

TRANSPORT NSW

aR 2002

Annual Report 2002

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Director General's Report

Our report last year charted early progress by Transport NSW in moving from a traditional regulatory role to a more active one which sees the Department driving reform across the transport sector to improve services for transport users. Over the past year, the move gained considerable momentum as this report indicates.

One of the key mechanisms through which Transport NSW is shaping an integrated transport system is the Transport Coordination Committee. The revitalised committee, comprising the heads of all public transport agencies plus the Environment Protection Authority and Planning NSW, met monthly in 2001/02 to work on a number of major initiatives. One such initiative was the drafting of a transport strategy for the Sydney CBD which will achieve the kind of central Sydney we want, in transport terms, for the next decade and beyond. To be finalised in 2002/03, the strategy proposes a planning framework covering five broad areas – better transport management, improving the rail system, improving the bus system, extending light rail, and making better use of roads.

Turning to actual rather than planned service improvement, customers will have noted the performance turnaround of Sydney Ferries after a spate of safety incidents early in 2001. The rapid turnaround is due to the efforts of the Ferries Taskforce chaired by Transport NSW. While the cornerstone of the reforms is a comprehensive safety management system conforming with international standards, the taskforce also oversaw the implementation of quality systems for all shore-based operations along with the development of a customer-focused organisational culture. What the reforms mean for customers is clean, safe and on-time ferries.

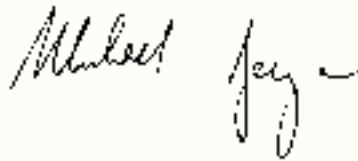
In regional NSW, the Department was able to make a real difference for local people and tourists alike through the upgrading and closure of dangerous level crossings. A total of 41 crossings were upgraded with safety features such as boom gates, an increase of 36 compared to the year before and an average of two updates annually prior to that. Local communities were keen to be involved in discussion on crossing closures, contributing many good suggestions and supporting the closure of 285 level crossings which were no longer needed. The level crossing program demonstrates the value of putting the right people together to resolve issues.

Director General's Report [CONTINUED]

As documented in this report, a series of important projects progressed significantly. These included the Liverpool to Parramatta rapid bus transitway, the Parramatta to Chatswood rail link and the integrated ticketing system for Sydney's public transport, the last typifying the department's whole-of-journey approach to transport planning.

As the central co-ordinating transport agency, Transport NSW continued to build good working relationships throughout the sector. In 2001/02 there was widespread acceptance of our leadership role and of closer departmental monitoring of performance. Some industry players were, however, a little reluctant to embrace change, even while agreeing on the improved outcomes that change will deliver.

None of the progress outlined above would have been possible without a dedicated and hard working staff. Their commitment to the vision of increasing the use of public transport and willingness to lift their own performance standards have contributed to the improvement in transport services across NSW.



MICHAEL DEEGAN ~ DIRECTOR GENERAL

Transport NSW Annual Report 2002

This Annual Report for Transport NSW discusses the Department's progress in meeting the strategic objectives of the NSW Government: providing services to the community, attracting investment and jobs, and safeguarding the environment. To address these overarching objectives, Transport NSW reports within seven key result areas (KRAs):

01

Meeting Future Transport Needs

02

Improving Service Delivery

03

Delivering Safe and Reliable Services

04

Providing Equity of Access

05

Delivering Rural and Regional Services

06

Protecting the Environment

07

Providing Strategic Management

Meeting Future Transport Needs

Meeting the needs of our growing communities by planning for the future.

Priorities

- Deliver initiatives under Action for Transport 2010 to meet the needs of the growing urban, regional and rural populations, and the expanding tourism and freight markets.
- Proactively co-ordinate all transport-related strategic decisions and master plans.
- Improve the efficiency of road/rail transport to NSW ports in collaboration with the port corporations, transport agencies and industry groups, thereby improving the ports' competitive advantages.
- Ensure the development and implementation of the T-way rapid bus services.



Performance Highlights

Co-ordinating transport infrastructure planning and development.

Chaired by Transport NSW, the Urban Planning and Infrastructure Committee was established in November 2001 to co-ordinate transport infrastructure planning in the Sydney, Newcastle and Wollongong regions. Members include all transport portfolio agencies, and other groups such as: Planning NSW, the Environment Protection Authority and Premier's Department. The Committee has successfully overseen major projects, including the Long Term Strategic Plan for Rail, and the Scenario Modelling Project. The latter tested the transport implications of alternative land use and scenarios, such as the level of development in fringe areas of Sydney, and the concentration of employment within centres.

The Transport Co-ordination Committee (TCC) was created to be the leading advisory body of the entire transport portfolio for the Minister for Transport. Committee membership comprises senior executives from Transport NSW, State Rail Authority, State Transit Authority, Waterways Authority, Rail Infrastructure Corporation, Sydney Ports Corporation, Newcastle Port Corporation, Port Kembla Port Corporation, Roads and Traffic Authority, Planning NSW, Environment Protection Authority, the Premier's Department, and independent customer council representatives from passenger and freight services.



PORTS AND FREIGHT STRATEGY

The Department initiated the development of a ports and freight strategy for consideration by the NSW Government. This strategy will provide a framework designed to guide development within the ports and freight network.

ACTION FOR TRANSPORT 2010

As part of the NSW Government's continued commitment to improving the quality of new urban development and the reduction of adverse environmental impacts, Transport NSW worked with other agencies including Planning NSW on delivering better integration of transport and land use planning. Major planning was undertaken to prepare for major land releases in Western Sydney for urban development. Using Action for Transport 2010 as its guide, Transport NSW focussed on the delivery of new transport infrastructure. To better achieve this, Transport NSW established a committee of portfolio and Departmental representatives to provide an efficient transport infrastructure capital works program, and give the NSW Government increased surety of the delivery of projects.



NORTH WEST RAIL LINK

In March, the Minister for Transport released the North West Rail Link (NWRL) Overview Report – *Connecting Communities*, which presents the preferred rail route and summarises two years of co-ordinated planning across the portfolio. The proposed route is underground at the main north line between Beecroft and Cheltenham to Norwest Business Park, and then at surface level to Mungerie Park at Rouse Hill.

The initial eight-week preliminary public consultation ran between 10 March and 3 May, 2002.



The aim of the report was to provide practical information about the proposed rail link, and encourage community debate and input into the early planning process.

Feedback and consultation included:

- Written submissions from Blacktown, Baulkham Hills, Hornsby, Hawkesbury and Parramatta Councils, residents, community groups and businesses.
- 118 written submissions, with 86 (73 percent) in favour of the project.
- Six submissions (5 percent) strongly against the project.
- 303 calls to a 1800 information line number.
- Between March and July, more than 16,500 hits were received on the NWRL website.
- Six focus groups held.
- Three stakeholder briefings held.
- Five council meetings addressed.

A range of feasibility studies are now underway to further develop the concept, including an environmental study, and geotechnical drilling to assess geology and ground conditions.

The primary aim of the studies is to help define a rail corridor, and to ensure it is protected when local planning or future development is considered.

CENTRAL COAST TRANSPORT STRATEGY

In partnership with the Roads and Traffic Authority (RTA), Transport NSW completed a public transport and roads action plan for the Central Coast. The plan, released in July 2002, recognises the area is one of the fastest growing in NSW with population growth double that of Sydney, and addresses the unique transport needs of the region. The Connecting the Central Coast Transport Action Plan covers all key modes of transport – train, bus, ferry, car, bicycle and pedestrian – and details projected transport infrastructure and programs for the region over the next five years and beyond.

INTEGRATED PLANNING

In conjunction with Planning NSW and the Roads and Traffic Authority, Transport NSW developed policies and guidelines to encourage better integration of land use and transport planning. Once implemented, the Integrated Land Use and Transport Planning Policy Package will promote the development of more livable neighbourhoods, provide a better range of transport options and reduce road congestion. The package is targeted to NSW government agencies, local councils and developers. Furthermore, Transport NSW was an active participant in integrated planning for major land releases in Western Sydney by co-ordinating transport portfolio input.



INTERCHANGES

To meet future transport needs, Transport NSW spent \$35M last year, funded from the Parking Space Levy, on the development and construction of major new interchanges, commuter car parks and other facilities. This program is designed to enhance access to public transport and improve passenger comfort and safety. Six new or upgraded facilities were completed during the year.

- **Bondi Junction bus/rail interchange.** Completed in July 2001, the new interchange is a state-of-the art facility incorporating the latest features, including a fully air-conditioned passenger lounge, 32 electronic timetable signs with 'real time' information that indicate bus arrivals, and closed circuit television security cameras.



WYONG BUS/RAIL INTERCHANGE

- **Wyong bus/rail interchange.** Completed in early April 2002, the new eight-space bus facility also features separate kiss 'n' ride and taxi zones, and new and improved commuter car parking with more than 400 spaces available.
- **Engadine bus/rail interchange.** Completed in April 2002, together with the easy-access upgrade of Engadine Station, the project included work on both sides of Princes Highway and the subway under the Highway. Features include a new lift, new bus shelters and closed circuit television security cameras.

- **Gosford commuter car park.** Completed in April 2002, the project added a further 350 spaces to the existing 700-space, multi-level commuter car park.
- **Holsworthy commuter car park.** Completed in June 2002, the project featured a new 340-space multi-storey commuter car park, with lift access from the railway station to all four levels, improvements to the bus interchange facilities, closed circuit television security cameras and secure bicycle lockers.
- **Kogarah commuter car park.** Completed in June 2002, the 346-space facility features direct access to the adjoining Kogarah railway station including easy access ramps from two levels, electronic signage at entry indicating number of spaces unoccupied, closed circuit television security cameras and secure bicycle lockers.



KOGARAH COMMUTER CARPARK



Construction also started in March 2002 on a new Rockdale bus/rail interchange. The project is being constructed jointly with the easy access upgrade of Rockdale station and will be completed in early 2003.

PARRAMATTA RAIL LINK

Transport NSW awarded the single largest NSW Government contract for the section of the route between Chatswood and Epping (to the Thiess H A Group). This project will provide capacity for an extra 12,000 new rail passengers every day on the CityRail network and provide much needed rail service to a growing area. In May 2002, the Minister for Transport and Lord Mayor of Parramatta released the masterplan for the \$100M Parramatta Transport Interchange, a key component of the Parramatta Rail Link. This interchange will encourage increased public transport use into the Parramatta CBD by connecting the new Transitway, local bus and rail services.

The Parramatta Rail Link Company, under the direction of Transport NSW, the State Rail Authority and Rail Infrastructure Corporation, made significant progress on the new 28-kilometre railway linking Parramatta and Chatswood. In June 2002,

TRANSITWAYS

Progress on the 30km Liverpool to Parramatta Transitway culminated with commencement of construction, finalisation of the tender for transitway trunk services and contracting of a trunk service provider.

Bus-only transitways, or T-ways, are a rapid bus public transport system designed to link Western Sydney's major residential, business, employment, medical, education and recreational facilities.



HOLSWORTHY COMMUTER CAR PARK

The 95 kilometre T-way Network will provide fast, reliable buses travelling on bus-only roads and bus lanes, and will be a safe, convenient alternative to driving.

T-ways are a vital part of an integrated transport solution for Sydney that also includes:

- Parramatta–Chatswood Rail Link
- Western Sydney Orbital
- North West Rail Link
- Windsor Road upgrade.

The Liverpool–Parramatta link and the other T-way links, Blacktown–Castle Hill and Parramatta–Rouse Hill, will greatly benefit the population of this area by making it easier to get to work, school, college, shopping and weekend recreation. Construction work began on the Liverpool–Parramatta T-way link in April 2002 on:

- Over 9 kilometres of separate, off road T-way.
- A 5 kilometre stretch of T-way following Sydney Water’s Prospect Pipeline corridor.

On completion during 2003/2004, more than 30 T-way stations on the Liverpool–Parramatta T-way will link high-growth suburbs and key employment areas with T-way services running on bus-only lanes on existing roads as well as newly built T-way lanes. Other work associated with this project includes:

- Cycleways and shared pedestrian paths.
- Bus bays.

- Reconstruction of intersections at cross streets.
- A bridge over the Sydney Water pipeline and the Prospect Creek floodplain.
- New sets of traffic signals at intersections and pedestrian crossings.

Services between Parramatta and Liverpool are due to commence in February, 2003.

Future Directions

- Further modelling and assessment of alternative transport scenarios for Sydney's future.
- Develop an integrated bus plan for the north west prior to the commencement of the North West Transitway.
- Implement the Ports and Freight Strategy and undertake further freight-related studies.
- Conduct further studies and planning for the North West Rail Link.
- Co-ordinate a Central Sydney Transport Strategy to help meet future needs and improve transport access to the CBD.
- Commence construction of the Parramatta Rail Link and Parramatta Transport Interchange as well as major upgrades of additional transport interchanges.
- Manage the feasibility study to extend the light rail system in Central Sydney.

Improving Service Delivery

Building better communities by enhancing the public transport system.

PRIORITIES

- Raise the standard of bus services through improved administrative systems and a better regulatory regime.
- Review and reform the School Student Transport Scheme to ensure it is easier to administer, cost efficient and more responsive to educational needs.
- Review and reform the taxi and hire car industries to improve the level of services provided to the public and make taxi operators more accountable for service delivery.
- Ensure new initiatives meet transport needs of the community and encourage the greater uptake of public transport.
- Oversee the design, development and testing of an integrated ticketing system to enable people in the greater Sydney metropolitan area to pay for all forms of public and private transport with a single smart card ticket.
- Plan and manage bus contracts more efficiently and effectively.
- Develop new integrated and inter-modal passenger and freight reforms to maximize the use of public transport and its usefulness to the community.

Performance Highlights

STREAMLINE ADMINISTRATION OF BUS REGULATION

Transport NSW continued to streamline its administration of driver authorities and operator accreditation, including regular passenger services, long distance, tourism and charter bus services, and four-wheel drive vehicles. Starting April 2002, three-yearly medical examinations replaced the obligatory yearly examinations for most drivers, aligning the testing with the renewal date of the driver authority. The Department also worked with the bus industry to introduce accredited training to improve driving standards.

The limitations of the current regulatory system for bus services came under review with Transport NSW commencing work on analysing options for reform with the bus industry and transport experts. Transport NSW also began the next step to develop mapping of the current system, examine regulatory models from other agencies and identify options for improved service delivery.

BUS CONTRACTS

As the first stage of moving to computerised contracts, Transport NSW initiated use of a geographic information system to digitally map non-commercial bus routes across the State. Use of this system for capturing, storing, checking, integrating and analysing data will improve the contract management of new or altered non-commercial buses. It will have the added benefit of enabling Transport NSW to store vital information in a readily accessible format.

In 2001/02, the Department also ensured regular passenger and school bus services through the management of approximately 230 commercial and 1,800 non-commercial contracts. At a cost of \$406.1M, approximately 664,100 eligible students receive free transport in NSW with 3,958 schools served.



INTEGRATED TICKETING

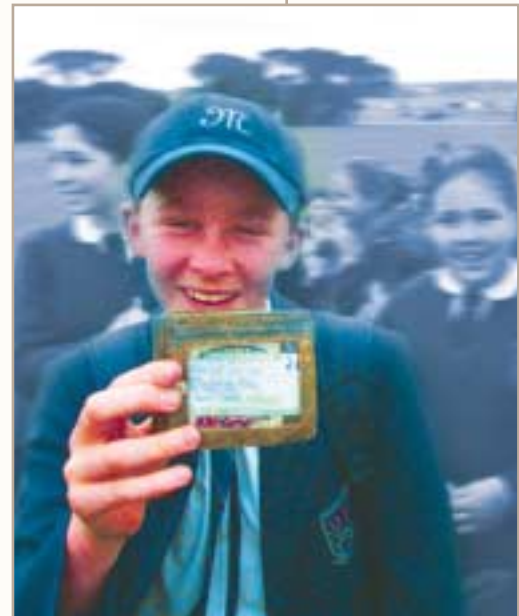
The NSW Government announced the preferred supplier for an integrated ticketing system in the greater Sydney metropolitan region. Integrated ticketing will allow passengers to use a single "smart card" to pay for travel on all government and private rail, light rail, monorail, bus and ferry services. The smart card can be carried in a purse, wallet or pocket, allowing passengers to walk through a special validator, rather than swipe a ticket through a machine. This will make entering and exiting trains, buses and ferries significantly faster, which will result in greater convenience for passengers.

A NSW Supreme Court challenge by the unsuccessful tenderer, however, delayed awarding of the contract to the Integrated Transit Solutions consortium comprising ERG Ltd and Motorola. The case was decided in favour of Government in July, 2002, however at present is subject to appeal.

SCHOOL TRANSPORT REFORM

Reform of the School Student Transport Scheme (SSTS) progressed on several fronts last year. Following receipt of a Department-commissioned report on more than 2,000 bus contracts under the scheme, Transport NSW took action on the deficiencies identified. Further relevant information came from the report of the Public Accounts Committee on the scheme, which was released in February 2002.

New administrative arrangements were developed to ensure a smooth process for reform. These include the appointment of a specialist SSTS policy manager, the initiation of an SSTS reform working party comprising representatives from industry, education and government, and the establishment of a high-level co-ordination committee.



CHANGING TRAVEL BEHAVIOUR IN PARRAMATTA

Transport NSW supported a Parramatta City Council initiative to develop a plan to identify the policy, services and infrastructure needed in the city centre to achieve a target of 60 percent of commuter travel using public transport, cycling and walking by 2021. The council will exhibit the plan for public comment early in the new financial year. Transport NSW is also leading the development of a trial project in Parramatta to focus on changing people's travel patterns by promoting public transport over car use.

IMPROVED TAXI AND HIRE CAR SERVICES

The public will benefit from a review of the Passenger Transport (Taxi Cab Services) Regulation 2001. Among the benefits are requirements that:

- Taxis carry baby capsules.
- Complimentary driver assistance to wheelchair passengers.
- Guide dogs cannot be refused taxi travel.
- Taxis display red roof lights when charging late-night rates.

Reforms of the hire car industry included the application of a standard policy for determining short-term licence fees and the establishment of a review process to hear claims regarding any impact of reforms.



section 02: improving service delivery...

