical and mental well-being
- Continuing to drive the development and implementation of an organisational development strategy

Connected to People

- Strengthening working relationships with key government agencies
- Continuing to develop a culture of first rate customer service and effective stakeholder engagement
- Improving relationships with, and services to, Aboriginal people and develop recognition of their importance to our business

Key achievements and Major initiatives for 2001–02

Environment Protection

DEH develops strategies for delivering environment protection programs for air, water and land quality; administers and enforces environment protection legislation; delivers environment protection programs; and monitors environmental conditions.

The Environment Protection Agency (EPA) has responsibility for delivering the above outcome through the delivery of the following outputs to the community of South Australia:

- Environment protection strategies
- Environment protection compliance services
- Environment protection monitoring and evaluation services

In performing its functions under section 13 of the *Environment Protection Act 1993* the Environment Protection Authority (the Authority¹) has the power to make use of expert technical advice from other people. This power is generally vested in officers of the EPA which provides executive, professional and administrative support to the Authority. The Authority produces its own annual report and is available on the website www.epa.sa.gov.au.

Achievements for 2001–02

Develop an air quality index for Adelaide and make available to public

Information on the air quality of Adelaide was made available on the internet during 2001–02. The ‘air quality index’ system automatically downloads data from four monitoring stations and categorises the quality of air into five classes ranging from ‘very good’ to ‘very poor’ twice daily. The categories are based on Australian standards that aim to protect our health and the environment. The pollutants used to derive the index include particulate matter, nitrogen dioxide, sulfur dioxide, ozone and carbon monoxide.

The EPA has also made available an air quality index at Port Pirie.

Strengthen and enhance local government partnerships for improved environment protection

The EPA and Authority have continued to develop and improve the scope and level of service to local councils that want to share the responsibility of improving their community’s environment by providing environment protection services.

In order to better understand how councils may share these environmental responsibilities, three councils—Adelaide City, Adelaide Hills and Port Adelaide Enfield—participated in a trial with the Authority. Following training provided by the EPA, councils’ authorised officers responded to all environmental nuisance complaints arising from domestic and unlicensed EPA activities in their local communities.

¹ During 2001–02, ‘Authority’ is a reference to the Board of the Environment Protection Agency

The initial 12 month trial was extended by six months, concluding on 30 June 2002. A final report on the trial is due in 2002.

The Complaints and Reports of Environmental Significance (CARES) data base was developed in conjunction with selected local councils and the Local Government Association (LGA) and subsequently launched during the financial year. CARES allows local government officers to enter data on the resolution of environmental nuisance incidents referred to them via a secure internet interface. CARES also allows for the electronic referral and tracking of incident response.

CARES has been implemented for the three trial councils and six other councils are considering its introduction for tracking the handling of stormwater pollution complaints. CARES was formally recognised this year, winning a Commonwealth Government Technology Productivity Gold Award.

Implement the National Environment Protection Measure on Used Packaging

On 19 July 2001, the Governor approved the Environment Protection (Used Packaging Materials) Policy 2001. This resulted in a choice for 'brand owners' of packaging products, to sign the National Packaging Covenant (NPC) or comply with the requirements of the policy. The policy, three fact sheets as was information on how to join the NPC were sent to all brand owners identified by the EPA.

A total of 68 South Australian companies have signed the NPC as at 30 June 2002, a significant increase from the previous year when there were only eight signatories for South Australia.

The Government of South Australia, as a signatory to the NPC, has produced an Action Plan, which has been lodged with the Covenant Council in August 2001.

Under the National Environment Protection Measure (NEPM) each jurisdiction is required to establish a Jurisdictional Recycling Group (JRG). The South Australian JRG was established in November 2001, and has since met on five occasions. In June 2002, JRG commenced its first project, an audit of domestic waste and recycling practices. This audit is being conducted at all metropolitan councils and six regional councils and a report on its findings is expected in October 2002.

The NEPM also requires for a report to be provided to the National Environment Protection Council (NEPC) on the local council kerbside collection of recyclable materials. All 68 councils in South Australia were surveyed, with 35 councils responding. This information was collated and forwarded to NEPC for inclusion in their annual report.

Adelaide Coastal Waters Study

The coastal waters and ecosystem off Adelaide have been severely impacted by industrial, sewerage, and stormwater discharges. This has resulted in extensive loss of seagrass (at least 4000 hectares over the last 30 years), increases in sand movement, degradation of reef systems, algal blooms, and poorer water quality. Many of these issues are interlinked whereby attempting to manage one can impact on others.

The Adelaide Coastal Waters Study was established to pursue these issues. Its objective is to develop knowledge and tool to enable the sustainable management of Adelaide's coastal

waters by identifying causes of ecosystem modification and the actions required to halt and reverse the degradation.

This important study is focussing on seagrass loss, water quality degradation and seafloor instability. Seagrasses were chosen as the primary ecological indicator because they are a sensitive indicator of environmental change.

The Adelaide Coastal Waters Study is being undertaken in three stages:

- Stage 1—detailed design
- Stage 2—research and investigation
- Stage 3—synthesise findings into products that can be used to manage the system.

Stage 1 commenced in March 2001 and is now complete. The final report was independently reviewed by a panel of technical experts. Stages 2 and 3 will be conducted concurrently (expecting to commence in late 2002 and be completed in 2004) so that as results become available they can be used to management the system.

Environment Protection Policies

WASTE TO RESOURCES

Drafting instructions for the preparation of the Environment Protection (Waste to Resources) Policy (EPP) were developed and considered by the Authority, taking account of feedback received from a public discussion paper. Consultation on the development of the Waste to Resources EPP has continued, including a joint forum run with the Local Government Association held in May 2002. The EPA is providing input to complete the drafting of the EPP, prior to further public consultation occurring.

NOISE

A new policy relating to assessment of environmental noise issues is being prepared under the *Environment Protection Act 1993*, and will replace the existing two noise policies. The Noise EPP will address noise generated on industrial, commercial and residential premises that impacts on the surrounding community, and will provide investigating officers, industry and the broader community with a clear, concise and transparent approach to resolving noise issues. It is anticipated that a draft policy will be released for public consultation by 2003.

MOTOR VEHICLE FUEL QUALITY

The Motor Vehicle Fuel Quality EPP was brought into operation as an interim EPP on 3 March 2001 and was confirmed on 28 February 2002. It is the first policy to be introduced on an interim basis and involved considerable consultation with the vehicle fuel supply industry and the Commonwealth Government.

The policy essentially prevents replacement of lead by octane-enhancing substances that result in other adverse health and environmental impacts to maintain the current quality of South Australia's air and prevent any further degradation of the atmosphere by fuel emissions.

All the supplies to the South Australian market complied with the policy, although several short term difficulties were overcome by using overseas sources of a different, yet compliant blend.

WATER QUALITY

The Water Quality EPP was released for public consultation in early 2001. Numerous submissions were received and analysed and are reflected in proposed changes to the draft policy. Following the finalisation of the proposed changes to the draft EPP, a second round of consultation is required with prescribed bodies and relevant government authorities. The Authority plans to consider the draft policy during the next financial year before it is submitted to the Minister.

Establish a greater presence in regional areas

In April 2002, the EPA further expanded its regional presence with the opening of an office at Murray Bridge. This office will improve the capability of the EPA for environment protection work associated with the River Murray and its surrounds.

The Lower Murray region is an area of increasing environmental significance due to the need to address the water quality issues associated with the river. The primary task of the office, which has a staff of three, will be to establish a regulatory regime aimed at improving the quality of irrigation discharge water from dairies.

Reform waste management arrangements under the auspices of the Environment Protection Authority

The Waste to Resources Committee (WRC) was formed by the then Minister for Environment and Heritage upon the recommendation of the Authority in October 2001. It is a subcommittee of the Authority, established under Section 17 of the *Environment Protection Act 1993*.

It has been established as a body with a strong eco-efficiency and sustainability focus, providing strategic policy advice and direction to both government and stakeholders. It also provides direction for funding and projects, which will maximise waste reduction and promote ecological sustainability.

The WRC builds on previous work of Recycle 2000 Inc, the Interim Waste Management Committee, and policies endorsed by the Government of South Australia.

Ensure compliance with the Environment Protection Act

The EPA has developed a prioritised grouping of licensees to ensure that inspections by staff are focused on those industries that: have a history of pollution complaints; are undertaking an environment improvement program; or have significant potential to cause environmental harm. These licences are more intensively reviewed at renewal to ensure that opportunities for environmental improvement are identified and implemented.

A more rigorous approach has been adopted by the EPA towards the waste industry and efforts to improve environmental performance at metropolitan and rural landfill depots.

Codes of practice under development

- Lower Murray Reclaimed Irrigation Areas Code of Practice
- Code of Practice for Aquifer Storage and Recovery
- Consolidated Stormwater Code of Practice
- Code of Practice for Vessels on Inland Waters
- Code of Practice for Dairy Shed Effluent.

Key performance indicators

Note that details of established key performance indicators were included in the Portfolio Statements 2002-03, Budget Paper 4, Volume 2. The Portfolio Statements can be viewed at <http://statebudget.sa.gov.au>

Numbers of complaints

Type of complaint	1999-2000	2000-01	2001-02
Air	970	1696	2256
Noise	692	660	883
Water	*16	*22	*77
Waste	178	157	265

* Most water complaints are now referred directly to local government

Public Register and Freedom of Information

	1999-2000	2000-01	2001-02
Public Register	146	127	149
Freedom of Information	20	17	15

Environment protection orders issued

Issuing authority	1999-2000	2000-01	2001-02
Environment Protection Agency	50	49	79
SA Police	221	235	257
Local Government	4	10	4

Targets for 2002-03

- Establish a revamped Environment Protection Authority as an independent authority separate from the Department for Environment and Heritage
- Have the Environment Protection Authority take a lead role in the control and storage of domestic radioactive waste in South Australia and audit current storage arrangements
- Increase the capacity of the Environment Protection Authority by transferring to the Authority the Radiation Branch from the Department of Human Services
- Introduce an extended range of offences and penalties, including civil penalties and the use of community service orders, for polluting and penalties for an illegally obtained competitive advantage
- Conduct an enquiry into the environmental impact of the in situ acid leach mining process
- Implement the expanded Container Deposit Legislation provisions
- Produce Environment Protection Policies on water and noise
- Finalise a draft Waste to Resources Environment Protection Policy
- Contribute to the sustainable development of the aquaculture industry through the application of the *Aquaculture Act 2001*
- Consolidate partnerships with local government for the delivery of environmental protection services
- Develop a framework for the introduction of load based licensing
- Organise, analyse and assess emission data from Environment Protection Authority licensees to monitor pollution trends, inform licensees and support the introduction of load based licensing
- Expand and refine scope of water quality monitoring to assist in the sustainable management of the resource
- Improve accessibility of information to the community

National Parks and Wildlife

DEH manages the development of knowledge and inventory of the State's biodiversity; administration and enforcement of biodiversity-related legislation; identification, assessment and reduction of significant threats to species and ecological communities; and the regulation of sustainable use of wildlife. DEH manages national parks (including reserves) to achieve a comprehensive, adequate and representative reserve system; manages fire, weeds and feral animals in national parks; provides visitor education and information services, promotes community awareness and understanding and manages visitor facilities in national parks. DEH administers the Coast Protection Act 1972 and management, conservation and sustainable use of the State's coastal, marine and estuarine resources; administers the Native Vegetation Act 1991; develops and promotes acceptable standards for the husbandry and welfare of all animals, and administers and enforces animal welfare legislation.

National Parks and Wildlife SA has responsibility for delivering the above outcomes through the delivery of the following outputs to the community of South Australia:

- Biodiversity conservation services
- Coast and marine management services
- Park visitor services
- Native vegetation services
- Animal welfare services

Achievements for 2001–02

Flinders Chase National Park

The development of the \$7.6 million Flinders Chase Visitor Centre and Rocky River Precinct visitor facilities in Flinders Chase National Park was completed during 2001-02, on time and within budget.

Rocky River is the gateway to Flinders Chase National Park and visitor facilities should reflect the status and profile of the park, an area of great importance for both biodiversity conservation and regional tourism, as one of South Australia's prime national assets.

This is the largest ever development in a South Australian park to provide visitors with tourism facilities and experiences of a world class standard, and will be officially opened by the Premier in October 2002.

Economic contribution of parks on Kangaroo Island

NPWSA commissioned an economic assessment of the value of protected areas on Kangaroo Island. This report demonstrated that tourism contributed an estimated turnover of \$57 million to Kangaroo Island businesses in 2001 compared to annual production of approximately \$35 million in agriculture and turnover of \$5 million in manufacturing. It also showed that national parks on Kangaroo Island, or at least the experience offered by them, are estimated to be responsible for a value-added impact at the State level of \$21 million and 300 jobs—over 25 per cent of nature-based tourism in the State.

Morialta Conservation Park

The Morialta Precinct development is the culmination of years of work and planning to make it easier for the community to enjoy the magnificent walks and views of the Morialta Conservation Park.

Planning has been underway for the new precinct since 1997 and work was completed on the project earlier in 2002. The \$1.8 million project included \$1.3 million on the Morialta Precinct Redevelopment and \$500 000 on the Walking Trail upgrade.

The Morialta Precinct includes:

- improved car parking facilities at four sites- providing a total of 164 parking spaces
- improved kilometres of walking trails
- upgraded lookouts
- retention of the former Morialta Administration Building and its redevelopment as a resource centre
- rebuilt toilet facilities at the Falls Car Park.

Morialta Conservation Park is one of the most spectacular bush-walking sites in the Mount Lofty Ranges and these new facilities will make them easier to use and will reduce the environmental impact of high visitor numbers on the Park.

Greater Mount Lofty Parklands—Yurrebilla

The *Greater Mount Lofty Parklands—Yurrebilla* continues to be developed, with new and outstanding land dedications resulting in an additional 316 hectares being added to the reserve system within the scope of Yurrebilla. In addition, there has been purchase and installation of *Phytophthora* hygiene stations; badging of key lands; development and implementation of Department for Correctional Services prisoner programs to remove weeds and build trails; and funding of threatened species programs to address declining woodland birds, short-nosed bandicoots and southern emu wrens.

The acquisition of the Yaringa property near Gawler, which has been supported by a generous monetary gift to fund its revegetation, will support conservation initiatives to address the plight of threatened bush birds of the Mount Lofty Ranges and provide a long term linkage to the nearby Para Wirra Recreation Park.

Encounter 2002

A re-enactment of the Robert Brown expedition from Spencer Gulf to Mount Brown on 10 March 1802 highlighted the important work of this botanist on Matthew Flinders' voyage. A new viewing platform in Mount Brown Conservation Park was constructed by the Royal Geographic Society to commemorate the event.

A scientific voyage was also undertaken to the Nuyts Archipelago Conservation Park, and the State Herbarium at the Plant Biodiversity Centre held an exhibition in March 2002 called *The Botanical Legacy of 1802*.

Two new parks on Kangaroo Island, Baudin and Lesueur Conservation Parks, were officially opened in April 2002 as part of the Encounter 2002 celebrations.

Regional biodiversity plans

NPWSA is implementing a program to produce, in consultation with the community, a series of regional biodiversity plans to assist in the conservation, management and rehabilitation of habitats.

Plans have previously been released for the South East and South Australian Murray–Darling Basin, and in early 2002 the Regional Biodiversity Plans for Kangaroo Island and the Northern Agricultural Districts were released. Work is presently underway on the preparation of Regional Biodiversity Plans for Eyre Peninsula, Mount Lofty Ranges and the Rangelands.

Marine protected areas

In December 2001, the former Government released the draft vision and policy document for Marine Protected Areas, a key component of the 1998 Marine and Estuarine Strategy, for community consultation. More than 20 public meetings were held around the State to discuss the draft vision and policy document, with over 1500 members of the public attending. The opportunity for public submissions on the draft vision and policy document closed on 31 March 2002, and a final policy document will be considered by the Government during 2002–03.

Dolphin sanctuary

As part of its 20-point Green Plan for the Environment, the incoming Government has a policy commitment to create a dolphin sanctuary in the Port River and Barker Inlet. An Executive Steering Committee has been appointed by the Minister to investigate the creation of the dolphin sanctuary and prepare a report identifying options that will optimise the protection of the dolphins, the Port River and Barker Inlet habitat and associated ecosystems. Integral to the development of the report is the need for information from the community, industry and Government to properly understand stakeholder issues.

Wetland Strategy for South Australia

South Australia's draft Wetlands Strategy was released for public consultation on World Wetlands Day, 2 February 2002.

Wetlands are among our most important natural assets. They are important for maintaining healthy and productive rivers, streams, lakes, estuaries, and coastal and marine environments. In addition, they provide fish nurseries, help improve water quality and reduce the impacts of floods and droughts.

Despite SA's reputation as a dry State, it has many types of wetlands. These range from the mound springs and ephemeral lakes and rivers of the Far North, through to the floodplain wetlands of the River Murray, and estuary and tidal environments.

It is estimated that 70 per cent of South Australia's wetlands have been destroyed since European settlement, and this Strategy aims to see Wetlands recognised and managed as ecological and community assets for the benefit of present and future generations. The Strategy will also ensure wetlands are given the appropriate status, and managed accordingly by delivering the key elements of wetland conservation and management to Government, business, industry, private landholders and the broader community. The final strategy will be considered for adoption by the Government in 2002–03.

Changes to South Australian Protected Area System during 2001–02 *

Park	Area (ha)	Change	Proclamation date
Kellidie Bay Conservation Park	0.38	Abolition **	3 August 2001
Sturt Gorge Recreation Park	64	Addition	16 August 2001
Coorong National Park	1 320	Addition	23 August 2001
Wahgunyah Conservation Park	40 397	New reserve	23 August 2001
Carpenter Rocks Conservation Park	32	New reserve	6 September 2001
Mark Oliphant Conservation Park	11	Addition	13 September 2001
Anstey Hill Recreation Park	56	Addition	4 October 2001
Onkaparinga River National Park	164	Addition	11 October 2001
Wabma Kadarbu Mound Springs Conservation Park	10 635	Addition	11 October 2001
Blackwood Forest Recreation Park	21	New reserve	1 November 2001
Wolseley Common Conservation Park	25	New reserve	29 November 2001
Gawler Ranges National Park	161 690	New reserve	15 January 2002
Red Banks Conservation Park	1 024	New reserve	15 January 2002
Baudin Conservation Park	172	New reserve	28 March 2002
Cape Hart Conservation Park	308	Addition	28 March 2002
Lesueur Conservation Park	292	New reserve ***	28 March 2002
Cape Willoughby Conservation Park	16	New reserve ***	28 March 2002

* National Parks and Wildlife reserves formally gazetted by the Governor under the *National Parks and Wildlife Act 1972*

** For alteration of boundary for public road, pursuant to section 41A(1) of the *National Parks and Wildlife Act 1972*

*** Cape Hart Conservation Park was divided into two parts to become Cape Willoughby Conservation Park and Lesueur Conservation Park

Key performance indicators

Note that details of established key performance indicators were included in the Portfolio Statements 2002-03, Budget Paper 4, Volume 2. The Portfolio Statements can be viewed at <http://statebudget.sa.gov.au>

Targets for 2002–3

- Continue to develop the park system, including acquisition of high priority sites and upgrading of park classifications as appropriate
 - Create a dolphin sanctuary in the Port River and associated waters
 - Progress assessment of outstanding nominations for wilderness protection areas
 - Introduce Wildcountry philosophy for development of protected area system with interconnected protected core areas
 - Ensure key areas such as the Coongie Lakes are protected from mining and exploration
 - Continue accelerated program for development of management plans for reserves
 - Complete facilities in Lake Eyre National Park and Witjira National Park
 - Continue the Biological Survey of South Australia, including preparation of reports for surveys of the South East, Anangu Pitjantjatjara Lands and the Sandy Desert
 - Complete Regional Biodiversity Plan for Eyre Peninsula
 - Progress the Adelaide Coast Protection Strategy
 - Develop a Living Coast Strategy for South Australia
 - Complete pilot marine plan for Upper Spencer Gulf and progress marine protected areas
 - Amend the Dog and Cat Management Act 1995 to provide greater protection against dangerous dogs
 - Finalise the proclamation of the Gammon Ranges National Park as a single use national park
-

Heritage Conservation

DEH protects, restores and conserves historic and culturally significant sites, objects and structures; and administers and enforces the Heritage Act 1993, the Historic Shipwrecks Act 1981 (SA) and Historic Shipwrecks Act 1976 (Cwlth).

National Parks and Wildlife SA has responsibility for delivering the above outcome through the delivery of heritage conservation services to the community of South Australia:

Achievements for 2001–02

Heritage surveys

A heritage survey report, *Heritage of the Oodnadatta Track*, was published in May 2002. The Oodnadatta Track region has played a role in South Australia's development since the 1850s, when it was used by early explorers and pastoralists, progressing to the Ghan Railway and the Overland Telegraph line. As a result of the survey there are currently nine places in the region on the State Heritage Register with another six places recommended for inclusion, including the Dalhousie Homestead Ruins in the Witjira National Park, the former Finniss Spring Mission Complex, the ruins of the Finniss Springs Homestead and the Abminga and Edward Creek Railway Sidings.

The final report of the Birdsville and Strzelecki Tracks Heritage Survey, a joint project between Heritage SA and the Australian Heritage Commission, is due for completion in August 2002. The heritage survey has trialled new criteria for assessing places of national significance as well as identifying places of either State or local heritage value. The report of the heritage survey will also include recommendations for managing tourist activity at the heritage places along the two tracks.

Both surveys are part of a comprehensive examination of the State's non-Aboriginal heritage assets which began with the Regional Heritage Survey Program nearly 20 years ago.

Heritage Advisory Committee

The Minister for Environment and Conservation established a Heritage Advisory Committee late in the 2001-02 financial year to provide advice on heritage matters, as well as providing strategic advice on built heritage and developing a whole-of-government approach to South Australian non-indigenous heritage.

Members of the committee have been chosen to reflect a broad spectrum of views and includes representatives from relevant government agencies and key community groups such as the National Trust. The Presiding Member of the State Heritage Authority chairs the committee, which will officially start meeting early in 2002-03.

Kangaroo Island shipwrecks

The completion of the South East shipwrecks 1916–2001 and Kangaroo Island shipwrecks 1918–2001 surveys concluded the systematic survey of shipwrecks in Commonwealth waters off the South Australian coast. The data base of shipwrecks has now been upgraded and the value of the shipwrecks resource better understood enabling more targeted and effective management of the wrecks. The more significant sites can now be better protected from damaging public activities and interpretation of the sites can be provided for visitors and tourists.

Key performance indicators

Note that details of established key performance indicators were included in the Portfolio Statements 2002-03, Budget Paper 4, Volume 2. The Portfolio Statements can be viewed at <http://statebudget.sa.gov.au>

Targets for 2002–03

- Heritage Advisory Committee reports to Minister on key heritage issues
 - Introduce annual Celebrating our Heritage Awards
 - Publish Birdsville and Strzelecki Track Heritage Survey
 - Complete validation of geographical information systems (GIS) data in State Heritage Register
 - Launch a Heritage Cemeteries Fund
 - Review the Heritage Advisory Service
 - Coordinate production of multicultural heritage trail brochure for Adelaide
 - Run two regional heritage seminars for local government
 - Compile management plans for whaling heritage sites
-

Botanic Gardens

DEH provides visitor education and information services in botanic gardens, promotes community awareness and understanding and manages visitor facilities in botanic gardens.

The Botanic Gardens of Adelaide responsibility for delivering the above outcomes through the delivery of botanic gardens management services to the community of South Australia. During 2001–02, the Botanic Gardens of Adelaide developed a strategic plan building on its vision to be an international leader in applying and promoting environmental horticulture for sustainable landscape management, especially in arid and semi-arid environments.

The Board of the Botanic Gardens and State Herbarium produces its own annual report

Achievements for 2001–02

Initiate site master plan

The Board of the Botanic Gardens and State Herbarium has endorsed the preliminary brief for a site master plan for Adelaide Botanic Garden.

The master plan will provide a framework for prioritising day-to-day operational activities, and for long-term decision making, while communicating the garden's role as a cultural and scientific institution. The opportunity for community input into the direction of the gardens in the 21st century will promote community understanding and ownership of this valuable asset.

Agreement with the National Wine Centre

Following the gala opening of the National Wine Centre in November 2001, a formal agreement between the Botanic Gardens of Adelaide and the National Wine Centre was required to facilitate cooperative management of the adjoining grounds.

Following extensive consultation, a memorandum of understanding (MOU) with the National Wine Centre was endorsed by the Board of the Botanic Gardens and State Herbarium in June 2002.

The MOU addresses operational needs, and aims to maintain the highest standards of landscape management to the benefit of both organisations as premier cultural and tourist attractions for this State.

Botanic Park Management Plan

The Botanic Park Management Plan was published in February 2002 by Hassell Pty Ltd and undertakes the role of recording the history and current use of Botanic Park, with recommendations on 17 key issues for its future management and development.

The Botanic Park Management Plan will be integrated with the Botanic Gardens of Adelaide Master Plan, to be developed for 2002–04.

Partnerships for major events

With the aim of reducing long-term impact on the gardens, a focus was placed on negotiating improved partnership arrangements for the staging of major events within the

gardens. A significant achievement was negotiating with Australian Major Events to cease car parking on Botanic Park for future Adelaide Rose Festivals. Ongoing negotiations are underway with the Adelaide Symphony Orchestra (ASO Alfresco event), Moonlight Projects (Moonlight Cinema) and Arts Projects Australia (Womadelaide) to ensure impacts on the gardens are minimised.

Education and science

ENCOUNTERS WITH NATURALISTS

The Encounters with Naturalists project was a joint community outreach project between the Botanic Gardens of Adelaide, Plant Biodiversity Centre, Penneshaw School Kangaroo Island and community landcare group as a part of the recently completed statewide Encounter 2002 celebrations.

The year-long project involved scientific and education staff from both institutions working in the field with students to recreate the collection, preservation and propagation of the local flora in much the same way the naturalists did on board the ships of Nicolas Baudin and Matthew Flinders 200 years ago when they visited the Penneshaw region. True to the history of the voyages students also made detailed botanical illustrations of their plant collections.

The project culminated with the following statewide Encounter 2002 celebrations:

- presentation of specimens and illustration to VIPs and French dignitaries during official Penneshaw community celebrations
- plantings of propagated material by students in the Kangaroo Island beds at Wittunga Botanic Garden from seed collected on earlier field trips
- unveiling of a plaque to commemorate the project in the Wittunga Botanic Garden
- display of students botanical illustrations at the Penneshaw Easter Art Show
- collection and databasing of plant specimens for the establishment of a regional community reference herbarium in Penneshaw.

In addition to collections made with the school, 43 collections of cutting and seed material were made for the Wittunga Botanic Garden and 54 specimen collections for the State Herbarium.

PRIOR KNOWLEDGE

Prior Knowledge was developed as a special Encounter 2002 walking trail in the Adelaide Botanic Garden.

The trail provides a glimpse of the intimate and extensive plant knowledge of South Australian Aboriginal people prior to the exploration of the continent by Europeans—Matthew Flinders and Nicolas Baudin.

Ribgna Green, Director of the National Aboriginal Cultural Institute Tandanya, launched Prior Knowledge on 27 February 2002. The trail will be available until the end of July 2002.

Prior Knowledge was a partnership between the Botanic Gardens of Adelaide and Tauondi Aboriginal College. Further support for the project was received from the Open Access College and the Plant Biodiversity Centre.

SINGING IN THE RAIN...FOREST

An entertaining and educational musical '*Singing in the Rain...forest*' was commissioned for the schools junior primary education program. The show was written and performed by local entertainer Michael Mills in the Bicentennial Conservatory. Over 1500 students attended the sold-out performances and completed the accompanying walking trails.

BUSH TUCKER DISPLAYS

A joint initiative between the Botanic Gardens and NPWSA led to a successful display of bush foods and native animals at the Tyndokankandi Aboriginal and Torres Strait Islander Family Day which was held as part of the Adelaide Fringe. The display was repeated for Reconciliation Week events in May and June 2002.