In collaboration with the taxi industry, Transport NSW developed a new transparent model for issuing taxi licenses that will be trialed in the new financial year. Design specifications for the Customer Feedback Management System were also developed. When complete, the system will improve complaints handling and generate accurate data on taxi service performance standards.

FERRY REFORM

As of July 2002, 31 of the 55 recommendations in the report of the Waterways Review of the Operations of Sydney Ferries were implemented.

Progress towards implementation of the remaining 24 recommendations is well advanced, with most expected to be implemented by the beginning of October 2002.

Most of the remaining recommendations relate to various aspects of either the safety management system being developed for vessel operations under the ISM Code, or to the quality management system (ISO 9001:2000) being introduced for Balmain Shipyard and other shore-based operations. Development of both of these systems are large-scale undertakings, which impact the whole of Sydney Ferries, and will be implemented, including planned external audits and certification in November 2002. In addition, several associated capital acquisition programs will not be finalised until early in 2003.





TRANSPORT FOR MAJOR EVENTS

Transport ran perfectly at Moore Park in April when more than 70,000 sports fans attended the Super 12 Rugby and AFL fixtures in adjacent stadia – the first time ever two major games were played at the same time at this site. The majority of fans used public transport and no traffic problems were reported. People attending other sport and cultural events, including other rugby matches and concerts in the Moore Park precinct, were also able to take advantage of special transport services.

Transport NSW also provided bus services to many events at Sydney Olympic Park, including the Royal Easter Show, Rugby tests, NRL Grand Final and Sydney Swans football games. In anticipation of the 2002 Gay Games and the 2003 Rugby World Cup, special transport strategies are being developed to help spectators get to and from various event locations easily and efficiently.



OLYMPIC PARK STATION

section 02: improving service delivery...

NIGHTRIDE SERVICES

Approximately 780,000 people used the 11 Nightride bus services, which provide safe and reliable late-night public transport in Sydney after CityRail services wind down for the night and allow Sydney to operate as a 24-hour city. The cost of this service was \$4M. A new Nightride service from Hornsby to Berowra also operated on a three-month trial. Based on the low patronage levels, it is not proposed to make the service permanent.

TRANSPORT INFORMATION

The travelling public now enjoys easier access to transport information as the result of several projects implemented during the past year. A major review of the Transport Infoline 131 500 web site led to the launch of a more user-friendly trip planner in June 2002. At the same time, the Transport NSW corporate Internet site was redesigned for quicker access to specific transport information. Additionally, a pilot project using best practice guidelines for transport signage in the Sydney metropolitan area will improve signage for major event bus services to Sydney Olympic Park.



CUSTOMER FEEDBACK

People will be able to better voice their concerns with the introduction of a revised complaint management system across the transport portfolio. Under the new system, complaints by telephone are to be resolved within five working days where possible. Written complaints will be resolved within 21 days. This new system will ensure speedier response and greater co-ordination across all types of public transport services.

TRANSPORT PORTFOLIO CUSTOMER COMMITMENT

A combined public transport customer service commitment is in the final stages of development. This is being developed through the co-ordinated efforts of a committee comprising representatives from train, bus and ferry operators. The Customer Commitment defines standards passengers can expect from transport providers.

Future Directions

- Fully implement the bus driver reform package to improve driver training and streamline administration of driver authorities.
- Finalise the integrated express service tender for the Liverpool-Parramatta Transitway and consult further on an associated network of bus services.
- Consult with stakeholders on the final bus reform paper and implement an improved regulatory regime.
- Streamline administration of the School Student Transport Scheme and improve transport information available to students through digital mapping of school properties.
- Review existing contract and accreditation arrangements as part of the Bus Reform Program to improve reliability and comfort for passengers in NSW.
- Provide a better service to recipients of the private vehicle subsidy by centralising administration of the School Student Transport Scheme.
- Implement the Customer Feedback Management System for the taxi industry.
- Review Nightride services with a view to extending to new areas in order to better meet the transport needs of late-night passengers.

Providing Safe & Reliable Services

Transport NSW is the State's public transport and rail safety and ports regulator.

PRIORITIES

- Monitor bus operator performance and maintain accreditation system to ensure safety of operators.
- Oversee the implementation the recommendations of the Special Commission of Inquiry into the Glenbrook Rail Accident.
- Identify the rail industry's major safety risks and ensure strategies to address them are developed and implemented.
- Continue the safety enhancement of level crossings according to established priorities.
- Enhance the Department's level of preparedness for emergencies.
- Monitor port operations to ensure compliance with safety provisions.



Performance Highlights

BUS SAFETY IMPROVEMENTS

Approximately 200 audits of regular passenger and tourist bus service operators were conducted during 2001-2002. The audits sought to ensure that operators understood legislative and accreditation requirements, specifically as these relate to safety.

In consultation with WorkCover, the Bus and Coach Association and Transport Workers Union, the Department developed violence prevention guidelines for private bus drivers. Personal protection training commenced for this driver group.

Transport NSW continued to ensure that bus operators were aware of accreditation standards relating to safety by presenting lectures to students at the Institute of Transport Studies at Sydney University.



section 03: delivering safe & reliable services...

GLENBROOK INQUIRY RECOMMENDATIONS

The Department monitored and implemented recommendations of the inquiry into the Glenbrook rail accident. In May, the NSW Government appointed a safety regulator within Transport NSW to continue improvement of the regulatory framework for managing rail safety and the safety practices of individual rail authorities and operators. The regulator has the power to enforce compliance with safety regulations and investigate all rail accidents. In 2001-2002, 304 incidents were investigated at the request of Transport NSW

A proposed Rail Safety Bill, prepared by the Department, will substantially alter the structure of rail regulation and extend drug and alcohol testing across all public transport modes. The Bill gives effect to a number of recommendations made by the Glenbrook inquiry.

The inquiry also led to the development of a draft industry safety charter, which will address criticism of risk management systems, the lack of co-ordination between rail entities and the absence of a strategic overview for safety.

SAFER LEVEL CROSSINGS

The NSW Government is spending \$4M each year over three years to make level crossings safer. In 2001-2002, improvement works were undertaken at 28 sites, including the upgrading of the Gerogery crossing to full protection following a tragic accident in January 2001.



The Level Crossing Strategy Council will incorporate the findings of the Gerogery Inquest and the Parliamentary Staysafe Committee inquiry on level crossings into its strategic management improvements program. To ensure that funds are spent on safety improvements at the highest priority locations, the Council began using a Level Crossing Assessment Model. Other Council initiatives included consultation with stakeholders on the closure of high-risk locations where there are alternative crossings nearby.

CASE STUDY: CLOSURE OF AN UNSAFE LEVEL CROSSING

State policy is to close road-rail intersections wherever a safer, reasonably convenient road route is available.

Rail Infrastructure Corporation (RIC) proposed to the Director-General of Transport NSW, in his capacity as Chair of the Level Crossings Strategy Council, that a level crossing on the North Coast Railway in State Forest near Collambatti be closed.

A formal Assessment Report found that the required sight distances for timber jinkers was not available. It takes 28 seconds for a semi-trailer to clear 100 metres from rest. At this crossing trains travelling at 75kph appear from around a bend. Road users were potentially faced with situations that are beyond the capacity of the human perceptual system to resolve. It is considerably worse at night when locomotive lights are the only available visual cue to closing speed.

Because five local residents had to cross the rail line five times to open and shut the manual gates, there was also anecdotal evidence that the road gates were usually left open. Most level crossing collisions involve local drivers who know the site well. In the case of level crossings, over-familiarity kills.



Less than four kilometres away there was a bridge over the railway line. RIC agreed to upgrade this bridge so that it was strong enough for logging trucks to use. There was a rough forest road connecting the level crossing to the bridge but it was not in a suitable condition for local residents to use in all weathers. While State Forests has no obligation to provide access to private property, this agency fully cooperated with RIC to upgrade the link road and Kempsey Shire Council agreed to maintain it in the future.

The Level Crossings Strategy Council deemed that the level crossing was an unnecessary risk that could not practically or economically be reduced by installing lights, bells or boom gates. The Director-General directed RIC to close it under the Rail Safety Act. The LCSC arranged the normal consultation with stakeholders that would occur when level crossings are more routinely closed using powers under the Transport Administration Act.

Closure is the only way to completely eliminate risk at road-rail intersections. This exercise required co-operation between two levels of Government, co-ordination between four State agencies and adherence to a seven step process.

EMERGENCY MANAGEMENT

In October, Transport NSW signed an agreement with the Environment Protection Authority and WorkCover to provide enforcement and monitoring guidelines for the transportation of dangerous goods by rail in NSW. The Department continued to incorporate dangerous goods enforcement action into its railway compliance inspections and audits.

During the 2001 Christmas bushfires, Transport NSW co-ordinated transport resources including trucks for general freight, tankers, boats and buses in the affected areas.

MARINE SAFETY

Transport NSW developed a marine safety and environmental protection system for the port corporations and Waterways Authority, while continuing compliance monitoring of port corporations and regional ports.

Future Directions

- Develop a Transport Industry Safety Strategy establishing industry-wide objectives and core safety principles.
- Continue the safety improvement program for level crossings and further develop strategies for crossing rationalisation.
- Research and develop strategies to improve the security of public transport workers.
- Monitor the implementation of safety management systems for buses, taxis and transport interchanges.
- Develop safety management systems for ferries and other public passenger vessels.

Providing Equity of Access

Transport NSW initiates and implements strategies and provides funding to achieve equity of access to transport services for the whole community.

PRIORITIES

- Assist public transport providers to achieve more flexible, competitive and responsive services to better serve the community.
- Implement an improved fare setting regime across the transport system.
- Ensure the people of NSW receive fair treatment in access to travel concessions.
- Ensure new transport infrastructure and development enhances accessibility to housing, jobs and services.



Performance Highlights

COMMUNITY TRANSPORT

Transport NSW finalised the Review of Community and Courtesy Transport, which was undertaken with key stakeholders. The recommendations to clarify regulatory requirements and standards were approved by the NSW Government and are part of a legislative reform package in 2003.

Community transport providers undertook an average of 89,560 trips per month, assisting more than 26,000 people. The services were provided by 133 government and non-government organisations, which received a total allocation of \$19.5M from Transport NSW.

FARES

In June 2001, Transport NSW formally requested the Independent Pricing and Regulatory Tribunal to make recommendations on fare changes for private bus, ferry and taxi fares in 2001/02, with the resulting fare changes based on the Tribunal's recommendations. This approach gave the community and operators greater certainty about how fares are established by allowing public debate on the costs of public transport, as well as consistency and accountability in the fare determination processes.



CONCESSIONS

The Public Transport Authority, whose membership comprises representatives of public transport passengers, environmental organisations, local government, and experts in transport and urban planning, finalised its review of transport concessions. The NSW Government is now considering the recommendations.

SCHOOL STUDENT TRANSPORT SCHEME (SSTS)

In 2001/02, more than 664,100 students, at an annual cost of \$406.1M benefited from subsidised travel to and from school by bus, rail, ferry and private vehicle under the School Student Transport Scheme. Administered by Transport NSW, the scheme is the largest, most generous and cost efficient of its kind in Australia (NSW Public Accounts Committee finding 2002).

TAXI TRANSPORT SUBSIDY SCHEME (TTSS)

The Department provided \$13.2M in 2001/02 to subsidise Taxi Transport to assist residents of NSW who are unable to use public transport because of a qualifying severe and permanent disability. The scheme subsidises the travel cost of TTSS participants, allowing them to travel by taxi at half fare.

Transport NSW allocated \$324.4M in the 2001/02 financial year to subsidise concession fares across the state (excluding the SSTS). The Department funds private and public transport operators to deliver services for people eligible for concession fares. This includes, pensioners, seniors, school students, tertiary students, apprentices, trainees, vision impaired, welfare recipients, war widows, war veterans and ex-service people.



ACCESSIBLE TRANSPORT

Transport NSW drafted the Transport Portfolio Accessible Transport Action Plans as the first step in improving equity of access to transport. It outlined the Commonwealth Government draft targets for accessible public transport, and documented the progress of NSW transport agencies in achieving those targets.

Future Directions

- Seek Government approval of legislative changes to implement the recommendations of the Review of Community and Courtesy Transport.
- Formalise the agreement between Transport NSW and the Department of Ageing, Disability and Home Care on the agencies' respective roles in community transport provision.
- Establish a standing reference for the Independent Pricing and Regulatory Tribunal to make recommendations on private bus, ferry and taxi fares for the next five years.
- Develop strategies to foster consistent access to concession travel across urban, regional and rural transport networks.
- Finalise the Accessible Transport Action Plan for 2002/03 with community input and prepare the plan for 2003/04.



Delivering Rural and Regional Services

*Transport NSW has a key focus
on improving transport services
in regional and rural NSW.*

PRIORITIES

- Collaborate with the regional airline industry, local councils and the Federal Government to achieve stable and reliable regional air services.
- Improve transport outcomes for Aboriginal people living in rural and regional NSW.
- Co-ordinate passenger transport improvements in country NSW.
- Maintain concessions for rural and regional people using public transport.

Performance Highlights

AIR SERVICES

This past travel year was one of the worst years in Australian aviation history, with the reduction of passenger services. In response to the collapse of Ansett's regional subsidiaries, Transport NSW worked to reduce cost pressures, remove licence fees on lower volume routes and provide financial assistance.

Over the reporting period, 33 rural and regional centres in NSW retained air links to Sydney Kingsford Smith Airport. Four towns – Kempsey, Casino, Brewarrina and Nyngan – had their air links curtailed.

FUNDS TO IMPROVE RURAL AND REGIONAL SERVICES

Through the Country Passenger Transport Infrastructure Grants Scheme, Transport NSW called for submissions from country councils and community groups for the funding of transport infrastructure projects. Under this scheme, individuals or groups can apply for funding to build better passenger transport facilities in country areas. It is anticipated \$1.56M will be made available to fund 35 projects across 26 local government areas to help country towns provide quality public transport and improve regional tourism links. Projects include:

- Public transport and tourism centre in Inverell
- Coach and rail interchange in Albury
- Bus interchange in Griffith
- Taxi and coach interchange in Narrabri
- Bus terminal in Tamworth
- Bus terminal in Walgett
- Upgrades to bus interchange in Yass.

RURAL TRANSPORT PILOT PROJECT

The Rural Transport Pilot Project is focussed on Dubbo and Broken Hill and their surrounding towns. The objectives are to:

- Record and analyse the various types of transport providers and services currently provided in Dubbo and Broken Hill and their surrounding towns.



- Facilitate better integration of transport services and co-operation between key stakeholders to improve people's access to services such as health, commercial, recreation and education.
- Improve information so people are better informed about available transport services, timetables and routes.

As a result of the project, a number of achievements have been made during the year including:

- Establishment of local Transport Working Groups, in conjunction with Councils, to identify and progress transport issues at a local level.
- Development of co-operative projects between transport service providers, e.g. taxis working with community transport providers for better outcomes for the passenger.
- Dubbo Coaches, Dubbo Radio Cabs, Dubbo Community Transport and Dubbo City Council have joined forces to promote services for seniors.
- Taxis are also catering for the needs of the older population by setting up a Senior's Taxi Club Scheme.
- Establishment of two new bus services into Broken Hill from Wilcannia and Menindee.
- Development of a rural transport database that lists transport services and other details for more than 470 towns.
- Development of transport guides for Wellington, Gilgandra, Narromine, with guides under development for Dubbo and Broken Hill.

Research for the project showed many local people were unaware of some of the transport options available to them. These guides will help to keep people informed and enable them to make better use of local services. The trial is due to finish by the end of the year.

section 05: delivering rural & regional services...

SCHOOL STUDENTS

As part of the Department's commitment to rural and regional areas, the Department assisted students who live in locations where public transport is not available by providing a Private Vehicle Conveyance (PVC) subsidy. The total cost to delivery both services for the year was \$422.5M (SSTS – \$406.1M; PVC – \$16.4M)

COUNTRY RAIL INFRASTRUCTURE

2001/02 marked the start of a five-year contract between Transport NSW and the Rail Infrastructure Corporation to commit \$285M annually for the maintenance and improvement of country rail infrastructure.

GRANTS AND CONCESSIONS

Various Transport NSW schemes assist rural and regional residents in using public transport. Approximately \$50M each year is provided in concessions on train and bus services in rural and regional areas. The Taxi Transport Subsidy Scheme paid 50 percent of the meter fare, up to a maximum of \$30, for country people with permanent disabilities to get to work, study, medical treatment and leisure activities by taxi. The Department also made available interest-free loans to encourage taxi cab owners to purchase wheelchair accessible taxis.



Future Directions

- Support the NSW Government in improving the stability of regional and rural air services.
- Continue the improvement of regional and rural transport services through regulation and reform.
- Ensure that Aboriginal people have opportunities to contribute to the development of services in regional and rural areas.
- Finalise the Rural Transport Pilot Project with a view to establishing a resource template so other country towns and villages can make better use of existing services and resources.
- Develop a Rural and Regional Transport Strategy to guide transport planning for country NSW over the next decade.

section **06**: protecting the environment...

Protecting the Environment

Transport NSW undertakes initiatives to minimise the impact of transport on the environment.



PRIORITIES

- Support transport agencies in reducing road congestion and greenhouse emissions.
- Reduce travel demand and encourage greater use of alternative transport modes by integrating land use and transport planning.
- Review and update oil spill response plans.
- Contribute to the management of marine pests in Australian waters.

Performance Highlights

REDUCING AIR POLLUTION

Transport NSW manages the Botany rail freight line upgrade project to increase rail container transport to and from Botany, and thereby reduce road congestion, truck movements and greenhouse emissions within the greater Sydney metropolitan region.

INTEGRATED PLANNING

In conjunction with Planning NSW and the Roads and Traffic Authority, Transport NSW developed the Integrated Land Use and Transport Planning Policy Package. The package outlined a range of planning mechanisms, such as linking public transport with land use strategies, to reduce dependence on private vehicles, primarily in new metropolitan areas.

section 06: protecting the environment...

MARINE PROTECTION

Transport NSW, in consultation with the relevant NSW Government agencies, reviewed and updated the marine oil and chemical spill contingency plans for NSW waters and Lord Howe Island. The Department also updated the Oil Spill Response Atlas by including the latest information on infrastructure and other facilities and resources. This publication assists emergency oil spill clean-up crews by showing the location of equipment, and, for example, archaeological areas in need of special protection.

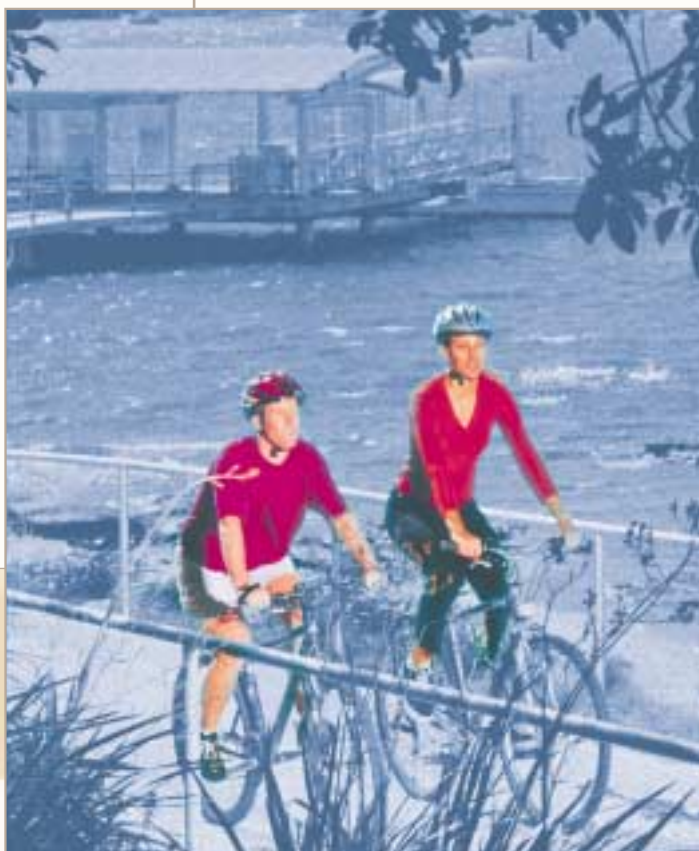
A **draft oil spill** contingency plan for the port of Yamba was developed and forwarded to the relevant agencies for comment. The plan will help local agencies with their initial response to an oil spill.



As a member of national consultative group, Transport NSW proposed that a study be conducted into the economic impact of marine pests, such as foreign marine animals, which are introduced into Australian waters by visiting ships and may upset the natural ecological balance. The Australian Quarantine Inspection Service subsequently engaged consultants to undertake the study. The report found no adverse economic impacts.

Future Directions

- Enhance and maintain the marine pollution response and environmental protection system for NSW.
- Develop a marine industry safety strategy to support the Transport Industry Safety Strategy.
- Contribute to the development of a national management regime for marine pests.



Providing Strategic Management

Transport NSW provides leadership across the transport portfolio by co-ordinating the NSW Government's transport priorities and ensuring the delivery of effective public transport and freight services for users.

Priorities

- Create smarter and more integrated transport solutions to meet community passenger and freight needs.
- Build better relationships with transport users through effective information delivery, consultation and complaint resolution systems.
- Improve the Department's integrated planning functions, management of human and financial resources, information technology and physical assets across Transport NSW and the transport portfolio.



Performance Highlights

IMPROVED WORKFORCE MANAGEMENT

A number of initiatives in 2001/02 led to a more motivated and better performing workforce. These included the ongoing performance evaluation scheme and a new in-house training program for the Transport NSW team. Staff were able to express their views on the organisation and their needs through a staff climate survey. The contributions of long-standing public servants were acknowledged through a recognition program in May 2002.



PLANNING AND BUDGETING INTEGRATION

Overall departmental management improved through the implementation of output-based planning, budgeting and reporting systems. In 2001/02, for the first time budget funding was directly linked to the Department's planning processes. This enables more effective monitoring of activities and outcomes in 2002/2003.



SAP PROJECT

A globally recognised financial management system, SAP Financials, was implemented during the year. It became operational on 30 June 2002. This new financial management system provides improved financial reporting and monitoring of outcomes as they relate to budget allocations, eliminates numerous manual transactions, and is linked to the Department's key database, the Transport Information Management System (TIMS).

CORPORATE GOVERNANCE

The Director General is responsible and accountable to the Minister for Transport and Parliament for the overall performance of Transport NSW and ensuring that it performs in a manner consistent with legislative requirements and best public sector practice.

The Director General is supported by Executive Directors, each who are responsible for a Division within Transport NSW. The Executive Directors and the Director General comprise the Executive Committee, which is the executive management body of Transport NSW. The Executive Committee generally meets fort-nightly to consider matters of importance to the ongoing management and direction of Transport NSW and the entire transport portfolio.

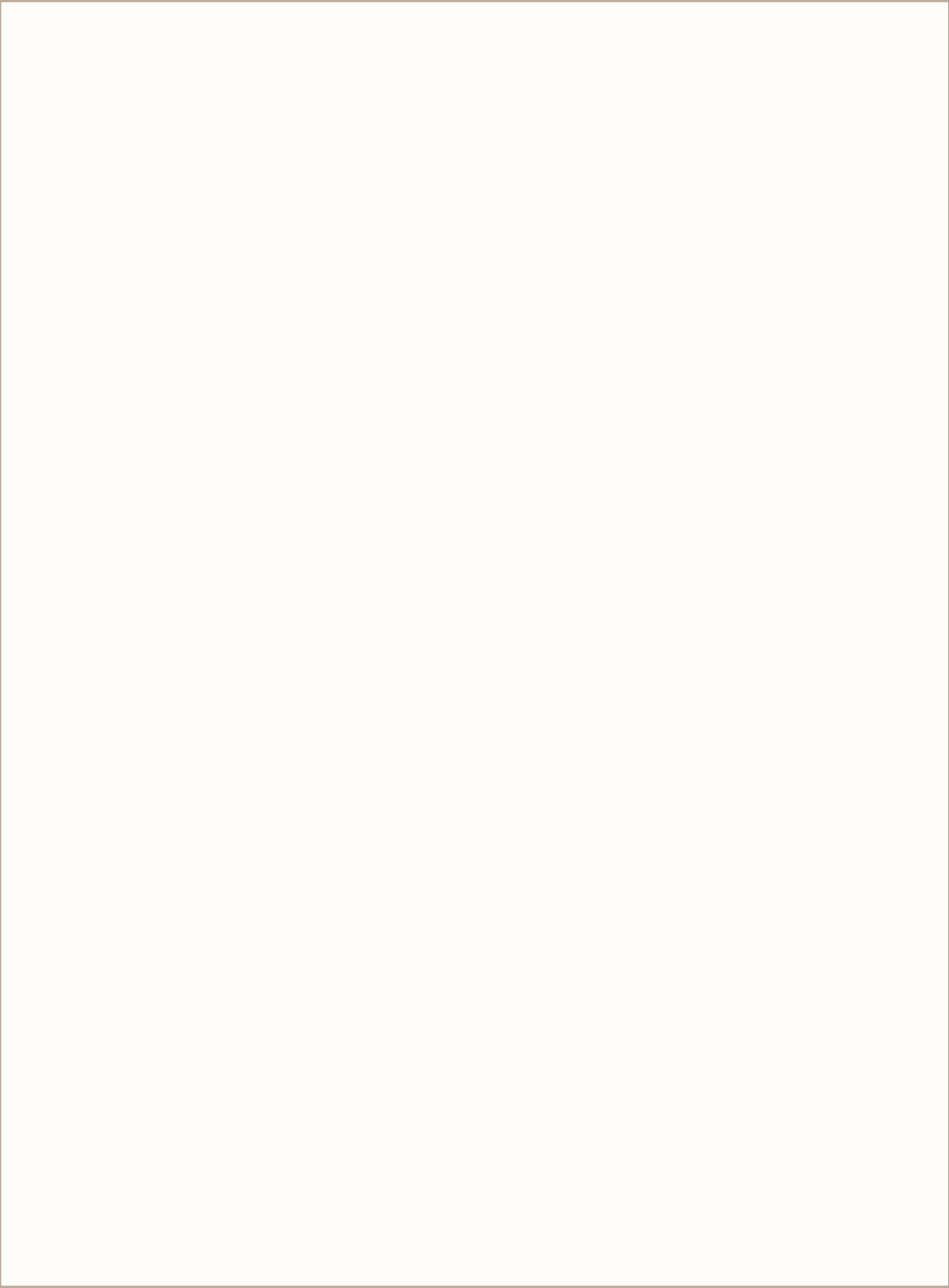
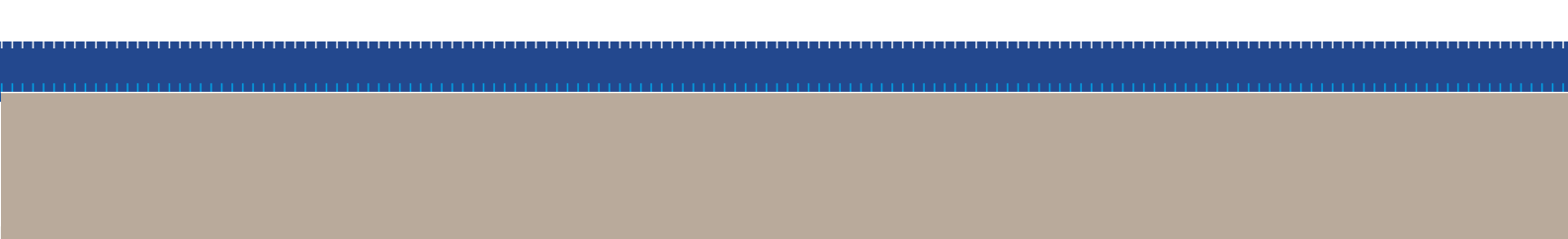
Transport NSW has in place a system of internal controls and reporting mechanisms to ensure that funds and efforts are directed to items identified in the budgetary and strategic planning cycle. It also has in place a Gantt chart reporting system, available on its intranet, that enables time related progress on planned items to be viewed by managers and staff alike.



Future Directions

- Implement shared services for the transport portfolio to streamline the delivery of corporate services, including information technology and human resources.
- Develop a strategic approach to the funding, procurement, maintenance and disposal of portfolio assets in an efficient and equitable manner.
- Maximise cost-effectiveness in the delivery of information through new technology.
- Align customer service training standards across Transport NSW and the portfolio.
- Improve communication with transport customers and the business community.
- Develop portfolio planning, budgeting and performance assessment to integrate fully with the Department's overall planning and budgeting processes.





Key Transport Indicators

Each year Transport NSW completes a Household Travel Survey across the Greater Sydney Metropolitan Region to learn more about individual travel patterns. The survey collects information about day-to-day travel, such as where people go, when they travel, the purpose of the trip, the means of transport used and the costs associated with the trip. This information is critical for the development of transport strategies and plans. The most recent data set was released in May 2002 detailing data on 2000/01.

The number of train trips in 2000/01 grew by two percent from the previous year while government bus travel remained stable. On weekends, the number of train and bus trips increased between 1999/00 and 2000/01, and the number of trips by car declined over the same time.

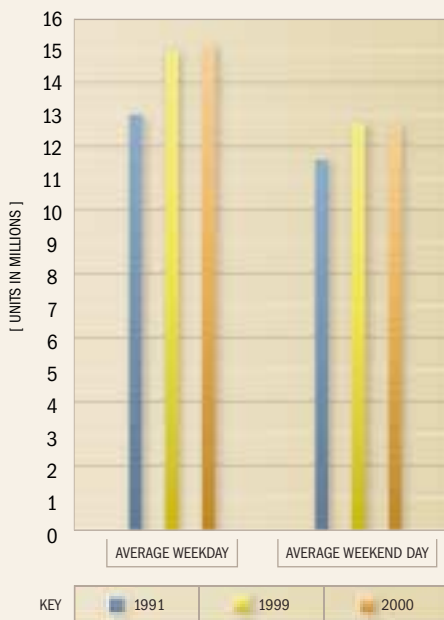
Sydney's strong growth in public transport travel between 1991-99 appeared to slow in 2000-01.

However, overall, public transport usage remained stable while reliance on cars continued to grow. Public transport patronage remained at 11 percent of all journeys with 70 percent of trips taken in private vehicles. Taxis, bikes and walking accounted for the remainder.

On average, there were more than 1.7M passenger trips each weekday on trains, buses and ferries, compared to more than 10M private vehicle journeys.

Key Transport Indicators [CONTINUED]

Number of Trips



NUMBER OF TRIPS BY SYDNEY RESIDENTS – 1991/92, 1999/2000 AND 2000/01

Sydney residents made 15M trips on an average weekday in 2000/01, up from 14.9M trips in 1999/00 and 13.1M in 1991/92. Between 1999/00 and 2000/01, weekday trips increased at a slower rate than the population. The number of trips on weekdays increased by 0.4 percent while Sydney's population grew by three percent. Between 1991/92 and 1999/00, the number of weekday trips increased at a faster rate each year on average (1.6 percent) than population (1.2 percent).

The number of trips each weekend day decreased from 12.9M in 1999/00 to 12.7M in 2000/01, a fall of 0.9 percent. This compared to an increase of 1.5 percent each year between 1991/92 and 1999/00.

Key Transport Indicators [CONTINUED]

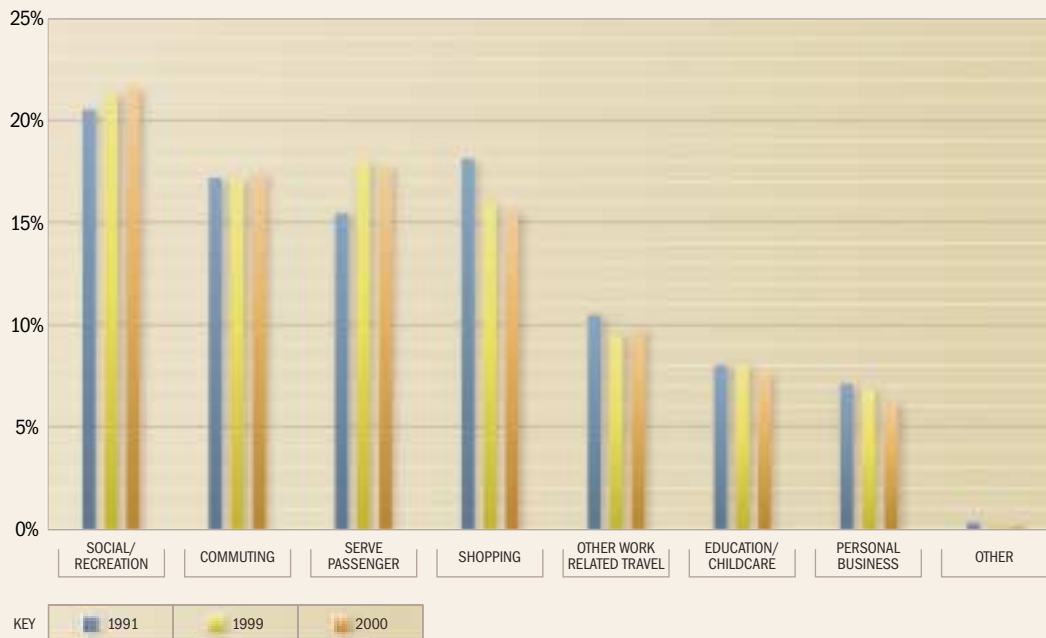
PURPOSE OF TRAVEL BY SYDNEY RESIDENTS ON AN AVERAGE WEEKDAY ~ 1991/92, 1999/00 AND 2000/01

The most common reasons for travel on an average weekday in 2000/01 were social/recreational (22 percent), commuting (18 percent) and to serve passenger needs (18 percent). The proportion of commuter trips has remained stable since 1991/92, while social/recreational and serve passenger needs trips have increased.

On weekend days in 2000/01, the main travel purpose was social/recreational at around 47 percent of all trips, followed by shopping (24 percent) and to serve passenger needs (15 percent). Commuting accounted for around five percent of all trips on weekend days.

The main growth in travel from 1991/92 to 2000/01 on weekdays was for social/recreational, to serve passenger needs, commuting and education/childcare purposes, while on weekends the greatest growth was for personal business, commuting and social/recreational reasons.

Purpose of Trips



Key Transport Indicators [CONTINUED]

NUMBER OF TRIPS BY MODE BY SYDNEY RESIDENTS ON AN AVERAGE WEEKDAY ~ 1991, 1999 AND 2000

The majority of travel in Sydney is by private vehicle – 70 percent of trips in both 1999/00 and 2000/01, up from 67 percent in 1991/92. However, the number of vehicle trips increased by only 0.5 percent from 1999/00 to 2000/01, compared to an average increase of 2.1 percent per annum between 1991/92 and 1999/00.

The number of train trips increased by 1.8 percent from 1999/00 to 2000/01, which is greater than the growth in population of 1.3 percent, and higher than the average increase of 1.4 percent per annum for the period 1991/92 to 1999/00. Total bus trips fell slightly from 1999/00 to 2000/01 after growing each year from 1991/92 to 1999/00. The number of government bus trips, however, remained stable.

The number of walk-only trips remained stable between 1991/92 and 2000/01 at around 2.7M trips each weekday on average.

Mode of Trips



Key Transport Indicators [CONTINUED]

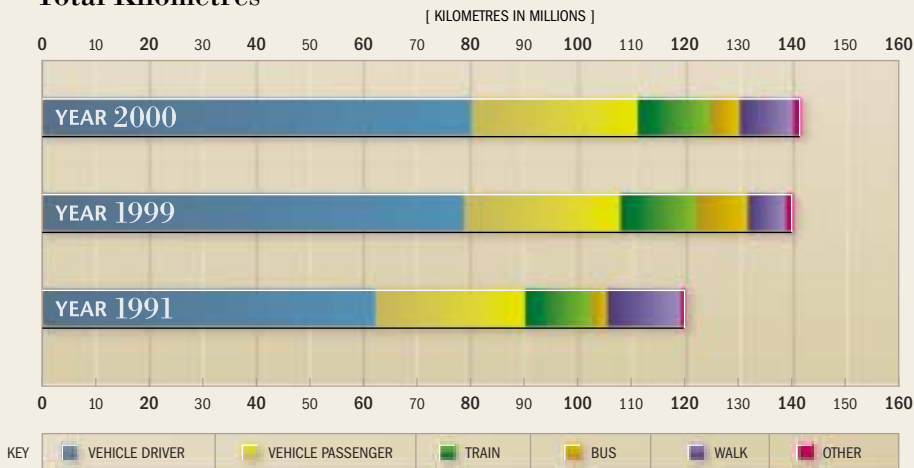
TOTAL KILOMETRES TRAVELLED BY MODE ~ AVERAGE WEEKDAY 1991/92 TO 2000/01

Sydney residents travelled a total of 142M kilometres (includes all modes) on an average weekday in 2000/01, up from 140M kilometres in 1999/00 and 120M in 1991/92. The growth in total kilometres from 1999/00 to 2000/01 was 1.7 percent, similar to the annual growth rate of 1.9 percent each year between 1991/92 and 1999/00.