WORLD ENVIRONMENT DAY

World Environment Day on 5 June 2002 was celebrated in Adelaide Botanic Garden through a Quiz Trail, with approximately 1500 students, teachers and parents learning about the environment and enjoying the garden. The efforts of staff, volunteers and guides made the Quiz Trail a very successful event.

SCHOOL HOLIDAY PROGRAM

The Botanic Gardens school holiday program was held in each of the school holiday periods, catering mainly for junior primary aged children.

Despite unfavourable weather conditions during the July and September 2001 holidays, the program attracted a total of 472 children over the four holiday periods to a range of activities linked to gardens programs and features. Activities included tie dying, plant monsters, paper-making, seed creatures, autumn windows, plant magic and painted pots.

Partnership arrangements have been developed to assist with running specific programs—partners have included KESAB, SA Museum and the Northern Academy of Dance drama students.

LIVING COLLECTIONS ONLINE

The Living Collections Online project was successfully completed at the end of June 2002. The project involved collaboration between Botanic Gardens of Adelaide, Corporate IT, and Environmental and Geographic Information Division to use new technology in an innovative and practical application.

The application was developed from a successful prototype to allow online access to the Living Collections data bases, which combine textual and spatial data, specifically for Botanic Gardens of Adelaide staff, via the intranet/internet.

The goals for the project were to:

- combine textual and spatial queries and reports in a common interface to The Living Collection, using web technologies

- establish an application framework for spatial and textual delivery by establishing standard practices for future projects requiring information delivered via the internet/intranet
- focus on Botanic Gardens of Adelaide data, which is on a common centrally maintained platform across all gardens, providing access from remote botanic gardens, namely Mount Lofty, Wittunga
- establish a fundamental system framework that may in the future incorporate all Botanic Gardens of Adelaide data sets in South Australia
- develop standard practices for future projects across DEH requiring textual and spatial information delivered via the internet/intranet.

Future development stages will address delivery of textual and spatial data relating to the living collections to external users including the public.

PLANTINGS OF SOUTH AUSTRALIAN TAXA

A significant horticultural development has been the display beds in front of the Plant Biodiversity Centre. The project has involved consultation between Botanic Gardens of Adelaide and Centre staff as well as external organisations, and focuses on the original flora of the Adelaide plains and native grasses.

Significant landscape work was necessary to develop a suitable cultural environment and this was followed by the initial plantings in autumn 2002.

Principles and objectives for the planting are to:

- interpret plants and plant groups, and their association with the role of the Plant Biodiversity Centre (through the involvement of centre staff and associates)
- display predominantly South Australian species adapted to the Mediterranean climate zone
- create an open 'whipstick' mallee effect (eucalypts up to 5 metres tall and multi-stemmed)
- create a bold and imaginative horticultural effect of relatively low maintenance and demonstrate low water usage
- display attractive and colourful Australian plants of horticultural merit to take advantage of this highly visible location
- link existing and proposed collections in the garden—i.e. native grasses, Mediterranean plants, Australian cultivars, mallee section, with the Centre's collection.

HELICHRYSUM 'HELPING HAND' OFFICIAL PLANTING

On 6 November 2001, the former Minister officially launched the cultivar especially selected by the Australian National Botanic Gardens in conjunction with Volunteering Australia to celebrate the work of volunteers in botanic gardens, during the International Year of Volunteers.

Major events

CINEMA IN THE GARDENS

Attendance at the 2001–02 cinema season increased with several screenings breaking local records. An eclectic range of classic, contemporary and cult movies—and the unbeatable ambience of the new location on the Bicentennial Conservatory Lawn—were enjoyed by regulars and newcomers alike.

ADELAIDE SYMPHONY ORCHESTRA ALFRESCO

On 2 February 2002, Mount Lofty Botanic Garden again hosted the Adelaide Symphony Orchestra's 'ASO Alfresco' performance. Over 2000 visitors braved the cold weather to experience popular classical music, good food and wine, in the program's most popular location.

FRINGE FESTIVAL EVENTS

Light

This exhibition combined the works of two talented young emerging South Australians and displayed the two dimensional photographs of insects, many of which were found in the Adelaide Botanic Garden, with three dimensional insect jewellery.

No Mans Island

Performed in the Adelaide Botanic Gardens and aimed at high school students, this intriguing and challenging performance explored depression and emotional and physical isolation felt by many of Australia's youth, particularly by young men, which often leads to suicide.

Key performance indicators

Note that details of established key performance indicators were included in the Portfolio Statements 2002-03, Budget Paper 4, Volume 2. The Portfolio Statements can be viewed at <http://statebudget.sa.gov.au>

Targets for 2002–03

- Continue the development of a gardens site master plan for Adelaide Botanic Gardens and Mount Lofty Botanic Gardens
 - Initiate the development of a conservation study for Adelaide Botanic Gardens and Mount Lofty Botanic Gardens
 - Develop a strategic asset management plan
 - Develop joint programs between the Botanic Gardens and other North Terrace cultural institutions and the South Australian Tourism Commission
 - Consider integral relationships and synergies between the Botanic Gardens and the Adelaide Park Lands
-

Environmental and Geographic Information and Knowledge

DEH manages the fundamental environmental and geographic information infrastructure in South Australia by managing client access to data, products and services, and developing and maintaining fundamental datasets.

The Environmental and Geographic Information (EGI) Division has responsibility for delivering the above outcome through the delivery of the following outputs:

- State spatial information infrastructure development and management services
- Spatial information products and services

Achievements for 2001–02

Improve accessibility of environmental information for the business sector and general community

DEH has been testing technologies that have the potential to enable wider community access to environmental information. The Living Collections OnLine project is being treated as a pilot for information integration and dissemination. It is intended that the system developed in support of the project will be adapted for other information products and services.

Develop a State Environmental Education Plan that links to the National Environmental Education Action Plan

The first stage of preparation of the State Environmental Education/ Sustainability Education Plan involves a series of reviews of current environmental education practice in South Australia. The Youth Education and Information Survey is currently being conducted with 2000 DETE students and the Review of Environmental Education provision in South Australia is presently being developed with the Australian Bureau of Statistics (ABS).

Stage 2 of the plan will see the development of a framework for preparing the Sustainability/ Environmental Education Plan, with policy and strategies.

Implement the Youth Environment Council Community Plan

During 2001–02, the Youth Environment Council conducted three Youth for Environmental Action workshops to implement the Community Plan. A regional workshop was conducted in Berri in September 2001 and two metropolitan workshops in March and June 2002, with a further regional workshop planned for October 2002. To date approximately 130 young people have participated in the workshops, which have resulted in the development of 30 environmental action projects, including the development of a Wetlands area at Norton Summit Primary Schools and energy management and recycling programs at Keller Street Primary School.

Key performance indicators

Note that details of established key performance indicators were included in the Portfolio Statements 2002–03, Budget Paper 4, Volume 2. The Portfolio Statements can be viewed at <http://statebudget.sa.gov.au>

Targets for 2002–03

- Develop strategies to manage fundamental geographic information infrastructure to address emerging community requirements for access to data, products and services
 - Develop a State native vegetation data base to support State and national vegetation initiatives
 - Progress a State Sustainability Education Strategy
 - Deliver environmental education curriculum projects for public and private school systems
 - Facilitate the Youth Environment Council of South Australia to conduct a 'Youth Action for Sustainability' workshop
 - Improve accessibility of Digital Cadastral Data Base through improved business processes
 - Commence conversion of the State's aerial photographic library into an electronic medium
 - Redevelop the departmental internet site
 - Further expand the Environmental Reporting Online website
 - Enhance geographic information support for the State's emergency response initiatives
 - Complete Kangaroo Island Country Fire Service map book to support emergency service activities.
-

Administration and Stewardship of Crown Lands

DEH provides management services for the use and allocation of Crown Lands (covering leases, licences and community use interest).

Crown Lands SA, situated in DEH's Business Development Division has responsibility for delivering the above outcome through the administration and stewardship of Crown lands.

Achievements for 2001–02

Native Title requirements

A review of processes to improve the timeliness and streamline Native Title requirements in Crown Lands commenced during the financial year and will be completed in 2002–03. Improvements included:

- establishment of standard process and notification were devised in partnership with the Crown Solicitor's Office for River Murray structure licences
- development of a strategy for native title implications of development by councils on reserves was undertaken in conjunction with the Crown Solicitor's Office and the DEH Environment Policy Office. Risk mitigation measures including legislative change are proposed to be implemented in 2002–03.

Crown Lands Workflow Project

All processes undertaken by Crown Lands SA were mapped, documented and reviewed and a consultant was engaged to identify potential efficiencies. The consultant's report is scheduled to be delivered in 2002–03, and it is anticipated that process improvements including identified efficiencies and changes proposed in the rewrite of Crown Lands legislation will be implemented in 2002–03.

Key performance indicators

Note that details of established key performance indicators were included in the Portfolio Statements 2002–03, Budget Paper 4, Volume 2. The Portfolio Statements can be viewed at <http://statebudget.sa.gov.au>

Targets for 2002–03

- Progress the development of a more modern system that delivers an efficient service to the public
 - Support passage of new Crown Lands legislation providing for more responsible management of Crown Lands
 - Improve coordination of development applications in respect of Crown Lands
-

Coordination and Advice

DEH provides coordination of whole-of-government initiatives or services as well as policy advice and development for and on behalf of the Minister.

The above outcome is delivered on a collaborative basis the Environment Policy Office (EPO), NPWSA, EPA, EGI and Corporate Strategy and Business Services (CS&BS) divisions of DEH the provision of policy and advice as well as review and development of legislation.

Achievements for 2001–02

Integrated natural resources legislation and establishment of integrated natural resource management groups

DEH, through EPO, managed the development of an Integrated Natural Resource Management (INRM) Bill, including extensive community consultation and the analysing of over 130 written submissions. The INRM Bill was introduced into Parliament during the Spring 2001 sitting and subsequently considered by the Environment, Resources and Development (ERD) Committee. The Bill lapsed with the proroguing of Parliament in January 2002, and the incoming Government has indicated its intention to take a new policy direction.

Although INRM legislation has not been passed, non-statutory INRM groups have been established administratively and now cover most regions of the State. South Australia is also committed to preparing regional NRM plans under the terms of the State–Commonwealth agreements for delivery of the National Action Plan for Salinity and Water Quality (NAP). Assistance has been provided to three priority regions under the NAP to develop regional NRM plans. EPO has also provided administrative and professional support to the Mount Lofty Ranges, Kangaroo Island and Northern and Yorke Agricultural Interim INRM groups during their establishment phase.

Lead responsibility for INRM issues has been transferred to DWLBC. DEH continues to work actively in partnership with DWLBC, PIRSA and Planning SA on this issue

National Action Plan for Salinity and Water Quality

EPO has played a lead role in the negotiations leading up to the Commonwealth–South Australia bilateral agreement for implementing the NAP for Salinity and Water Quality and in particular:

- represented DEH and SA on the Commonwealth–State NAP Steering Committee
- provided administration and policy support to the Chief Executive's SA INRM Steering Group
- developed foundation funding arrangements to support the establishment of INRM groups
- was instrumental in developing a \$2 million package of proposals for priority actions under the NAP for the Mt Lofty Ranges, Kangaroo Island and the Northern and Yorke Agricultural Districts

During the latter part of 2001–02, responsibility for administratively supporting the inter-agency NRM Steering Group and NRM Working Group transferred to the NRM Secretariat.

Consult on a Bill amending the Coast Protection Act 1972

In 2001–02, the Marine Managers Forum, an interagency committee with representatives of DEH, DWLBC, PIRSA, Planning SA and Transport SA, considered a review of the *Coast Protection Act 1972* and developed a policy position on establishing a Marine Planning Framework for ecosystem based management of the marine environment. The Marine Planning Framework provides for six regional marine plans whose policies and visions are incorporated into the Planning Strategy.

This policy was endorsed by the former Government in December 2001. Following the State Election, the incoming Government endorsed a proposal to develop a new Coast and Marine Act, to address a number of its policy commitments and replace the *Coast Protection Act 1972*.

A public consultation paper will be developed through an Interagency Project Steering Committee in 2002–03. The steering committee will be charged with advising as to whether or not the Coast and Marine Act should provide a legislative basis for the Marine Planning Framework and for Marine Protected Areas.

Partnership for Local Agenda 21 Program

LA 21—WORK WITH COUNCILS

The annual survey of all Local Agenda 21 (LA 21) councils was completed in December 2001. Survey findings will inform the directions in the Partnership for LA 21 Strategic Plan—*Agenda for Action*.

In addition, environmentally sustainable development training sessions were held in Berri, Mount Gambier and Whyalla in November–December 2001. These sessions, which were attended by staff and elected members from most councils in these regions, assist the increased uptake of LA 21 by country councils.

INTERNATIONAL CONFERENCE ON LA 21

South Australia's hosting of the International Conference, *Sustaining Our Communities*, in March 2002 required a re-prioritisation of activities in the LA 21 Program. Throughout January–March 2002, the primary focus of the Partnership for LA 21 was preparing for the conference.

The success of the conference was evident in the quality of the presentations and the 420 delegates, with the majority from local government and non-government organisations, and over 60 per cent travelling from either interstate or overseas.

The conference was held as part of Australia's preparations for the *World Summit on Sustainable Development (WSSD)* and to provide a forum to facilitate local government input into this process.

The key output from the conference was the Sustaining Our Communities Declaration, which the Australian Local Government Association (ALGA) committed to use as part of its national policy agenda for sustainability. The declaration will inform the position that

ALGA will advocate in its participation in the Australian delegation attending the *WSSD* in Johannesburg in August-September 2002.

The declaration will also inform the future directions of the Partnership for LA 21. The South Australian LA 21 Network is analysing the declaration for this purpose and will incorporate the outcomes of this process into the Partnership's proposed strategic plan for 2002-04—*Agenda for Action*.

The Agenda for Action is due to be completed by February 2003.

WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT

The World Summit on Sustainable Development (WSSD) will be held in Johannesburg from 26 August to 4 September 2002. The World Summit process is expected to produce three outcomes:

- a negotiated political declaration by national leaders
- a negotiated program of agreed multi-lateral actions by government with targets and timetables
- non-negotiated Partnership incentives (sectoral, regional and global) by a range of government and non-government groups.

EPO coordinated the whole-of-government input to the WSSD preparatory process which included:

- hosting the first meeting of the State and Territory WSSD contacts in Adelaide
- preparing comments for State and Territory input to the development of Australia's policy positions
- attending the Asia-Pacific Regional Preparatory Meeting in Cambodia
- assisting the Commonwealth promote the second round of public consultations.

LA 21 PARTNERSHIP DEMONSTRATION PROJECTS

Support for the Water Conservation Partnership Project (WCPP) as a demonstration project of Partnership for LA 21 has included funding for Stage One of the evaluation of the WCPP, representation on the WCPP Management and Steering Committee and supervision of the WCPP project officer.

Consult on a Bill amending the Environment Protection Act 1993

In 2001-02, significant progress was made with drafting a Bill to amend the *Environment Protection Act 1993*.

Following the change of Government and consideration of the administrative arrangements required to support policy commitments, a decision was taken to prepare new legislation, the Statutes Amendment (Environment Protection) Bill 2002, referred to as Bill No 1. Bill No. 1 primarily addresses policy commitments to enhance the independence of the EPA, refining its regulatory role and implement a new penalty regime.

A further Bill—the Statutes Amendment (Environment Protection) Amendment Bill 2002 (or Bill No.2), is mainly focused on the outcomes of the general review of the Act.

It is anticipated that Bill No.1 will be introduced to Parliament in the 2002 Spring session, while consultation on Bill No2 will be undertaken in late 2002.

Preparation of an environment planning bulletin with Planning SA

An environmental planning bulletin is being prepared collaboratively between EPO and Planning SA. The bulletin will provide policy advice and direction for planning practitioners and councils seeking to introduce environmental policies into their development plans.

Public consultation on the bulletin will occur during 2002-03.

Access to biological resources

In September 2001, Environment Australia released draft regulations under the *Environment Protection and Biodiversity Conservation Act 1999* (Cwlth) to govern access to biological resources in Commonwealth areas. Subsequently, EPO initiated a response to ensure consistency at the national level, by convening a national forum in Adelaide in November 2001.

The forum endorsed the need for a nationally consistent approach for access to biological resources. As a result, a national Genetic and Biochemical Resources Working Group has been established under the Land, Water and Biodiversity Advisory Committee to progress this work.

Climate change

Climate change is an issue integral to the future sustainability of society. EPO has undertaken a lead role in the development of the *Greenhouse Strategy for South Australia 2002—2005*. Key activities have included:

- convening and advising the South Australian Greenhouse Committee and participating actively in its programs
- initiating the development of Greenhouse—the Next Step, a whole-of-government strategic plan for the next five years
- convening the working group with SA Housing Trust and Office of Energy Policy to develop a proposal for Commonwealth funding of 300 solar hot water systems for Trust housing, under the Greenhouse Gas Reduction Program
- participating in the national Adaptation Working Group for climate change through the Australian Greenhouse Office
- participating in development of proposals for the SA Government to join the Greenhouse Challenge as a means to counter the present trends of increasing emissions and energy use
- initiating a proposal to engage CSIRO to undertake projections and an impact study of climate change in South Australia
- participating in the Energy Efficiency Working Group, convened jointly by Department of the Premier and Cabinet, and Energy SA.

Green power

In line with DEH's desire to minimise its adverse impact on the environment, EPO developed a proposal for the department to purchase of green power and recommended to

the Minister that this initiative be pursued at a whole-of-government level. The Government has agreed to the purchase green power as a means of accelerating the establishment of wind farms in South Australia.

Greening of Government initiative

In an extension of the department's Greening DEH initiative, EPO has established an informal network of interested officers from across government to share environmentally sound ideas and practices and to discuss the adoption of a formal 'Greening of Government' initiative.

In June 2001, DEH awarded a consultancy to Brown and Root/ Delloitte Touche Tomhatsu to undertake a desk top study of national and international best practice models for institutional frameworks in 'greening of government'. The study highlighted that an overall sustainability strategy approach was being adopted internationally by many governments. Within these strategies, the 'greening of government' was an important contribution to ensuring rhetoric was being put in action and that Governments were demonstrating leadership to the community. The recommendations of this study are currently being considered.

Marine Managers Forum

The EPO participated in monthly meetings of both the MMF and its associated working group. Policy and associated Drafting Instructions for legislative amendments for a Marine Planning Framework for South Australia were developed on behalf of the forum in consultation with Planning SA. The forum initiated and progressed a marine plan for the Spencer Gulf region and progressed the vision and policy for marine protected areas in the State.

Provide whole-of-government coordination and response to business arising under the EP&BC Act

During 2001–02, 30 projects within or partly within South Australia were referred to the Commonwealth Environment Minister for a determination under the *Environment Protection and Biodiversity Conservation Act 1999*. Of these projects, 27 were forwarded by Environment Australia to the State Government for comment by relevant government agencies.

In addition, an EP&BC Act Steering Committee was convened in July 2001 and approved, among other matters:

- a protocol document for providing State input to the Environmental Assessment process under the Act
- a protocol for considering nominations of key threatening processes under the Act
- an approach for considering nominations of threatened species under the Act (a protocol document in accord with this approach was subsequently developed).

EPO maintains a watching brief on whether the bilateral status with the Commonwealth should be changed.

Amendment to Schedule 1—railway systems

Amendments to the definition of 'railway systems' in Schedule 1 of the *Environment Protection Act 1993* were drafted and notified in the Gazette on 11 October 2001. The definition was amended to refer to 'railway operations' to ensure that all parts of the disaggregated railway infrastructure could be licensed by the Environment Protection

Authority. Consequent amendments were made to Schedule 22 of the *Development Act 1993* to mirror amendments made to the *Environment Protection Act 1993*.

Environment Protection and Heritage Council

The EPO provided support for meetings of the Environment Protection and Heritage Council, and its Standing Committee during 2001–02. The role of whole-of-government coordinator was transferred to the EPA as part of the departmental restructure.

Key performance indicators

Note that details of established key performance indicators were included in the Portfolio Statements 2002–03, Budget Paper 4, Volume 2. The Portfolio Statements can be viewed at <http://statebudget.sa.gov.au>

Targets for 2002–03

- Publish the SA Green Print — a comprehensive statement of policies and targets
 - Establish an Office of Sustainability within the Department for Environment and Heritage
 - Promote eco-efficiency as a strategy to enhance business sustainability
 - Promote the development of innovative Green Business
 - Develop frameworks for integrated waste management
 - Support the passage of various legislation amending the *Environment Protection Act 1993*, to address policy commitments and outcomes of review
 - Support the passage of amendments to the *National Environment Protection Council (South Australia) Act 1995* to accord with amendments to the Commonwealth *National Environment Protection Council Act 1994*
 - Support development of, and consultation on, the draft Air Toxics National Environment Protection Measure (NEPM) and on the amendment of the Ambient Air Quality NEPM to address fine particles
 - Evaluate new legislative approaches to biodiversity conservation in South Australia
 - Evaluate new approaches to marine and coastal management legislation.
-

Corporate Initiatives

Key Achievements for 2001–02

Corporate Initiatives

Strategic leadership and corporate support ensures that the department's systems and reporting procedures provide responsive, effective and efficient services to the department, Government and community.

DEH's corporate support function provides strategic advice and leadership in corporate business processes in line with the requirements of the Government, the Minister, central agencies and DEH divisions, ensuring the department's capacity to deliver outputs to its customers is maximised.

DEH's corporate support function is managed principally by the Corporate Strategy and Business Services (CS&BS) Division, Business Development Division and the Chief Executive's Office.

Communication

A number of initiatives continued throughout 2001–02 to enhance corporate communications:

- *Chief Executive Updates* and *Managers' Forums* are an integral part of an internal communication strategy designed to promulgate corporate directions and priorities throughout the organisation
- the weekly *DEH News* bulletin enables divisions to share achievements, highlights and significant activities
- the redesigned and improved agency intranet system—HUB2—was launched
- marketing and public communication across the agency was reviewed, resulting in the adoption of a framework that set a strategic direction for marketing and public communication across the agency, adopts common goals and priorities, integrates marketing efforts and develops key public messages
- the Strategic Marketing Unit coordinated a range of public events and displays that brought together different aspects of the agency under common environmental themes, including:
 - a display at the Caravan and Camping Show with a focus on The Year of the Outback and, in particular, visitors to outback regions taking care of, and appreciating, the natural environment and wildlife
 - an interactive display at the World Stage Event at the opening of the new Convention Centre focused on environmental attractions for visitors to South Australia to enjoy.

World Environment Day—5 June 2002

This year's theme for World Environment Day—*Give Earth a Chance*—called on everyone to contribute to healing the planet, looking at our daily impact on the planet and taking action to improve our environmental behaviour. A World Environment Day presentation in Rundle Mall focused on community participation in environment programs and activities within the Environment and Conservation Portfolio.

Aboriginal reconciliation

During 2001–02, the department developed a DEH Reconciliation Strategy that embodied a commitment to an agency-wide Aboriginal reconciliation agenda. The strategy, incorporating performance measures, benchmarks and a process for regular reporting on DEH's contribution to the broader reconciliation agenda, was endorsed by DEH Executive in May 2002 along with requirements to:

- meet legislative and government policy obligations for Aboriginal people
- develop opportunities that contribute to the achievement of Aboriginal aspirations
- develop action plans aimed at achieving key areas to be further explored in 2002–03.

Human resources management

Human Resources Management (HRM) aligns the objectives defined in the DEH business plans with the personnel management standards of the *Public Sector Management Act 1995* as expressed in the eight key result areas of the Office for the Commissioner for Public Employment's HRM Framework for the South Australian Public Sector.

The department's HRM function is designed to support the sustainability of the agency in the short, medium and long term. The DEH Organisational Emphases provided the direction for HR matters in 2001–02, particularly the People and Work emphasis that required organisational performance to place a priority on creating:

- a vibrant and enjoyable workplaces
- a sense of community and pride in work
- high performance and achievement
- continuous learning and improvement (individual and organisational).

From these priorities, the 2001–02 HR related outcomes were derived and stated as:

- a planned, skilled and managed workforce
- effective strategic management processes for DEH
- sound corporate administration.

The Corporate Human Resource Services and Organisational Development teams developed and implemented specific strategies, and continued to provide HR services to meet these objectives.

In meeting these outcomes these teams focused on:

- workforce planning, specifically:
 - management of enhanced targeted voluntary separation packages (ETVSPs) and the subsequent recruitment and selection of graduates to build and sustain the workforce in the medium to long term
 - employment of trainees through the SA Government Youth Training Scheme
 - management and coordination of a departmental restructure
- development of skills across different levels of staff within the department, specifically:

- participation of graduates in the Government Practicing Certificate IV program
- first phase of the Management Development initiative involving the implementation of a 360-degree feedback process for executives and managers
- the provision of high standard advice on human resources matters
- the development of a suite of voluntary flexible working arrangements.

A closer look at each of the key result areas highlights these and other initiatives undertaken.

Achievements for 2001-02

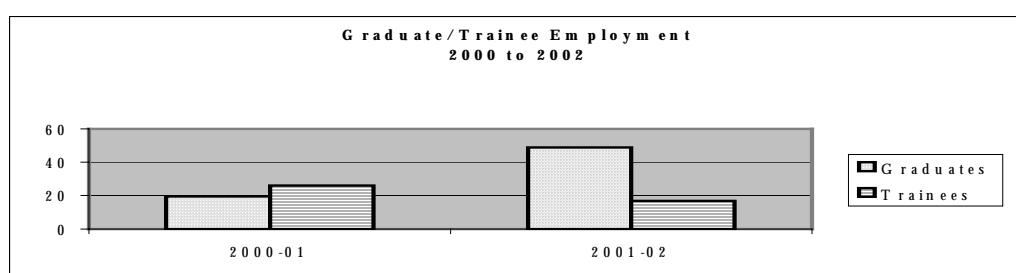
A PLANNED WORKFORCE

Major initiatives to meet the outcome of having a planned workforce included:

- development of two policies (expected to be endorsed early in 2002-03) to inform different aspects of the workforce planning process:
 - *Position Management Policy*, including the effective management of full-time equivalents (FTEs) in relation to workforce planning
 - *Leaving the Department Policy*, including an exit interview process, which in part reviews position evolution and informs the organisational development process
- development of a draft human resource management strategy, aimed at ensuring human resource processes are integrated with the business planning process
- management and coordination of the human resource matters involved in the restructure of the department (all staff participated in a change management workshop to assist them, personally and in a business sense, with the change process; the restructure has, and will continue to, align the capacity of the workforce with the need to meet future environmental management outcomes)
- provision of HRM advice in the business planning process to ensure the department's HR capacity matches the business objectives and to ensure HR service provision meets the business needs.

QUALITY STAFFING

Ensuring that skilled staff were attracted to, and retained in, the department to meet the core business objectives was a key HR outcome for the reporting period. The ETVSP process allowed skills to be renewed through the employment of graduates targeted by the *DEH Employer of Choice* initiative promoted at university open days in 2001. The department employed 49 graduates and 17 trainees throughout the financial year.



Age group (years)	Number of employees (persons)			% of all agency employees	% of Australian workforce*	% of Australian population
	Male	Female	Total			
15–19	4	7	11	0.9	8.0	7.0
20–24	25	78	103	8.7	11.4	7.1
25–29	51	85	136	11.4	11.9	7.5
30–34	72	71	143	12.0	11.9	7.5
35–39	76	70	146	12.3	11.8	7.6
40–44	102	72	174	14.6	12.3	7.6
45–49	152	71	223	18.8	11.5	7.0
50–54	113	37	150	12.6	9.9	6.6
55–59	60	20	80	6.7	6.7	5.1
60–64	10	4	14	1.2	3.1	4.1
65+	2	6	8	0.7	1.6	12.5

* Australian Workforce Information (as at April 2002) sourced from ABS Supertable C2 and Australian and Population information (as at June 2001) sourced from ABS 3201.0 <http://abs.sagn.sa.gov.au/abs/abs@nsf/abshome>

A review of recruitment and selection processes began to ensure that all human resources staff, managers and supervisors were skilled in recruiting and selecting quality staff to meet the department's business goals. As part of the review a series of workshops was developed—the first, held in June 2002, on improving DEH's job and person specifications. A suite of recruitment and selection policies continues to provide a sound basis for this activity. The Induction Kit, providing vital information for newcomers, forms a key part of the recruitment process in DEH. It was reviewed and posted electronically on the department's intranet site, thereby assisting employees to perform in their positions from day one on the job.

RESPONSIVE AND SAFE EMPLOYMENT CONDITIONS

To help achieve a vibrant and enjoyable workplace with high levels of performance and achievement, DEH developed a suite of voluntary flexible working arrangements. The arrangements allow for diversity in employment, flexibility in the management of work, and a healthier, more manageable, lifestyle for employees. The arrangements formalised by policy include Home Based Work, Purchased Leave and Part-time Work. These policies add to the existing Flexitime policy and reflect the department's well-established practice of supporting part-time and home-based work.

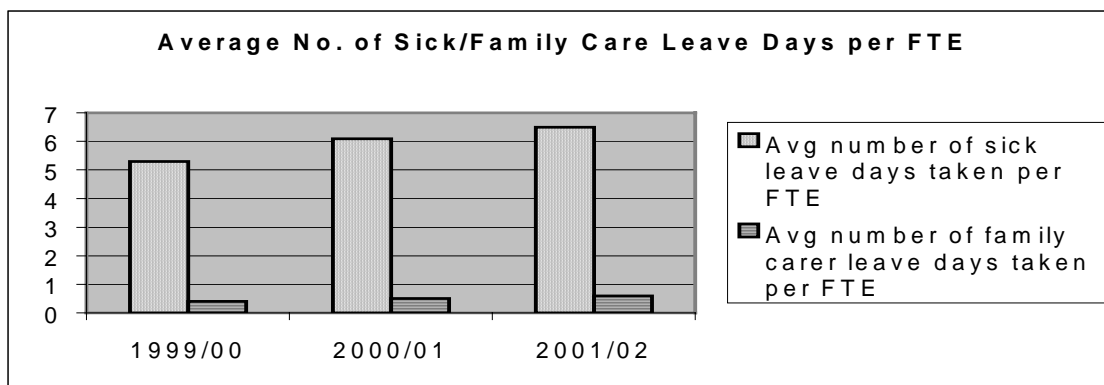
An additional means of facilitating a vibrant and enjoyable working environment is evidenced through the system of Divisional Consultative Committees. These committees meet regularly to discuss and consult with all staff on a variety of workplace issues. The Chief Executive regularly meets with chairs of consultative committees to keep abreast of and address employee issues.

The department works in partnership with ITIM Australia Limited to provide an effective Employee Assistance Program aimed at supporting the health and well-being of DEH staff. The program provides formal and informal counselling to employees and their families. Work-stress, work relationships, management and changes in the workplace were key areas in which ITIM assisted staff to manage in 2001–02. Feedback from management and staff indicates that the service makes a significant contribution to the health of employees and morale in the workplace.

Leave management—sick leave and family carer leave

Corporate HR Services is instrumental in ensuring absenteeism is closely monitored within the department. Managers are provided with regular reports and specialist advice where appropriate to help them identify and manage any potential misuse of sick leave.

A number of long-term sick leave cases have resulted in an increase of the average number of sick leave days taken during the year from 6.1 days per FTE in 2000–01 to 6.5 days per FTE in 2001–02.



In addition, the use of carer's leave has marginally increased over the last three years indicating staff's willingness to use it rather than utilising sick leave.

	1999–2000	2000–01	2001–02
Average number of sick leave days taken per FTE	5.3	6.1	6.5
Average number of family carer leave days taken per FTE	0.4	0.5	0.6

MANAGED PERFORMANCE

The *Code of Conduct for South Australian Public Sector Employees*, developed by the Office for the Commissioner for Public Employment, was issued to all employees, managers and executives in DEH in November 2001. The public sector approach reinforced the existing DEH Code of Conduct and reminded staff of their responsibilities to ensure their performance and achievement is underpinned by the appropriate ethical standards.

The performance management processes in the department continued to provide a sound basis for enabling employees to perform and achieve to a high standard. The HR team continued to manage grievances and disciplinary processes as required during the year, supported by the grievance and disciplinary process policies.

PLANNED HUMAN RESOURCE DEVELOPMENT

Human resource development is approached strategically

Management has recognised that the development of staff in DEH was paramount to achieve the strategic direction the department had undertaken.

As a result several major training and development initiatives were implemented to assist in skilling the workforce to satisfy the stated objectives. Primarily, employees were provided

with training and development opportunities to maintain and improve people-management skills at all levels in DEH.

Initiatives included:

- Leadership and Management Development program
- Managing Projects—Coaching program
- Manager Assistance program
- Youth Mentoring pilot program
- Springboard and Navigator
- Development of a training course calendar for HUB2.

The DEH Leadership and Management Development Strategy was designed to support senior DEH managers to continuously develop their management and leadership skills by focusing on developing capabilities associated with superior performance. The strategy is also tailored to support DEH's four key organisational emphases: Policy Leadership; In Business; People and Work; and Connected to People.

The Managing People series aimed to inspire and enable DEH managers and leaders to continually develop skills associated with working with and through people. DEH used a 360-degree feedback framework to identify the 'in common' development needs of the participant group. The feedback process began in late May 2002 with the participation of the Chief Executive and all other members of the Executive. During 2002–03, Level 2 and 3 managers will participate in the 360-degree feedback process and the results will provide baseline data for developing a targeted training and development program in the second phase of the Managing People series.

As part of the DEH Human Resources Development strategy and the Youth Employment project, a Youth Employment Mentoring Pilot Program was proposed and endorsed by Executive in February 2001. The 12-month pilot program was specifically targeted at the department's young employees (those aged 29 years and under) and involved 19 young people from across the agency (13 female and 6 male) and 25 mentors who were all departmental employees remunerated at the AS05 level (or equivalent) and above.

A review of the program indicated that it was beneficial to all participants—mentorees and mentors. A broader mentoring and coaching program is to be considered in 2002–03 as a result of the pilot program.

Forty-five DEH graduates commenced participation in the competency-based Government Practicing Certificate IV between March and June 2002. This sector-wide initiative ensures equitable access to a structured induction program and develops a common competency set for all graduates, encompassing the skills and knowledge required to work effectively in the State Government. DEH funded approximately half of the graduates to attend and has provided work-based support mechanisms to meet the graduates' needs during the program.

At the non-managerial and first-line management levels, DEH has addressed the development needs of staff through the Springboard and Navigator programs. The Springboard women's development program and network continues to form the basis of

personal development training for women. In 2001–02, a men’s development program, Navigator, was implemented and has formed the focus of a personal development strategy for men. Both programs will continue to be provided in the 2002–03 financial year.

To build the leadership capacity of the department, DEH Executive continued the support of staff participating in Leadership SA programs. DEH employees took part in the following Leadership SA initiatives:

- Frontline Management Program—14 employees
- Senior Management Program:
 - The Lead Program—8 employees
 - Targeted Leadership Coaching—7 employees
 - Development Centre—3 employees
 - Executive Program (EXCEED Course) —1 employee.

In addition, DEH provided financial assistance and leave for employees undertaking further studies to ensure the department maintains a workforce that has relevant and high-level skills to achieve business objectives.

Employee skill profile is known and skill gaps are identified

The Concept Training Information Module included details of all training recorded for staff. This module provided data on specific training attendance, qualifications and skills across the department achieved through formal training programs.

A human resource development plan exists

Using Individual Development Plans (IDPs), completed as part of the performance management process, divisions have begun to develop training and development plans to meet the common and individual needs of employees. The divisional training and development plans will then be used to inform the department’s overall training and development plan and strategy.

Development plans exist for individual employees

The Performance Management policy and guidelines stipulate that all employees will have an IDP as part of their performance management review. Performance agreements for divisional heads also require a report on the percentage of staff with IDPs on a quarterly basis.

Development opportunities are equitable and accessible

All employees were provided with the opportunity to pursue professional and personal development appropriate to their work and career aspirations—within the constraints of each division’s annual budget. Data collected on training and development activities assists DEH to analyse access to training and development and ensure that training dollars and effort are being equitably provided across the department.

The Human Resource Development Strategy also supported management’s facilitation of training and development in a consistent and equitable manner. Opportunities were provided in a variety of formats, including online, with particular emphasis on supporting access by remote or isolated staff.

Equitable access to development opportunities is addressed in the draft Human Resource Development Policy (to be issued early in the 2002–03 financial year).

Agency investment in human resource development is evaluated

DEH's investment in human resource development as a percentage of the total remuneration costs has decreased over the last financial year from 2.08 per cent to 1.8 per cent. The drop in the investment may reflect the tendency towards under-reporting when using the self-reporting tool to document training and development costs. There is also a tendency to under-report development opportunities when they are not a formalised training course. The investment in leadership and management development has decreased significantly, again possibly as a result of under-reporting. A focus on management and leadership capability in the 2002–03 financial year will see a marked increase in leadership and management expenditure over the next 12 months.

The increase in the number of IDPs being implemented or revised in the last 12 months indicates an increase in awareness of the importance of training and development in order to meet the business objectives. A renewed focus on performance management in the 2002–03 financial year will encourage the increased use of the IDPs and the development of a corporate training and development program.

	% of employees with a documented individual development plan which was either implemented or revised during the last 12 months				% of training expenditure relative to total remuneration costs				Agency investment in leadership and management development (2001–02 benchmark of 2% determined by Senior Management Group)			
	99–00	00–01	01–02	Target 02–03	99–00	00–01	01–02	Target 02–03	99–00	00–01	01–02	Target 02–03
TOTAL	49.5%	46.7%	57.3%	100%	2.08%	1.8%	2.0%		0.62%	0.41%	2.0%	

PROTECTION OF MERIT AND EQUITY

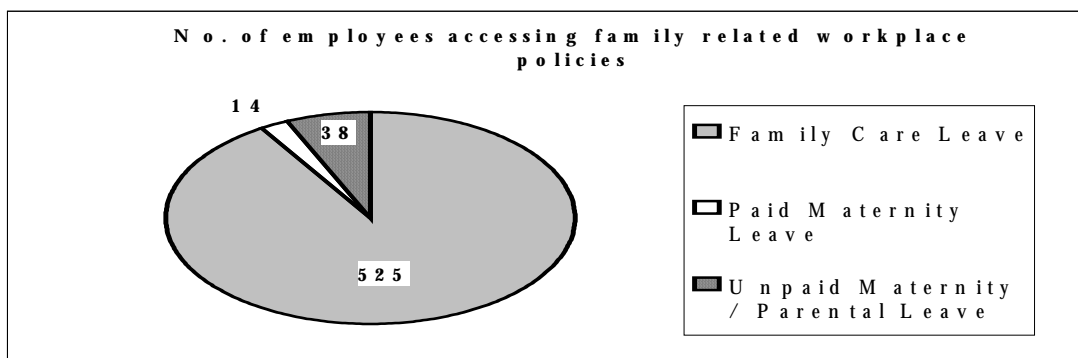
DEH staff participated in the Office for the Commissioner for Public Employment's Diversity Profiling initiative early in 2002. The results of this survey will be used in 2002–03 to address any identified trends in the department's diversity profile.

	Total employees	Female employees	% of employees who are female	Number of employees identifying as indigenous	Number of employees accessing family related workplace policies
Executives	17	2	11.8%	0	0
Senior managers*	112	26	23.2%	0	41
Middle managers**	312	87	27.9%	0	129
First line supervisors#	273	149	54.6%	0	153
Others	474	257	54.2%	17	254
TOTAL	1188	521	43.9%	17	577

* Senior managers include all ASO7 and ASO8 and equivalent, irrespective of any supervisory role

** Middle managers include all ASO5 and ASO6 and equivalent, irrespective of any supervisory role

First line supervisors include all ASO3 and ASO4 and equivalent, irrespective of any supervisory role



The Aboriginal Partnerships Unit in NPWSA has developed a strategy to enable the effective recruitment and development of Aboriginal employees for the department. The strategy includes the use of traineeships, apprenticeships and cadetships as well as addressing the training and development needs of both new and existing Aboriginal employees. The endorsement and implementation of the strategy is expected early in the 2002–03 year.

DEH Disability Action Plan

During 2001–02, DEH developed a Disability Action Plan. The plan outlined strategies to enhance equality of access and opportunity for the department's clients and staff with disabilities for implementation in 2002–03. The plan provides a framework to ensure that DEH meets its responsibilities under the *Disability Discrimination Act 1992* (Cwlth).

The department expanded its commitment to managing diversity by promoting awareness of people with diverse cultural and non-English speaking backgrounds. The plan aims to enhance equality of access and opportunity for the department's clients and staff and also provided a framework to ensure that DEH meets its responsibilities under the South Australian *Equal Employment Act 1984*.

Ensure accessibility to their services and programs to people with disabilities and those from diverse cultures

The department aims to raise awareness of the needs of staff and clients with disabilities and those from diverse cultures. This process will be aided by the development of questionnaires designed to raise awareness as well as assessment of any gaps in current practices and services. Managers will be encouraged to make provision in future strategic plans and budgets to address these specific needs.

NPWSA ensures access and availability to parks as part of the planning and budgetary strategy process, requiring all capital work developments to undergo an assessment in order to comply with current legislation. Capital investment funds have been allocated to maintain and/or improve access to these services. Internationally recognised symbol signage is used in national parks to aid people with disabilities and those from non-English speaking backgrounds.

Corporate Strategy and Business Services continued to promote principles of the Charter of Public Service in a Culturally Diverse Society, which included the continuation of cross-cultural awareness programs throughout the department, and the use of the Interpreting and Translating Centre services.

DEH has initiated partnerships with Aboriginal people to ensure the department's services respect their values and customs, and effectively deliver management projects on Aboriginal lands and include Aboriginal representatives on State and regional Natural Heritage Trust assessment panels.

Ensure information about their services and programs is inclusive of all people

The DEH website is designed to meet the Web Content Accessibility Guidelines including alternatives to auditory and visual content to enable the use of screen readers and text-only browsers.

A number of information brochures have also been produced in languages other than English, and some tourist information is visually available via touch-screen monitors.

Deliver advice and services to people commensurate with awareness and understanding of issues affecting people with diverse needs

A critical issue identified within DEH for further consideration by staff was the need to improve awareness of the requirements of people with diverse needs. Staff awareness of the DEH Disability Action Plan will be initiated via the department's intranet and by the use of questionnaires to further define training needs relating to responsibilities and service provision.

Provide opportunities for consultation with people with disabilities in decision-making processes

The DEH Disability Action Plan was drafted in consultation with people with disabilities. Following endorsement of this draft, broader consultation will be sought to determine the impact on DEH and its clients. Consultation will also be sought on implementing mechanisms for complaints and grievances on DEH processes.

In 2001–02, Adelaide Botanic Gardens management consulted people with disabilities before embarking on a full audit of the gardens for the purpose of assessing the areas that may require upgrading for a broader inclusion of people with disabilities.

Meet the Disability Discrimination Act 1992 and the Equal Opportunity Act 1984 requirements

The DEH Disability Action Plan was developed to demonstrate the department's commitment to achieving the outcomes of the *Promoting Independence—Disability Action Plans for South Australia* strategy, meeting the requirements of the legislation, managing diversity, and increasing staff awareness of the needs of people with disabilities. A demonstration of the department's approach is the contracting of an organisation with a workforce of people with disabilities for property maintenance projects within DEH.

Further demonstration of DEH's commitment to a diverse workforce, is the engagement of an Auslan (sign language for the hearing impaired) interpreter on a regular basis to allow the full inclusion of a member of our staff at meetings.

Accountability provisions

Plans are being developed to define and implement reporting tools that will help measure progress in meeting the department's commitment to the Charter of Public Service in a Culturally Diverse Society.

CONTINUOUS IMPROVEMENT

DEH ensures the continuous improvement of its HRM processes through its Strategic and Business Planning. A HR consultant has participated in the business planning process

across the department to ensure that business plans are adequately supported by appropriate HRM activities and programs.

The department's commitment to effective communication and sound administrative processes has been addressed by focusing on electronic communication methods and provision of service. The Corporate Human Resource Services team together with the Corporate Information branch piloted electronic pay-slips and leave forms in two divisions within DEH in 2001–02. The success of the pilot program means that this service will be provided to all divisions of DEH in 2002–03.

The intranet also provides a key means of providing HR information to staff in the department, and is particularly important for staff in regional and remote areas or staff working in the field. HR information is updated regularly with new initiatives, programs and policies being promoted online as well as through more traditional communication avenues.

MONITORING AND REPORTING

As part of a whole-of-government program, DEH has committed to implementing the Complete Human Resource and Payroll Information System (CHRIS). During 2001–02, departmental representatives had significant input into the development of the system to ensure that the department's monitoring and reporting capabilities will be improved.

Internal reporting processes are regularly reviewed to ensure effective monitoring of performance. Quarterly performance reports linked to the stated outcomes of the business plan ensure that the high standards of performance and achievement required as part of the organisational emphases are monitored and maintained. Individual attainment of objectives is monitored and managed through the DEH Performance Management process.

Information management

Corporate Information's role is to lead planning, development and the operation of Information Services that support the business of DEH.

Achievements for 2001–02

TELECOMMUNICATIONS STRATEGY

A successful telecommunications roll-out in conjunction with Telstra was implemented under the WOG Telecommunications Services Agreement signed in October 2001 with DEH being the first government agency involved.

Of DEH's 54 regional and remote offices:

- 17 had an increase in bandwidth
- 20 moved from an expensive limited connection to a more economical permanent link
- 8 extra offices were connected providing access for a further 20 DEH staff.

The roll-out has provided DEH with an affordable telecommunications foundation that offers secure, dependable connectivity of corporate systems across all regional and remote sites. Key features include satellite services to offices on Kangaroo Island and the Far North of the State, improved network performance through better monitoring and management, and improved fault reporting via the DEH Help Desk working with Telstra.

DEH staff, regardless of their physical location, will have access to corporate data and information. Future proposed initiatives under this agreement will provide greater flexibility in the way departmental staff undertake their normal duties.

INFORMATION STRATEGY

The implementation of an information strategy was a major corporate initiative during 2000–01. In keeping with the department's strong risk management emphasis, the strategy aims to identify information management risk issues, improve current information management practices for all staff and determine future infrastructure needs to sustain improvements.

Notable achievements for the 2001–02 include:

- the development of a policy and management framework for DEH to ensure efficiency, consistency and usability of DEH policies, procedures and standards
- the purchase and distribution of portable barcode readers across DEH resulting in a 60 per cent improvement in location data of registered files
- positioning the department for selection of an integrated electronic document and records management system
- improvement of records management practice in selected business areas
- engagement in department-wide business-function analysis and subsequent development of business classification schema, thesauri and records disposal schedules
- clearance of backlog through sentencing and cataloguing
- selection of temporary storage provider for agency records
- identification of records management competency levels for the department
- process improvement through a delivery pilot of electronic payslips and leave forms
- implementation of a consistent business-centric and function-based information structure on the departmental intranet
- improved information sharing through the establishment of business-enabled document publishing facilities on the newly launched departmental intranet
- automated distribution of general ledger information through the DEH intranet.

DESKTOP SUPPORT CENTRE

The Desktop Support Centre was launched in July 2001 after a review of the provision of desktop services across the department. Since its introduction the Centre has provided the department with a number of benefits including:

- the establishment of an IT asset management system to track all IT equipment from purchase through to disposal
- significant savings in PC replacements costs
- a centrally managed desktop support service for DEH
- the ongoing development and enhancement of a help desk service, where all IT problems are logged, tracked and resolved.

The Desktop Support Centre will continue to enhance its value to the organisation by providing a service driven by customer's expectations.

THIN CLIENT PILOT

During 2001–02, a pilot program established the framework for the future implementation of a technology that would curtail the endless spiral of new software needing more powerful PCs, increased support and improved infrastructure.

Thin client (and terminal server) methods aim to limit the dependency upon highly configured PCs by running desktop applications on a few powerful central servers, with users' desktop PCs operating very much like mainframe terminals. A pilot project was successfully completed at NPWSA sites at Black Hill, Cleland and Belair. The pilot featured the delivery of Office 2000 software as well as greatly improved access to corporate services such as e-mail, the Intranet and financial information.

APPLICATIONS

Wildlife permits

Corporate Information branch, in collaboration with NPWSA staff, developed an application to manage the issuing, maintenance and reporting of wildlife permits for normal NPWSA business operations. It provided a simple, centralised and easily accessible application, using web technologies, with access to regional sites such as Port Augusta using the same application.

Aramis

In cooperation with NPWSA financial business managers, Corporate Information branch developed a Parks Assets management system that provided business managers with a useful financial reporting and maintenance tool, producing timely reports for the budget process that showed real business benefits and was based on standard web technologies and architectures.

Living Collections

This system was developed by Corporate Information branch on behalf of the Botanic Gardens of Adelaide. The project delivered an integrated system, combining a textual data set with a spatial data set through a common interface that allows gardens staff to view garden details and query the existing textual botanical information. It can also be used as a business planning and maintenance tool.

Standards

Significant work has been done in the area of application development and architecture standards. This work has been informed from previous projects and an awareness of industry trends. Corporate Information branch has assisted divisions in the technical specification and tender evaluation of software development projects and continues to provide a support, guidance and review role for compliance with the department's application development and architecture standards.

Financial management

DEH placed significant emphasis on financial management in 2001–02 and began a process of expenditure constraint in order to achieve the financial targets set by the Government.

Highlights of 2001–02

FINANCIAL OVERVIEW

The department underwent several restructures during the year ending 30 June 2002. On 4 December 2001, the Office for Recreation, Sport and Racing transferred to the Department for Administrative and Information Services (DAIS), and the Office for Volunteers to the Emergency Services Administrative Unit. The Geographic Analysis Research Unit transferred from the Department for Transport, Urban Planning and the Arts on 1 January 2002. The financial impact of these restructures had not been provided for in the department's original 2001–02 budget. The value of comparing the 2001–02 actual figures against prior year comparative figures is limited due to these organisational restructures. Given this, budget and actual result figures for 2000–01 have been excluded from the following tables.

The following tables summarise the department's budget and actual outcome for the 2001–02 financial year:

- Summary Statement of Financial Performance for the year ending 30 June 2002
- Summary Statement of Financial Position as at 30 June 2002
- Summary Statement of Cash Flow for year ending 30 June 2002.

The actual figures in the abridged Statement of Financial Performance, Statement of Financial Position and Statement of Cash Flows have been extracted from the DEH audited financial statements, which are available at the Environment Shop, 77 Grenfell Street, Adelaide and on the DEH internet website at www.environment.sa.gov.au.

The budget figures used in this document correspond with the 2001–02 budget papers that were tabled in Parliament in May 2001.

Detailed financial statements are presented in Appendix 3—Financial Statements, and Appendix 4—External consultancies and contractual arrangements.

Summary Statement of Financial Performance for the Year Ending 30 June 2002

	Actual 2001–02 (\$000s)
Operating expenses	167 135
Operating revenues	63 659
Net cost of services	103 476
Revenues from Government	94 683
Net revenue (expense) from restructuring	(61 202)
Deficit on ordinary activities	(69 995)
Increase (Decrease) in asset revaluation reserve	–
Total changes in equity	(69 995)

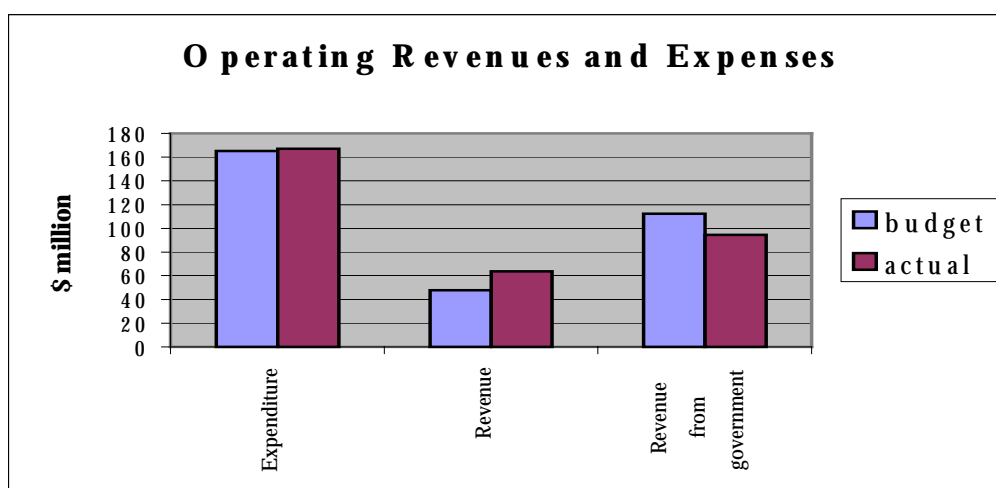
* The budget and actual result are not directly comparable due to the effects of restructuring of DEH during 2001–02. There are no budget figures?

Statement of financial performance

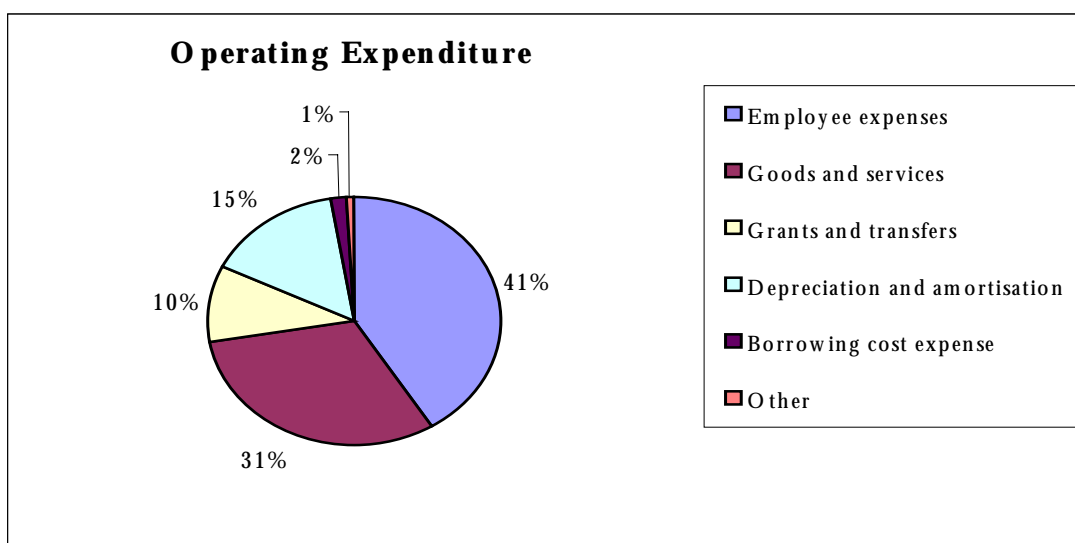
The department's budgeted operating result provided for an operating loss of \$5.1 million. The actual result was a loss on ordinary activities of \$70.0 million, primarily attributable to a net expense from portfolio restructuring of \$61.2 million—arising from the net transfer of assets and liabilities out of DEH to other portfolios.

Operating expenses were approximately \$2.0 million higher than expected as a result of:

- TVSPs of approximately \$4 million that were not budgeted, but recouped through central agencies (see revenue variations)
- an unanticipated carryover of expenses of approximately \$5.2 million from 2000–01 (a significant portion of which related to State and Commonwealth funded projects)
- expenditure (and contributions) from the Commonwealth for Natural Heritage Trust and other projects



- additional expenditure funded from increases in revenue from Section 7 statement sales, increased interest, and other fees and charges
- capital work in progress write-offs amounting to \$1.1 million that were not budgeted (attributed to the re-categorisation of operating project costs initially captured as capital work in progress for investing projects)
- a reduction in expenditure of \$13.3 million due to the transfer of the Office for Recreation, Sport and Racing, and Office for Volunteers out of the department on 4 December 2001. This reduction in expenditure served to offset aforementioned over expenditures resulting in a net increase of expense of \$2.0 million.