The total number of kilometres travelled by vehicle drivers, or vehicle kilometres travelled (VKT), increased by 2.1 percent on weekdays from 1999/00 to 2000/01, after increasing by an average of 2.6 percent each year from 1991/92 to 1999/00.

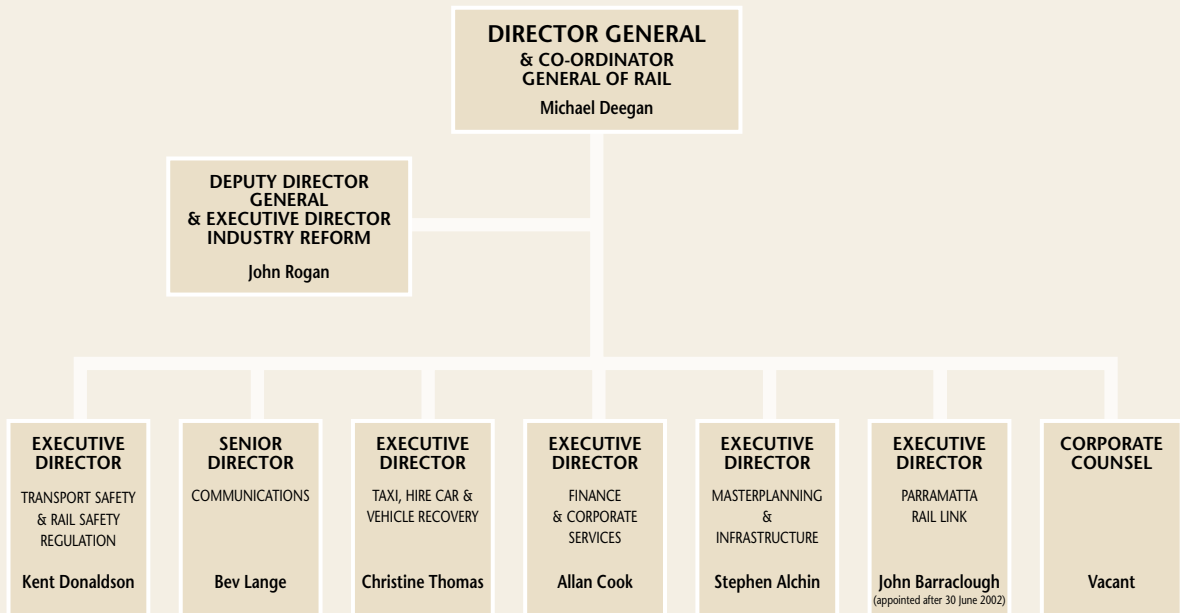
Total travel time for each person on an average weekday increased by six minutes, or nine percent, from 73 minutes in 1991/92 to 79 minutes in 2000/01. This represents an average growth rate of one percent per annum.

Total Kilometres



Transport NSW ~ Organisational Structure

TRANSPORT NSW EXECUTIVE MANAGEMENT



Financial Report 30 June 2002

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FINANCIAL PERFORMANCE SUMMARY

The Department of Transport (Transport NSW) formulates transport policies and strategies. To achieve the Government's objectives, it purchases performance-based transport services from Government-owned and private operators to achieve equitable transport outcomes for the community of New South Wales. It accredits and regulates transport providers and evaluates and audits the performance of transport services.

Transport NSW develops and constructs integrated transport infrastructure and interchange facilities. It is also the Government's safety regulator for the rail industry and for passenger and maritime transport operators. It collects transport data to review performance and underpin decision-making and is the State's transport co-ordinator of major events. This is partly offset by transfer of completed infrastructure systems to other transport agencies.

Transport NSW negotiates, manages and distributes the State's budget allocation to most agencies within the Transport Portfolio.

2001/2002 FINANCIAL PERFORMANCE

The net cost of services was \$2,123M compared to \$2,101M in 2000/2001 and the operating surplus for the year was \$85.7M compared with a surplus of \$29.8M in the previous year. The increase in operating surplus results from the recognition of land assets to the value of \$67.3M which have been brought to account for the first time.

The Statement of Financial Performance shows that expenditure for 2001/02 amounted to \$2,268M compared with a budget of \$2,348M (decrease of 3.4 percent) and expenditure incurred in the previous financial year of \$2,158M (increase of 5.1 percent). Major variances in expenses comprise of:

- Employee related expenses were \$2.738M over the previous year's expenditure figure. The increase of 14.9 percent was mainly due to increases in staff numbers and the grossing of salary expenses, which in the past, were offset against revenue.
- Other operating expenses were \$7.323M (59.2 percent) over the previous year's expenditure figure due to increase in property rental (\$0.675M) and legal expenses of \$4.483M incurred in defending a major court case, engagement of contractors (\$1.146M) and the creation of a provision for doubtful debts for \$0.326M.
- An increase of \$100.845M (4.8 percent) in grants and subsidies reflects the additional funding provided to rail entities for maintenance of country rail tracks and increased SRA deficit funding. \$20M more was expended on providing free transport for school students. Expenditure on the Parramatta to Chatswood rail link accounted for additional expenditure of \$33.150M and \$12.2M was provided to STA for capital works. Savings were achieved in FreightCorp CSO following the sale of FreightCorp to the private sector. A complete list of payments is shown under note 2(d).
- Other expenses were in line with last year's figures with increased expenditure on the Integrated Ticketing project offset by a reduction in expenditure incurred on the Integrated Transport Information Service. These costs were fully recovered.

The revenue for Transport NSW (other than Consolidated Fund allocations) increased from \$57.4M in 2000/2001 to \$145.5M in 2001/2002. The increase in revenue reflects the recognition of land assets (\$67.3M) for the first time and the Department's involvement in promoting major events and recoupment of expenditure incurred on the Integrated Ticketing project and the Integrated Transport Information Service. In addition, funding for the Home and Community Care Program was increased by \$7.0M.

THE 2001/2002 BUDGET

The original Consolidated Fund budget allocation for the year ended 30 June 2002 was \$2.055Bn in Recurrent funding and \$50.7M for Capital funding. The Recurrent funding was supplemented by \$149M to \$2.204Bn, in recognition of the difficulties in the rail industry. These include:

- \$50M to the State Rail Authority for community service obligations (\$41.2M) and accelerated capital grants (\$9.1M).
- Additional funding was provided to the Rail Infrastructure Corporation of \$40M for country rail track maintenance work.
- \$23M to the State Transit Authority in community service obligations (\$10.6M) and in accelerated capital grants (\$12.1M)
- \$21.5M in accelerated capital grants for the Parramatta to Chatswood rail link. In addition, Parliament approved an additional \$100M for this project. These funds had not been utilised.

In addition, funding of \$4.483M was provided to cover the cost of the major court case and \$4.173M to promote public transport for major events.

These supplementations were partly offset by savings in Port Kembla Port Corporation CSO (\$1.270M), Freight CSO (\$38.876M) and private operators of buses, ferries and taxis (\$8.312M).



GPO BOX 12
SYDNEY NSW 2001

INDEPENDENT AUDIT REPORT

DEPARTMENT OF TRANSPORT

To Members of the New South Wales Parliament

Scope

I have audited the accounts of the Department of Transport for the year ended 30 June 2002. The Director-General is responsible for the financial report consisting of the statement of financial position, statement of financial performance, statement of cash flows, program statement, expenses and revenues and summary of compliance with financial directives, together with the notes thereto, and information contained therein. My responsibility is to express an opinion on the financial report to Members of the New South Wales Parliament based on my audit as required by the *Public Finance and Audit Act 1993* (the Act). My responsibility does not extend to an assessment of the assumptions used in formulating budget figures disclosed in the financial report.

My audit has been conducted in accordance with the provisions of the Act and Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. My 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 the requirements of the Act, 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's financial position, the results of its operations and its cash flows.

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

Audit Opinion

In my opinion, the financial report of the Department of Transport complies with section 45E of the Act and presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements the financial position of the Department as at 30 June 2002 and the results of its operations and its cash flows for the year then ended.

Keith Blec, FCPA
Director of Audit

SYDNEY
18 October 2002

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DEPARTMENT OF TRANSPORT

**STATEMENT BY DEPARTMENTAL HEAD
DEPARTMENT OF TRANSPORT
For the Year Ended 30 June 2002**

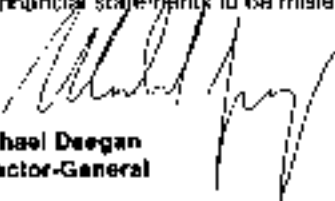
Pursuant to section 45F of the Public Finance and Audit Act 1983, I state that:

(a) The accompanying financial statements have been prepared in accordance with:

- Applicable Australian Accounting Standards
- Other authoritative pronouncements of the Australian Accounting Standards Board;
- Urgent Issues Group Consensus Views;
- The requirements of the Public Finance and Audit Act and Regulations; and
- The Financial Reporting Directions published in the Financial Reporting Code for Budget Dependent General Government Sector Agencies or issued by the Treasurer under section 9(2)(n) of the Act.

(b) The statements exhibit a true and fair view of the financial position and transactions of the Department of Transport; and

(c) There are no circumstances, which would render any particulars included in the financial statements to be misleading or inaccurate.



Michael Deegan
Director-General

Date 19 June 2002

DEPARTMENT OF TRANSPORT STATEMENT OF FINANCIAL PERFORMANCE

For the year ended 30 June 2002

	Notes	Actual 2002 \$'000	Budget 2002 \$'000	Actual 2001 \$'000
Expenses				
<i>Operating Expenses</i>				
Employee related	2(a)	21,143	20,158	18,405
Other operating expenses	2(b)	19,694	22,230	12,371
Depreciation	2(c)	854	1,026	775
Grants and subsidies	2(d)	2,177,209	2,187,038	2,105,934
Other expenses	2(e)	19,836	17,630	20,978
Total Expenses		2,238,736	2,248,082	2,158,463
Less:				
Retained Revenue				
Sale of services	3(a)	11,678	717	4,550
Investment income	3(b)	1,369	1,308	2,371
Retained taxes, fees and fines	3(c)	611	1,833	600
Grants and contributions	3(d)	30,387	21,698	26,252
Other revenue	3(e)	71,913	4,580	23,659
Total Retained Revenue		115,958	30,136	57,432
NET COST OF SERVICES	20	2,122,778	2,217,946	2,101,031
Government Contributions				
Recurrent appropriation	5	2,151,691	2,162,172	2,082,864
Capital appropriation	5	54,263	50,734	45,979
Acceptance by the Crown Entity of employee entitlements and other liabilities	6	2,504	2,220	2,022
Total Government Contributions		2,208,458	2,215,126	2,130,865
SURPLUS/(DEFICIT) FOR THE YEAR FROM ORDINARY ACTIVITIES		85,680	(2,820)	29,834
Total revenues, expenses and valuation adjustments recognised directly in equity		—	—	—
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH OWNERS AS OWNERS	15	85,680	(2,820)	29,834

The accompanying notes form part of these statements.

DEPARTMENT OF TRANSPORT STATEMENT OF FINANCIAL POSITION

As at 30 June 2002

	Notes	Actual 2002 \$'000	Budget 2002 \$'000	Actual 2001 \$'000
Assets				
Current Assets				
Cash	8	24,506	1,760	14,153
Receivables	9	13,937	9,699	9,762
Other	11	6,560	7,050	6,259
Total Current Assets		45,003	18,509	30,174
Non—Current Assets				
Receivables	9	108	201	144
<i>Property, plant and equipment</i>				
Land	10	67,272	—	—
Leasehold improvements	10	2,794	293	542
Plant and equipment	10	4,129	3,821	2,859
Infrastructure systems	10	46,050	71,258	33,892
<i>Total Property, plant and equipment</i>		<i>120,245</i>	<i>75,372</i>	<i>37,293</i>
Total Non—Current Assets		120,353	75,573	37,437
Total Assets		165,356	94,082	67,611
Liabilities				
Current Liabilities				
Payables	12	35,907	33,511	25,040
Employee entitlements	13	2,469	1,351	3,008
Other	14	2,488	230	717
Total Current Liabilities		40,864	35,092	28,765
Non—Current Liabilities				
Other	14	39	105	73
Total Non—Current Liabilities		39	105	73
Total Liabilities		40,903	35,197	28,838
Net Assets		124,453	58,885	38,773
Equity				
Accumulated funds	15	124,453	58,885	38,773
Total Equity		124,453	58,885	38,773

The accompanying notes form part of these statements.

DEPARTMENT OF TRANSPORT

STATEMENT OF CASH FLOWS

For the year ended 30 June 2002

	Actual 2002 \$'000	Budget 2002 \$'000	Actual 2001 \$'000
Cash flows from operating activities			
Payments			
<i>Employee related</i>	(19,905)	(18,213)	(15,790)
<i>Grants and subsidies</i>	(2,177,465)	(2,149,662)	(2,123,002)
<i>Other</i>	(18,974)	(29,976)	(12,242)
<i>Goods and Services Tax paid</i>	(52,175)	—	(43,265)
Total Payments	(2,268,519)	(2,197,851)	(2,194,299)
Receipts			
<i>Sale of services</i>	44,283	717	37,547
<i>Retained taxes, fines and fees</i>	611	—	600
<i>Interest Received</i>	1,393	1,678	1,983
<i>Goods and Services Tax received</i>	50,666	23,596	38,827
Total Receipts	96,953	25,991	78,957
Cash flows from Government			
<i>Recurrent appropriation</i>	2,154,146	2,162,172	2,083,532
<i>Capital appropriation</i>	54,263	50,734	45,979
<i>Cash reimbursements from the Crown Entity</i>	726	315	556
<i>Cash transfers to the Consolidated Fund</i>	(668)	—	—
Net Cash flows from Government	2,208,467	2,213,221	2,130,067
Net Cash flows from operating activities (Note 20)	36,901	41,361	14,725
Cash flows from investing activities			
<i>Net new advances</i>	36	—	56
<i>Purchase of leasehold improvements, plant and equipment and infrastructure systems</i>	(26,584)	(50,734)	(10,554)
Net Cash flows from investing activities	(26,548)	(50,734)	(10,498)
Net Increase/(Decrease) in Cash	10,353	(9,373)	4,227
<i>Opening cash and cash equivalents</i>	14,153	11,133	9,926
CLOSING CASH AND CASH EQUIVALENTS (Note 8)	24,506	1,760	14,153

DEPARTMENT OF TRANSPORT SUMMARY OF COMPLIANCE WITH FINANCIAL DIRECTIVES

For the year ended 30 June 2002

	2002				2001			
	Recurrent Appropriation \$'000	Expenditure/ Net Claimed on Con. Fund \$'000	Capital Appropriation \$'000	Expenditure/ Net Claimed on Con. Fund \$'000	Recurrent Appropriation \$'000	Expenditure \$'000	Capital Appropriation \$'000	Expenditure \$'000
<i>Original Budget Appropriation/ Expenditure</i>								
— Appropriation Act	2,055,057	2,044,577	50,734	50,734	1,802,427	1,801,759	44,729	44,729
— Additional Appropriations S21A PF & AA	42,700	42,700	1,000	1,000	255,238	255,238	—	—
Special Appropriation S24 PF & AA	2,097,757	2,087,277	51,734	51,734	2,057,665	2,056,997	44,729	44,729
Other Appropriations/Expenditure Treasurer's advance	24,332	24,332	3,000	3,000	23,821	23,821	1,250	1,250
S22 – expenditure for certain works & services	40,083	40,083	—	—	90,000	2,046	—	—
Transfer from another agency (S25 Appropriation Act)	64,415	64,415	3,000	3,000	113,821	25,867	1,250	1,250
Total appropriation / Exps	2,162,172	2,151,692	54,734	54,734	2,171,486	2,082,864	45,979	45,979
Drawdowns from Treasury	—	2,154,146	—	54,734*	—	2,083,532	—	45,979
Liability to Consolidated Fund	—	2,454	—	—	—	668	—	—

The Summary of Compliance is based on the assumption that Consolidated Fund moneys are spent first (except where otherwise identified or prescribed).

* Figure does not include refund of penalties paid to Office of State Revenue of \$471,000 which were not processed through Treasury ledgers.

DEPARTMENT OF TRANSPORT PROGRAM STATEMENT – EXPENSES AND REVENUE

For the year ended 30 June 2002

	Program 1.1		Program 2.1		Program 2.2		Not Attributable		Total
	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	
Expenses									
Operating expenses									
Employee Related	(21,143)	(18,405)	—	—	—	—	—	—	(18,405)
Operating Expenses	(19,694)	(12,371)	—	—	—	—	—	—	(19,694)
Depreciation	(854)	(775)	—	—	—	—	—	—	(854)
Grants & Subsidies	(171,588)	(171,900)	(279,408)	(328,674)	(1,726,213)	(1,605,360)	—	—	(2,177,209)
Other	(15,872)	(16,907)	—	—	(3,964)	(4,071)	—	—	(19,836)
Total Expenses	(229,151)	(220,358)	(279,408)	(328,674)	(1,730,177)	(1,609,431)	—	—	(2,238,736)
Retained Revenue									
Sale of Services	11,678	4,550	—	—	—	—	—	—	11,678
Investment Income	1,369	2,371	—	—	—	—	—	—	1,369
Retained Taxes, Fees & Fines	611	600	—	—	—	—	—	—	611
Grants/Contributions	13,622	14,857	—	—	16,765	11,395	—	—	30,387
Other Revenue	67,272	19,018	—	—	—	—	—	—	67,272
Emerging Value of UPLRT	4,641	4,641	—	—	—	—	—	—	4,641
Total Revenue	99,193	46,037	—	—	16,765	11,395	—	—	115,958
Net cost of services	(129,958)	(174,321)	(279,408)	(328,674)	(1,713,412)	(1,598,036)	—	—	(2,122,778)
Government Contributions	—	—	—	—	—	—	2,208,458	2,130,865	2,208,458
Net (Exp)/Revenue	(129,958)	(174,321)	(279,408)	(328,674)	(1,713,412)	(1,598,036)	2,208,458	2,130,865	85,680
Administered Revenue									
Fees							7,689	10,581	7,689
Port Cargo Access Charges							11,147	11,130	11,147
Fines							118	43	118
TOTAL							18,954	21,754	18,954

The names and purpose of each program is summarised in note 7. Appropriations are made on an agency basis and not to individual program

DEPARTMENT OF TRANSPORT

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 30 June 2002

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

The Department of Transport, as a reporting entity, comprises all the operating activities and entities under its control excluding operations reported under separate financial statements for the Air Transport Council. The Department of Transport provides administrative support to this entity but is not a controlling entity.