Operating revenue was approximately \$16.0 million higher than budgeted because of:

- assets acquired free of charge amounting to approximately \$8 million that were not budgeted (including land transferred from the Crown to the National Parks reserve system, and adjustments to the extensive asset base as a result of ongoing detailed asset verification surveys undertaken in the reserve system)
- reimbursement for TVSPs of approximately \$4 million
- higher than anticipated sales of goods and services, regulated fees, interest and salary recoups
- unbudgeted Commonwealth grants of \$0.7 million that were mainly offset by project payments
- an offset resulting from a decrease in revenue from government of \$19 million due to the transfer of the Office for Recreation, Sport and Racing and the Office for Volunteers out of the department, as a result of agency restructuring.

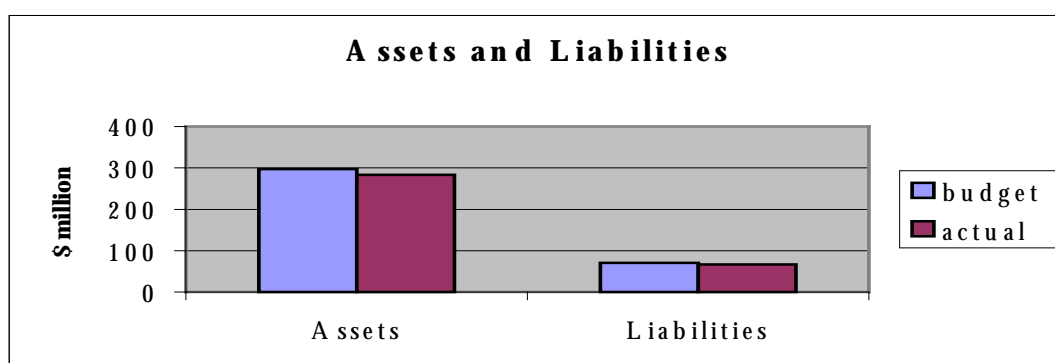
Summary Statement of Financial Position as at 30 June 2002

	Actual 2001-02 (\$000s)
Current assets	59 970
Non-current assets	223 255
Total assets	283 225
Current liabilities	17 956
Non-current liabilities	48 569
Total liabilities	66 525
Net assets	216 700
Equity	216 700

* The budget and actual result are not directly comparable due to the effects of restructuring of DEH during 2001-02 there are no budget figures?

Statement of financial position

Net Assets and Equity are \$9.8 million lower than expected. Departmental restructuring resulted in transfers of assets and liabilities in and out of the department during the year, amounting to a net decrease in equity of \$61 million. In addition, budget details for 2001–02 were established before the Auditor-General's Report for the 2000–01 financial year was finalised. Consequently the opening balances of the budgeted Statement of Financial Position do not reflect the 2000–01 audited financial result and cause a number of variances.



Current Assets for the portfolio are \$17.3 million lower than budgeted. This primarily reflects lower than expected cash balances (\$18.7 million), mainly arising from the transfer of cash balances of the Office for Recreation, Sport and Racing as a result of restructuring (\$14.1 million as at 4 December 2001). The early payment of creditors to minimise carryover expenditure between financial years and slightly higher levels of receivables has also contributed to the lower than expected cash balance. The carryover of expenditure relating to 2000–01 commitments has further reduced cash balances.

Non Current Assets are \$3.8 million higher than budgeted. The main reasons for this variance are:

- adjustments to opening balances for 2001–02 were understated in the budget by \$54 million when compared to the 2000–01 audited financial statements, primarily as a result of asset recognition and valuation processes
- assets acquired free of charge amounting to approximately \$8 million that were not budgeted (these include land transferred from the Crown to the National Parks reserve system, and adjustments to the extensive asset base as a result of ongoing detailed asset verification surveys undertaken in the reserve system)
- offset by property, plant and equipment of the Office for Recreation, Sport and Racing valued at \$51 million transferred to DAIS as a result of agency restructuring.

Current Liabilities are approximately \$2.7 million higher than budgeted, offset by lower than expected Non Current Liabilities of \$6.5 million. The main reasons for the variances are:

- adjustments to opening balances for 2001–02 were understated in the budget by \$4.6 million when compared to the 2000–01 audited financial statements

- the transfer of liability for payables (\$2.6 million), employee entitlements (\$1.1 million) and other liabilities (\$0.5 million) associated with the Office for Recreation, Sport and Racing to DAIS as a result of departmental restructuring
- the early payment of creditors (\$4.4 million) to minimise carryover expenditure between financial years.

Statement of cash flows

The operating cash variations are explained, in general, by the same influences that impacted on the Statement of Financial Performance.

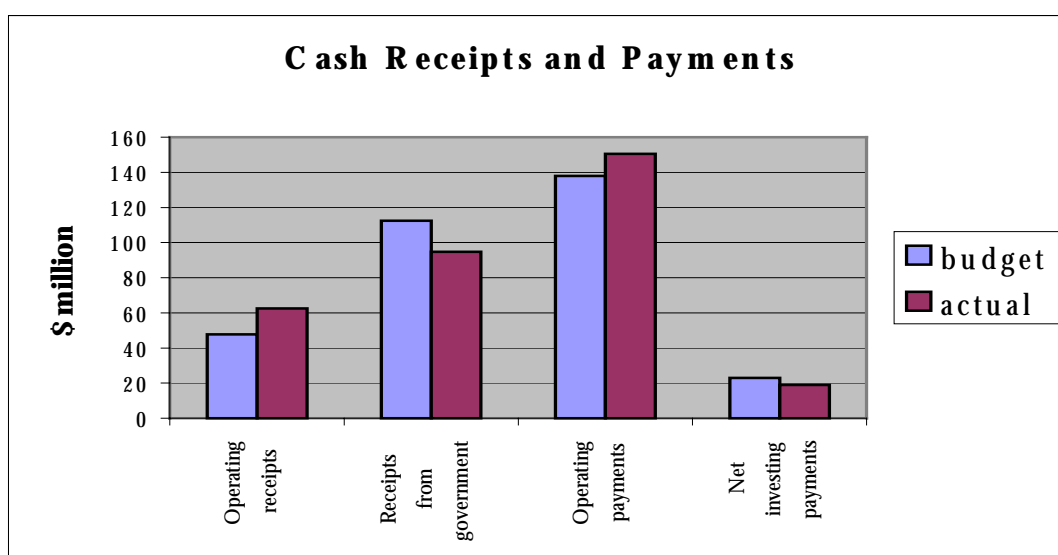
The transfer of cash balances of the Office for Recreation, Sport and Racing (\$14.1 million as at 4 December 2001) to DAIS as a result of restructuring is represented in the line 'Net payments to other Government entities on restructure'.

In addition, GST payments on purchases of \$8.3 million were offset by GST receipts on sales of \$2.5 million and refunds from the Australian Taxation Office of \$5.9 million. These transactions were not explicitly recognised in the budget.

Summary Statement of Cash Flow for the Year Ended 30 June 2002

	Actual 2001-02 (\$000s)
Cash flows from operating activities:	
Payments	150 498
Receipts	62 554
Cash flows from Government	94 683
Net payments to other Government entities on restructure	11 757
Net cash provided by operating activities	(5 018)
Cash flows from investing activities:	
Payments	19 209
Receipts	241
Net cash used in investing activities	18 968
Cash flows from financing activities	
Payments	179
Receipts	-
Net cash used in financing activities	179
Net increase (decrease) in cash held	(24 165)
Cash at 1 July 2001	73 520
Cash at 30 June 2002	49 355

* The budget and actual result are not directly comparable due to the effects of restructuring of DEH during 2001-02 There are not budget figures



Investing payments were lower than budget mainly due to transfer of the Office for Recreation, Sport and Racing to DAIS as a result of departmental restructuring (\$9.6 million). This is offset by a Government approved increase in investing payments of \$3 million to purchase the Wyndgate property at Hindmarsh Island and a payment of \$1.1 million to DAIS under an agreement to purchase employee housing located in national parks. Other smaller investing projects funded from externally sources were not included in the original budget.

Financial services

ACCOUNTING SERVICES

The department continues to strengthen its ability to prepare accrual statutory accounts and financial statements. The timeliness of financial statement preparation has improved and the 30 June 2002 financial statements for the department and 11 entities administered by the department on behalf of the Minister, State and Commonwealth Government agencies were delivered to the Auditor-General two days within the legislated 42 day timeframe.

ACCOUNTS RECEIVABLE

The focus on improved quality of service to customers continued in 2000–01. A new software package was introduced during the year to enhance the presentational format of customer invoices and statements, while providing additional transactional information and ageing of overdue balances.

A number of internal processes were also improved and 22 policies, procedures and guidelines were implemented to provide a financial management framework to assist staff working in the accounts receivable environment.

The department measures progress in credit management as a dollar value greater than 90 days. The following table reflects the improvements achieved during this financial year.

	1999–2000	2000–01	2001–02	Target 2002–03
Debtors balances older than 90 days (\$)	675 000	357 000	276 000	300 000
Percentage of total debtors	32%	22%	22%	–
No. of customers greater than 90 day	1 580	974	833	600

Note : Information relates debtor's balances within the department's Accounts Receivable system only and does not reflect any other category of receivable.

ACCOUNTS PAYABLE

The department has achieved the government's accounts payable performance standard and placed significant emphasis on monitoring and managing the performance of this function.

Efficiencies for both DEH and external customers have been achieved by implementing an electronic funds transfer payment option and electronically distributing payment advice for DEH suppliers.

The department's accounts payable performance as a percentage of accounts paid within 30 days of invoice date is summarised below.

	1999–2000	2000–01	2001–02	Target 2002–03
Percentage of supplier invoices paid within 30 days of invoice during the year	80%	72% *	85%	85%

* Performance targets during 2000–01 were adversely affected as a result of the introduction of the GST.

Where is the information for by the due date and greater than 30 days as per DPC Circular No. 13?

INDIRECT TAXATION

DEH has focused on compliance improvements and re-engineering processes to facilitate monthly reporting of the Business Activity Statement (BAS) to the Australian Taxation Office. A key improvement has been the development of a process that allows the department to lodge the BAS within four days instead of 21 days of month end. This enhancement positively impacts the department's cash flow.

Merchant card facilities were also introduced at departmental offices. These facilities greatly improve the payment options available to customers whilst improving efficiencies and reducing risk of having cash on hand.

FIXED ASSETS

A major review of policies for capital works in progress was undertaken during the year, including the implementation of a capital works in progress manual and state-wide training sessions for staff. Significant work was also undertaken to improve the integrity of asset stocktake processes, resulting in the achievement of 100 per cent compliance in returns and a significant improvement in the quality of data contained in the stocktake returns. The department has continued to implement ongoing improvements in the processing and control of fixed assets including timely key reconciliations and integrity checking of data being processed.

Management reporting

The department implemented a range of measures to constrain expenditure based on a review of its forward financial outlook.

Improved budget certainty and planning was achieved by developing four-year forward estimates for the department, part of an enhanced budget process that aimed to reduce the effort required by operational divisions and improve the timeliness of budget approvals.

Financial systems

SELECTION AND PURCHASE OF NEW FINANCIAL REPORTING SYSTEM

The Financial Systems team was heavily involved with the whole-of-government proposal for a new financial reporting system. The selected system, Cognos, which was purchased by DEH for implementation during 2002–03, is expected to provide a modern and efficient financial reporting environment to enable business users to perform web-based interrogation of the financial information.

Other matters

The department's financial management objectives were predominately achieved during the year while DEH's reliance on contract staff for core financial functions was significantly reduced.

Corporate governance

Corporate governance recognises the external environment in which DEH operates and the internal principles, structures and frameworks used to achieve its objectives. The context for the operation of the portfolio is developed through a detailed understanding of legislative requirements, government policy and Cabinet decisions, adherence to government accountability requirements, whole-of-government strategies, frameworks and directions and appropriate relationships with statutory boards and committees. DEH's corporate governance framework recognises leadership of the Chief Executive and divisional heads, departmental committee structures existing throughout DEH and the underlying role of all staff.

Corporate Governance Framework

The Chief Executive continued to use the corporate governance framework developed in 2000–01 to provide context to specific organisational and legislative requirements.

STRATEGIC PLANNING

A review of DEH's Strategic Planning Framework during 2001–02 agreed on a new set of outcomes and strategies. This framework was then used to develop a performance measurement framework detailing output classes as well as strategic initiatives and priorities that could be used to guide the department's divisions in their own planning exercises.

The exercise included:

- divisional seminars for planning and performance measurement
- a review of portfolio outputs and measures recommending any changes
- support and assistance for divisions in reviewing and developing performance indicators.

A strategic plan for DEH 2002–2005 was launched in June 2002.

RISK MANAGEMENT

During the year, DEH placed significant emphasis on progressing the DEH Risk Management Strategy.

The major activity was a Strategic Risk Overview, reviewing the status of DEH's current risk management activities and engaging the department's Executive and divisional executives in risk assessment workshops. The outcomes of the Strategic Risk Overview have been consolidated into a Risk Profile. Summary reports and the Risk Profile have been used in Strategic Planning (by the Executive) and Divisional Business Planning processes (by divisional executive teams). Risk management has also been incorporated into a number of business processes across the department including occupational health, safety and welfare (SOP-1 Risk Management), the internal capital budgeting prioritisation process.

DEH has developed a Risk Management Framework which, based on the principles of enterprise-wide risk management, recognises that risk management should be integrated within all key activities of the organisation and managed at that level. The Risk Management Framework is supported by a DEH risk matrix and governance structure.

FINANCIAL MANAGEMENT FRAMEWORK

The second phase of the review of the implementation of the Public Sector Financial Management Framework (FMF) was progressed, as were activities within other operational divisions to ensure compliance with the FMF.

An assessment of implementation of the FMF at a divisional level was undertaken by survey. This was substantially completed in May 2002 and reported to the DEH Audit Committee in June 2002. Performance against targets in business plans are monitored by Corporate Strategy and Business Services on a quarterly basis.

PROCUREMENT

DEH Audit Committee

The Chief Executive, chairs the DEH Audit Committee, which includes the Deputy Chief Executive, Acting Director Business Development and Acting Director Prudential Management (Executive Officer). The committee met on a quarterly basis throughout 2001–02. During the year, the terms of reference were revised and membership amended to include the Director Corporate Finance, DEH and the Director Financial Services, Department of Human Services as the external member. Issues reviewed included:

- monitoring of 2000–01 audit management letters
- overview of 2001–02 audit management issues (Auditor-General representatives)
- progress of DEH Risk Management Strategy
- review of implementation of the FMF
- role of an internal audit function within DEH
- sponsoring of internal audit reviews conducted (refer below)
- review of DEH Financial Statements 2000–01
- report on preparation for DEH Financial Statements 2001–02
- consideration of the Ramsay Recommendations: the Audit Committee and non-audit services and revision of membership and the terms of reference
- monitoring of the development of the Policy Development Management Framework.

Internal audit reviews

During the year, the Acting Director Prudential Management had responsibility for oversight of the internal audit function for DEH. The internal audit plan is based on a preliminary risk assessment undertaken in June 2001. Internal audit activities include a combination of outsourced internal audit reviews, in-house conducted reviews and recognition of reviews sponsored by divisional management within a limited budget.

WHOLE-OF-GOVERNMENT INITIATIVES

The former Government initiated a review of public sector processes in order to improve responsiveness. DEH welcomed the opportunity to provide comment, which focused on striving for change of public sector culture, embracing new ideas and methodologies, and promoting the integration of economic, social and environmental considerations in decision-making and reporting.

Occupational health, safety and injury management

Risk Management Services

During 2001–02, the Risk Management Services team provided a risk assessment program to help divisions identify, assess and control foreseeable risks to staff, volunteers, visitors, contractors and members of the public. The program concentrated on implementing treatments that would contribute to safe work environments and reduce the incidence and cost of workers compensation and public liability claims.

INJURY PREVENTION

'Risk management' has been this year's key message for prevention. A new standard operating procedure was implemented which defines roles and responsibilities and includes procedural requirements and accountability measures for identifying, assessing and controlling risks to health and safety at DEH worksites. A risk awareness training program for all staff in Botanic Gardens of Adelaide, NPWSA and EGI, will be conducted in other sections of the department early in the new financial year.

Manual handling related injury accounts for more than 40 per cent of claims, so the 'manutention' (a manual handling technique) program began in high-risk worksites within NPWSA during the latter part of the year. Manutention training sessions also began for approximately 300 NPWSA staff who will be moving to new premises in the new financial year.

A reduction in the number of injuries reported in the last quarter of the year has been an encouraging sign that these programs may be having a positive impact.

LOST TIME INJURY FREQUENCY RATE

The lost time injury frequency rate (LTIFR) is the number of injury/disease occurrences for each million hours worked.

LTIFR	1996-97	1997-98	1998-99	1999-2000	2000-01	2001-02
Original target	21.9	12.8	10.0	10.0	15.7	20.6
Actual	12.8	11.4	9.5	17.5	20.8	17.9
Variation	+9.1	+1.4	+0.5	-7.5	-5.1	+2.7

CLAIMS ANALYSIS

During 2001-02 the cost of workers compensation claims was reduced by 64 per cent to a total of \$65 828 compared to 2000-01 in which claims amounted to \$181 000. This year a total of 71 workers compensation claims were lodged of which 36 (51 per cent) were medical treatments and 35 (49 per cent) involved lost time. This is an improvement of five per cent over last financial year when 54 per cent of new claims involved lost time.

This year the predominant incident type was injuries sustained through work practices of manual handling—29 approved workers compensation claims (41 per cent of total). The incidents arise from incorrect exertion to move or manage weights and shift loads. Claims for injuries to the trunk (35 per cent), upper limbs (25 per cent) and lower limbs (14 per cent), were the most common types of the 71 workers compensation claims lodged. The most expensive was \$29 110 for trunk injuries.

The area of most significant improvement was in slips and falls while treading on uneven surfaces, objects left near work areas, or by traversing unstable, uneven or unpredictable surfaces, especially natural surroundings. This year claims for slips and falls were reduced by 61 per cent of the tolerance limit.

Workers compensation

Claim indicators	1996-97	1997-98	1998-99	1999-2000	2000-01	2001-02
Number of new claims	102	76	66	70	81	71
Cost of new claims	\$87 324	\$79 912	\$61 329	\$105 579	\$181 000	\$65 828
Average cost per claim	\$856	\$1 051	\$929	\$1 508	\$2 234	\$927

Claim performance indicators

Indicator	1996-97	1997-98	1998-99	1999-2000	2000-01	2001-02
Medical treatments	72	51	48	34	37	36
Lost time injuries	30	25	18	36	44	35
Total no. of claims	102	76	66	70	81	71

Cost of workers compensation claims

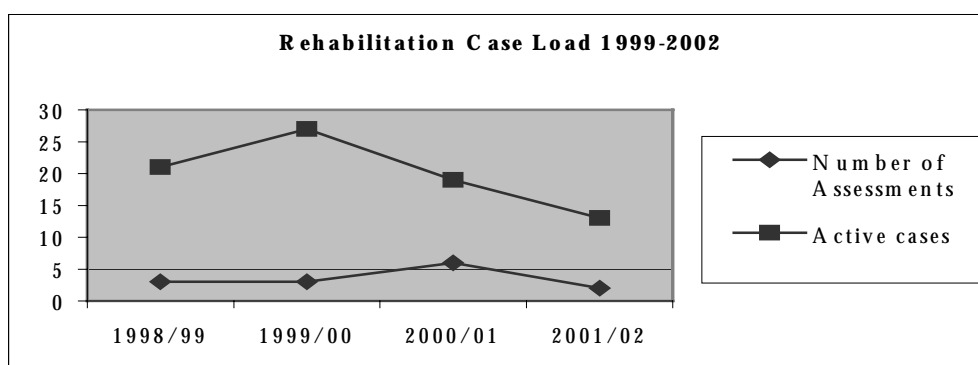
Type	Actual Cost	Estimated	Variance
2001-02	\$65 828	\$162 900	+ \$97 072
All Claims	\$269 235	\$331 200	+\$61 965

REHABILITATION

The department is committed to providing prompt and effective rehabilitation services and maintaining systems to assist work injured or ill employees to return to work within a reasonable period of time.

During 2001-02, the department continued to improve its performance in the area of rehabilitation by reducing the number of active cases from 21 to 13 and maintaining a pro-active approach to the management of such situations.

The department also implemented a number of management systems to meet WorkCover audit standards for self-insurers and to improve the understanding of both management and employees of their rehabilitation obligations and processes within the department. The



outcomes of a WorkCover audit will be provided in 2002-03.

FRAUD

During 2001-02, one instance of fraudulent conversion of a cheque (issued by the Office for Recreation, Sport and Racing) was detected through internal control processes. Discussions were held with the Reserve Bank of Australia and although it is not possible to totally eliminate this type of fraud, associated control procedures have been strengthened.

The accounting standards and policies used by DEH in the design of systems and procedures for financial and purchasing activities embody internal controls to prevent and detect fraud.

FREEDOM OF INFORMATION AND OVERSEAS TRAVEL

Information on the Freedom of Information Statement and Overseas Travel arising from DEH business can be found in Appendices 5 and 7 respectively.

Abbreviations

ABS	Australian Bureau of Statistics
AGAL	Australian Local Government Association
Authority	Environment Protection Authority
CARES	Complaints and Reports of Environmental Significance
CS&BS	Corporate Strategy and Business Services
DAIS	Department for Administrative and Information Services
DEH	Department for Environment and Heritage
DIT	Department of Industry and Trade
DPC	Department of the Premier and Cabinet
DWLBC	Department of Water, Land and Biodiversity Conservation
EGI	Environmental and Geographic Information
EPA	Environment Protection Agency
EPP	Environment Protection Policy
ERD Committee	Environment, Resources and Development Committee
ESD	Ecologically Sustainable Development
ETVSP	Enhanced Targeted Voluntary Separation Package
FTE	Full-Time Equivalents
HRM	Human Resources Management
HUB and HUB2	departmental intranet
IDP	Individual Development Plan
ILUA	Indigenous Land Use Agreement
INRM	Integrated Natural Resource Management
IT	Information Technology
JRG	Jurisdictional Recycling Group
LA 21	Local Agenda 21
LGA	Local Government Association
MMF	Marine Managers Forum
MOU	Memorandum of Understanding
MPF	Marine Planning Framework
NAP	National Action Plan
NCP	National Competition Policy
NEPC	National Environment Protection Council
NEPM	National Environment Protection Measure
NPC	National Packaging Covenant
NPWSA	National Parks & Wildlife SA
NRM	Natural Resource Management
NWC	National Wine Centre
WCPP	Water Conservation Partnership Project
WSSD	World Summit on Sustainable Development

Glossary

Biodiversity	the variety of life forms: the different plants, animals and micro-organisms, the genes they contain, and the ecosystems they form; usually considered at three levels: genetic diversity; species diversity and ecosystem diversity
Concept HRMIS	a whole-of-government human resource management information system incorporating modules for personnel, payroll and leave information management
Conservation	the protection, maintenance, management, sustainable use, restoration and enhancement of the natural environment
Crown Lands	unallotted, untenured land (see definition in section 4, <i>Crown Lands Act 1929</i>)
Governance	the rules by which decisions are made; the corporate governance framework reflects the legal, regulatory, institutional and ethical environment of the community
Heritage	our inheritance, including the built and natural environments, artefacts, customs, languages and beliefs; what we value from the past—it enriches people’s lives, connecting them to the past and the present, and providing them with a sense of identity, while heritage places inform the community about the attitudes and values that have shaped our lives (built environment includes buildings and places such as wells, monuments, mine sites, shipwrecks and cemeteries)
Masterpiece	a whole-of-government financial management information system incorporating modules for the general ledger, accounts receivable, accounts payable and fixed assets
Protected area	a geographically defined area which is designated or regulated and managed to achieve specific conservation objectives (Article 2 of the <i>International Convention on Biological Diversity</i>)
Prudential management	a systematic approach to the management of risk in providing strategic frameworks, leadership and expert advice for a range of reform initiatives and services in the areas of governance, legal advice, risk management, procurement, corporate human services and information, accommodation and facilities
Spatial information	graphical and textual information for property relating to a position on the earth’s surface by an address or postcode or geographic coordinate (e.g. land and property ownership, demographic details from census results, areas of native vegetation, watercourses and the location of gas, electricity and water supply networks)
Sustainability	using, conserving and enhancing the community’s resources so that the processes on which life depends are maintained, and the total quality of life, now and in the future, can be increased
WorkCover	a corporation established under State legislation to deliver an occupational health, safety, rehabilitation and compensation system to South Australian employees

Appendices

Appendix 1	Legislation
Appendix 2	Human resources and OHS&W information
Appendix 3	Financial Statements
Appendix 4	External consultancies and contractual arrangements
Appendix 5	Freedom of Information Statement
Appendix 6	DEH boards, committees, trusts and councils listing
Appendix 7	Overseas Travel
Appendix 8	Location Maps
Appendix 9	Publications
Appendix 10	DEH 2001–02 Annual Environmental Report

Appendix 1—Legislation

The Minister for Environment and Conservation has responsibility for implementing the State Government's policies on environmental and heritage issues.

All legislation under the Minister's responsibility is being reviewed to ensure that it maximises the economic and environmental sustainability of the State's resources, and complies with competitive neutrality principles.

In pursuing its objectives, DEH derives its functions, responsibilities and powers from the following legislation that is committed to the Minister for Environment and Conservation.