The reporting entity is consolidated as part of the NSW Total State Sector and as part of the NSW Public Accounts.

(b) Basis of Accounting

The Department of Transport's financial statements are a general purpose financial report, which has been prepared on an accruals basis and in accordance with:

- applicable Australian Accounting Standards;
- other authoritative pronouncements of the Australian Accounting Standards Board (AASB);
- Urgent Issues Group (UIG) Consensus Views;
- the requirements of the Public Finance and Audit Act and Regulations; and
- the Financial Reporting Directions published in the Financial Reporting Code for Budget Dependent General Government Sector Agencies or issued by the Treasurer under Section 9(2)(n) of the Act.

Where there are inconsistencies between the above requirements, the legislative provisions have prevailed.

In the absence of a specific Accounting Standard, other authoritative pronouncements of the AASB or UIG Consensus View, the hierarchy of other pronouncements as outlined in AAS 6 "Accounting Policies" is considered.

Except for certain infrastructure assets, which are recorded at valuation, the financial statements are prepared in accordance with the historical cost convention. All amounts are rounded to the nearest thousand dollars and are expressed in Australian currency.

(c) Administered Activities

The Department of Transport administers, but does not control, certain activities on behalf of the Crown Entity. It is accountable for the transactions relating to those administered activities but does not have the discretion, for example, to deploy the resources for the achievement of the Department of Transport's own objectives.

Transactions and balances relating to the administered activities are not recognised as the Department of Transport's revenues, expenses, assets and liabilities, but are disclosed in Notes 22 to 24 as Administered Assets and Liabilities, Administered Revenue – Crown Revenue and Administered Revenue – Schedule of Uncollected Amounts.

The accrual basis of accounting and all applicable accounting standards have been adopted for the reporting of the administered activities.

(d) Revenue Recognition

Revenue is recognised when the Department of Transport has control of the good or right to receive, it is probable that the economic benefits will flow to The Department of Transport and the amount of revenue can be measured reliably. Additional comments regarding the accounting policies for the recognition of revenue are discussed below:

(i) Parliamentary Appropriations and Contributions from other Bodies:

Parliamentary appropriations and contributions from other bodies (including grants and donations) are generally recognised as revenues when the Department of Transport obtains control over the assets comprising the appropriations/contributions. Control over appropriations and contributions is normally obtained upon the receipt of cash.

An exception to the above is when appropriations are unspent at year-end. In this case the authority to spend the money lapses and generally the unspent amount must be repaid to the Consolidated Fund in the following financial year. As a result, unspent appropriations are accounted for as liabilities rather than revenue.

The liability is disclosed in Note 14 as part of "Other Current Liabilities". The amount will be repaid and the liability will be extinguished next financial year. Any liability in respect of transfer payments is disclosed in Note 22 "Administered Assets and Liabilities".

(ii) Sale of Services:

Revenue from the sale of services comprises revenue from the provision of services ie user charges. User charges are recognised as revenue when the Department of Transport obtains control of the assets that result from them.

(iii) Investment Income:

Interest revenue is recognised as it accrues.

(iv) Grants and contributions:

Grants and contributions relating to reimbursement of costs incurred are recognised as revenue when the services are provided.

(e) Employee Entitlements

(i) Salaries and wages, Annual Leave, Sick Leave and oncosts:

Liabilities for salaries and wages, annual leave and vesting sick leave are recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the entitlements accrued in the future.

The outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee entitlements to which they relate have been recognised.

(ii) Long Service Leave and Superannuation:

The Department of Transport's liabilities for long service and superannuation are assumed by the Crown Entity. The agency accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non-monetary revenue item described as "Acceptance by the Crown Entity of Employee Entitlements and other Liabilities". Long service leave is measured on a nominal basis. The nominal method is based on the remuneration rates at year-end for all employees with five or more years of service. It is considered that this measurement technique produces results not materially different from the estimate determined by using the present value basis of measurement.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (ie. Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (ie. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

(f) Insurance

The Department of Transport's insurance activities are conducted through the NSW Treasury Managed Fund scheme of self-insurance for Government agencies. The expense (premium) is determined by the Fund Manager based on past experience.

(g) Accounting for Goods and Services (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except:

- The amount of GST incurred by the Department of Transport as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense.
- Receivables and payables are stated with the amount of GST included.

(h) Acquisitions of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the agency. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition.

Assets acquired at no cost, or for nominal consideration are initially recognised as assets and revenues at their fair value at the date of acquisition.

Fair value means the amount for which an asset could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value at the date of acquisition. The discount rate used is the incremental borrowing rate, being the rate at which a similar borrowing could be obtained.

(i) Plant and Equipment

Plant and equipment costing \$5,000 and above individually are capitalised.

(j) Depreciation

Depreciation is provided for on a straight line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the entity. The principal rates used for office furniture and equipment and computer equipment and systems were 20 percent.

The Department of Transport owns a number of physical non-current assets that have been fully depreciated. These consist mainly of office equipment and computers and it is considered that their value would be of immaterial value if re-recognised.

(k) Leased Non-Current Assets

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased assets, and operating leases under which the lessor effectively retains all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is recognised at its fair value at the inception of the lease. The corresponding liability is established at the same amount. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are charged to the Statement of Financial Performance in the periods in which they are incurred.

(l) Receivables

Receivables are recognised and carried at cost, based on the original invoice amount less a provision for any uncollectable debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

(m) Other Assets

Other assets including prepayments are recognised on a cost basis.

(n) Payables

These amounts represent liabilities for goods and services provided to the Department of Transport.

(o) Private Sector Provided Infrastructure

The Department of Transport's reversionary interest in the Ultimo-Pyrmont Light Rail Train system has been valued by reference to the emerging share of the gross replacement cost of the asset apportioned over the period of the agreement (Note 10).

(p) Grants and Subsidies

Grants and subsidies payable under the private bus operators scheme and community and certain individuals scheme are accounted for on an accrual basis in accordance with the various contractual and scheme rates applicable. Grants and subsidies payable to State-owned transport agencies are accounted for when paid.

(q) Maintenance Expenses

In accordance with Treasury guidelines the Department of Transport is not required to report maintenance expenditure as a separate Statement of Financial Performance item as no major assets, other than land, were owned at 30 June 2002.

(r) Budgeted Amounts

The budgeted amounts are drawn from the budgets as formulated at the beginning of the financial year and with any adjustments for the effects of additional appropriations, S 21A, S24 and/or S26 of the Public Finance and Audit Act 1983.

The budgeted amounts in the Statement of Financial Performance and the Statement of Cash Flows are generally based on the amounts disclosed in the NSW Budget Papers (as adjusted above). However, in the Statement of Financial Position, the amounts vary from the Budget Papers, as the opening balances of the budgeted amounts are based on carried forward actual amounts i.e. per the audited financial statements (rather than carried forward estimates).

(s) Financial Instruments

Financial instruments give rise to positions that are a financial asset of either the Department of Transport or its counter-party and a finance liability of the other party. For the Department of Transport, these include cash at bank, receivables, trade creditors and accruals. In accordance with AAS 33 "Presentation and Disclosure of Financial Instruments" information is disclosed in Note 25.

2. EXPENSES

	2002 \$'000	2001 \$'000
(a) Employee related expenses		
<i>comprise the following specific items:</i>		
Salaries and wages (including recreation leave)	17,279	14,809
Superannuation	1,696	1,444
Long service leave	702	486
Workers' compensation insurance	131	143
Payroll tax and fringe benefit tax	1,335	1,143
Redundancies	—	380
	21,143	18,405
During the year salaries and oncost of employees (\$190,420) (2000/01 – \$362,000) engaged on specific capital programs were charged to those projects (Note3(a))		
(b) Other operating expenses		
<i>Accommodation</i>		
Property rentals	2,100	1,443
Other property costs	158	142
<i>External services</i>		
Consultants	230	1,018
Contractors	4,146	2,344
Legal Services – Cubic Case	4,483	—
Legal Services	899	1,034
Audit fees – Internal Audits	77	60
Audit fees – External Audits	72	75
Others	293	417
<i>Information Technology</i>		
Computer leasing	376	254
Communication lines	125	72
Consultants	—	146
Contractors	753	301
Other computer costs	433	279
<i>Motor Vehicle running expenses</i>		
Operating lease rentals	134	131
Other motor vehicle costs	258	263

	2002 \$'000	2001 \$'000
<i>Advertising and promotion</i>	1,044	1,265
<i>Staff training and development costs</i>	440	340
Administration		
<i>Printing and stationery</i>	505	496
<i>Telephones</i>	346	440
<i>Postage and courier</i>	231	224
<i>Travel</i>	255	300
<i>Insurance</i>	453	459
<i>Bad Debts</i>	348	—
<i>Others</i>	1,535	868
	19,694	12,371
(c) Depreciation		
<i>Leasehold Improvements</i>	96	45
<i>Plant and equipment</i>	758	730
	854	775
(d) Grants and subsidies Summary Table		
<i>State Rail Authority</i>	1,103,982	994,900
<i>Private Bus Operators</i>	374,250	353,351
<i>Rail Infrastructure Corporation</i>	247,487	167,908
<i>Rail Access Corporation</i>	—	122,029
<i>State Transit Authority</i>	234,109	205,655
<i>Parramatta Rail Link</i>	78,306	74,726
<i>Community groups including SSTS private vehicle conveyance</i>	35,915	28,881
<i>Freight Rail Corporation</i>	32,780	72,221
<i>Completed Assets transferred to other Transport Agencies</i>	32,591	25,457
<i>Capital Infrastructure Systems</i>	18,662	38,758
<i>Port Corporations Grants</i>	9,417	10,788
<i>Other</i>	9,710	11,260
	2,177,209	2,105,934

	2002 \$'000	2001 \$'000
Detailed Tables		
State Rail Authority		
<i>Community service obligations</i>	423,992	351,204
<i>Capital grant</i>	282,030	256,380
<i>Concessions</i>	188,017	188,712
<i>Maintenance</i>	141,270	123,600
<i>Transitional funding</i>	34,600	42,100
<i>SSTS #</i>	22,073	23,204
<i>Redundancies</i>	12,000	9,700
	1,103,982	994,900
Private operators		
<i>SSTS private buses #</i>	331,350	311,892
<i>Pensioner half fare concession</i>	29,708	29,810
<i>Taxi transport subsidy scheme</i>	13,192	11,649
	374,250	353,351
Rail Infrastructure Corporation*		
<i>Community service obligations</i>	246,628	141,969
<i>Capital grant</i>	859	25,939
	247,487	167,908
Rail Access Corporation *		
<i>Social program</i>	—	114,484
<i>Capital grant</i>	—	7,545
	—	122,029
*The Rail Infrastructure Corporation was established on 1 January 2001 and comprises the former Rail Services Australia and Rail Access Corporation.		
State Transit Authority		
<i>Concessions</i>	106,649	103,088
<i>Community service obligations</i>	68,231	56,003
<i>SSTS #</i>	36,327	35,652
<i>Capital grant</i>	22,902	10,912
	234,109	205,655

	2002 \$'000	2001 \$'000
<i>Parramatta Rail Link Company</i>	—	74,726
<i>Parramatta Rail Link – Grants to SRA</i>	64,654	—
<i>Parramatta Rail Link – Grants to RIC</i>	13,652	—
	78,306	74,726
<i>Community Transport Groups</i>	19,548	13,629
<i>Private vehicle conveyance SSTS #</i>	16,367	15,252
	35,915	28,881
Freight Rail Corporation		
Community service obligations	32,780	72,221
Construction costs of completed assets transferred to other Transport Agencies	32,591	25,457
# The Department of Transport paid \$406m (2000-01 - \$386m) under the School Student Transport Scheme (SSTS) in the year to 30 June 2002.		
Capital Infrastructure Systems		
<i>Transitway Parramatta/Liverpool</i>	10,194	14,294
<i>Freight general</i>	4,000	17,757
<i>Corridor preservation</i>	1,901	1,946
<i>Transport interchanges – Country</i>	1,472	1,488
<i>Sydney – Newcastle high speed train</i>	1,000	369
<i>Epping Castle Hill Rail line</i>	95	2,904
	18,662	38,758
Port Corporations		
<i>Port Kembla Port Corporation</i>	9,290	10,662
<i>Newcastle Port Corporation</i>	127	126
	9,417	10,788
Other		
<i>Major Events</i>	6,534	3,900
<i>Others</i>	3,176	827
<i>Walsh Bay Development</i>	—	1,033
<i>Compensation for damages</i>	—	4,500
<i>Taxi Shelters</i>	—	1,000
	9,710	11,260

	2002 \$'000	2001 \$'000
(e) Other expenses		
<i>Integrated transport information service</i>	9,266	14,285
<i>Integrated ticketing project</i>	5,995	2,021
<i>Contracted passenger services</i>	3,964	4,072
<i>Taxi Advisory Committee</i>	611	600
	19,836	20,978

3. REVENUES

(a) Sale of services		
<i>Rendering of services</i>	11,678	4,550
b) Investment income		
<i>Interest</i>	1,369	2,371
(c) Retained taxes, fees and fines		
<i>Taxi Drivers Accreditation Renewal fees</i>	611	600
(d) Grants and contributions		
<i>Community transport projects</i>	16,765	11,395
<i>Integrated transport inform. service</i>	7,627	12,805
<i>Integrated Ticketing Project</i>	5,995	2,052
	30,387	26,252
(e) Other Revenue		
<i>Re-instatement of infrastructure systems previously expensed</i>	—	19,019
<i>Land transferred from SRA</i>	67,272	—
<i>Emerging value of private sector provided infrastructure</i>	4,641	4,640
	71,913	23,659

Land purchases for use as works offices and for storage of equipment used during the course of construction of the Parramatta to Chatswood rail line are brought to account for the first time in the Department's Statement of Financial Position. This land will be disposed of on completion of the project.

4. CONDITIONS ON GRANTS AND CONTRIBUTIONS RECEIVED

In 2001-2002 the Department of Transport received the conditional grants itemised in note 3(d). These grants can only be used for specific purposes. The Department of Transport has fully complied with these conditions and accordingly there is no liability for repayment of these grants arising from failure to meet these conditions.

5. APPROPRIATIONS

	2002 \$'000	2001 \$'000
Recurrent appropriations		
<i>Total recurrent drawdowns from Treasury (per Summary of Compliance)</i>	2,154,146	2,083,532
<i>Less: Liability to Consolidated Fund (per Summary of Compliance)</i>	2,455	668
Recurrent appropriations (per Statement of Financial Performance)	2,151,691	2,082,864
Capital appropriations		
<i>Total capital drawdowns from Treasury (per Summary of Compliance)</i>	54,263	45,979
<i>Less: Liability to Consolidated Fund (per Summary of Compliance)</i>	—	—
Capital appropriations (per Statement of Financial Performance)	54,263	45,979

6. ACCEPTANCE BY THE CROWN ENTITY OF EMPLOYEE ENTITLEMENTS AND OTHER LIABILITIES

The following liabilities and/or expenses have been assumed by the Crown Entity:

<i>Superannuation</i>	1,696	1,444
<i>Long service leave</i>	702	486
<i>Payroll tax on superannuation</i>	106	92
	2,504	2,022

7. PROGRAM INFORMATION

The Department of Transport has 3 programs namely:

Program 66.1.1 – Development, Co-Ordination and Planning of Transport Services

Objective: To meet the transport needs of the New South Wales community in an optimal way, balancing social and economic objectives.

Program Description: Development of transport objectives in New South Wales and the overall strategies and policies for achieving them. Advice to the Minister, implementation of self-regulation by the private sector. Development of appropriate monitoring and regulatory activities.

Program 66.2.1 – Assistance for General Track and Freight Services

Objective: Maintain the rail network at its existing standard and assist freight transport users confronted with long distances to markets and ports.

Program Description: A subsidy to the Rail Infrastructure Corporation to ensure rail infrastructure is maintained at its existing standard and provision of subsidies for rail freight services which it would not otherwise provide at the price charged to freight users.

Program 66.2.2 – Purchase of Public Transport Services

Objective: To improve community mobility on public and private transport.

Program Description: Provision of funds to the State Rail Authority, State Transit Authority, Rail Infrastructure Corporation and private transport operators for services and concessions which would not otherwise be provided by them at the current fare and/or services levels, and for new rail infrastructure, to enable rail entities to operate more efficiently and to community groups and certain individuals for particular services.

8. CURRENT ASSETS – CASH	2002 \$'000	2001 \$'000
Cash at bank and on hand	24,506	14,153

For the purposes of the Statement of Cash Flows, cash includes cash on hand and cash at bank. Cash assets recognised in the Statement of Financial Position are reconciled to cash at the end of the financial year as shown in the Statement of Cash Flows as follows:

Cash (per Statement of Financial Position)	24,506	14,153
Closing Cash and Cash equivalents (per Statement of Cash Flows)	24,506	14,153

Cash on hand includes Parking Space Levy funds of \$11.6m (2000-01 - \$2.1m) and Taxi Accreditation Fees of \$3.1m (2000-01 - \$1.9m). These funds earn interest at the going Treasury interest rate. These funds can only be used for specific purposes.

Parking Space Levy Fund

<i>Cash on hand at 1 July</i>	2,123	—
<i>Parking space levy received</i>	41,671	36,502
<i>Payments made in year</i>	(32,602)	(34,452)
<i>Interest Receivable</i>	420	73
Cash on hand at 30 June	11,612	2,123

9. CURRENT/NON-CURRENT ASSETS – RECEIVABLES

Current receivables:

<i>Sale of services</i>	8,069	5,042
<i>Goods and Services Tax – recoverable</i>	6,116	4,607
<i>Special Purpose Taxi Loans</i>	78	113
	14,263	9,762
<i>Less: Provision for doubtful debts</i>	(326)	—
	13,937	9,762

In addition, to the provision for doubtful debts, the Department of Transport wrote off \$22,827 relating to the leased premises.

	2002 \$'000	2001 \$'000
Non-current receivables:		
<i>Special Purpose Taxi Loans</i>	108	144
Special Purpose Taxi Loans		
<i>Later than 1 year but not later than 2 years</i>	55	49
<i>Later than 2 years but not later than 3 years</i>	39	49
<i>Later than 3 years but not later than 4 years</i>	11	46
<i>Later than 4 years but not later than 5 years</i>	3	—
	108	144

10. NON-CURRENT ASSETS – FIXED ASSETS

Land		
<i>At cost</i>	67,272	—
Leasehold Improvements		
<i>At cost</i>	2,928	680
<i>Less: Accumulated depreciation</i>	(134)	(138)
	2,794	542
Plant and equipment		
<i>At cost</i>	5,759	5,332
<i>Less: Accumulated depreciation</i>	(1,630)	(2,473)
	4,129	2,859
Infrastructure Systems		
<i>At cost - in course of construction</i>	23,166	15,649
<i>At valuation – Ultimo Pymont Rail Train</i>	22,884	18,243
	46,050	33,892
Total Property, Plant and Equipment		
At Net Book Value	120,245	37,293

Reconciliation of the carrying amounts of each class of leasehold improvements, plant, equipment and infrastructure systems at the beginning and end of the current and previous financial year are set out below:

2002	Land \$'000	Leasehold Improvements \$'000	Plant and Equipment \$'000	Infrastructure Systems \$'000	Total \$'000
<i>Carrying amount 1 July</i>	—	542	2,859	33,892	37,293
<i>Additions</i>	67,272	2,353	2,023	44,749	116,397
<i>Write back adjustment to Prime cost</i>	—	(105)	(1,596)	—	(1,701)
<i>Depreciation expense</i>	—	(96)	(758)	—	(854)
<i>Write back adjustment to Accumulated Depreciation</i>	—	100	1,601	—	1,701
<i>Transfer to other Transport agencies</i>	—	—	—	(32,591)	(32,591)
Carrying amount 30 June	67,272	2,794	4,129	46,050	120,245
2001	Land \$'000	Leasehold Improvements \$'000	Plant and Equipment \$'000	Infrastructure Systems \$'000	Total \$'000
<i>Carrying amount 1 July</i>	—	—	1,527	13,604	15,131
<i>Additions</i>	—	587	2,062	45,745	48,394
<i>Depreciation expense</i>	—	(45)	(730)	—	(775)
<i>Transfer to other Transport agencies</i>	—	—	—	(25,457)	(25,457)
Carrying amount 30 June	—	542	2,859	33,892	37,293

The Department of Transport offset \$1.701M against the accumulated depreciation account representing the value of assets which have been fully depreciated as at 30 June 2002. Assets held by the Department of Transport are not for re-sale, apart from the land which will be sold when its intended use is exhausted.

	2002 \$'000	2001 \$'000
11. CURRENT ASSETS OTHER		
<i>Prepayments made under various schemes</i>	6,133	5,991
<i>Prepaid expenses</i>	427	268
	6,560	6,259
12. CURRENT LIABILITIES - PAYABLES		
<i>Creditors</i>	2,053	691
<i>Accruals</i>	25,270	20,728
<i>Prepaid Income</i>	8,584	3,621
	35,907	25,040
13. CURRENT LIABILITIES - EMPLOYEE ENTITLEMENTS		
<i>Accrued salaries and payroll tax</i>	604	472
<i>Provision for recreation leave</i>	1,865	2,536
	2,469	3,008
14. CURRENT/NON-CURRENT LIABILITIES – OTHER		
CURRENT LIABILITIES – OTHER		
<i>Liability to Consolidated Fund</i>	2,454	668
<i>Lease Liability</i>	34	49
	2,488	717
NON-CURRENT LIABILITIES – OTHER		
<i>Lease Liability</i>	39	73
<p>The lease liability represents the rent-free period for office accommodation in Parramatta. The lease liability is reduced by allocating future rental payments between rental expense and reduction in the liability.</p>		
15. CHANGES IN EQUITY		
<i>Balance at the beginning of the financial year</i>	38,773	120,814
<i>Changes in equity – transactions with Owners as owners</i>		
<i>Transfer of shares in National Rail Corporation for no consideration</i>	—	(111,875)
Total	—	(111,875)
<i>Changes in equity – other than transactions with owners as owners</i>		
<i>Surplus/(deficit) for year</i>	85,680	29,834
Total	85,680	29,834
Balance at the end of the financial year	124,453	38,773

	2002 \$'000	2001 \$'000
16. COMMITMENTS FOR EXPENDITURE		
(a) Capital Commitments		
<i>Aggregate capital expenditure contracted at balance date and not provided for:</i>	24,561	41,902
<i>Not later than 1 year</i>	24,525	34,092
<i>Later than 1 year but not later than 5 years</i>	36	7,810
<i>Later than 5 years</i>	—	—
Total (including GST)	24,561	41,902
(b) Other Expenditure Commitments		
<i>Aggregate other expenditure contracted for at balance date and not provided for:</i>		
<i>Not later than 1 year</i>	2,302	300
<i>Later than 1 year but not later than 5 years</i>	1	—
<i>Later than 5 years</i>	—	—
Total (including GST)	2,303	300
(c) Operating Lease Commitments		
<i>Future non-cancellable operating lease rentals not provided for and payable:</i>		
<i>Not later than 1 year</i>	3,034	2,884
<i>Later than 1 year but not later than 5 years</i>	8,460	8,505
<i>Later than 5 years</i>	—	1,008
Total (including GST)	11,494	12,397

The Department of Transport leases its motor vehicles, computers and office accommodation.

17. CONTINGENT ASSETS

The Department of Transport held performance bonds and deeds including bonds for \$110M relating to the sale of Freight Corporation.

18. CONTINGENT LIABILITIES

The Department of Transport has been involved in a court case relating to the introduction of smart cards. On 26 July 2002, Justice Adams of the NSW Supreme Court dismissed Cubic Transportation System's case. On 16 August 2002, Cubic Transportation System indicated their intention to appeal. They have three months from this date to outline the basis of the appeal.

The Department of Transport has commissioned a private sector study for the extension of the light rail in the Sydney central business district. The Department of Transport may be liable for reimbursement of the study costs if the extension does not go ahead. The compensation is not considered to be material.

In addition, the Department of Transport is involved in a number of contractual disputes relating to the construction of car parks/interchanges at Holsworthy, Wyong and Kogarah. At balance date the damages, if any, cannot be quantified but are not considered to be material.

19. BUDGET REVIEW

Net Cost of Services

The net cost of services for the year ended 30 June 2002 is \$95.2M below the budget of \$2.218Bn. The major contributions to this saving include:

- **Grants and subsidies** are \$9.829M under budget. While concessions funding to private bus and ferry operators increased by \$19.7M from 2000-01 to 2000-02, patronage growth was lower than budgeted for. Other contributing variances included reduction in the Port Kembla CSO funding requirements due to conditions in the international coal market and \$1.0M on Parramatta Rail Link project.
- **Employee-related expenses** are \$0.985M above budget due to grossing of salary charges. These additional costs were recovered and the revenue is included under sale of services.
- **Other expenses increased** by \$2.206M compared to budget. The increase is attributable to the Integrated Transport Ticketing project (introduction of smart cards). The additional costs were recovered from other transport agencies and the revenue is included under grants and contributions. There was a reduction in expenditure on the Integrated Transport Information Service with a corresponding reduction in income.
- **Sale of goods and services** are \$10.961M above budget due to higher sale of services including bus services for major events, recoupment of salaries and expenditure incurred on transitways. The budget figures were low, as it is difficult to predict with accuracy the level of services provided.
- **Retained taxes and fines** related to taxi drivers' accreditation fees collected for use by the Taxi Advisory Committee. The fees collected during the year amounted to \$1.702M of which only \$611K was spent during the year and is reported in the Statement of Financial Performance with the balance reported as prepaid revenue under current liabilities.
- **Grants and contributions:** At \$30.387M, grants and contributions are \$8.689M above budget. This increase is attributable to the cost of the integrated ticketing project system recouped from other transport agencies and an increase in HACC contributions of \$5.067M. These increases are partly offset by a reduction in the cost of the integrated transport information service.

Assets and Liabilities

The main changes in the statement are set out below:

- Cash held is over budget by \$22.746M. The Department of Transport holds Parking Space Levy funds of \$11.6M, Taxi Advisory Council \$3.1M, payments received in advance of \$6.6M and unspent Consolidated Fund allocation (to be returned to Treasury) of \$2.5M as at 30 June 2002.
- The higher receivables are due to outstanding Goods and Services Tax recoverable of \$6.116M, outstanding interest earnings of \$0.740M, project related recoupment of expenditure \$3.076M and Transport Administration fees of \$0.799M.
- **Non-Current Assets** – Infrastructure Systems include the cost of infrastructure projects (such as bus/rail interchanges and commuter carparks) in course of construction. In line with accounting policy, the cost of these projects is capitalised during the construction phase and then expensed on completion when the assets are transferred to other transport agencies for no consideration.

Land purchases at \$67M for use as works offices and for storage of equipment used during the course of construction of the Parramatta to Chatswood rail line are brought to account for the first time in the Department of Transport's Statement of Financial Position. This land will be disposed of on completion of the project.

	2002 \$'000	2001 \$'000
20. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO NET COST OF SERVICES		
<i>Net Cash (used) on Operating Activities</i>	36,901	14,725
<i>Cash flows from Government/Appropriations</i>	(2,208,467)	(2,130,067)
<i>Non-cash emerging value of private sector provided infrastructure</i>	4,641	4,640
<i>Reinstatement of infrastructure systems and land previously written off</i>	67,272	19,019
<i>Completed infrastructure assets</i>	(17,846)	(13,882)
<i>Acceptance by the Crown Entity of Employee Entitlements</i>	(1,778)	(1,465)
<i>Goods and Services Tax</i>	1,509	4,438
<i>Depreciation</i>	(854)	(775)
<i>Increase/(Decrease) in prepayments</i>	243	(1,414)
<i>Increase/(Decrease) in receivables</i>	2,723	(3,635)
<i>Increase/(Decrease) in creditors</i>	(7,122)	7,385
Net Cost of Services	(2,122,778)	(2,101,031)

21. NON-CASH FINANCING AND INVESTING ACTIVITIES

During the year, the Department of Transport undertook the following non-cash financing and investing activities:

<i>Employees' entitlements and liabilities assumed by the Crown Entity (Note 6)</i>	2,504	2,022
<i>National Rail Corporation shares transferred to NSW Treasury</i>	—	111,875
	2,504	113,897

	2002 \$'000	2001 \$'000
22. ADMINISTERED ASSETS AND LIABILITIES		
Administered Assets		
<i>Cash (1)</i>	286	286
<i>Receivables (2)</i>	1,223	1,009
Total Administered Assets	1,509	1,295
Administered Liabilities		
<i>Payables</i>	—	—
Total Administered Liabilities	—	—

(1) This amount represents the unspent funds transferred from the Crown Entity for eventual expenditure on remediation of Lady Robinson's Beach, Botany Bay.

(2) Port Cargo Access Charge accrued from Port Corporations for payment to the Crown Entity.

23. ADMINISTERED REVENUE – CROWN REVENUE

<i>Private transport operators fees</i>	5,757	9,195
<i>Rail operators accreditation fees</i>	1,932	1,386
<i>Fines</i>	118	43
<i>Port Cargo Access Charge</i>	11,147	11,130
	18,954	21,754

24. ADMINISTERED REVENUE – SCHEDULE OF UNCOLLECTED AMOUNTS

<i>Uncollected administered revenue</i>		30 Days \$'000	90 Days \$'000	Total \$'000
<i>Receivables – rail accreditation fees</i>	2002	260	963	1,223
	2001	954	55	1,009

25. FINANCIAL INSTRUMENTS

Cash

Cash comprises cash on hand and bank balances within the Treasury Banking System. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation 11am unofficial cash rate adjusted for a management fee to Treasury.

Receivables

All trade debtors are recognised as amount receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Debts, which are known to be uncollectable are written off. A provision for doubtful debts is raised when some doubt as to collection exists. The credit risk is the carrying amount (net of any provision for doubtful debts). No interest is earned on trade debtors. The carrying amount approximates net fair value. Sales are made on 30 days terms.

Trade creditors and Accruals

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. Treasurer's Direction 219.01 allows the Minister to award interest up to 20 percent for late payment.

(a) Interest Rate Risk

Interest rate risk is the risk that the value of the financial instruments will fluctuate due to changes in market interest rates. The exposure to interest rate risk and the effective interest rates of financial assets and liabilities both recognised and unrecognised at 30 June 2002 are as follows:

	Floating Interest rate		Non-Interest bearing		Total carrying amount as per statement of Financial Position		Weighted average effective interest rate	
	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 %	2001 %
Financial Assets								
Cash	24,506	14,153	—	—	24,506	14,153	1.9	4.50
Receivables	—	—	14,045	9,906	14,045	9,906	N/A	N/A
Total	24,506	14,153	14,045	9,906	38,551	24,059		
Financial Liabilities								
Payable	—	—	40,903	28,838	40,903	28,838	N/A	N/A
Total	—	—	40,903	28,838	40,903	28,838	—	—

(b) Credit Risk

Credit risk is the risk of financial loss arising from another party to a contract or financial position failing to discharge a financial obligation thereunder. The Department of Transport was not exposed to a credit risk from carrying amounts of financial assets in the Statement of Financial Position.

26. INVESTIGATION OF FRAUDULENT PRACTICES

The Department of Transport is investigating alleged fraudulent practices relating to the Taxi Transport Subsidy Scheme. The alleged fraudulent practices have been perpetrated by both users and suppliers of the service. Some cases are currently before the courts for amounts estimated up to \$150,000.

27. AFTER BALANCE DATE EVENTS

On 6 July 2002, the Director General, the Department of Transport, in his capacity as agent for Rail Infrastructure Corporation (RIC) and State Rail Authority (SRA), signed a contract valued at \$878.47M for the civil and systems works on the Parramatta Rail Link project. In this regard, RIC has a total commitment under the contract of \$748.84M with the Department of Transport having a commitment of \$129.63M.

End of audited financial statements

Community Transport

During 2001/2002 \$16.7M was allocated to Government and non-Government organisations under the Home and Community Care Program, the Community Transport Program and Area Assistance Scheme.

The implementation of changes introduced by the Commonwealth to the collection of statistics relating to the provision of transport in the Home and Community Care Program indicate an expected annual total of around 83,000 persons assisted with over 1.1M trips in NSW. While the majority of these were provided by Community Transport projects, final figures were not available at the time of preparation of this Report.

In addition to the above, the Community Transport Program delivered 218,348 trips to 5,435 transport disadvantaged individuals, and the Area Assistance Scheme delivered a further 28,310 trips to 857 people per annum.

APPENDIX 1: FREEDOM OF INFORMATION

During the reporting period 1 July 2001 to 30 June 2002, Transport NSW received 29 new requests for information under the FOI Act.

The requests related to the following:

- Documents relating to the "smart card" project and membership of the Public Transport Authority/Public Transport Advisory Committee.
- Documents relating to the CBD Masterplan.
- Documents concerning bus reform measures.
- A copy of the Booz Allen Hamilton Study of Condition of NSW Railway Lines.
- A copy of the recruitment file for a person employed by the Tow Truck Authority.
- Copies of documents relating to ministerial approval for compulsory acquisition of land for the Parramatta – Chatswood Rail Link.
- All documents concerning an investigation carried out into a rail collision near Cowan on 14 August 2001.
- Details of each worksite incident where a SPAD (Signal Passes at Danger) has occurred for the period 1 January 2001 to 31 January 2002, including dates and the results of any investigations.
- A copy of the Public Transport Authority's review of concessions.

- A copy of the Parramatta Rail Link Company's Representations Report.
- Copies of a bus company's contract & schedule for the Wyong to Charlestown route.
- All documents concerning the provision of pilotage services in Sydney Harbour and Botany Bay.
- A copy of a statement regarding an alleged oil spill from the Island Trader on 30 April 2000.
- All documentation relating to school and passenger bus services to Wooloweyah from 1 January 2001 to date.
- All documents concerning the number of students being transported under the School Student Transport Scheme from Medowie to schools in the Newcastle or Raymond Terrace areas.
- Documents regarding the proposed construction of the new railway line between Epping – Rouse Hill – Windsor which affects a client's property at Kellyville.
- Access to documents regarding the Bells Road level crossing.
- Copies of all ministerial press releases concerning the deregulation of the Taxi and Hire Car Industry and/or the issuing of Wheelchair Accessible Taxi licences for the period 1 July 1998 to 30 July 2001.
- Details of projects and programs funded through the Public Transport Facilities Fund (PTFF) for 1999/2000 and 2000/2001, including total expenditure by year 1999/2000 and 2000/2001 (including minor projects and studies). In addition, the cost of each project and program funded through the PTFF since 1995.
- Access to documents concerning the sale of National Rail Corporation and FreightCorp.
- A copy of the EIS proposal to extend the Eastern Suburbs rail line to Bondi Beach.

- Access to Transport NSW's files regarding a bus driver and in particular access to all witness statements, the names of the investigating Police and a Police report of the incident number and the reasons for the Department's decision to revoke the bus driver's authority.
- Details of the Minister for Transport's overseas travel including official visits and study tours since March 1999.
- Copies of all documentation between the Director General and the Minister for Transport in 2001 regarding changes to the Hire Car Industry regulations made on 1st September 2001.
- Copies of all complaints received by Transport NSW from a particular person regarding the operation of three bus companies.
- Documents concerning the State Transport Property Committee and its review of transport property arrangements.