Minister for Environment and Conservation—(Environment and Heritage only)

Legislation	Legislation
Botanic Gardens and State Herbarium Act 1978	Marginal Lands Act 1940
Coast Protection Act 1972	Monarto Legislation Repeal Act 1980
Crown Lands Act 1929	National Environment Protection Council (South Australia) Act 1995
Crown Rates and Taxes Recovery Act 1945	National Parks and Wildlife Act 1972
Discharged Soldiers Settlement Act 1934	National Trust of South Australia Act 1955
Dog and Cat Management Act 1995	Native Vegetation Act 1991
Environment Protection Act 1993	Nuclear Waste Storage Facility (Prohibition) Act 2000
Environment Protection (Sea Dumping) Act 1984	Prevention of Cruelty to Animals Act 1985
Heritage Act 1993	War Service Land Settlement Agreement Act 1945
Historic Shipwrecks Act 1981	Wilderness Protection Act 1992
Irrigation (Land Tenure) Act 1930	Wilpena Station Tourist Facility Act 1990
Lands for Public Purposes Acquisition Act 1914	Wingfield Waste Depot Closure Act 1999

Appendix 2—Human resources and OHS&W information

Human resources

Public Sector Management Act 1995 employees by stream, level, appointment type and gender as at last payday in June 2001

STREAM (2)	Ongoing			Contract Short Term			Contract Long Term			Casual			Total		
	M	F	Total	M	F	Total	M	F	Total	M	F	Total	M	F	Total
ADMINISTRATIVE SERVICES															
Administrative Services Officers															
Trainees	0	0	0	2	8	10	0	0	0	0	0	0	2	8	10
ASO1	8	25	33	0	8	8	0	9	9	0	6	6	8	48	56
ASO2	10	60	70	7	13	20	0	5	5	0	0	0	17	78	95
ASO3	14	42	56	4	8	12	3	1	4	0	0	0	21	51	72
ASO4	25	29	54	6	8	14	0	5	5	0	1	1	31	43	74
ASO5	43	19	62	3	5	8	7	5	12	0	0	0	53	29	82
ASO6	52	11	63	4	1	5	5	2	7	0	0	0	61	14	75
ASO7	28	8	36	1	4	5	3	0	3	0	0	0	32	12	44
ASO8	11	1	12	1	1	2	2	1	3	0	0	0	14	3	17
Managers Administrative Services															
MAS1	1	0	1	0	0	0	0	0	0	0	0	0	1	0	1
MAS2	8	1	9	1	0	1	0	0	0	0	0	0	9	1	10
MAS3	6	1	7	0	0	0	0	0	0	0	0	0	6	1	7
Total Administrative Services	206	197	403	29	56	85	20	28	48	0	7	7	255	288	543
OPERATIONAL SERVICES															
Operational Services Officers															
Trainees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OPS1	1	0	1	0	0	0	0	0	0	0	0	0	1	0	1
OPS2	25	10	35	0	1	1	0	0	0	0	0	0	25	11	36
OPS3	25	3	28	1	1	2	0	0	0	0	0	0	26	4	30
OPS4	8	1	9	1	0	1	2	3	5	0	0	0	11	4	15
OPS5	16	1	17	0	0	0	0	0	0	0	0	0	16	1	17
OPS6	5	0	5	0	0	0	0	0	0	0	0	0	5	0	5
OPS7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Operational Services	80	15	95	2	2	4	2	3	5	0	0	0	84	20	104
PROFESSIONAL SERVICES															
Professional Services Officers															
PSO1	11	13	24	1	8	9	6	10	16	1	0	1	19	31	50
PSO2	24	14	38	2	0	2	9	14	23	0	0	0	35	28	63
PSO3	26	7	33	0	1	1	3	4	7	0	0	0	29	12	41
PSO4	14	7	21	0	0	0	1	2	3	0	0	0	15	9	24
PSO5	8	0	8	0	0	0	0	0	0	0	0	0	8	0	8
Managers Professional Services															
MPS1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MPS2	1	0	1	0	0	0	0	0	0	0	0	0	1	0	1
MPS3	2	0	2	0	0	0	0	0	0	0	0	0	2	0	2
Total Professional Services	86	41	127	3	9	12	19	30	49	1	0	1	109	80	189
TECHNICAL SERVICES															
Technical Services Officers															
TGO0	1	2	3	0	0	0	0	0	0	0	0	0	1	2	3
TGO1	25	13	38	0	1	1	0	0	0	0	0	0	25	14	39
TGO2	15	14	29	1	2	3	0	0	0	0	0	0	16	16	32
TGO3	12	3	15	0	0	0	1	0	1	0	0	0	13	3	16
TGO4	7	0	7	0	0	0	0	0	0	0	0	0	7	0	7
TGO5	4	0	4	0	0	0	0	0	0	0	0	0	4	0	4
Total Technical Services	64	32	96	1	3	4	1	0	1	0	0	0	66	35	101
EXECUTIVES															
Executive Officers															
EL1	0	0	0	0	0	0	0	0	0		0	0	0	0	0
EL2	1	0	1	0	0	0	0	0	0		0	1	0	0	1
EL3	0	0	0	0	0	0	0	0	0		0	0	0	0	0
Level A			0	0	0	0	6	0	6		0	6	0	6	6
Level B			0	0	0	0	5	1	6		0	5	1	6	6
Level C			0	0	0	0	2	1	3		0	2	1	3	3
Level D			0	0	0	0	0	0	0		0	0	0	0	0
Level E			0	0	0	0	1	0	1		0	1	0	0	1
Level F			0	0	0	0	0	0	0		0	0	0	0	0
Total Executive Services	1	0	1	0	0	0	14	2	16	0	0	0	15	2	17
Other Executives															
MLS1P	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MLS2P	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MLS1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MLS2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MLS3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MLS4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Senior Officers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Executives	1	0	1	0	0	0	14	2	16	0	0	0	15	2	17
Executive Right to Further Appointment															
Tenured	0	0	0	0	0	0	11	2	13	0	0	0	11	2	13
Untenured	0	0	0	0	0	0	4	0	4	0	0	0	4	0	4
TOTAL ALL STREAMS	437	285	722	35	70	105	56	63	119	1	7	8	529	425	954

Occupational health and safety information

Occupational Health Safety & Welfare		2001–02	2000–01	1999–2000
1	<i>OHS legislative requirements</i>			
	Number of notifiable occurrences pursuant to OHS&W Regulations Division 6.6	nil	nil	nil
	Number of notifiable injuries pursuant to OHS&W Regulations Division 6.6	2	nil	2
	Number of notices served pursuant to OHS&W Act s35, s39 and s40	nil	nil	nil
2	<i>Injury Management legislative requirements</i>			
	Total number of employees who participated in the rehabilitation program	35	33	35
	Total number of employees rehabilitated and reassigned to alternative duties	4	7	4
	Total number of employees rehabilitated back to their original work	17	15	18
3	<i>WorkCover Action Limits</i>			
	Number of open claims	86	131	n.a.
	Percentage of workers compensation expenditure over gross annual remuneration	0.59%	1.91%	0.98%
4	<i>Number of injuries</i>			
	Number of new workers compensation claims in the financial year	71	81	70
	Number of fatalities	nil	nil	nil
	Number of lost time injuries,	35	44	36
	Number of medical treatment only	36	37	34
	Total number of whole working days lost	904	n/a	462
5	<i>Cost of workers compensation</i>			
	Cost of new claims for financial year	65 828	181 000	105 580
	Cost of all claims excluding lump sum payments	269 235	368 000	377 000
	Amount paid for lump sum payments (s42, s43, s44)	134 327	576 000	113 335
	Total amount recovered from external sources (s54)	nil	385 000	nil
	Budget allocation for workers compensation	331 200	352 000	275 000
6	<i>Trends</i>			
	Injury frequency rate for new lost-time injury/disease for each million hours worked	17.9	20.8	17.5
	Most frequent cause (mechanism) of injury	Body stressing	Falls	Falls
	Most expensive cause (mechanism) of injury	Body stressing	Lifting	Lifting
7	<i>Meeting the organisation's strategic targets</i>			
	Achieve 10% reduction in the incidence of workers compensation claims from 2000–01 baseline.	10% achieved	–	–
	Achieve 10% reduction in the cost of workers compensation claims from 2000–01 baseline.	64% achieved *		
8	<i>Consultation</i>			
	Number of health and safety representatives	56	48	41
	Number of OHS&W committees	23	22	25

* Refer to Claims Analysis section of Corporate Initiatives for further information on this achievement

Appendix 3—Financial Statements

Independent Audit Report

TO THE CHIEF EXECUTIVE DEPARTMENT FOR ENVIRONMENT AND HERITAGE

Scope

As required by section 31 of the *Public Finance and Audit Act 1987*, I have audited the financial report of the Department for Environment and Heritage for the financial year ended 30 June 2002. The financial report comprises:

- A Statement of Financial Performance
- A Statement of Financial Position
- A Statement of Cash Flows
- A Schedule of Administered Items
- An Output Class Schedule of Revenues and Expenses
- Notes to and forming part of the Financial Statements
- Certificate by the Chief Executive and the Acting Director, Corporate Services.

The Chief Executive and the Acting Director, Corporate Services are responsible for the financial report. I have conducted an independent audit of the financial report in order to express an opinion on it to the Chief Executive.

The audit has been conducted in accordance with the requirements of the *Public Finance and Audit Act 1987* and Australian Auditing Standards to provide reasonable assurance that the financial report is free of material misstatement.

Audit procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987*, Accounting Standards and other mandatory professional reporting requirements in Australia so as to present a view which is consistent with my understanding of the Department for Environment and Heritage's financial position, its financial performance and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Qualification

Due to limitations with respect to the reliability and completeness of information maintained on property administered by the department that have prevented the

production of timely and appropriate information, I am unable to form an opinion on the completeness and reliability of values ascribed to the property, plant and equipment component of the Schedule of Administered Items. Recognising this property using similar valuation methodology to that used for other property in this financial report may have material effects, the amounts of which are uncertain, on the property, plant and equipment reported in the Schedule of Administered Items.

Audit Opinion

In my opinion, except for the effects on the financial report of the matters referred to in the qualification paragraph, the financial report presents fairly in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987*, applicable Accounting Standards and other mandatory professional reporting requirements in Australia, the financial position of the Department for Environment and Heritage as at 30 June 2002, its financial performance and its cash flows for the year then ended.

16 September 2002

**K I MacPHERSON
AUDITOR-GENERAL**

Department for Environment and Heritage

Statement of Financial Performance for the year ended 30 June 2002

		2002	2001
	Note	\$'000	\$'000
EXPENSES FROM ORDINARY ACTIVITIES:			
Salaries and wages and other employee related expenses		68 590	65 624
Goods and services	4	52 222	53 040
Grants and contributions	5	16 671	13 796
Depreciation and amortisation	6	25 545	25 106
Borrowing cost expense		2 634	3 479
Net loss from disposal of non-current assets	7	304	326
Other expenses	8	1 169	2 709
Total Expenses from Ordinary Activities		<u>167 135</u>	<u>164 080</u>
REVENUES FROM ORDINARY ACTIVITIES:			
Fees and charges	9	24 346	22 455
Grants and contributions	10	20 444	17 820
Interest and dividends		3 361	4 766
Assets received free of charge	11	7 736	324
Other revenues	12	7 772	5 787
Total Revenues from Ordinary Activities		<u>63 659</u>	<u>51 152</u>
NET COST OF SERVICES		<u>103 476</u>	<u>112 928</u>
REVENUES FROM GOVERNMENT:			
Recurrent appropriations		89 489	94 866
Accrual appropriations		4 098	21 738
Contingency provision grants		1 096	954
Assumption of liabilities		–	550
Total Revenues from Government	13	<u>94 683</u>	<u>118 108</u>
FUNDAMENTAL ERROR	14	<u>–</u>	<u>42 230</u>
NET REVENUE (EXPENSE) FROM RESTRUCTURING	15	<u>(61 202)</u>	<u>1 227</u>
SURPLUS (DEFICIT) ON ORDINARY ACTIVITIES		<u>(69 995)</u>	<u>48 637</u>
Increase in Asset Revaluation Reserve		<u>–</u>	<u>13 855</u>
TOTAL CHANGES IN EQUITY OTHER THAN THOSE TRANSACTIONS WITH THE STATE GOVERNMENT AS		<u>(69 995)</u>	<u>62 492</u>

Statement of Financial Position as at 30 June 2002

		2002	2001
	Note	\$'000	\$'000
CURRENT ASSETS:			
Cash Assets	16	49 355	73 520
Receivables	17	8 304	8 400
Inventory	18	1 530	1 445
Other	20	781	600
Total Current Assets		<u>59 970</u>	<u>83 965</u>
NON-CURRENT ASSETS:			
Receivables	17	541	1 435
Inventory	18	3 837	4 694
Other Financial Assets	19	11	12
Property, plant and equipment	21	218 836	270 226
Other	20	30	22
Total Non-Current Assets		<u>223 255</u>	<u>276 389</u>
Total Assets		<u>283 225</u>	<u>360 354</u>
CURRENT LIABILITIES:			
Payables	22	10 098	14 846
Employee entitlements	23	7 509	5 492
Finance leases	24	104	181
Interest-bearing liabilities	25	–	23
Provision for workers compensation	26	245	214
Total Current Liabilities		<u>17 956</u>	<u>20 756</u>
NON-CURRENT LIABILITIES:			
Payables	22	1 719	2 477
Employee entitlements	23	7 955	10 984
Finance leases	24	34	131
Interest-bearing liabilities	25	38 054	38 544
Provision for workers compensation	26	807	767
Total Non-Current Liabilities		<u>48 569</u>	<u>52 903</u>
Total Liabilities		<u>66 525</u>	<u>73 659</u>
NET ASSETS		<u>216 700</u>	<u>286 695</u>
EQUITY:			
Accumulated surplus		202 162	272 157
Reserves		14 538	14 538
TOTAL EQUITY	27	<u>216 700</u>	<u>286 695</u>
Restrictions on contributions	33		
Contingent obligations	34		

Statement of Cash Flows for the year ended 30 June 2002

	Note	2002 Inflows (Outflows) \$'000	2001 Inflows (Outflows) \$'000
CASH FLOWS FROM OPERATING ACTIVITIES:			
PAYMENTS:			
Employee entitlements and other employee related expenses		(69 132)	(63 416)
Goods and services		(53 636)	(49 794)
Grants and transfers		(16 671)	(13 796)
Interest		(2 680)	(3 505)
GST payments on purchases	2(p)	(8 379)	(8 406)
RECEIPTS:			
Fees and charges		20 964	22 131
Interest income		4 837	3 538
Grants and transfers		20 444	17 820
GST receipts on sales	2(p)	2 531	2 178
GST receipts from taxation authority	2(p)	5 939	5 495
Other revenues		7 839	6 719
CASH FLOWS FROM GOVERNMENT:			
Recurrent appropriations		89 489	94 866
Accrual appropriations		4 098	21 738
Contingency provision grants		1 096	954
Transfer payments to other Government entities on restructure		(14 168)	–
Transfer receipts from other Government entities on restructure		2 411	884
Net Cash provided by (used in) Operating Activities	28	<u>(5 018)</u>	<u>37 406</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
RECEIPTS:			
Disposal of non-current assets	7	241	287
PAYMENTS:			
Loans to customers		–	(643)
Purchase of non-current assets		(19 209)	(14 549)
Net Cash (used in) Investing Activities		<u>(18 968)</u>	<u>(14 905)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
PAYMENTS:			
Principal repayments under finance leases and repayments of borrowings		(179)	(36)
Net Cash (used in) Financing Activities		<u>(179)</u>	<u>(36)</u>
NET INCREASE/(DECREASE) IN CASH HELD		(24 165)	22 465
CASH AT 1 JULY		<u>73 520</u>	<u>51 055</u>
CASH AT 30 JUNE	16	<u><u>49 355</u></u>	<u><u>73 520</u></u>

SCHEDULE OF ADMINISTERED ITEMS FOR THE YEAR ENDED 30 JUNE 2002 (See Note 1)

OUTPUT CLASS (See Note 3)	1	2	3	4	6	NOT ATTRIBUTED	TOTAL 2002	2001
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES FROM ORDINARY ACTIVITIES								
Salaries and wages and other employee related expenses	253	195	83	36	–	262	829	529
Goods and services	812	455	391	154	283	–	2 095	2 258
Grants and contributions	8 002	784	543	382	2 850	8 737	21 298	23 892
Depreciation and amortisation	–	–	–	1 343	–	–	1 343	1 245
Borrowing cost expense	56	–	–	3	–	–	59	28
Net loss from disposal of non-current assets	–	–	–	7	–	–	7	–
Other expenses	–	–	–	2	671	–	673	(251)
Total Expenses from Ordinary Activities	9 123	1 434	1 017	1 927	3 804	8 999	26 304	27 701
REVENUES FROM ORDINARY ACTIVITIES								
Fees and charges	(6 854)	(1 600)	(107)	(575)	–	(5 414)	(14 550)	(12 721)
Grants and contributions	(6)	(685)	(406)	(287)	(77)	–	(1 461)	(2 239)
Interest and dividends	(264)	(177)	(18)	(86)	–	–	(545)	(562)
Assets received free of charge	–	–	–	(61)	–	–	(61)	–
Other revenues	(75)	(1)	(2)	(18)	(1 781)	(123)	(2 000)	(1 179)
Total Revenues from Ordinary Activities	(7 199)	(2 463)	(533)	(1 027)	(1 858)	(5 537)	(18 617)	(16 701)
NET COST OF SERVICES	1 924	(1 029)	484	900	1 946	3 462	7 687	11 000
REVENUES FROM GOVERNMENT								
Revenues from Government	(1 725)	–	(500)	–	–	(3 315)	(5 540)	(4 887)
FUNDAMENTAL ERROR	–	–	–	–	–	–	–	235
NET EXPENSE (REVENUE) FROM RESTRUCTURING	–	–	–	–	–	–	–	21 981
DEFICIT (SURPLUS) ON ORDINARY ACTIVITIES	199	(1 029)	(16)	900	1 946	147	2 147	28 329

ADMINISTERED ASSETS AND LIABILITIES:

	2002	2001
	Total	Total
	\$'000	\$'000
Assets:		
Cash Assets	16 557	14 924
Current receivables	1 443	2 025
Inventory	116	114
Non-current receivables	720	305
Capital works in progress	–	1 027
Property, plant and equipment	110 692	112 603
Total	129 528	130 998
Liabilities:		
Payables	1 394	2 662
Other current liabilities	4 892	2 399
Interest bearing liabilities	–	200
Total	6 286	5 261

OUTPUT CLASS SCHEDULE OF EXPENSES & REVENUES FOR THE YEAR ENDED 30 JUNE 2002

OUTPUT CLASS (See Note 3)

	1	2	3	4	5	6	7	8	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES FROM ORDINARY ACTIVITIES									
Salaries and wages and other employee related expenses	31 145	13 253	1 383	4 878	9 219	2 176	4 284	2 252	68 590
Goods and services	26 679	7 878	745	2 853	9 039	1 471	1 909	1 648	52 222
Grants and contributions	4 748	1 320	34	351	553	101	226	9 338	16 671
Depreciation and amortisation	19 767	1 026	872	248	2 523	70	528	511	25 545
Borrowing cost expense	1 199	510	53	108	488	86	175	15	2 634
Net loss from disposal of non-current assets	230	15	12	3	35	1	8	–	304
Other expenses	964	40	74	96	10	(17)	2	–	1 169
Total Expenses from Ordinary Activities	84 732	24 042	3 173	8 537	21 867	3 888	7 132	13 764	167 135
REVENUES FROM ORDINARY ACTIVITIES									
Fees and charges	(537)	(8 014)	(213)	–	(12 185)	(3 176)	(2)	(219)	(24 346)
Grants and contributions	(15 242)	(2 469)	(244)	(481)	(733)	(66)	(449)	(760)	(20 444)
Interest and dividends	(1 418)	(603)	(73)	(128)	(565)	(126)	(207)	(241)	(3 361)
Assets received free of charge	(7 736)	–	–	–	–	–	–	–	(7 736)
Other revenues	(3 385)	(1 082)	(134)	(261)	(985)	(176)	(387)	(1 362)	(7 772)
Total Revenues from Ordinary Activities	(28 318)	(12 168)	(664)	(870)	(14 468)	(3 544)	(1 045)	(2 582)	(63 659)
NET COST OF SERVICES	56 414	11 874	2 509	7 667	7 399	344	6 087	11 182	103 476
REVENUES FROM GOVERNMENT									
Revenues from Government	(54 849)	(14 283)	(1 944)	(7 065)	(3 414)	(8)	(2 950)	(10 170)	(94 683)
NET EXPENSE (REVENUE) FROM RESTRUCTURING	(964)	(410)	(42)	(87)	(197)	(70)	(378)	63 350	61 202
DEFICIT (SURPLUS) ON ORDINARY ACTIVITIES	601	(2 819)	523	515	3 788	266	2 759	64 362	69 995

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. *Strategic Context and Financial Arrangements*

STRATEGIC CONTEXT

The Department for Environment and Heritage (DEH) is working to secure a thriving, diverse future for South Australia characterised by a healthy environment, healthy communities and healthy people.

DEH is a diverse agency with principal responsibilities for:

- ♦ management of South Australia's national parks, botanic gardens and coastline;
- ♦ protection and management of State heritage;
- ♦ protection, conservation and restoration of State's ecosystems with emphasis on the public reserve system;
- ♦ environment protection, policy and regulation;
- ♦ monitoring and reporting of the quality of South Australia's water, air and land;
- ♦ provision of environmental and geographic information;
- ♦ promotion of recreation, sport and racing (transferred to the Department for Administrative and Information Services on 4 December 2001, as disclosed in Note 2(a)); and
- ♦ promotion of and support for the volunteer sector (transferred to the Emergency Services Administrative Unit on 4 December 2001, as disclosed in Note 2(a)).

DEH makes a significant contribution to the well-being of South Australians, promoting sustainable development and quality of life in this State. In partnership with the community, DEH is helping to create the right conditions for natural resources to be used for their best outcome within sustainable limits.

FINANCIAL ARRANGEMENTS

The department's sources of funds consist of monies appropriated by Parliament together with income derived from fees and charges for services to the public and industry. These include:

- ♦ fees, levies and licenses;
- ♦ rents for Crown land;
- ♦ sales of spatial information.

The financial activities of the department are primarily conducted through Deposit Accounts with the Department of Treasury and Finance pursuant to Section 8 of the *Public Finance and Audit Act 1987*. The Deposit Accounts are used for funds provided by Parliamentary appropriation together with revenues from services provided. All contracts and balances of the department are denominated solely in Australian dollars, therefore there are no foreign currency assets or liabilities.

Administered Activities

The department is responsible for the administration of certain activities described below on behalf of the Department of Treasury and Finance, other SA Government Agencies, the Crown, industry, interstate governments and the Minister for Environment and Conservation. The transactions relating to these activities are not recorded in the department's Statement of Financial Performance or Statement of Financial Position, as the department does not have any control over these activities and merely acts as an agent.

Administered revenues, expenses, assets and liabilities are detailed in the Schedule of Administered Items. The administered items are:

- ♦ War Service Land Settlement Scheme;
- ♦ Crown Land Sales Freeholding Account;
- ♦ Surplus Land and Property Sales;
- ♦ Wildlife Conservation Fund;
- ♦ Bookmark Biosphere Trust;
- ♦ General Reserves Trust;
- ♦ Martindale Hall Conservation Trust;
- ♦ Board of the Botanic Gardens and State Herbarium;
- ♦ Environment Protection Fund;
- ♦ State Heritage Fund;
- ♦ Native Vegetation Fund;
- ♦ Coast Protection Fund;
- ♦ Adelaide Coastal Waters Study;
- ♦ Murray Mallee Partnership;
- ♦ Land Services Group;
- ♦ Racing Industry Development Authority decommissioning costs;
- ♦ Ministerial other payments:
 - War concessions;
 - Royal Zoological Society of South Australia Inc;
- ♦ Special Acts allocation:
 - Salary and allowances – Minister;
- ♦ Consolidated revenue.

FULL TIME EQUIVALENTS

The department was operating with 1098 full time equivalent employees as at 30 June 2002 (1147 as at 30 June 2001).

2. *Significant Accounting Policies*

(A) *CHANGES TO AGENCY STRUCTURE*

The department underwent several restructures during the year ended 30 June 2002. The Office for Recreation, Sport and Racing transferred to the Department for Administrative and Information Services on 4 December 2001, the Office for Volunteers transferred to the Emergency Services Administrative Unit on 4 December 2001 and the Geographic Analysis Research Unit transferred from the Department for Transport, Urban Planning and the Arts on 1 January 2002.

The Mt Lofty Summit Development Trust came into being on 1 August 2000. As the Board has not received written direction regarding management functions, the department has continued to manage and control these operations. The accounting arrangements are that revenues earned and expenses incurred by the Mt Lofty Summit Development Trust have been reported by the department.

The Environment Protection Agency was a division within the department for the year ended 30 June 2002. As of 1 July 2002 its functions were reassigned to the new independent administrative unit named Environment Protection Authority.

(b) *Basis of Accounting*

This financial report is a general purpose financial report which has been prepared in accordance with the Statements of Accounting Concepts, Australian Accounting Standards, Urgent Issues Group Consensus Views (UIG's), *Public Finance and Audit Act 1987*, Treasurer's Instructions and Accounting Policy Statements issued by the Department of Treasury and Finance.

The financial statements, including administered items, have been prepared on the accrual basis of accounting. Accordingly, revenues are recognised when they are earned or when the department has control over them, rather than when they are received and expenses are recognised when they are incurred, rather than when they are paid. Some revenues are recognised when cash is received because only at this time can the department be certain about the amounts to be collected. These revenues include items such as licence and accreditation fees, fines and penalties.

The financial statements have been prepared in accordance with the historical cost convention, with the exception of certain types of physical non-current assets which are valued at written down current cost, in accordance with Department of Treasury and Finance guidance. Cost is based on the fair values of the consideration given in exchange for assets.

The financial statements detail the revenues, expenses and financial position of the department as a single entity and accordingly all intra-departmental transactions and balances have been eliminated.

(c) *PROPERTY, PLANT AND EQUIPMENT*

All items of property, plant and equipment controlled by the department have been brought to account at current cost, with assets other than land, being reduced to reflect the portion of economic benefits that had been consumed since the asset was acquired, i.e. 'depreciated current cost'.

Current cost has been determined using deprival value methodology, whereby assets are valued at the replacement cost of procuring assets with similar functions and which provide comparable future service potential. Accordingly, all assets acquired since 1 July 1996 are accounted for at cost of acquisition unless revalued in accordance with the department's revaluation policy. Assets received free of charge are brought to account at their net fair value.

All classes of physical non-current assets with fair values at the time of acquisition equal to or greater than \$1 million and estimated useful lives equal to or greater than three years were to be revalued at intervals not exceeding three years as per previous Treasurer's Instructions. However, the department has approval from the Treasurer to use the transitional provisions of Australian Accounting Standard AAS29 'Financial Reporting by Government departments' allowing the first revaluation to be an interval not exceeding five years, but prior to 30 June 2004, and then revaluations at every three years thereafter.

Under the transitional provisions of Australian Accounting Standard AASB1041 'Revaluation of Non Current Assets' the department will continue to use deprival methodology for revaluations undertaken prior to 30 June 2002.

During the financial year ended 30 June 2001, the department revalued certain buildings, infrastructure, roads, tracks and trails within National Parks statewide. This work was carried out by Valcorp in June 2001. The revaluation of infrastructure, roads, tracks and trails resulted in an asset revaluation reserve of \$13.8 million being recognised in the 2000–2001 financial statements.

Heritage assets are recognised in the Statement of Financial Position as part of the aggregate value of major classes of assets (building/improvements or other). Heritage assets and works of art that are unique are not depreciated due to their long useful lives. Heritage assets that provide a functional service are recorded at depreciated current cost.

Minor items of plant and equipment with an individual value of less than \$2000 are expensed in the Statement of Financial Performance at the time they are acquired.

(i) *Land*

Land comprising national parks, conservation parks, recreation parks, wilderness protection areas and reserves, generally has restrictions on use imposed by statute or regulation. Independent valuers, using the deprival value approach, and having regard to restrictions on use, have determined the carrying amount of this type of land.

The department is custodian of unallotted Crown land, by virtue of its responsibilities under the *Crown Lands Act 1929*. This land is considered to be an administered asset. As the department has been unable to formulate a suitable methodology for determining a reliable measure of value of the asset, unallotted Crown land is not included in the Schedule of Administered Items.

The Schedule of Administered Items includes the Crown's interest in land leased to third parties under miscellaneous leases, perpetual leases and annual licences.

(ii) *Buildings, improvements and infrastructure*

Independent valuers have valued selected items in this category. Other items have been measured at cost, or at estimated replacement cost using a methodology developed by independent valuers.

(iii) *Intellectual property, data bases and information systems*

Selected items have been measured at cost, or at estimated replacement cost using methodology developed by independent valuers.

The department controls a large number of data bases, registers, information systems and other intellectual property. All data bases were developed in-house and are used to store and manage intellectual property owned by the department. While the development and maintenance of these data bases involve on-going costs to the department, neither the systems nor the data have been recognised in the financial statements as assets, as it has not been possible to reliably measure the value of those assets.

The purchase costs of information systems used by the department have been recognised as assets. However, the implementation and development costs related to the systems have not been capitalised as assets. These costs therefore have been expensed when incurred, as it has not been possible to reliably identify and match the expenditure to economic benefits attributable to future reporting periods.

(iv) *Capital work in progress*

Capital work in progress consists of actual expenditure carried forward, where it is possible to reliably measure the cost of the asset/work, and it is probable that future economic benefits will flow to the department from use or conversion of the asset/work.

(D) *DEPRECIATION*

All items of property, plant and equipment, with the exception of land, unique heritage assets and works of art have a limited useful life and are systematically depreciated in a manner which reflects the consumption of service potential. The depreciation rates are reviewed annually. In the 2001-02 financial year the department specifically reviewed and amended the useful lives of jetties, airstrips and other buildings. No depreciation is applied to capital work in progress, as this asset category consists of unfinished projects, which have not been commissioned into service.

Assets are subject to straight-line depreciation over the following periods:

	Years
Buildings/improvements	10-80
Infrastructure	2-50
Roads, tracks & trails	4-50
Moveable vehicles	5-20
Computing equipment	3
Application software	5
Furniture and fittings	5-20
Plant and equipment	3-30
Other	3-25

(E) *REPAIRS AND MAINTENANCE*

Repairs and maintenance costs are expensed as incurred.

(F) *INCOME RECOGNITION*

All revenue recorded in the Statement of Financial Performance, including appropriations, grants, donations and other contributions are recognised as revenues when the department obtains control over the assets comprising the contributions. Control over appropriations and granted assets is normally obtained upon their receipt.

Licences, leases and accreditation fees, where the period exceeds one reporting period, are recorded as revenue in the period in which they are received.

The department is not economically dependent on one individual for its revenue, however, the amount of revenue earned from transactions with our customer base can be influenced by the South Australian economy.

(G) *CASH ASSETS*

Cash assets consist of cash on hand, at call accounts with Australian commercial banks and monies held by the Department of Treasury and Finance in Special Deposit Accounts. Interest is received on credit balances in accordance with standard commercial terms for deposits not held by the Treasurer. Deposit Account balances are at call amounts, which earn interest at a rate determined by the Treasurer. Interest is received quarterly in arrears. The average effective interest rate for the reporting period was 6.16 percent (8.3% during 2000-2001).

(H) *RECEIVABLES*

Receivables in respect of fees and charges are generally settled within 60 days and are recorded at their recoverable amount. At the end of each reporting period these receivable balances are reviewed and a provision is raised in respect of any balance where recoverability is considered doubtful. Bad debts are written off in the period in which they are identified. Credit risk therefore is confined to the amount set aside as the provision for doubtful debts. The resulting carrying amount of receivables is considered to approximate their net fair values.

The department does not have any significant exposure to any individual customer, thus its credit risks are due to its customer base being influenced by the South Australian economy.

(I) *CREDITORS/PAYABLES*

Trade creditors are unsecured debts, recognised in the financial statements when contracted goods or services have been received by the department. These debts generally are settled within 30 days of invoice. Retention monies held on capital works projects are carried at their nominal face value. Oncosts associated with employee entitlements have been recognised as accrued payables for the period ending

30 June 2002 in accordance with Accounting Policy Statement APS 9 'Employee Entitlements', paragraph 30. The resulting amount of creditors/payables is considered to approximate their net fair values.

(J) EMPLOYEE ENTITLEMENTS PROVISIONS

A provision is raised at the end of the reporting period to reflect employee entitlements to annual leave, long service leave and accrued salaries and wages.

(i) ANNUAL LEAVE

The annual leave entitlement is calculated by multiplying each employee's entitlement by the remuneration rate current at the reporting date. Where leave loadings are paid, they are included in the calculation.

(ii) LONG SERVICE LEAVE

In calculating long service leave entitlements the department uses a benchmark of 8 years, based on an actuarial assessment undertaken by the Department of Treasury and Finance of a significant sample of employees throughout the South Australian public sector. This calculation is consistent with the department's experience of employee retention and leave taking (refer to Note 2(s)).

(iii) SICK LEAVE

The department's employees' entitlement to sick leave is non vesting. Sick leave is only recognised as a liability at reporting date to the extent it is probable that sick leave expected to be taken in future periods will be greater than entitlements which are expected to accrue in those future periods. No sick leave liability has been recorded as the sick leave taken during the period was less than the sick leave entitlements accrued.

(K) INTEREST-BEARING LIABILITIES

Interest-bearing liabilities consist of loans advanced by the Department of Treasury and Finance. The loans, which are unsecured, generally incur interest at a rate determined by the Treasurer. Interest is paid quarterly in arrears. The average effective interest rate for the reporting period was 6.21 percent (8.35% during 2000–2001).

(L) LEASES

The department has entered into lease agreements for property, plant and equipment.

Where the lessors effectively retain all of the risks and benefits incidental to ownership of the items the arrangements are considered to be operating leases. For these cases equal instalments of the lease payments are charged to the Statement of Financial Performance over the lease term as this is representative of the pattern of benefits to be derived from the leased property. Details of operating leases are disclosed in Note 32.

The department's rights and obligations under finance leases, which are leases that effectively transfer to the department substantially all of the risks and benefits incidental to ownership of the leased items, are initially recognised as assets and liabilities equal in amount to the present value of the minimum lease payments. The assets are disclosed as plant and equipment under lease, and are amortised to the Statement of Financial Performance over the period during which the department is expected to benefit from the use of the leased assets. Minimum lease payments are allocated between interest expense and reduction of the lease liability, according to the interest rate implicit in the lease. Details of finance leases are disclosed in Note 24.

(M) SUPERANNUATION

The department made contributions of \$5.5 million to Employer Contribution Accounts administered by the South Australian Superannuation Board, in respect of future superannuation liabilities.

(N) INVENTORIES

Inventories are valued in the accounts at the lower of cost and net realisable value.

(O) LEASE INCENTIVE

The department has entered into an operating accommodation lease where it received an incentive, in the form of structural improvements and the provision of certain items of furniture and fittings. A liability has been raised to reflect the deferred benefits received under the lease incentive arrangement and this liability is systematically reduced by the allocation of lease rental payments between rental expense and reduction of the lease incentive liability.

(P) GOODS AND SERVICES TAX

The department is registered for GST, as such it charges GST on its products and claims input tax credits on its purchases where required by legislation. The net amount of GST recoverable from the Australian Taxation Office has been recognised as part of current receivables in the Statement of Financial Position. In accordance with Urgent Issues Group Abstract 31 'Accounting for Goods and Services Tax (GST)', receivables and payables have been recognised inclusive of GST. The only exception to grossing up for GST is for accrued expenses where a valid tax invoice is not on hand at the time of accruing the revenue or expense and the amount of the transaction has been estimated.

The department prepares a Business Activity Statement on behalf of its administered entities under the grouping provisions of the GST legislation. Under these provisions, the department is liable for the payments and entitled to the receipt of GST. As such, the GST applicable to these entities forms part of the receivables and payables recorded in the Statement of Financial Position and the GST cashflows recorded on the Statement of Cash Flows of the department.

(Q) CASH FLOWS

For the purpose of the Statement of Cash Flows, cash includes cash on hand (including petty cash and cashier floats), deposits held at call with banks and Special Deposit Accounts with the Department of Treasury and Finance.

(R) COMPARATIVE FIGURES

The Statement of Financial Performance for the 2000–2001 financial year includes the full year operating results for the Office for Recreation and Sport (ORS) and the Office for Volunteers (OFV). However, the Statement of Financial Performance for the 2001–2002 financial year includes 5 months operating results for both ORS and OFV up until the time of their transfer out of DEH on 4 December 2001. The 2001–2002 statement reflects 6 months of operating results for the Geographic Analysis Research Unit (GAR), which transferred into DEH on 1 January 2002 from the Department for Transport, Urban Planning and the Arts (refer Note 2(a)).

Accordingly the Statement of Financial Position as at 30 June 2001 includes items relating to ORS and OFV but **not** GAR. The Statement of Financial Position as at 30 June 2002 **excludes** items relating to ORS and OFV but does include those related to GAR.

The comparative figures in the Schedule of Administered Items have been amended to reflect the final audited position of administered entities for the year ended 30 June 2001. As a result, there are differences when comparing the comparative figures to the Schedule of Administered Items as published in the Report of the Auditor-General for the year ending 30 June 2001.

(S) CHANGE IN ACCOUNTING ESTIMATE

DEH has changed its method for estimating the proportion of long service leave liability attributable as current and non-current. As at 30 June 2001 the estimate of the split between current and non-current was based on the previous twelve months leave expense. As at 30 June 2002 this estimation method has been revised to being based on the previous three years leave expense.

(T) ROUNDING

All amounts are rounded to the nearest thousand dollars.

3. *Output Classes of the department*

The department is funded by appropriation for the provision of the following output classes as set out below:

1. National Parks & Wildlife
2. Environment Protection
3. Heritage Conservation
4. Botanic Gardens
5. Environmental & Geographic Information & Knowledge
6. Administration and Stewardship of Crown Lands
7. Coordination & Advice
8. Recreation, Sport & Racing (to 4 December 2001)

Administered items not attributed to the above classes include:

- ♦ Land Services Group;
- ♦ Minister other payments;
- ♦ War Services Land Settlement Scheme;
- ♦ Special Acts allocation; and
- ♦ Consolidated revenue.

4. <i>Goods and Services</i>	2002	2001
Goods and service expenses for the reporting period comprised:	\$'000	\$'000
Accommodation and service expenses	8 984	10 990
Section 7 remittances	3 050	2 571
Materials and consumables	3 283	3 022
Vehicle and aircraft operating expenses	4 000	4 595
Travel and accommodation	1 310	1 695
Contractor expenses	13 219	13 329
Consultancies	731	1 135
Computing expenses	5 679	6 435
Minor plant and equipment purchases	710	1 063
Auditor's remuneration – Auditing services	222	206
Equipment repairs and maintenance	284	484
Printing and publishing	1 298	1 199
Goods held for resale	1 661	830
Bank fees	85	136
Postage, courier and freight	511	571
Advertising	595	646
Scholarships, awards and prizes	97	355
Scientific and technical services	1 008	351
Telephone expenses	2 579	2 167
Other	2 916	1 260
	<u>52 222</u>	<u>53 040</u>

5.	<i>Grants and Contributions</i>	<i>2002</i>	<i>2001</i>
	Grants and contributions for the reporting period comprised:	\$'000	\$'000
	Contributions to:		
	State Heritage Fund	406	350
	Adelaide Coastal Water Study	340	75
	Department for Water Resources	–	190
	Coast Protection Fund	5	–
	Board of the Botanic Gardens and State Herbarium	337	100
	Department of Education, Training and Employment	45	–
	Department for Transport, Urban Planning and the Arts	605	–
	Department of the Premier and Cabinet	53	–
	Department of Primary Industries and Resources SA	517	–
	Department for Administrative and Information Services	547	–
	Department of Human Services	35	–
	Coast Care grants	608	219
	Animal Welfare grants – RSPCA	500	525
	National Estate program grants	4	89
	Natural Heritage Trust grants	790	1 238
	Resource Conservation grants	172	271
	Waterwatch Program	85	267
	KESAB	375	317
	Mt Lofty Watershed Program	–	345
	Recreation and Sport financial assistance grants	9 074	9 204
	Urban Forest grants	166	–
	On Ground Works Mallee grants	52	–
	Friends of Parks grants	117	–
	Conservation Council grants	172	–
	Hills Face grants	76	–
	Miscellaneous grants	1 590	606
		<u>16 671</u>	<u>13 796</u>
6.	<i>Depreciation and Amortisation</i>	<i>2002</i>	<i>2001</i>
	Depreciation and amortisation expenses for the reporting period were charged	\$'000	\$'000
	Buildings/improvements	1 531	2 688
	Infrastructure	5 580	6 611
	Roads, tracks and trails	8 367	7 075
	Moveable vehicles	538	517
	Computing equipment	4 203	3 355
	Application software	3 134	2 551
	Furniture and fittings	211	200
	Plant and equipment	897	1 103
	Amortisation of plant and equipment under finance lease	226	280
	Other	858	726
		<u>25 545</u>	<u>25 106</u>
7.	<i>Net Loss from Disposal of Non-Current Assets</i>	<i>2002</i>	<i>2001</i>
		\$'000	\$'000
	Proceeds from disposal of non-current assets	241	287
	Less: Written down value of non-current assets	545	613
	Net Loss	<u>304</u>	<u>326</u>

		2002	2001
8.	<i>Other Expenses</i>	\$'000	\$'000
	Doubtful debts	6	938
	Bad debts	23	81
	Capital work in progress write-off	<u>1 140</u>	<u>1 690</u>
		<u>1 169</u>	<u>2 709</u>
9.	<i>Fees and Charges</i>	2002	2001
	Fees and charges for the reporting period comprised:	\$'000	\$'000
	Rent and other related income	2 297	1 919
	Fees, levies and licences	8 772	8 695
	Admissions and guided tour charges	87	77
	Section 7 enquiries	7 979	6 851
	Remote user property inquiry fees	2 234	2 083
	Sale of products and other services	<u>2 977</u>	<u>2 830</u>
		<u>24 346</u>	<u>22 455</u>
10.	<i>Grants and Contributions</i>	2002	2001
	Grants and contributions for the reporting period comprised:	\$'000	\$'000
	Commonwealth contributions	7 110	6 383
	State Government grants	2 823	5 110
	Contribution from General Reserves Trust	6 942	5 537
	Contribution from Board of Botanic Gardens and State Herbarium	382	333
	Contribution from Environment Protection Fund	532	–
	Contribution from Coast Protection Fund	210	–
	Contribution from Department of Water, Land & Biodiversity Conservation	80	–
	Contribution from Planning SA	472	–
	Contribution from Office for Recreation, Sport and Racing	385	–
	Contribution from South Australian Housing Trust	58	–
	Grant from Northern Adelaide and Barossa Catchment Board	60	–
	Sundry grants and contributions received	<u>1 390</u>	<u>457</u>
		<u>20 444</u>	<u>17 820</u>
11.	<i>Assets Received Free of Charge</i>	2002	2001
		\$'000	\$'000
	Assets received free of charge*	7 736	260
	Assets transferred in from the Environment Protection Fund	<u>–</u>	<u>64</u>
		<u>7 736</u>	<u>324</u>
*These assets represent the creation of new parks, the extension of existing parks and the first time recognition of assets.			
12.	<i>Other Revenues</i>	2002	2001
	Other revenues for the reporting period comprised:	\$'000	\$'000
	Salary and wage expenses recouped	4 436	1 116
	Gaming revenue	1 141	3 199
	Insurance recovery	653	163
	Service charges to DAIS for Corporate Finance and IT Services	481	481
	Other revenue	<u>1 061</u>	<u>828</u>
		<u>7 772</u>	<u>5 787</u>

13.	<i>Revenues from Government</i>	2002	2001
	<i>Reconciliation of Government Revenues</i>	\$'000	\$'000
	Total appropriations	93 853	116 862
	Contingency provision grants	1 096	954
	Net draw on Consolidated Account not recognised in the Statement of Financial Performance*	(266)	(258)
	Net cash from Government	94 683	117 558
	Other Government revenues, assumption of liabilities	–	550
	Total Government Revenues	94 683	118 108

* The department does not control how these funds are to be spent and acts only as an agent in an administrative capacity on behalf of the Minister for Environment and Conservation.

The net draw on the consolidated account not recognised in the Statement of Financial Performance comprised:	2002	2001
	\$'000	\$'000
Ministerial other payments	(4)	(12)
Special Acts – recurrent expenditure	(262)	(254)
Recurrent receipts	–	8
	(266)	(258)

14.	<i>Fundamental Error</i>	2002	2001
		\$'000	\$'000
	Overstated depreciation in prior years—roads, tracks and trails	–	36 900
	First time recognition of assets—located at the Gawler and Flinders Ranges National Parks	–	5 330
		–	42 230

15.	<i>Net Revenues (Expenses) from Restructuring of Administrative Arrangements</i>	2002	2001
	Notes	\$'000	\$'000
	The net revenues/expenses relating to the restructuring of Administrative arrangements are the following:		
	Office for Recreation, Sport and Racing to the Department for Administrative & Information Services (a)	(63 350)	–
	Office for Volunteers to Emergency Services Administrative Unit (b)	235	–
	The Geographic Analysis Research Unit (GAR) from the Department for Transport, Urban Planning and the Arts (c)	(187)	–
	Pastoral function to Primary Industries and Resources SA (d)	–	190
	Geodetic and Geographical Names to the Department for Administrative & Information Services (e)	–	148
	Martindale Hall Conservation Trust to Administered Funds (f)	–	(315)
	Assets from the Minister (g)	–	23
	Office for Recreation and Sport from the Department for Industry and Trade (h)	–	1 181
	Water-related functions to the Department for Water Resources (i)	2 100	–
		(61 202)	1 227

(a) During the 2001–2002 financial year the department relinquished responsibility for the Office for Recreation, Sport and Racing to the Department for Administrative and Information Services, effective from 4 December 2001. The following assets and liabilities were transferred:

	2002 \$'000	2001 \$'000
Assets		
– Cash	(14 120)	–
– Receivables	(2 402)	–
– Inventory	(5)	–
– Property, Plant and Equipment	(51 070)	–
– Other	(15)	–
Liabilities		
– Payables	2 620	–
– Employee Entitlements	1 133	–
– Provisions	1	–
– Borrowings	508	–
	<u>(63 350)</u>	<u>–</u>

(b) During the 2001–2002 financial year the department relinquished responsibility for the Office for Volunteers to the Emergency Services Administrative Unit, effective from 4 December 2001. The following assets and liabilities were transferred:

	2002 \$'000	2001 \$'000
Assets		
– Cash	(48)	–
– Receivables	(1)	–
– Property, Plant and Equipment	(22)	–
Liabilities		
– Payables	49	–
– Employee Entitlements	257	–
	<u>235</u>	<u>–</u>

(c) During the 2001–2002 financial year, the department assumed responsibility for GAR from the Department for Transport, Urban Planning and the Arts (DTUPA), effective from 1 January 2002. The following is a summary of the expenses and revenue from 1 July to 31 December 2001 attributable to the period these functions were controlled by DTUPA and from 1 January to 30 June 2002 when control was with this department. Assets and liabilities received are also summarised below:

	DTUPA \$'000	DEH \$'000	TOTAL 2002 \$'000
Expenses	(845)	(744)	(1 589)
Revenue	278	562	840
NET COST OF SERVICES	<u>(567)</u>	<u>(182)</u>	<u>(749)</u>

	2002	2001
	\$'000	\$'000
Assets		
– Cash	311	–
– Prepayments	56	–
– Property, Plant and Equipment	72	–
Liabilities		
– Payables	(43)	–
– Employee Entitlements	(277)	–
– Unearned Revenue	(306)	–
	<u>(187)</u>	<u>–</u>

(d) During the 2000–2001 financial year, the department relinquished responsibility for the pastoral function to Primary Industries and Resources SA, effective from 1 July 2000. Amounts transferred comprised of Inventory \$12 000, Property, Plant & Equipment \$5000 and Employee Entitlements \$207 000.

(e) Geodetic Services and Geographical Names units transferred to the Department for Administrative and Information Services, effective from 1 July 2000. The amounts transferred were \$28 000 Property, Plant and Equipment and \$176 000 Employee Entitlements.

(f) During the 2000–2001 financial year, the department assessed that it no longer controlled the operations of the Martindale Hall Conservation Trust. Consequently, as at 1 July 2000 cash of \$315 000 was transferred to administered operations.

(g) During the 2000–2001 financial year, the department assumed responsibility for some additional assets with a written down value of \$23 000 relating to the change in the department's Minister.

(h) During the 1999–2000 financial year, the department assumed responsibility for the Office for Recreation and Sport. During 2000–2001 there was a further transfer of cash from the Department of Industry and Trade of \$1.2 million as a result of the finalisation of the Office for Recreation and Sport transfer. A summary of this and other adjustment transactions is included below:

	2002	2001
	\$'000	\$'000
Assets		
– Cash	–	1 199
– Inventory	–	(210)
– Property, Plant and Equipment	–	(665)
Liabilities		
– Payables	–	857
	<u>–</u>	<u>1 181</u>

(i) In February 2000, the department relinquished its responsibility for water-related functions to the Department for Water Resources. During 2001–2002 there was a further transfer of cash from the Department for Water Resources of \$2.1 million as a result of the finalisation of the transfer of water-related functions.

	2002	2001
	\$'000	\$'000
16. Cash Assets		
Bank accounts with non South Australian Government entities	544	1 303
Cash on hand (including petty cash)	22	25
Accrual Appropriation Excess Fund Special Deposit Account with the Department of Treasury and Finance	47 395	40 893
Special Deposit Accounts with the Department of Treasury and Finance	1 394	31 299
	<u>49 355</u>	<u>73 520</u>

17.	<i>Receivables</i>	2002	2001
	Current:	\$'000	\$'000
	Fees and charges	7 055	5 538
	Loans receivable	80	2 299
	Accrued investment income	31	1 507
	GST receivable	1 298	1 389
	Other	17	84
	Less: Provision for doubtful debts	177	2 417
		<u>8 304</u>	<u>8 400</u>
	Non-Current:	2002	2001
		\$'000	\$'000
	Fees and charges	45	–
	Loans receivable	496	1 435
		<u>541</u>	<u>1 435</u>
18.	<i>Inventory</i>	2002	2001
	Current:	\$'000	\$'000
	Raw materials and consumables	320	311
	Work-in-progress	10	–
	Finished goods held for resale	800	1 134
	Land held for resale	400	–
		<u>1 530</u>	<u>1 445</u>
	Non-Current:		
	Land held for resale	3 837	4 694
19.	<i>Other Financial Assets</i>	2002	2001
		\$'000	\$'000
	Equity in listed entities	11	8
	Equity in unlisted entities	–	4
		<u>11</u>	<u>12</u>
20.	<i>Other Assets</i>	2002	2001
	Current:	\$'000	\$'000
	Prepayments	773	594
	Provision for workers compensation – third party recoveries	8	6
		<u>781</u>	<u>600</u>
	Non-Current:		
	Provision for workers compensation – third party recoveries	30	22

21. Property, Plant and Equipment													
	Land	Buildings/ Improvements	Other Infrastructure	Roads, Tracks and Trails	Moveable Vehicles	Computing Equipment	Application Software	Furniture and Fittings	Plant and Equipment	Plant & Equipment under Finance Lease	Other	Capital Work in Progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross Carry Amount													
Balance at 30 June 2001	73,318	103,606	117,450	97,001	6,441	14,833	12,746	1,985	8,224	1,004	10,249	12,650	459,507
Additions	3,230	1,148	51	–	528	2,821	–	144	417	9	1,207	9,569	19,124
Additions—Transfer from CWIP	–	366	819	1,471	37	3,367	3,797	46	25	–	262	(10,190)	–
Additions—Assets Received Free of Charge	2,207	654	4,990	1,749	8	79	–	–	–	–	206	–	9,893
Disposals	–	(867)	(173)	(77)	(284)	(507)	–	(5)	(320)	(98)	(8)	–	(2,339)
Transfers within Government	(12,674)	(39,516)	(8,571)		(30)	(731)	–	–	(2,572)	–	16	–	(64,078)
CWIP Written Off	–	–	–	–	–	–	–	–	–	–	–	(1,140)	(1,140)
Balance at 30 June 2002	66,081	65,391	114,566	100,144	6,700	19,862	16,543	2,170	5,774	915	11,932	10,889	420,967
Accumulated Depreciation/ Amortisation													
Balance as at 30 June 2001	–	(36,334)	(82,109)	(42,817)	(2,895)	(8,951)	(7,382)	(917)	(4,108)	(585)	(3,183)	–	(189,281)
Disposals	–	686	63	77	199	479	–	2	183	98	7	–	1,794
Depreciation Expense	–	(1,531)	(5,580)	(8,367)	(538)	(4,204)	(3,134)	(211)	(896)	(225)	(859)	–	(25,545)
Additions—Assets Received Free of Charge	–	(96)	(1,753)	(191)	(7)	(67)	–	–	–	–	(43)	–	(2,157)
Transfers within Government	–	7,235	3,529	–	10	690	–	–	1,604	–	(10)	–	13,058
Balance as at 30 June 2002	–	(30,040)	(85,850)	(51,298)	(3,231)	(12,053)	(10,516)	(1,126)	(3,217)	(712)	(4,088)	–	(202,131)
Net Book Value													
As at 30 June 2001	73,318	67,272	35,341	54,184	3,546	5,882	5,364	1,068	4,116	419	7,066	12,650	270,226
As at 30 June 2002	66,081	35,351	28,716	48,846	3,469	7,809	6,027	1,044	2,557	203	7,844	10,889	218,836

* Valuations of protected areas, selected land and buildings (including fixtures and fittings), plant and equipment and heritage assets not providing a functional service were performed by Valcorp Australia Pty Limited. The valuers who provided professional opinions were Messrs A J Lucas, MBA, B App Sc (Val), Dip Acc, AAPI and F Taormina, B App Sc (Val), AAPI. Certain items have been valued by Mr D B Bruce AAPI (Val). Other land controlled by the department has been valued at unimproved site value provided by the Valuer-General. Various items of infrastructure, computing equipment, movable vehicles, plant and equipment and other assets have been included at officer's valuation. For further details of valuation methodologies adopted by the department refer to Note 2(b)&(c).

22.	<i>Payables</i>	2002	2001
	Current:	\$'000	\$'000
	Creditors	5 657	9 846
	Accruals	2 977	3 776
	Employee entitlements – oncosts	1 163	923
	Lease incentive	301	301
		<u>10 098</u>	<u>14 846</u>
	Non-Current:		
	Accruals	74	–
	Employee entitlements – oncosts	1 118	1 649
	Lease incentive	527	828
		<u>1 719</u>	<u>2 477</u>
23.	<i>Employee Entitlements</i>	2002	2001
	Current:	\$'000	\$'000
	Long service leave	4 572	2 302
	Annual leave	2 937	3 187
	Accrued salaries and wages	–	3
		<u>7 509</u>	<u>5 492</u>
	Non-Current:		
	Long service leave	<u>7 955</u>	<u>10 984</u>

24. Finance Leases

At the reporting date, the department had the following obligations under finance leases (the sum of which is recognised as a liability after deduction of future finance lease charges included in the obligation). The finance leases held by the department are mainly PC leases which are non-cancellable and payable either six-monthly or monthly in advance. The option to renew the lease is held by DEH. There are no existing contingent rental provisions.

	2002	2001
	\$'000	\$'000
Payable not later than one year	119	201
Payable later than one year but not later than five years	43	154
	<u>162</u>	<u>355</u>
Minimum lease payments	162	355
<i>Less:</i> Future finance charges	24	43
Lease liability	<u>138</u>	<u>312</u>
Classified as:		
Current	104	181
Non-Current	34	131
	<u>138</u>	<u>312</u>
	<u><u>138</u></u>	<u><u>312</u></u>
25.		
<i>Interest-bearing Liabilities</i>	2002	2001
Current:	\$'000	\$'000
Loans—Department of Treasury and Finance	<u><u>–</u></u>	<u><u>23</u></u>
Non-Current:		
Loans—Department of Treasury and Finance	38 054	38 544

26. *Provision for Workers Compensation*

A provision is raised to reflect the liability for any outstanding (unsettled) workers compensation claims for lump sum payments, adjusted for potential recoveries from negligent third parties. It is based on an actuarial assessment prepared for the Department of the Premier and Cabinet.

These figures reflect an apportionment of the whole-of-government estimate of workers compensation liability, according to the department's experience of claim numbers and payments based on data as at 30 April 2002, extrapolated to 30 June 2002. A separate valuation of the liabilities of the department has not been undertaken and if such a valuation is performed this may result in a different assessed liability.

The whole-of-government estimate can be found in a report prepared by Taylor Fry Pty Ltd, consulting actuaries, and submitted to the Public Sector Occupational Health and Injury Management Section of the Department of the Premier and Cabinet. This report conforms to the WorkCover Guidelines for Actuaries, Australian Accounting Standard AAS 26 'Financial Reporting of General Insurance Activities' and Professional Standard PS300 'Actuarial Reports and Advice on Outstanding Claims in General Insurance' of the Institute of Actuaries of Australia.

The above allocation of workers compensation liabilities has also been split into current (i.e. the provision required to meet the liability over the coming year) and non-current (i.e. the provision required for later years).

27. *Equity*

Equity represents the residual interest in the department's net assets. The South Australian Government holds the equity interest in the department on behalf of the community.

	2002 \$'000	2001 \$'000
Accumulated Surplus:		
Opening balance accumulated surplus	272 157	223 520
Surplus (Deficit) for the period	(69 995)	48 637
	<u>202 162</u>	<u>272 157</u>
Asset Revaluation Reserve:		
Opening balance asset revaluation reserve	14 538	683
Amounts recognised on revaluation of Property, Plant and Equipment	–	13 855
	<u>14 538</u>	<u>14 538</u>
	<u>216 700</u>	<u>286 695</u>

28	<i>Reconciliation of Net Cash provided by Operating Activities to Net</i>	2002	2001
	Surplus	\$'000	\$'000
	Net surplus (deficit)	(69 995)	48 637
	Depreciation and amortisation	25 545	25 106
	Net loss (gain) on sale of non-current assets	304	326
	Net result of transfer of assets to and from the department	50 512	675
	Assets received free of charge	(7 736)	(324)
	Assumption of liabilities	–	(550)
	Fundamental error	–	(42 230)
	Capital WIP write-off	1 140	1 690
	Movements in assets and liabilities:		
	receivables	990	(1 621)
	inventories	772	245
	other assets	(189)	229
	payables	(5 420)	3 754
	worker's compensation provision	71	220
	employee entitlements	(1 012)	1 249
	Net Cash provided by (used in)	(5 018)	37 406
	Operating Activities		

29.	Remuneration of Employees	2002	2001
	The number of employees whose remuneration received or receivable during the	Number of Executives	Number of Executives
	Period 1 July 2001 to 30 June 2002 falls within the following bands:		
	\$100 000 – \$109 999	4	2
	\$110 000 – \$119 999	5	4
	\$120 000 – \$129 999	3	1
	\$130 000 – \$139 999	–	1
	\$140 000 – \$149 999	–	1
	\$150 000 – \$159 999	1	1
	\$160 000 – \$169 999	3	1
	\$170 000 – \$179 999	1	–
	\$210 000 – \$219 999	–	1
	\$220 000 – \$229 999	1	–
	\$240 000 – \$249 999	–	1
	\$250 000 – \$259 999	–	1

Total remuneration received or due and receivable during the reporting period by these employees was \$2 396 000 (\$2 107 000). Three (3) employees transferred with the Office for Recreation, Sport and Racing (refer Note 2(a)) are not included in the 2002 column above. The total remuneration received or due and receivable for these transferred employees during the full 2001–2002 financial year was \$418 000.