CASES INVESTIGATED BY THE OMBUDSMAN'S OFFICE (CARRIED FROM PREVIOUS YEAR)

- An alleged oil or contaminant spill at Lord Howe Island emanating from the vessel, Island Trader, on or around 30th April 2000.
- The Chris Forde Report into allegations of corruption on Lord Howe Island.
- The report into the cut-and-cover operation concerning the Parramatta to Chatswood Rail Link.

FOI Statistics – 2001/2002

Section A

Numbers of new FOI requests (Information relating to numbers of new FOI requests received, those processed and those incomplete from previous period)

FOI Requests	Personal	Other	Total
A1 New (including transferred in)	2	27	29
A2 Brought forward	—	3	3
A3 Total to be processed	2	30	32
A4 Completed	2	20	22
A5 Transferred out	—	3	3
A6 Withdrawn	—	2	2
A7 Total processed	2	20	22
A8 Unfinished (carried forward)	—	5	5

Section B

What happened to completed cases?

Result of FOI Request	Personal	Other
B1 Granted in full	2	5
B2 Granted in part	—	4
B3 Refused	—	10
B4 Deferred	—	1
B5 Completed *	2	20

Section C

Ministerial Certificate.

	Total
<i>C1 Ministerial Certificates issued</i>	0

Section D

Formal consultations - number of requests requiring consultations (issued) and total number of formal consultations for the period.

	Issued	Total
<i>D1 Number of requests requiring formal consultations</i>	3	3

Section E

Amendment of personal records – number of requests for amendment processed during the period.

Result of Amendment Request	Total
<i>E1 Result of amendment - agreed</i>	1
<i>E2 Result of amendment – refused</i>	1
E3 Total	1

Section F

Notation of personal records – number of requests for notation processed during the period.

	Total
<i>F1 Number of requests for notation</i>	0

Section G

FOI requests granted in part or refused – Basis of disallowing access – number of times each reason cited in relation to completed requests which were granted in part or refused.

Basis of disallowing or restricting access	Personal	Other
<i>G1 Section 19 (application incomplete, wrongly directed)</i>	—	—
<i>G2 Section 22 (deposit not paid) *</i>	—	7
<i>G3 Section 25 (1) (a1) (diversion of resources)</i>	—	—
<i>G4 Section 25 (1) (a) (exempt) *</i>	—	2
<i>G5 Section 25 (1) (b), (c), (d) (otherwise available)</i>	—	—
<i>G6 Section 28 (1) (b) (documents not held) *</i>	—	1
<i>G7 Section 24 (2) – deemed refused, over 21 days *</i>	—	2
<i>G8 Section 31 (4) (released to Medical Practitioner)</i>	—	—
<i>Other Section 25(4) *</i>	—	1
<i>Other Section 4 (1) (a)</i>	—	1
G9 Totals	—	14

Section H

Costs and fees of requests during the period (i.e. those included in lines A4, A5 and A6) does not include costs and fees for unfinished requests (i.e. those requests included in Line A8).

	Assessed Costs	FOI Fees Received
<i>H1 All completed requests</i>	\$ 1,555	\$ 750

Section I

Discounts allowed – number of FOI requests processed during the period * where discounts were allowed.

Type of Discount Allowed	Personal	Other
<i>I1 Public interest</i>	0	0
<i>I2 Financial hardship – Pensioner/Child</i>	0	0
<i>I3 Financial hardship – Non profit Organisation</i>	0	0
<i>I4 Totals</i>	0	0
<i>I5 Significant correction or personal records</i>	0	0

*Note: except for Item I5. Items I1, I2, I3, and I4 refer to requests processed as recorded in A7. For I5, however, it shows the actual number of requests for correction processed during the period.

Section J

Days to process – number of completed requests (A4) by calendar days (elapsed time) taken to process.

Elapsed Time	Personal	Other
<i>J1 0 – 21 days</i>	2	13
<i>J2 22 – 35 days</i>	—	4
<i>J3 Over 35 days</i>	—	3
J4 Totals	2	20

Section K

Processing time – number of completed requests (A4) by hours taken to process

Processing Hours	Personal	Other
<i>K1 0-10 hrs</i>	—	18
<i>K2 11-20 hrs</i>	—	2
<i>K3 21-40 hrs</i>	2	—
<i>K4 Over 40 hrs</i>	—	—
K5 Totals	2	20

Section L

Reviews and Appeals – number finalised during the period.

	Total
<i>L1 Number of internal reviews finalised</i>	1
<i>L2 Number of Ombudsman reviews finalised</i>	3
<i>L3 Number of Administrative Decisions Tribunal appeals finalised</i>	0

Details of Internal review Results – in relation to internal reviews finalised during the period.

Bases of Internal Review Grounds on which internal review requested	Personal		Other	
	Upheld *	Varied *	Upheld *	Varied *
<i>L4 Access refused</i>	—	—	1	—
<i>L5 Deferred</i>	—	—	—	—
<i>L6 Exempt matter</i>	—	—	—	—
<i>L7 Unreasonable charges</i>	—	—	—	—
<i>L8 Charge unreasonably incurred</i>	—	—	—	—
<i>L9 Amendment refused</i>	—	—	—	—
L10 Totals	—	—	1	—

* Note: relates to whether or not the original agency decision was upheld or varied by the internal review.

APPENDIX 2: PUBLICATIONS

- Brochure – New Location of Temporary Coach Layover Facility at Wharf Darling Harbour.
- Brochure & CD Rom – North West Rail Link Overview Report.
- Brochure – School Student Transport Scheme.
- Connecting Communities – The North West Rail Link.
- Central Coast Transport Action Plan: Connecting the Central Coast.
- Report No. 2002/01 HTS Summary Report 2002: Sydney Statistical Division.
- Report No. 2001/16: The Joys and Tribulations of a Continuous Survey.

APPENDIX 3: CONSULTANTS (OVER \$30,000)

Name of Consultant	Amount \$'000	Purpose
<i>Arthur Anderson</i>	53	<i>Integrated Ticketing Project</i>
<i>Halcrow Group</i>	75	<i>Signals Passed at Danger Workshop</i>
<i>Fellows Medlow & Associates</i>	55	<i>Development of a Strategic Safety Management Plan</i>
Consultants (Below \$30,000)		
<i>65 Consultants</i>	47	
TOTAL	230	

APPENDIX 4: SIGNIFICANT COMMITTEES

In 2001-2002, Transport NSW undertook a major review of its committee structure and introduced a new, hierarchical structure of Steering Committees under a reinvigorated Transport Coordination Committee. Reporting to the Steering Committees is another tier of Working Parties. Reflecting this new portfolio-wide approach, a number of the Committees are chaired by other Portfolio agencies.

Committee	Departmental Members
<i>Transport Coordination Committee</i>	<i>Michael Deegan (Chair)</i>

The Transport Coordination Committee's membership comprises all the Transport and Roads Portfolio Chief Executive Officers, as well as the Chief Executives of the EPA and Planning NSW.

Committee	Departmental Members
<i>Audit and Risk Management Committee</i>	<i>Michael Deegan (Chair)</i> <i>John Rogan</i> <i>Allan Cook</i> <i>David Wainright</i>
<i>Budget and Investment Steering Committee</i>	<i>Allan Cook (Chair)</i>
<i>Communications Steering Committee (Chair RTA)</i>	<i>Bev Lange</i>
<i>Environmental Management Steering Committee (Chair RTA)</i>	<i>Stephen Alchin</i>
<i>Infrastructure Project Delivery Committee (IPDC)</i>	<i>Allan Cook (Chair)</i> <i>Stephen Alchin</i> <i>Kevin Robinson</i> <i>Ian Drewe</i> <i>Stephen Fox</i>
<i>Interchange Management Working Party</i>	<i>Stephen Alchin (Chair)</i>
<i>Rural and Regional Planning Steering Committee (Chair RIC)</i>	<i>Stephen Alchin</i> <i>Jim Glasson</i> <i>Peter Murray</i>
<i>Safety Steering Committee (Chair Waterways)</i>	<i>John Hall</i>

Committee	Departmental Members
<i>Strategy and Performance Steering Committee</i>	<i>Chris Thomas (Chair) Don Esplin David Wainwright</i>
<i>Urban Planning and Infrastructure Steering Committee</i>	<i>Stephen Alchin (Chair) Helen Battellino Jim Glasson John Newman</i>
<i>Cross City Tunnel Working Group</i>	<i>John Newman Helen Battellino John Rogan</i>
<i>Parramatta Rail Link Board</i>	<i>Michael Deegan</i>
<i>Public Transport Authority</i>	<i>Michael Deegan John Rogan</i>
<i>School Student Transport Scheme Appeals Panel</i>	<i>Carolyn Boden</i>
<i>Transitways Project Control Group</i>	<i>Michael Deegan John Rogan</i>

APPENDIX 5: OVERSEAS VISITS

Officer	Date	Destination	Purpose
<i>Michael Deegan</i>	<i>November 2001</i>	<i>China</i>	<i>Review Olympic transport arrangements</i>
<i>Pauline Sullivan</i>	<i>July 2001</i>	<i>USA, Canada</i>	<i>Investigate transport initiatives and reforms</i>
<i>Helen Battellino</i>	<i>August 2001</i>	<i>South Africa</i>	<i>Attend conference on travel survey method</i>
<i>John Hall</i>	<i>December 2001</i>	<i>Hong Kong</i>	<i>Participate at the UITP Asia-Pacific Division Working Group Meeting</i>

APPENDIX 6: PROGRAM PERFORMANCE EVALUATION

The following major reviews were conducted:

- Major review of Departmental Structure.
- Administrative & Scheme Review of Newcastle Office.
- Review of the School Student Transport Scheme (SSTS).
- Review of Half Fare Concession Scheme.
- Review of Taxi Operator Accreditation and Driver Authorities.

APPENDIX 7: GRANTS TO NON GOVERNMENT COMMUNITY ORGANISATIONS

COMMUNITY TRANSPORT GRANTS DISBURSED TO NON-GOVERNMENT ORGANISATIONS 2001/2002

Organisation	HACC \$	HACC N/R \$	CTP \$	AAS \$
<i>Aboriginal Corporation Enterprise Services</i>	—	—	30,138	—
<i>Banjeeri Aboriginal Corporation</i>	132,284	485	—	—
<i>Bankstown Community Transport Inc</i>	229,792	4,680	—	—
<i>Baptist Community Services (AUBURN PROJECT)</i>	65,473	700	26,540	—
<i>Baptist Community Services (BANKSTOWN PROJECT)</i>	161,735	120	71,197	—
<i>Baptist Community Services (WAGGA WAGGA PROJECT)</i>	144,570	—	—	—
<i>Bathurst Community Transport Group Inc</i>	212,512	86,250	54,530	—
<i>Batlow Community Transport Service Inc</i>	—	—	9,524	—
<i>Bega Valley Community Transport Service Inc</i>	72,212	61,595	16,648	—
<i>Biripi Aboriginal Corporation Medical Centre</i>	1,858	—	—	—
<i>Blacktown Community Transport Inc</i>	200,818	3,540	37,888	—
<i>Bland Community Transport Group Inc</i>	43,369	—	—	—
<i>Blind & Vision Impaired Support Group Inc</i>	—	—	—	7,020
<i>Botany Neighbourhood Centre Inc</i>	88,232	1,155	—	—
<i>Broken Hill Community Inc</i>	—	—	1,163	—
<i>Bungree Aboriginal Association Inc</i>	86,468	21,742	—	—
<i>Central Sydney Community Transport Group Inc</i>	118,544	8,505	—	—
<i>Cessnock Community Transport Inc</i>	70,378	37,314	121,321	—
<i>Clarence Community Transport Inc</i>	246,443	1,485	54,060	12,298
<i>Coalfields Neighbour Aid and Transport Service Inc</i>	110,441	67,209	—	—
<i>Coastwide Community Transport Inc</i>	562,315	231,291	27,385	—
<i>Coffs Harbour Bellingen & Nambucca Community Transport Inc</i>	339,046	—	59,146	47,871
<i>Community Transport Group of Port Stephens Inc</i>	189,471	9,805	68,066	—

Organisation	HACC \$	HACC N/R \$	CTP \$	AAS \$
<i>Community Transport Warren Inc</i>	23,016	69,234		—
<i>Cootamundra Community Centre Inc</i>	31,929	—	—	—
<i>Cowra Information & Neighbourhood Centre</i>	20,005	—	32,045	—
<i>Dapto Neighbourhood Centre Inc</i>	—	—	20,057	—
<i>Deniliquin Council for Social Development Inc</i>	62,695	—	13,758	—
<i>Disabled Alternative Road Travel Services</i>	235,703	—	—	—
<i>Dubbo Community Services & Information Services Inc</i>	175,682	—	15,855	—
<i>Dungog & District Neighbourcare Inc</i>	57,164	570	3,072	3,812
<i>Ettinger House Inc</i>	—	—	—	55,244
<i>Far West HACC Services Inc</i>	66,068	—	15,328	—
<i>Far West Health Service (Wentworth)</i>	25,686	—	6,282	—
<i>Far West Health Service (Balranald)</i>	4,008	—	7,090	—
<i>Griffith Community and Regional Transport Service Inc</i>	86,342	335	31,397	—
<i>Guriwal Aboriginal Corporation</i>	54,023	—	—	—
<i>Gwydir HACC Services Inc</i>	96,489	25,435	13,926	—
<i>Hastings-Macleay Community Transport Service Inc</i>	321,427	12,351	9,865	—
<i>Highlands Community Centre Inc</i>	11,565	—	13,912	—
<i>Holdsworth Street Community Centre Inc</i>	87,329	23,970	—	—
<i>Holroyd Community Transport Group Inc</i>	64,340	43,000	48,029	—
<i>Home Care Services of NSW (Coonamble)</i>	20,784	28,510	9,754	—
<i>Home Care Services of NSW (Injamurra)</i>	35,128	—	—	—
<i>Home Care Services of NSW (Wilcannia)</i>	12,940	—	—	—
<i>Home Care Services of NSW (Wiradjuri)</i>	45,952	50	—	—
<i>Hornsby Ku-ring-gai Community</i>	—	—	—	—
<i>Aged/Disabled Transport Service Inc</i>	236,400	10,035	—	—
<i>Inner West Community Transport Inc</i>	260,957	32,260	—	—
<i>Inverell HACC Services Inc</i>	95,857	51,765	5,535	—

Organisation	HACC \$	HACC N/R \$	CTP \$	AAS \$
<i>Kalianna Enterprises inc.</i>	183,701	4,110	18,310	—
<i>Lake Cargelligo & District Care for the Aged Association Inc</i>	29,175	—	5,646	—
<i>Leichhardt Community Transport Group Inc</i>	167,927	—	49,376	—
<i>Lithgow Community Transport (Translinc) Inc</i>	152,140	240	24,579	—
<i>Liverpool District Combined Senior Citizens Progress Association Inc</i>	—	—	21,229	—
<i>Lockhart & Districts Aged Care Association Inc</i>	17,098	28,230	9,089	—
<i>Lower North Shore Community Transport Inc</i>	353,731	122,575	27,049	—
<i>Maitland Community Transport Inc</i>	174,091	1,570	50,749	—
<i>Manly-Warringah Pittwater Community Transport Inc</i>	204,919	2,200	29,728	—
<i>Manning Valley & Area Community Transport Group Inc</i>	275,846	8,000	93,769	—
<i>Meeting House Association Inc</i>	40,021	1,375	—	—
<i>Mercy Community Services</i>	157,716	132,415	64,965	—
<i>Mountains Community Transport Inc</i>	253,604	2,305	11,817	25,418
<i>Marrickville-Canterbury Community Transport Assoc. Inc.</i>	238,305	—	—	—
<i>Narrabri HACC Community Inc</i>	71,368	330	26,364	—
<i>Nepean Community Transport Inc</i>	252,472	22,660	16,658	—
<i>Newlake Community Transport Group Inc</i>	242,881	29,422	—	—
<i>Northern Rivers Social Development Council</i>	—	—	—	67,487
<i>Northern Rivers Community Transport Inc</i>	223,814	7,608	54,771	4,654
<i>Orange Community Transport Inc</i>	146,680	105,000	—	—
<i>Oxley Community Transport Service Inc</i>	205,141	52,055	76,717	—
<i>Parkes & District Info. and Neighbourhood Centre Inc</i>	106,917	29,530	34,768	—
<i>Peak Hill Community Bus Committee Inc</i>	13,968	168	—	—
<i>Paramatta Community Transport Association Inc</i>	202,396	21,935	—	—
<i>Randwick-Waverley Community Transport Group Inc</i>	303,736	52,900	—	—
<i>Ryde-Hunters Hill Community Transport Association Inc</i>	246,972	12,300	—	—

Organisation	HACC \$	HACC N/R \$	CTP \$	AAS \$
<i>Rylstone Community Transport Group Inc.</i>	18,081	—	—	—
<i>Scotland Island Residents</i>	—	—	8,967	—
<i>Shoalhaven Community Transport Service Inc</i>	203,379	18,030	90,814	35,839
<i>Singleton HACC Services Inc</i>	92,740	22,965	—	—
<i>South Sydney Community Transport Inc</i>	247,473	50,686	53,807	—
<i>South West Community Transport Inc.</i>	879,224	140,772	16,016	—
<i>Southern Highlands Community Transport Inc</i>	73,949	2,800	45,027	—
<i>St George Community Transport Project Inc</i>	292,604	—	31,496	—
<i>Sutherland Shire Community Transport Inc</i>	279,066	9,282	22,718	—
<i>Tenterfield HACC Committee Inc</i>	122,669	905	—	—
<i>Tweed Bryon Ballina Community Transport Project Inc</i>	369,328	3,440	33,590	35,677
<i>Upper Clarence Valley Health and Welfare Council Inc</i>	2,130	—	—	—
<i>Upper Hunter Community Care Inc</i>	151,105	875	23,950	38,024
<i>Volunteer Drivers Scheme Inc</i>	102,082	1,230	45,489	—
<i>Weddin Community Services Inc</i>	46,700	22,000	9,237	—
<i>Wee Waa Community Transport Services</i>	—	—	8,915	—
<i>Western Region Community Transport Forum Inc</i>	16,403	—	—	—
<i>Wyong Community Transport</i>	345,774	3,255	21,735	—
<i>Young Community Transport Service Inc</i>	38,310	450	11,426	—
Totals	12,753,087	1,747,016	1,862,282	333,344

APPENDIX 8: TRANSPORT NSW GUARANTEE OF SERVICE

The Guarantee of Service has been an effective tool in establishing our service standards. Under Guarantee of Service we will:

- Promise to the very best of our ability, to respond to your needs efficiently, promptly, courteously and fairly,
- Tell you who we are on the phone, in letters or when you meet us, so you can contact the same person again if you need to.
- Return your phone calls as quickly as possible and always within one working day.
- Respond to your letters within two weeks at most.
- Give a clear response to your enquires.
- As much as possible, give decisions, advice and support 'on the spot' using our frontline handling procedures for complaints and information.
- Pursue all problems and complaints about transport services within the relevant service provider, tell you their response and what will happen.
- Do our best to understand your business objectives and help you meet them while recognising, as you do, that wider public and transport consumer interests also need to be supported.
- Stand by our decisions and advice – and accept the consequences if they turn out to be wrong.
- If we can't agree to your requests, explain your options and give you ample opportunity to present your case.
- If we can't resolve your problems ourselves, put you in touch with someone who can.
- Ensure that when confidential matters are at stake, confidentiality is maintained.