30.	Targeted Voluntary Separation Packages (TVSPs)	2002	2001
	TVSPs paid to employees during the reporting period were:	\$'000	\$'000
	TVSP payments	3 961	604
	Recovery from the Department of the Premier and Cabinet in respect of TVSPs	(3 961)	(594)
	Annual and long service leave accrued over the period of employment paid to employees who received TVSPs	1 272	186

The number of employees who were paid TVSPs during the reporting period totalled 52 (9).

31. Audit Fees

Audit fees of \$208 000 were incurred for the period ending 30 June 2002.

32. Operating Leases

At the reporting date, the department had the following obligations under non-cancellable operating leases. These obligations are not recognised as liabilities in the Statement of Financial Position. The operating leases held by the department are mainly property leases with penalty clauses equal to the amount of the residual payments remaining for the lease term. The leases are payable one month in advance. The option to renew the lease is held by DEH. There are no existing or contingent rental provisions. The total amount of operating lease expenses recognised in the 2001–2002 Statement of Financial Performance is \$5 400 000.

	2002	2001
	\$'000	\$'000
Payable not later than one year	4 107	6 203
Payable later than one year but not later than five years	9 068	12 082
Payable later than five years	1 688	2 845
	<u>14 863</u>	<u>21 130</u>

33. Restrictions on Contributions Received

The department receives contributions from various funding sources expressly for the purpose of undertaking specific projects. As at 30 June 2002, \$4.8 million of those contributions, which have been recognised as revenues in the Statement of Financial Performance during current or previous periods, are yet to be spent in the manner specified by the contributors.

	Revenue Received	Unspent Amount
	\$'000	\$'000
Resource conservation and management	18 201	4 286
Environment protection	1 611	545
	<u>19 812</u>	<u>4 831</u>

34. Contingent Obligations

Wilpena Tourist Centre

The Minister (on behalf of the department) extended a guarantee to a maximum value of \$1.25 million to ANZ Bank on behalf of Flinders Ranges Tourist Services Pty Ltd, in respect of the Wilpena Tourist Centre redevelopment/lease arrangement. This contingent liability is expected to reduce by an amount of \$125 000 per year effective from 1 July 2000 in line with loan repayments. As a result, the maximum exposure in relation to the guarantee as at 30 June 2002 is \$0.875 million. As at the reporting date, no event was known to have occurred which would crystallise liability under the guarantee.

35. Events Subsequent to Reporting Date

The Environment Protection Agency was a division of the department for the year ended 30 June 2002. As of 1 July 2002 its functions were reassigned to the new administrative unit named the Environment Protection Authority. The financial effect of this has not been brought to account in the 2001–2002 financial statements.

DEPARTMENT FOR ENVIRONMENT AND HERITAGE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

DECLARATION BY OFFICERS

We, the undersigned, hereby state that in our opinion the foregoing Financial Statements and Notes to the accounts, are, to the best of our knowledge, drawn up as to present fairly, in accordance with Statements of Accounting Concepts, applicable Accounting Standards, Urgent Issues Group Consensus Views and the *Public Finance and Audit Act 1987*, as amended, the financial position of the entity as at the reporting date and the results of its operations and its cash flows for the year then ended.

We also state that it is our opinion that, to the best of our knowledge, internal controls over financial reporting have been effective throughout the reporting period.

Allan Holmes
CHIEF EXECUTIVE

13 September 2002

Rick Janssan
A/DIRECTOR, CORPORATE SERVICES

13 September 2002

Appendix 4—External consultancies and contractual arrangements

The following table details the extent to which external consultants have been engaged by the department, the nature of the work undertaken by the consultants and the total cost to the department of the consultancies.

The department has not entered into any contractual arrangements where the total value of the contract exceeds \$4 million and the contract extends beyond a single year.

DEPARTMENT FOR ENVIRONMENT AND HERITAGE		
CONSULTANCIES—2001–02:		
Consultant	Purpose of Consultancy	Amount \$
Below \$10 000	70 minor consultancies	235 248.30
\$10 000–50 000		495 561.85
Urban & Rural Safety	Pesticide use in the MLR Region	
Jon Lamb	Media Strategy for Mt. Lofty	
Waste Audit & Consultancy	Regional Landfill Survey Payment No.3	
Department for Administrative and Information Services	Facilitation of Mt Lofty Botanic Gardens Irrigation Management Plan	
The University of NSW	Semaphore Park Protection Strategy	
ID&A Pty Ltd	Sand Testing and Environmental Assessment re Semaphore Park Project	
Transport Urban Planning	Data capture for Port River Catchment area	
McGregor Tan Research	Strategic Marketing Plan consultation	
Flinders Consulting	EPA Organic Waste Training Curriculum	
Eco Management Services	Winery Development Water Quality Risk Assessment	
Brown and Root Services Asia	Greening of Government Activities Desktop audit	
Hudson Howells	Review and expansion of Beverage Provisions of EPA Act	
Maunsell Aust Pty Ltd	Pedler Creek development of cost model for landfill disposal	
PIRSA	Lower Murray Project Coordination	
University of South Australia	Water Conservation Partnership Project	
Mike Nolan Management Service	Project Management Training and Mentoring	
Flinders Ports	Hydrographic Survey Semaphore Park—Point Malcolm	
Geospatial International	Work in addition to Electronic Reporting Form	
Hassell Pty Ltd	Environment Planning Bulletin Project	
Intec Consulting Group	Crown Land Business Process Review	
Above \$50 000		Nil
Total as per Financial Statement		\$ 730 810.15

Appendix 5—Freedom of Information Statement

Pursuant to the provisions of section 9 of the *Freedom of Information Act 1991* (SA) the following details are provided as part of the Information Statement of Department for Environment and Heritage (DEH).

Agency structure and functions

DEH initially encompassed three portfolio areas namely Environment and Heritage, Recreation, Sport and Racing, and Volunteers.

In December 2001 the Office for Recreation, Sport and Racing was transferred to the Department for Administrative and Information Services (DAIS) and the Office of Volunteers (previously incorporated in the Business Development Division of DEH) was transferred to the Emergency Services Administrative Unit of the Justice Portfolio.

It should be noted that from 1 July 2002 the Environment Protection Agency (EPA) will become a separate administrative unit, the Environment Protection Authority (EPA).

DEH covers a diverse range of functions under the Environment and Conservation Portfolio and its organisation structure and functions are set out in this annual report.

There is also a total of 48 boards, committees, trusts and councils (45 DEH and 3 EPA) which are listed in Appendix 6 of this annual report. The roles and functions of these bodies are detailed in their individual annual reports.

Effect of agency functions on members of the public

The agency makes a significant contribution to the social, physical and environmental well-being of South Australians by providing information, quality services and products to the public. DEH is responsible for conserving and managing the State's natural and built heritage; protecting and monitoring the quality of the State's environment for the benefit of the community; and, providing environmental and geographic information.

The role and objectives of DEH are detailed throughout the annual report.

Public participation in agency policy

DEH involves the public in the formation of its policies through its community liaison sessions, agency promotional activities, consultation and discussion papers on specific issues.

Additionally, DEH provides support to a large number of boards and committees which include members of the public who contribute to the maintenance, decisions and policies on a range of programs and issues.

Description of kinds of documents held by DEH

- Publications produced by National Parks & Wildlife SA, the Environmental & Geographic Information Division, the Botanic Gardens of Adelaide, the Environment Policy Office (now incorporated in the Office of Sustainability) and the Environment Protection Agency (refer above). These are available from the Environment Shop, 77 Grenfell Street, Adelaide, South Australia.

- administrative records
- asset maintenance records
- boards and committees records and annual reports
- corporate and strategic planning records
- correspondence files
- financial records
- occupational health and safety records
- personnel records
- policy documents
- procedures and reference manuals
- survey and environmental reports/records

Access to agency documents

Requests under the *Freedom of Information Act 1991* for access to documents or amendment of personal records in the possession of DEH should be directed in writing to:

Freedom of Information Coordinator
Department for Environment and Heritage
GPO Box 1047
ADELAIDE SA 5001
Telephone: (08) 8204 9307

Appendix 6—Boards, committees, trusts and councils listing

Minister for Environment and Conservation Portfolio

(Please note Boards and Committees of other agencies under the Minister's portfolio are listed separately in their general agency annual reports)

- Animal Ethics Committee—Association of Independent Schools of SA (AISSA)
- Animal Ethics Committee—Catholic Schools
- Animal Ethics Committee—Department of Education, Training and Employment
- Animal Ethics Committee—Flinders University
- Animal Ethics Committee—IMVS
- Animal Ethics Committee—North Adelaide Western Health Service
- Animal Ethics Committee—PIRSA/SARDI
- Animal Ethics Committee—University of Adelaide
- Animal Ethics Committee—Wildlife
- Animal Ethics Committee—Women and Children's Hospital
- Animal Welfare Advisory Committee
- Board of the Botanic Gardens and State Herbarium
- Board of the Royal Zoological Society of South Australia Inc *
- Bookmark Biosphere Trust
- Coast and Clean Seas State Assessment Panel
- Coast Protection Board
- Consultative Committee—Apiary Industry
- Consultative Committee—Captive Fauna
- Consultative Committee—Coorong and Lakes District
- Consultative Committee—Eyre
- Consultative Committee—Far North
- Consultative Committee—Far West
- Consultative Committee—Fleurieu
- Consultative Committee—Fort Glanville
- Consultative Committee—Kangaroo Island
- Consultative Committee—Lofty/Barossa
- Consultative Committee—Lower South East
- Consultative Committee—Mallee

- Consultative Committee—Murraylands
- Consultative Committee—Sturt
- Consultative Committee—The Ranges
- Consultative Committee—Upper South East
- Consultative Committee—Yorke
- Dog and Cat Management Board
- Environment Protection Authority
- Environment Protection Authority Waste & Resource Management Committee
- General Reserves Trust
- Kangaroo Industries Reference Group (KIRG)
- Land Board
- Martindale Hall Conservation Trust
- Native Vegetation Council
- Natural Resources Council
- Reserve Planning and Management Advisory Committee
- South Australian National Parks and Wildlife Council
- State Heritage Authority
- Wilderness Advisory Committee
- Wildlife Advisory Committee
- Winery development water quality risk assessment study in the Mt Lofty Ranges Watershed Steering Committee

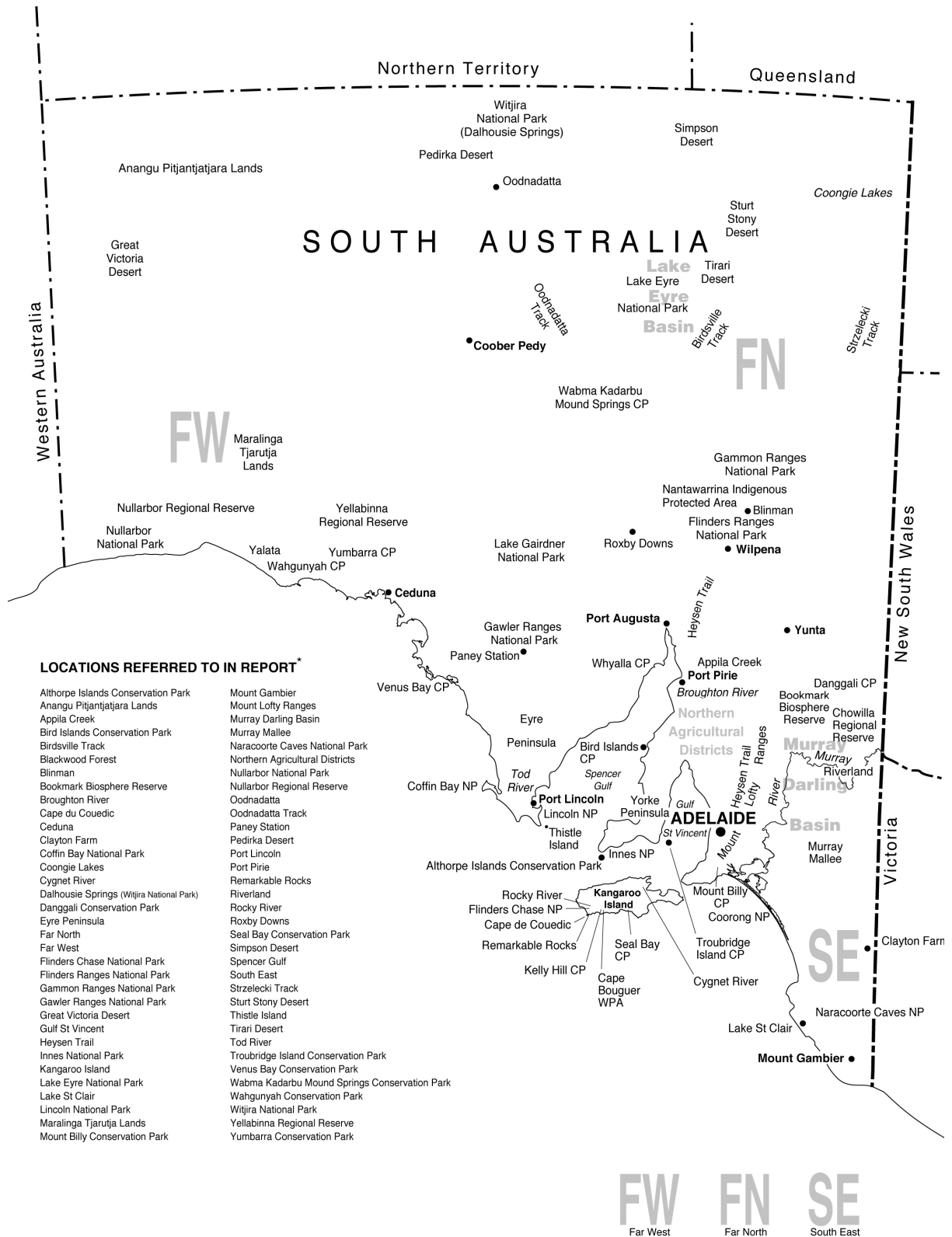
* Independent incorporated body that has a courtesy reporting relationship with the department

Appendix 7—Overseas Travel

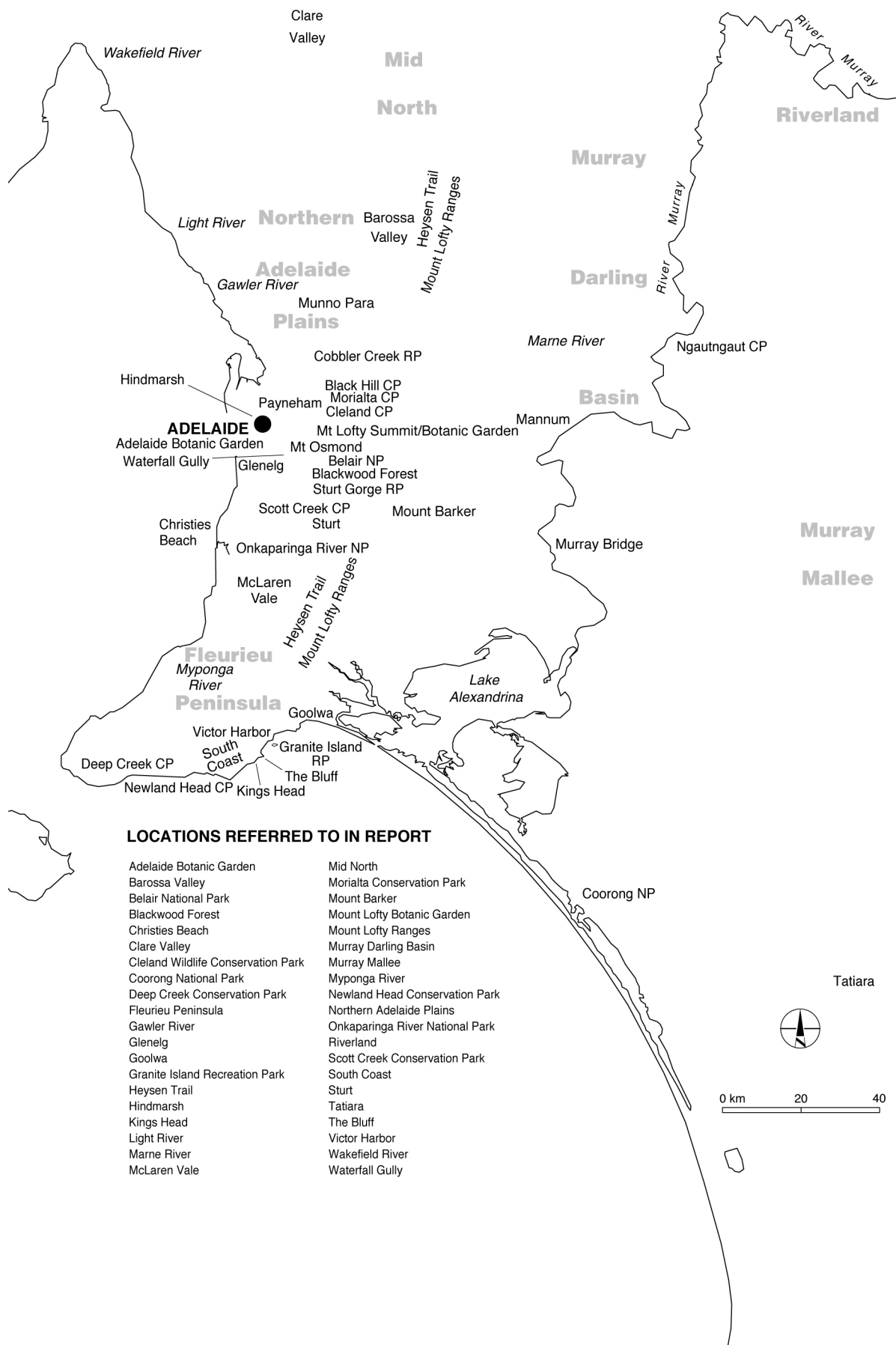
Period of travel: **1 July 2001 to 30 June 2002**

Number of employees	Destination/s	Reasons for travel	Total cost to agency
1	Cambodia	State Government representative to World Summit on Sustainable Development's Asia Pacific Regional Preparatory	\$4 000
1	Canada	14 th Biennial Conference of the Society of Marine Mammalogy	\$3 817
2	Japan	2002 International Environmental Forum	\$2 389
1	United Kingdom	Royal Botanic Gardens Kew	\$939
1	UK & France	Investigate treatment of wastewater and bio-solids	\$6 329
1	USA	Advanced Environmental Crimes Training Course	\$8 414
TOTAL COST TO AGENCY			\$25 888

Appendix 8—Location maps



* For further detail contact Mapland, 300 Richmond Road, Netley



Appendix 9—Publications

Publications produced during the year by DEH's, Botanic Gardens of Adelaide, Business Development, Environmental Policy, Environment Protection Agency, National Parks and Wildlife SA, and Environmental and Geographic Information.

Publications are available from The Environment Shop at 77 Grenfell Street, Adelaide.

Botanic Gardens of Adelaide

- Christensen, TJ in Bistolfi, R. 2001. Une belle collection Australienne de Bromeliacees terrestres. *Succulents* No. 3, August.
- Dankiw, K. 2001. Treasures in the Botanic Gardens and State Herbarium Library' *Bibliofile* 10(3) August, 10–16.
- Meredith, AS and Barker, RM. 2001, 2002. Kangaroo Island: Encounters with Naturalists, Friends of the BGA Gazette, Vol 24(5), 125–126 and 25(1), 24–27.
- Meredith, AS. 2002. Encounters with Naturalists, The Botanic Garden—A Newsletter for the Botanic Gardens of Australia and New Zealand No. 2, 13–5
- Meredith, AS. 2002. Prior Knowledge. The Botanic Garden—A Newsletter for the Botanic Gardens of Australia and New Zealand No. 2, 15–16

Education/ Interpretation Booklets and Brochures

- Talking tree trail trial booklet
- Living Together draft trail booklet
- Prior Knowledge pamphlet
- Bicentennial Conservatory Brochure (updated)
- Functions brochure

Business Development

- Department for Environment and Heritage, August 2001, October 2001 and December 2001 Editions, *Environment State Newsletter*, Adelaide
- Department for Environment and Heritage, *What's On Brochure*, Edition 1 (December 2001), Edition 2 (March 2001), Edition 3 (June 2002), Adelaide

Environment Policy Office

- Department for Environment and Heritage, *South Australian Environment Industry Survey 2001*. Adelaide
- Best Practice Water Conservation Principle Guidelines for Local Government*, 2002, DEH
- Water: Waste Not—Want Not, How to Conserve River Murray Water Through Different Incentive Scheme Options in South Australia*, 2002, DEH
- The Development of Water Conservation Education Programs for Local Government*, 2002, DEH
- Program Handbook: *Sustaining Our Communities (international Local Agenda 21 Conference)*, Adelaide 3–6 March 2002, DEH (co-publisher)
- Draft Integrated Natural Resource Management Plan for the Mt Lofty Ranges—Greater Adelaide Region (major input to drafting), DEH
- Draft Integrated Natural Resource Management Plan for the Northern and Yorke Agricultural Districts Region (major input to drafting), DEH
- Draft Environment Protection (Water Quality) Policy, DEH
- Environment Protection (Motor Vehicle Fuel Quality Overview Policy), 2002, DEH

Environment Protection (Used Packaging Materials) Policy 2001 (as amended), DEH
The SA Partnership for LA21: Identifying Future Directions—A Discussion Paper, 2001, DEH
Water Conservation Partnership Project—Review of Urban Domestic and Local Council
Water Conservation, Roof Runoff, ASR and Wastewater Opportunities, DEH
Draft Integrated Natural Resource Management Bill: Request for Comments and
Explanatory Paper. February 2001, DEH

Environment Protection Agency

Note: EPA Guidelines will gradually replace the EPA Technical Bulletins and will no longer be numbered.

Guidelines

Spray painting booths—control of air and noise emissions (May 2002)
Disposal of used hydrocarbon absorbent materials (May 2002)
Pollutant management for water well drilling (May 2002)
Joineries—dust and noise control (May 2002)

Information Sheets

No. 23, Industry and Community Consultation, July 2001

Technical Bulletins

No.12, Use of water treatment solids (WTS), February 2002
No.25, Odour Assessment Using Odour Source Modelling, July 2001
No.26, Air quality impact assessment, February 2002

Annual Reports

Environment Protection Authority Annual Report 2000–2001 (available on CD-ROM or the internet only)

Round Table Conference

Round Table Conference Report 2001 (summary report; full version on Internet only)

Codes of Practice and Guidelines

Environmental Guidelines: Resource Recovery and Waste Transfer Depots, December 2001

Public Consultation Drafts

Options for Management of Irrigation Practices in the Lower Murray, October 2001
(closed for comment 20 November 2001)

Mount Lofty Ranges Watershed Protection Office

Fact sheets:

Aquatic Ecosystems in the Mount Lofty Ranges
Sources of Water Pollution in the Mount Lofty Ranges
Water in the Mount Lofty Ranges
Water Quantity Issues in the Mount Lofty Ranges

Myponga Watercourse Management Project/On-ground Works Within the Myponga Watershed

Water Quality Snapshot Project/Spatial Land Status Data
Land status data mapping

Other publications

Air Quality Monitoring Reports:

Richmond Primary School, July 2001

Whyalla, August 2001

Ambient Air Quality Monitoring Plan for South Australia, August 2001

Australian Marine Debris Status Review—ANZECC Strategy to Protect the Environment
(EPA acting as distributor)

Cleaner Production case studies: WOMAD

Eco-efficiency Checklist No. 1—Office, August 2001

Eco-efficiency Newsletter No. 1, September 2001

Frog Census Reports: 2000

Insecticide Spraying of Australian Plague Locusts

National Waterwatch Snapshot 2001—a kit for Waterwatch SA participants

National Packaging Covenant Fact Sheets:

1. What is the National Packaging Covenant ?

2. Who should sign the Covenant ?

3. The Environment Protection (Using Packaging Materials) Policy

Riverboat Waste Disposal Options, July 2001

Watercourse Survey and Management Recommendations:

Tod Catchment, June 2002 (CD-ROM or Internet only)

CD-ROM

River Management Plan for the Tod Catchment, June 2002, \$22.00

Pamphlets and brochures

CARES (Complaints and Reports of Environmental Significance), March 2002

Clean Site Kit—ways to manage litter and waste, erosion and sediment control on building and construction sites

Painting and Plastering

Brick Works

Concrete Works

Excavating Your Site

Environmental and Geographic Information Publications

Strategic Plan 2001–2004 (published Aug–Sept 2001)

EGI Products and Services Price List 2002–2003

Newsletter—Reference Point edition 15 (online only)

Newsletter—Infoline 3 editions (online only)

Newsletter—Envisage (online only)

Brochures

Aerial Photography—Assisting with property management in SA

Enhanced Satellite Imagery

Property Assist—post card leaflet

Property Assist—price list 2002–2003 (available on-line)

Environment Shop brochure

Environmental and Geographic Information brochure

Environmental and Geographic Information post card leaflet

Survey Mark/Survey Gem

Environment Reporting post card leaflet

TopoMap brochure
PlaceNames online post card leaflet

Fact Sheets

Products and Services Directory fact sheets (on-line)
Property Assist (on-line)

National Parks and Wildlife SA

Flinders Ranges Spring Events, 22 September to 14 October 2001 program and poster
(August 2001)
Desert Parks South Australia Handbook (reprinted Dec 2001)
Desert Parks South Australia Marked Tracks booklet (reprinted Dec 2001)
Common Bush Birds of the Mount Lofty Ranges pocket guide (Jan 2002)
Common Wildflowers of the Mount Lofty Ranges pocket guide (Jan 2002)
Flinders Ranges Autumn Events, 8 to 28 April 2002 program and poster (March 2002)
Publications and Signs Standards Manual (May 2002)
No 16 Mt Lofty Ranges Parklands and No 17 Coast and Marine themes journals
NPWSA Bushwalking Strategy 2002 – 2004 report
Wetland inventory—Eyre Peninsula (2002)
Wetland inventory—Kangaroo Island (2002)
Wetland inventory—Mt Lofty Ranges (2002)
Wetland inventory—Northern Agricultural Districts of SA (2002)
Guidelines relating to the clearance of Water Milfoil (*Myriophyllum salugineum*) and
associated water plants
Stubble Burning: Protection of scattered trees and remnant vegetation
Mapping and monitoring methods for freshwater soaks in the southern lagoon of Coorong
National Park, South Australia
Mapping scattered trees in the South East of South Australia: a pilot project
A Biological Survey of the Flinders Ranges, South Australia 1997–1999
Henry Creek Monitoring Survey: March 2002
Draft Wetlands Strategy for South Australia (2001)
Biodiversity Plan for the Northern Agricultural Districts, South Australia—Summary
Biodiversity Plan for the Northern Agricultural Districts, South Australia
A Vegetation Map of the Western Gawler Ranges, South Australia
Biodiversity Plan for the South Australian Murray–Darling Basin—Summary
Biodiversity Plan for the South Australian Murray–Darling Basin
Biodiversity Plan for Kangaroo Island, South Australia – Summary
Biodiversity Plan for Kangaroo Island, South Australia
Flora and Fauna Monitoring Program for the Tilley Swamp Drain and Water Course,
October 2001
Flora and Fauna Monitoring Program of Deep Swamp 2001
Wetland Inventory for Eyre Peninsula, South Australia
Wetland Inventory for Kangaroo Island
Wetland Inventory for the Mount Lofty Ranges
Wetland Inventory for the Northern Agricultural Districts
A Biological Survey of the West Avenue Range, South Australia in December 1999
A Biological Survey of Lake Hawdon, South Australia
Onkaparinga River Reserve Draft Management Plan
Innes National Park Draft Management Plan
Mokota Conservation Park Draft Management Plan

Gum Lagoon Conservation Park / Duck Lagoon Draft Management Plan
Lake Newland Conservation Park Draft Management Plan
Ngarkat Complex of Conservation Parks Draft Management Plan
Cobbler Creek Recreation Park Draft Management Plan
Brownhill Creek Recreation Park Draft Management Plan

Brochures/Pamphlets

2002 Hunting Season visitor information sheet (Jan 2002)
Bushwalking in Morialta and Black Hill Conservation Parks
Morialta Conservation Park
Pinkawillinie Conservation Park (July 2001)
Campground Hosts in National Parks (July 2001)
Kangaroo Island Heritage Accommodation (July 2001)
Penambol Conservation Park (July 2001)
Innaminka Regional Reserve (reprinted July 2001)
Innes National Park (reprinted August 2001)
Camping in Mount Remarkable National Park (reprinted August 2001)
Kaiser Stuhl Conservation Park (reprinted August 2001)
The Greater Mount Lofty Parklands, Yurrebilla (August 2001)
Mount Remarkable National Park, Mount Remarkable Summit Hike (reprinted Nov 2001)
Cleland Wildlife Park, Where people and animals meet (Nov 2001)
Phytophthora—rot root fungus is killing our plants! (reprinted Nov 2001)
Desert Parks South Australia, Wildlife of the Far North (reprinted Dec 2001)
Desert Parks of South Australia (reprinted Jan 2002)
Robert Brown Lookout (Feb 2002)
Parks of the Flinders Ranges (reprinted Feb 2002)
Bushwalking in Deep Creek Conservation Park (reprinted Feb 2002)
Mount Brown Conservation Park, Mount Brown Summit Hike (reprinted March 2002)
Bushwalking in Kangaroo Island Parks (reprinted March 2002)
Minimum Impact Code for Wilderness use in South Australia (reprinted March 2002)
Completely Wild! Riverland Holiday Activity Program, 13 April to 28 April 2002 (April 2002)
Parks of the Far West (May 2002)
Naracoorte Caves National Park (reprinted June 2002)
Gammon Ranges National Park (June 2002)

Newsletters/News sheets

Ark on Eyre Update newsletter (July 2001)
The Tattler, Coastal Parks of the Limestone Coast, Edition 10 news sheet (Dec 2001)
Tracks of the Mallee, Edition 1 news sheet (Feb 2002)
The Chain, Newsletter Number 65, Autumn Issue 2002 (April 2002)
The Chain, Newsletter Number 66, Winter Issue (June 2002)

Coast and Marine

Draft Vision and Policy for the Development of the South Australian Representative
System of Marine Protected Areas (document and brochure)

Brochures

Marine Planning
Marine Conservation
Seagrass of South Australia

Semaphore Park Trial Breakwater
Protecting Adelaide's Beaches
Where's the Beach
Protecting our Coast

Heritage

Booklets

Heritage of the Oodnadatta Track
Twentieth century: marking the recent past
Garden Island Ships' Graveyard

Brochures

Burra State Heritage Area brochure
Port Adelaide Ships' Graveyards brochure

Appendix 10—DEH 2001–02 Annual Environmental Report

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Chief Executive's Introduction

I am pleased to introduce the department's second Environmental Report, prepared as an Appendix to the DEH 2001–02 Annual Report.

The first report, prepared for 2000–01, indicated DEH's strong commitment to minimising the impacts on the environment associated with delivering our services. This report shows the progress that the department and its staff have made towards meeting that commitment.

In particular I applaud the impressive result from the Botanic Gardens of reducing its water usage over the last 12 months and all parts of the department that contributed to a 22 per cent reduction in paper use in the second half of the year.

More generally, however, I think it is also appropriate to comment on what lies behind the facts and figures presented in this year's report and I wish to do so in two respects.

First, I would like to acknowledge the role of key people associated with the Greening DEH Project itself. Senior managers representing their respective divisions on the Project Reference Group have provided essential leadership. Enthusiastic members of staff, representing their branches and work sites on local and divisional Green Teams have provided the drive that ensures we are addressing impacts on the environment in the work places where they occur. The expertise of the Greening DEH Project Team has maintained momentum on a day-to-day basis through its capacity to provide input over a broad range of issues. And I would also like to acknowledge to the outgoing Project Sponsor, Nicholas Newland who, in his capacity as Executive Director Environment Protection Agency, accepted the challenge of representing the DEH Executive in assuming overall responsibility for this very important corporate initiative.

Secondly, I believe it is important to recognise another type of learning (or perhaps re-learning) that has gone on in DEH as we have committed ourselves to the task of being a green organisation. We have had to remind ourselves that managing our impacts on the environment is not only of strategic policy significance because of our lead role as the Government's environment agency, it is also of fundamental importance as a contribution towards sustainability by all our people, as citizens of the State of South Australia. To this end we have therefore had to recognise that Greening DEH is a journey, not a destination.

Furthermore, we have had to learn that the success of such a journey depends on taking our people with us, not dragging them from the front or pushing them from behind, but proceeding together as a team. Accordingly, we are discovering once more that changing culture and practices in the workplace is an intensive process that will only succeed and endure if we carefully engage our people with our vision and goals. Only then can we expect that they will accept a share of the responsibility for achieving the environmental outcomes that we need. We have to remember on a day-by-day basis that as important as large scale corporate results may seem, whether or not a single member of staff turns off a light or prints double-sided is just as important.

I invite you to consider this Environmental Report in the light of this and trust that you find it as instructive as we have found the process of achieving what the report presents.

Allan Holmes
Chief Executive

Highlights from 2001–02

Under the auspices of the *Greening DEH* corporate initiative:

- DEH Environment Policy Statement was adopted committing the department to minimising impacts on the environment associated with the delivery of its services
- whole-of-agency targets were adopted for 100 per cent diversion of toner cartridges and associated printing waste, plastics and Container Deposit Legislation material (cans, bottles and drink cartons) from landfill
- across the whole department 68 per cent of the printing and photocopying applications requiring white A4 office paper were using 100 per cent recycled, totally chlorine free paper, by June 2002
- between November 2001 and June 2002, DEH achieved a 22 per cent reduction in its use of white A4 office paper as a result of the foreshadowed investment in duplexing printers, with the EPA reducing its usage by 38 per cent
- Botanic Gardens reduced water usage across three sites by 262 Megalitres in one year
- the Greening Site on the DEH intranet was established and maintained as a major means of communication and awareness raising with staff.

Strategic Policy Framework—DEH Context

In November 2001, the former Government approved the Government Energy Efficiency Action Plan ('the plan'), a comprehensive whole-of-government energy management program which aims to improve energy efficiency and reduce costs across all sectors of the government's operations. The plan was officially launched by the Premier on the 3 May 2002.

Under the plan, agencies were made accountable for managing their energy use and are required to report on their use and progress in meeting target reductions in their annual reports, along with significant energy management initiatives and achievements against the plan. This initiative is an integral part of the National Greenhouse Strategy and incorporates the Government's target of a 15 per cent reduction in energy use in government buildings before 2010.

To oversee implementation of the plan by individual portfolios, the Government established an Energy Efficiency Reference Group, co-chaired by the Department of the Premier and Cabinet and Energy SA. DEH is represented on the Reference Group by a member of executive management, the Acting Director, Business Development.

The outcome of DEH's engagement with the Energy Efficiency Reference Group has significantly contributed to the process of minimising the department's impacts on the environment and will continue to do so.

Minimising our impacts on the environment

Overview

The central theme of this report is to address one key aspect of the way in which DEH does business, not what that business is (the latter subject is covered in detail in the main body of the Annual Report). As the South Australian Government's lead agency for the

environment, DEH has an imperative to model environmental best practice in how it goes about its business both to other public sector organisations and to the private sector.

It is therefore appropriate to state, as a starting point, that DEH has adopted a framework for minimising its impacts on the environment and that this framework is articulated by an Environment Policy Statement and a formally structured Greening Project.

The Policy Statement commits the department by recognising that there is potential for impact on the environment inherent in all the operations and activities undertaken by our staff in the course of carrying out their duties. Accordingly, it vests the responsibility for managing any such impacts in each individual staff member. The statement also commits the necessary resources to enabling these responsibilities to be met.

The structure of the Greening DEH Project ensures the effective implementation and monitoring of this undertaking in accordance with an approved plan, which has its principal focus at branch level across the department. This purpose of the plan is to develop a workplace culture that maximises the engagement of staff with a green ethos and implement effective practices for identifying and managing impacts on the environment.

The Greening DEH Project

The Greening DEH Project completed its first year of implementation as a formal mechanism by which the department ensured that the impacts on the environment associated with delivering its services to Government are systematically identified, assessed and managed.

The structure established to manage the project is a clear indication of the high level of commitment and expectation on the part of the agency to the above outcomes and involved the following:

- Project Sponsor—Executive Director, EPA.
- Project Steering Committee—four other members of DEH Executive, chaired by Project Sponsor and charged with oversight of the project
- Project Reference Group—Senior Management representatives from each DEH division charged collectively with ensuring whole-of-department coordination and individually with driving the implementation of the project in their respective divisions
- Project Team—two FTEs (project manager and project officer) responsible for day-to-day implementation, including advice and assistance at branch level across the department, research and communication.

Under the auspices of the project critical structural elements, documentation was developed and approved by the DEH Executive, further cementing the commitment to the corporate greening initiative. This documentation comprised:

- an overarching Environment Policy Statement that publicly declared the department's commitment to minimising its impacts on the environment
- a Greening DEH Project Brief that secured the necessary resources for the initiative
- a Greening DEH Project Implementation Plan that defined the required actions, responsibilities and timeframes for achieving the project's objectives.

The Greening DEH Project has been based on the approach that:

- there is potential for impact on the environment inherent in all operations and activities undertaken by agency staff in the course of carrying out their duties
- the responsibility for managing these impacts is vested individually in all DEH staff
- the principal focus of the project process should be at branch level across the department to develop a workplace culture that maximises the engagement of staff with a green ethos and implement effective practices for identifying and managing impacts on the environment.

In addition, it has been acknowledged that success with an approach such as this requires the development and maintenance of a complementary workplace culture and the achievement of enduring change in work practices. In turn these outcomes demand sustained input and attention to detail at the branch or basic business unit level. To this end Green Teams made up of staff enthusiasts have been set up across the department to help initiate and maintain the momentum of change. Staff Consultative Committees have also been engaged with the process through discussion of the platform documentation.

The necessity of identifying and providing for the required competencies for minimising impacts on the environment, at all levels of staffing, has also been acknowledged. Accordingly, the Greening DEH Project process has further involved working with departmental planning and development expertise to establish such a basis for achieving our required environmental management outcomes and thereby factor the effectiveness of individual staff engagement into their ongoing performance management.

Achievements in minimising our impacts on the environment

Waste management

A major focus of attention in seeking to minimise our impacts on the environment has been the management of waste generated in the course of delivering our services.

The Greening DEH Project has promoted an overarching strategy of ‘diversion from landfill’. Notwithstanding the geographic dispersion of DEH units across the State and the lack of recycling facilities in some regional areas, waste management is an issue that lends itself to whole-of-department targets. Accordingly, moves have been initiated under the auspices of the project to enhance DEH’s performance in this area by focusing on elements of our waste stream (listed below) not covered by pre-existing recycling arrangements.

TONER CARTRIDGES AND ASSOCIATED PRINTING WASTE

Previously some sections of the department were disposing of toner cartridges through re-filling/re-manufacturing schemes. Reuse of resources is preferred to recycling wherever possible but refillers/remanufacturers were unable to assure the Project Team that no cartridges originating from DEH would end up in landfill. This is because a significant proportion of cartridges disposed of through such schemes are rejected for quality reasons—and ‘rejected’ equals ‘disposed of to landfill’.

As an alternative course of action, DEH opted for a scheme through which 100 per cent of toner cartridges, ink jet bottles and the like were recycled, and on this basis Executive

approved a whole-of-department target of 100 per cent diversion of this type of waste from landfill.

All DEH divisions have reported a 100 per cent uptake of this scheme, except NPWSA where the uptake is currently 80 per cent.

PLASTICS

Initially the Greening DEH Project Team identified the possibility of disposing of all plastics waste, including polystyrene foam (see below), through a South Australian operation known as Omnipol. Executive approved a whole-of-department target of 100 per cent diversion of plastics from landfill in response.

The subsequent collapse of Omnipol was a considerable blow to this extremely worthwhile target but it has been retained nevertheless. At the time of preparing this report, the Project Team had identified an alternative arrangement that offers the prospect of recycling all plastics waste except polystyrene foam and PVC. The identified South Australian business is manufacturing products from recycled plastics, some of which have the potential to be used in Botanic Gardens and NPWSA operations.

POLYSTYRENE FOAM (STYROFOAM)

Like all Government agencies, DEH generates a considerable volume of styrofoam waste, mainly from IT equipment packaging. Initially this would have been covered by the 100 per cent plastics diversion target above, however, the loss of the Omnipol option created a significant imperative to find an alternative process—the more so because, as an inert material, styrofoam does not breakdown in landfill.

The Greening DEH Project Team was able to establish a recycling arrangement that it has promoted to all divisions but it comes at both a financial and indirect energy cost. The scheme involves shipping the styrofoam waste to Sydney and then overseas for re-processing.

Circumstances such as these prove to be triggers for DEH examining its impacts on the environment more deeply. The need to preserve the integrity of our position on diverting waste from landfill has caused us to consider how we can avoid acquiring intractable waste like styrofoam in the first place. This will be one of the challenges for the Greening DEH Project in 2002-03.

CONTAINER DEPOSIT LEGISLATION (CDL) MATERIAL

During 2001-02, DEH Executive approved a whole-of-department target for the diversion of CDL material from landfill.

This is a relatively easy target for divisions and work sites in the metropolitan area to meet but not necessarily for regional locations. A June 2002 survey indicated that 67 per cent of DEH sites were recycling cans, bottles and drink cartons, most or all of the time. The challenge of improving on this performance will be complicated by the increased range of materials that will come under CDL classification as of 1 January 2003. The Greening Project Team has been advising all DEH sites to plan for this well ahead of time.

OTHER RECYCLING

A range of recycling schemes have been in place across DEH for some time, although these are predominantly in the metropolitan area because of the ready access to service

providers. Based on the June 2002 survey conducted by the Greening Project Team, the following work site participation rates for recycling of other materials (most or all of the time) have been identified:

- white office paper—74 per cent
- cardboard—43.5 per cent
- coloured/other paper—40 per cent
- metal and hard waste (other than cans etc)—23 per cent
- organic waste (food scraps)—21.5 per cent.

This is the first time that such base line data has been collected in the department. It provides the basis for encouraging and measuring improved performance in the future, but the division-by-division breakdown also indicates the level of support required in some parts of DEH to overcome logistic hurdles in minimising even the most basic impacts on the environment.

Resource management

The effective management of resources used in the delivery of DEH's outputs to Government is also an important aspect of managing our impacts on the environment. Three elements are covered here—water, energy and paper—plus an update on the previously announced policy of converting DEH fleet vehicles to LPG.

WATER USAGE

The unique nature of the three sites of the Botanic Gardens of Adelaide, one of the divisions of DEH, makes them the department's major consumer of water in providing their highly valued service to the South Australian community.

In 2001-02, by the means of a Living Collections review and the adoption of specialised application methods, appropriate mulching and microclimate construction, water use within the Botanic Gardens has been greatly reduced, as follows:

Botanic Gardens location	2000-01 usage (ML)	2001-02 usage (ML)	Reduction in usage (ML)
Adelaide	129	97	32
Mount Lofty	275	175	100
Wittunga	250	120	130

ENERGY

1. Performance against annual energy use targets

Electricity and gas energy use

	2000-01	2001-02 Target	2001-02 *	2010 Target
Energy use (Gigajoules)	27 836	27 711	20 578 **	23 661
Expenditure (\$'000s)	620	n.a.	589	n.a.
Greenhouse gas emissions (tonnes of CO ₂)	5 110	5 087	4 888	4 343

* Some data was unavailable at time of publication, therefore a small component of 2001-02 energy use has been estimated.

** The fall in energy use between 2000-01 and 2001-02 is due in the main to a reduction in gas usage at the Botanic Gardens. Specifically this is a result of the Co-Generation plant being operative for only part of the year, and also a reduction in the heating levels in the Bicentennial Conservatory and the Schomburgk Range.

2. Significant energy management achievements

In order to comply with the reporting component of the Government Energy Efficiency Action Plan, DEH has developed a baseline data model of the department's energy usage. The data in this model are now being used to build a system for ongoing energy use data capture and collection. The data collected as part of the baseline model will also have significant benefits for other areas of asset management across DEH.

DEH has taken initial steps to engage an energy auditor to review major DEH installations including the Botanic Gardens of Adelaide, Head Office at Chesser House and tenancies at 77 Grenfell Street. The audit will assess the cost and likely benefit of energy efficient measures, which will also assist in developing guidelines applicable to other office buildings within the department.

In addition to reporting electricity and gas usage, DEH has also collected data on its vehicle fleet. For the 2001-02 financial year, the DEH vehicle fleet energy usage was 20 622 Gigajoules, producing some 1500 tonnes of CO₂.

3. Other achievements against the Energy Efficiency Action Plan

To maximise benefits arising from Energy Efficiency activities, a portfolio-wide Energy Efficiency Task Force was established during the 2001-02 financial year. Membership of this task force comprised representatives from the three agencies (DEH, EPA and DWLBC) under the newly created Environment and Conservation Portfolio. The Task Force will report to Portfolio Chief Executives and deliver on the following specific roles:

- oversight of the development of the energy baseline for the portfolio
- oversight of energy efficiency projects within the portfolio
- development of policies and strategies on energy efficiency for the portfolio.

PAPER

Under the auspices of the Greening Project, DEH has continued to promote the use by branches and work sites of white A4 office paper that is 100 per cent recycled and totally chlorine free. At the same time the project has advocated the use of duplexing facilities on laser printers and photocopiers as a means of reducing paper consumption.

The Project Team identified 36 individual DEH locations across the State that make separate purchases and surveyed these in November 2001, and again in June 2002, on their paper usage. The results showed that:

- the percentage of applications of white A4 paper for which 100 per cent recycled, totally chlorine free product is used rose from 58 per cent in November 2001 to 68 per cent in June 2002
- the consumption of paper across the department fell from 1520 reams per month in November 2001 to 1185 reams per month in June 2002—a 22 per cent reduction in paper usage and an annual decrease of 4000 reams. This significant result can be attributed to a change to duplex printing; in the EPA, where a substantial investment was made in new printers with this capacity, the reduction achieved was 38.5 per cent.

Paper usage surveys

	November 2001	June 2002	Usage reduction
A4 recycled paper usage	58%	68%	10%
Paper consumption	1 520 reams	1 185 reams	22% * (i.e. ~4000 reams annually)

* Reduction due to change to duplex printing across DEH

CONVERSION OF FLEET VEHICLES TO LPG

As reported in 2000-01, DEH adopted a policy that required all new long-term lease vehicles from Fleet SA to be ordered and supplied with either dual fuel, or single LPG fuel systems, where such factory fitted systems were available.

Progress with the implementation of this policy is shown below.

	As at 30 June 2000	As at 30 June 2001	As at 30 June 2002
No. of diesel only vehicles	156	146	143
No. of unleaded only vehicles	105	89	70
No. of combined dual-fuel vehicles (unleaded and LPG)	5	20	42
No. of LPG only vehicles	nil	nil	3
Total no. of long term hire vehicles	266	255	258

During 2001-02, the DEH policy continued to realise the goal of replacing unleaded vehicles with combined fuel systems, and at the same time saw the emergence of LPG only vehicles being leased. Most of the current unleaded vehicles are over 20 months old and the ongoing replacement scheme will continue to increase the number of dual-fuel vehicles in the department's fleet.

Dual-fuel and LPG vehicles will lead to an increased usage of LPG fuel, thus reducing greenhouse gas emissions from the DEH fleet.

Case Study—Rocky River Development

Background

Flinders Chase National Park and the Ravine Des Casoars Wilderness Protection Area are located at the western end of Kangaroo Island and combined represent the largest reserve on the island (total of 74 000 hectares). These areas contain several geological features of national significance, a rich Aboriginal and European cultural history, and abundant terrestrial and marine wildlife.

The administrative centre and gateway to these areas is the locality historically referred to as Rocky River. Rocky River is the site of the original 19th century homestead and pastoral lease and is the focus for visitors who come to explore the natural and historic features of the surrounding area. This site has 150 hectares of semi-cleared natural bushland and the presence of native animals has always been an attractive feature of the site.

Flinders Chase National Park is a park of national significance with a strong international profile. Visitor facilities and park management infrastructure should reflect the status and profile of the park as one of South Australia's prime national assets.

Developments within Flinders Chase were undertaken as part of a community-based initiative of the Government to facilitate the sustainable management of parks and to promote economic developments of parks and wildlife. Implementation of the Concept Plan began in October 1999 and was completed in May 2002 when the new development became operational. The Premier of South Australia will officially open the Rocky River Development on 1 October 2002.

The broad thrust of these initiatives is to showcase the Rocky River Precinct Development Project as a nature-based tourism development at a State, regional and local level, and thereby encourage longer visitor stays on Kangaroo Island.

Design and construction greening elements

Following is an overview of some of the innovative and interesting aspects of the environmentally sustainable aims, approach and construction of the Rocky River Precinct Development and supporting infrastructure:

ENVIRONMENTAL PROJECT AIMS

At the design stage of the project the development of visitor centre, campground ablutions block, day visitor facilities, and the staff accommodation facilities, the following desired environmental outcomes were factored into the Rocky River development:

- enhancing protection and conservation of the significant natural and heritage values of the area
- using sound environmental management and infrastructure development practices that minimise energy use and pollution
- designing all facilities to incorporate and reflect a sensitivity to the landscape setting making best use of passive energy and site characteristics
- providing cost effective low maintenance facilities
- minimising vegetation clearance by using existing degraded sites
- minimising environmental impact by using solar power for lighting where practical
- minimising visual intrusion in the landscape
- minimising maintenance
- treating sewage and disposing of grey water
- providing functional and practical housing with minimal maintenance requirements
- employing passive climate design (including insulation), using fire resistant materials and designing in sympathy with surrounding natural landscape
- providing accommodation with solar electricity supply with generator backup
- maximising the use of natural energy through building orientation and providing energy efficient structures
- using low energy embodied materials.

PLANNING PROCESS OUTCOMES—ACHIEVEMENTS

Ecologically Sustainable Development (ESD) advice was sought on aspects of the development most likely to impact on the environment—such as materials and energy consumption—and relevant environmental issues relating to scarcity of resources, emissions, energy use, waste and damage to ecosystems were considered at the project design stage.

The visitor and tourism infrastructure and staff accommodation facilities at Rocky River reflected a planned greening emphasis in four discrete environmental areas:

- energy management
- water supply, stormwater and drainage
- wastewater disposal
- solid waste management.

Energy management

All buildings optimised energy requirements by taking advantage of the natural surrounding elements—primarily building orientation and site planning.

Building orientation and site planning

Rocky River Precinct building north–south alignments with north face situated living areas are in accordance with good energy saving practice for all buildings. Minimal windows on the east and west faces of all buildings reduce hot afternoon and morning sunshine. Windows facing north and south help maximise sunshine lighting when the sun is at a more gentle glancing angle. The layout and orientation of the precinct contributes to keeping buildings cool but light in summer.

Windows and shading

North facing windows allow sunshine to enter rooms in winter with minimal heat loss.

Verandah eaves shield the northern windows and are built at an angle and length aimed at reducing temperatures in summer from midday sunlight while maintaining maximum light and warmth in winter.

Ventilation

Adequate ventilation is an essential component of the energy-efficient design of the precinct. Air movement cools the thermal mass of the building as well as ensuring the comfort of its occupants.

Windows on the southern and northern faces allow cross-ventilation to help cooling in summer.

Rotary ventilators installed in the visitor centre help the natural ventilation of the roof space. The campground ablutions were also designed to use natural ventilation effects.

Insulation

Insulation at the precinct is mineral wool batts and blankets, and polyester—in both the walls and roof—and is considered more than adequate. It will contribute to an above average reduction in energy consumption though heating and cooling. Similarly, insulation of hot water pipes and services is considered adequate.

The bulk mass of concreted areas, tiled floors and masonry walls provide good thermal inertia, and in winter the sunlight falling upon them through the windows is absorbed during the day and radiated during the night.

Power supply

Solar energy is used for all power requirements in the staff accommodation as well as heating, cooling, cooking and hot water production. Solar power is an ESD appropriate technology and its extended and expanded use at Rocky River is a feature of the precinct design.

The approach of supplementing solar power with the back-up LP gas and diesel generators in the workshops is far better than a total dependence on either mains electricity supply or a site generator.

Heating and cooling systems

The evaporative cooling air-conditioning system in the administration, retail serving areas and kitchen is considered to be a sensible choice of cooling technology in low humidity areas such as South Australia. Evaporative coolers work by forcing evaporative water into incoming air thus providing a natural and energy-efficient means of cooling.

The heating system incorporates a ducted gas-fired air furnace to the administration areas as well as gas-fired floor-mounted space heaters serving the office and bulk store. LPG gas is used for heating the rooms in the buildings, hot water service, stove, toaster and urn.

The gas-fired heater is more energy-efficient than an electric boiler; an electrical generating plant is only 33 per cent efficient and more heat losses occur between the plant and the heated building.

WATER SUPPLY, STORMWATER AND DRAINAGE

Rainwater tanks and a treatment system supply potable water collected from the roofs of the administration and visitor centres and the camping ground ablution building were included. When rainwater is not available, raw water will be supplied from an existing dam, following treatment. The system of rainwater reuse reduces water requirements from the dam, while reducing excess run-off and providing high quality drinking water.

The visitor centre is fitted with a grease arrester and backflow prevention systems.

Stormwater, apart from that collected on the facility roofs, from around the precinct drains into swales surrounding the building and across the car park. Due to the low likelihood of this drainage water being contaminated during its overland flow, the drainage system is considered satisfactory.

The ESD Audit Report concluded that the water supply, stormwater and drainage arrangements at the precinct are suitable in terms of ESD principles.

WASTEWATER DISPOSAL

The visitor administration and staff accommodation ablutions are equipped with septic tank systems discharging into effluent soakage trenches. The ESD Audit Report considers that the wastewater disposal system is unlikely to impact on the groundwater currently used by local residents or businesses.

SOLID WASTE MANAGEMENT

Recycling stations for solid waste—plastic, glass and aluminum cans—were established at the visitor centre and camping grounds and collected materials are transported to the island’s recycling depot. Green waste, generated across the precinct, is mulched and re-used at Rocky River.

The Greening DEH Policy of recycling office solid waste—cardboard—is collected and likewise recycled through the island’s recycling depot. Whilst no paper recycling facilities exist on the Island, staff practice greener printing options by reusing single-sided paper to reduce the overall paper usage and minimise the creation of office solid waste.

CONCLUDING COMMENTS—ESD AUDIT REPORT

The ESD Audit Report, conducted by Sinclair Knight Merz Pty Ltd, considered that the most significant ESD issues resulting from the development of the Rocky River Precinct were those associated with building materials, energy consumption and wastewater disposal.

Building materials, designs and layout were considered to be well developed for minimising environmental impact both in the short and long term—serving to maximise natural elements such as light, heating effects in winter as well as cooling effects of breezes in summer—resulting in reduced energy consumption requirements.

Stormwater collection and drainage, and water supply for the precinct are deemed to be in accordance with ESD principles and best environmental practice.

The Construction Waste Management Plan, implemented in the final phase of the development, ensures solid waste impacts on the precinct are minimised.

The report summarily concludes: *In all, the Rocky River Precinct redevelopment has, in most aspects, been planned and designed to minimise the potential environmental impacts resulting from the development.*