No amendments were made to the Guarantee of Service in the reporting period.

APPENDIX 9: NUMBER OF EMPLOYEES (EFFECTIVE FULL TIME)

Year	EFT
2001 – 2002	278

APPENDIX 10: CHIEF AND SENIOR EXECUTIVE SERVICE (AS AT 30 JUNE 2002)

Chief and Senior Executive Service positions and levels	2001 – 2002
Level 1	0
Level 2	5
Level 3	1
Level 4	0
Level 5	2
Level 6	4
Level 7	1
Chief and Senior Executive Service	2001 – 2002
<i>Female Executives</i>	3

PRINCIPAL OFFICERS (AS AT 30 JUNE 2002)

Grade	Name	
SES 7	Michael Deegan	Director General
SES 6	John Rogan BA, LLB (Hons), BCom, CPA, MPA	Deputy Director General & Executive Director, Industry Reform
SES 6	Allan Cook B Bus (Accounting), Transport Admin Cert (Hons)	Executive Director, Finance & Corporate Services
SES 6	Kent Donaldson B Ec, B Sc	Executive Director, Transport Safety & Rail Safety Regulator
SES 5	Stephen Alchin B Town Planning (Hons), Grad Dip (Enviro Science), Dip Financial Markets	Executive Director, Transport Masterplanning & Infrastructure
SES 5	Christine Thomas M Public Health, B S Sc	Executive Director, Taxi, Hire Car Bureau & Vehicle Recovery
SES 2	Bev Lange	Senior Director, Transport Communications
SES 2	Barry Barford Dip Bus, MCIT, SFCDA, DipCD	Special Projects
SES 2	Paul Hayes BA	Acting Director, Ministerial & Cabinet
SES 2	Joanna Quilty BA, BSW, MA	Director, Bus & Ferry Reform

SENIOR EXECUTIVE REMUNERATION AND PERFORMANCE PAY FOR SES OFFICERS LEVEL 5 AND ABOVE

Name:	Michael Deegan
Position:	Director General
Period in position:	Appointed 15 November 2000
Level:	SES Level 7
Total value of remuneration package (excluding performance pay)	\$284,800
Dollar value of remuneration paid as performance pay	Nil
Summary of criteria for determining performance pay	Not applicable

Name:	John Rogan
Position:	Deputy Director General & Executive Director, Industry Reform
Period in position:	Appointed 13 July 2001
Level:	SES Level 6
Total value of remuneration package (excluding performance pay)	\$241,595
Dollar value of remuneration paid as performance pay	Nil
Summary of criteria for determining performance pay	Not applicable

Name:	Allan Cook
Position:	Executive Director, Finance & Corporate Services
Period in position:	Appointed 02 July 2001
Level:	SES Level 6
Total value of remuneration package (excluding performance pay)	\$226,095
Dollar value of remuneration paid as performance pay	Nil
Summary of criteria for determining performance pay	Not applicable

Name:	Kent Donaldson
Position:	Executive Director, Transport Safety & Rail Safety Regulator
Period in position:	Appointed 06 May 2002
Level:	SES Level 6
Total value of remuneration package (excluding performance pay)	\$187,420
Dollar value of remuneration paid as performance pay	Nil
Summary of criteria for determining performance pay	Not applicable

<i>Name:</i>	<i>Stephen Alchin</i>
<i>Position:</i>	<i>Executive Director, Transport Masterplanning & Infrastructure</i>
<i>Period in position:</i>	<i>Appointed 22 August 2001</i>
<i>Level:</i>	<i>SES Level 5</i>
<i>Total value of remuneration package (excluding performance pay)</i>	<i>\$176,840</i>
<i>Dollar value of remuneration paid as performance pay</i>	<i>Nil</i>
<i>Summary of criteria for determining performance pay</i>	<i>Not applicable</i>

<i>Name:</i>	<i>Christine Thomas</i>
<i>Position:</i>	<i>Executive Director, Taxi, Hire Car & Vehicle Recovery</i>
<i>Period in position:</i>	<i>Appointed 10 July 2002</i>
<i>Level:</i>	<i>SES Level 5</i>
<i>Total value of remuneration package (excluding performance pay)</i>	<i>\$176,840</i>
<i>Dollar value of remuneration paid as performance pay</i>	<i>Nil</i>
<i>Summary of criteria for determining performance pay</i>	<i>Not applicable</i>

JOHN ROGAN

DEPUTY DIRECTOR GENERAL, AND EXECUTIVE DIRECTOR – INDUSTRY REFORM SES 6

John Rogan has performed in the dual capacity of Deputy Director-General, and as Executive Director, Industry Reform, where he has a key role in reviewing and reforming the bus and ferry industries. A current focus for Mr Rogan is the review of contract service agreements with bus operators to ensure these contracts offer appropriate flexibility, are fair and equitable, and ensure they are appropriate for meeting future travel demands. In conjunction with this review Mr Rogan is also responsible for investigating and implementing reforms to the School Student Transport Scheme (SSTS).

Delivery of the integrated ticketing project to enable the delivery of a single fare collection system and the introduction of a customer friendly smart card is another key focus of Mr. Rogan's workplan.

Other priorities for Mr Rogan include the development of a "Ports & Freight Strategy" for NSW, and the finalisation of his review of the Ports Corporatisation & Waterways Management Act.

ALLAN COOK

EXECUTIVE DIRECTOR FINANCE & CORPORATE SERVICES – SES 6

Allan Cook has performed as Executive Director, Finance and Corporate Services. In this capacity he has responsibility for ensuring the effective and efficient management of the Transport budget allocation, as well as for introducing governance strategies to ensure an improved and more co-ordinated management of the portfolio's budget and assets.

Mr Cook's priorities include leading the Transport Portfolio in shared services initiatives, managing the review and reform of the Department and the Portfolio to improve performance, including the development of strategic plans for each Division within the Department, to improve efficiency and effectiveness in meeting the Department's objectives. Mr Cook is also responsible for ensuring the provision of stable and secure services to the Department in resource management, employee relations, records management, information management and technology to promote and support efficient and effective business operations.

KENT DONALDSON

EXECUTIVE DIRECTOR TRANSPORT SAFETY AND RAIL SAFETY REGULATION - SES 5

Kent Donaldson was appointed to the position of Executive Director, Transport Safety and Rail Safety Regulation in May 2002.

STEPHEN ALCHIN

EXECUTIVE DIRECTOR – MASTERPLANNING & INFRASTRUCTURE – SES 5

Stephen Alchin has performed as Executive Director, Transport Masterplanning and Infrastructure and in this role is responsible for ensuring the timely progress of Government's plans and strategies for transport, in particular the delivery of Action for Transport 2010. A key focus of his work is implementing strategies and developing plans to meet community needs for more integrated transport services.

A key task for Mr Alchin at present is to develop and implement strategies to reduce the impact of transport services on the environment. He has also made considerable progress in developing a strategic planning framework for the development and improvement of transport infrastructure and services in the Greater Metropolitan Region.

Other areas of current focus include assisting in addressing the particular transport needs of people in rural and regional NSW, and helping to improve access to transport services for all people in the community.

CHRISTINE THOMAS

EXECUTIVE DIRECTOR TAXI, HIRE CAR & VEHICLE RECOVERY - SES 5

Christine Thomas performed in the position of Executive Director, Portfolio Corporate Business and Customer Services until 30 April 2002. In May 2002, following a Departmental realignment, Ms. Thomas was appointed as Executive Director Taxi, Hire Car and Vehicle Recovery.

APPENDIX 11: HUMAN RESOURCES & INDUSTRIAL RELATIONS POLICIES & PRACTICES

In July the Department re-established an in-house Employee Relations Unit. The Unit apart from being responsible for all operational employee relations matters including payroll, leave and recruitment is also responsible for supporting managers by ensuring that all staff understand and participate in the Department's Performance Management and Development Scheme. In turn this results in a greater emphasis being placed on training and career development.

The Employee Relations Unit undertook a training needs analysis in conjunction with the recommendations from the Performance Management and Development Scheme and developed a training calendar covering a range of courses with both in-house and external presenters.

A three phased induction program was also developed and implemented, this involves an introduction to the Department with ER staff on a new staff member's first day of duty. This is followed by a morning tea with the Director General and the Executive Committee followed by a half-day induction course that is run on a quarterly basis. The half-day induction course includes information about, superannuation, employee entitlements, OH&S, evacuation procedures, the union and the Employee Assistance Program.

The Joint Consultative Committee made up of management and staff representatives continues to hold meetings on a regular basis and is a key forum for promoting harmonious working relationships between staff and managers as the Department continues to bed down the realignment and the revision of 24 April 2002.

APPENDIX 12: OCCUPATIONAL HEALTH AND SAFETY

The Department is committed to providing a safe and healthy working environment for its entire staff. In carrying out its operations and activities, the Department is committed to the prevention of accidents and to the establishment of safety and health excellence.

The Workplace Committee comprises of staff elected representatives and management representatives. The committee meets on a monthly basis and when issues arise and these are dealt with immediately.

Achievements of the OH&S Committee:

- Formulation of the Occupational Health and Safety Policy.
- Emergency Evacuation Placards placed at all exits in the workplace.
- First-aids kits placed at various locations.
- Ensured that Workcover input and approval was obtained during the asbestos related repairs on the building premises.

The Department's occupational health and safety performance for 2001/2002 is detailed below:

Occupational Health and Safety

The Department's occupational health and safety performance for 2001-2002 is detailed below:

<i>Number of work-related injuries:</i>	<i>4</i>
<i>Number of work-related illnesses:</i>	<i>1</i>
<i>Total time lost due to work-related injuries or illnesses</i>	<i>8 weeks</i>
<i>Number of workers compensation claims</i>	<i>5</i>
<i>Number of prosecutions reported during the last financial year</i>	<i>0</i>
<i>Prosecutions under the Occupational Health and Safety Act 1983</i>	<i>0</i>

APPENDIX 13: CODE OF CONDUCT

The Code of Conduct is included with job application packs, discussed at Induction and is available to staff via the Staff Resources Folder. The Code of Conduct reinforces the Departments expectation for ethical practice that all staff are accountable for in the performance of their duties.

APPENDIX 14: ACCESSIBLE TRANSPORT ACTION PLAN

Under the NSW Disability Services Act, 1993, Transport NSW is the co-ordinating agency for planning within the transport portfolio. The department and relevant transport agencies have been developing a draft portfolio-wide Accessible Transport Action Plan.

The draft Action Plan outlines:

- responsibilities of transport agencies;
- the guiding principles towards integrating accessible transport services; and
- progress to date and future strategies for the provision of accessible transport services.

The Department proposes to consult with disability groups, then finalise the draft Action Plan and update it on an annual basis.

The Department also continues to identify objectives and initiatives for people with disabilities that are aimed to ensure our services, programs and facilities are as accessible to a person with a disability as they are to any other person. The department has also established a range of facilities, such as TTY phones to assist people with a disability. Adjustments to workplaces and modification of work practices and procedures have also been integrated to provide for the successful placement of visually and hearing impaired people.

APPENDIX 15: EQUAL EMPLOYMENT OPPORTUNITY

A **departmental Equity Committee** has been established with the first meeting being held in November. The committee will review the Department's policies and procedures to ensure that they are up to date, fair and accessible to all staff.

During the year the Employee Relations Unit with the assistance of the Equity Committee conducted a Staff Climate Survey. The findings were presented by the Director General at the staff forum held at Parramatta in May. One of the commitments made by the Director General as a result of the survey was to review the current harassment and grievance policies and procedures, to be followed by a training program for managers and staff.

Some EEO achievements include:

- Establishment of Departmental Equity Committee.
- Workshops for convenors of selection panels.
- Revised recruitment guidelines.
- Developed policy for filling of temporary vacancies.
- Permanent appointment subject to meeting criteria of long term temporary employees.
- Internal promotional advertising for DTO 5 and below.
- Training programs available to all staff.
- The employment of an Aboriginal Employment Officer.

APPENDIX 16: STAFF BY LEVEL AND EMPLOYMENT BASIS

Subgroup as Percent of Total Staff at Each Level					Subgroup as Estimated Percent of Total Staff at Each Level				
Level	TOTAL STAFF (Number)	Respondents	Men	Women	Aboriginal people & Torres Strait Islanders	People from racial, ethnic, ethno-religious minority groups	People whose Language First Spoken as a child was not english	People with a Disability	People with a disability requiring work-related adjustment
< \$27,567	0	0%	0%	0%	0%	0%	0%	0%	0%
\$27,568 - \$36,258	5	100%	0%	100%	0%	0%	0%	0%	0%
\$36,259 - \$40,534	19	63%	17%	83%	0%	42%	50%	0%	0%
\$40,535 - \$51,292	82	89%	36%	64%	0%	23%	20%	11%	4%
\$51,293 - \$66,332	76	89%	59%	41%	2%	26%	17%	3%	0%
\$66,333 - \$82,913	59	86%	65%	35%	0%	16%	16%	12%	6%
> \$82,914 (non-SES)	54	83%	69%	31%	0%	7%	11%	4%	2%
> \$82,914 (SES)	10	90%	70%	30%	0%	0%	0%	10%	10%
TOTAL:	305	75%	45%	55%	2%	23%	23%	8%	5%

Subgroup as percent of Total Staff in each Category					Subgroup of Estimated percent of Total Staff in each Employment Category				
Employment Basis	TOTAL STAFF (Number)	Respondents	Men	Women	Aboriginal people & Torres Strait Islanders	People from racial, ethnic, ethno-religious minority groups	People whose Language First Spoken as a child was not english	People with a Disability	People with a disability requiring work-related adjustment
PERMANENT Full-Time	254	85%	62%	38%	0%	20%	19%	7%	2%
Part-Time	11	82%	0%	100%	0%	11%	22%	22%	22%
TEMPORARY Full-Time	25	84%	29%	71%	5%	24%	19%	5%	0%
Part-Time	5	80%	25%	75%	0%	0%	0%	0%	0%
CONTRACT SES	10	90%	70%	30%	0%	0%	0%	10%	10%
Non SES	0	0%	0%	0%	0%	0%	0%	0%	0%
CASUAL	9	86%	50%	50%	0%	17%	0%	0%	0%
TOTAL:	314	85%	39%	61%	5%	18%	20%	11%	11%

APPENDIX 17: ETHNIC AFFAIRS PRIORITIES STATEMENT

Ethnic affairs considerations have been fully integrated within the Department's business planning process. The purpose of the Department's Ethnic Priorities Statement (EAPS) is to improve service delivery and information to customers from ethnic communities.

APPENDIX 18: STATEMENT ON WOMEN

Transport NSW fully supports the Government's commitment to providing the means and opportunities to achieve a just and fair society and to promoting policies, programs and services that improve the position of women in society.

1. To improve the health and quality of life of women in NSW, the Department:

- a) Continued the implementation of the NSW Government's Action Plan for Women via projects in Action for Transport 2010, and other initiatives, to improve public transport accessibility. Women will be major beneficiaries of these projects, which include:
 - **Safe Women Project.** The Department develops public transport facilities with the prime objective of improving the safety, security and convenience of users at interchanges. Ongoing audits are conducted with police, local government, transport providers and relevant stakeholders to identify strategies to improve the safety of the travelling public.
 - **Provision of a more comprehensive** taxi service for mothers with babies. From 21 September 2001, throughout the State 10 percent of taxis on the road connected to any one network must carry baby capsules all day every day. This change was made to enable babies to be carried in taxis at night and on weekends if parents do not supply their own baby capsules and frames. Previously it had only been required between the hours of 8am and 6pm on weekdays.
 - **131 500 Public Transport Hotline.** The 131 500 service provides information on fares, routes, and schedules for all bus, rail and ferry service operators in the Greater Sydney Metropolitan Region.
 - **Community Transport Scheme.** This Scheme assists people who are isolated because of age, disability, location, or lack of private or public transport to access services (eg recreation, shopping, education, medical and social services) that are accessible by others through mainstream services. On average, community transport providers perform 85,560 trips per month assisting 24,633 disadvantaged people.

- **Integrated Land Use** and Transport Planning Package.
This package aims to better manage people's travel needs and improve their access to housing, jobs and services by public transport, cycling and walking. It provides the framework for State Government, councils and developers to make planning decisions at the regional and local levels.
- **SRA Easy Access Program** and STA Accessible Bus Program.
These programs aim to improve the physical accessibility of public transport. Under these programs railway stations are upgraded by installing lifts and graded approaches to make them more accessible and State Transit is progressively replacing its fleet with 'accessible' buses with low floors and ramps, to make them easier to use.
- **Improved bus services** in Metropolitan Sydney / Transitways.
The aim is to improve access to a range of destinations (regional centres, educational, shopping and medical facilities etc) from suburbs and to facilitate "across town" movements by reducing the need to transfer.

- b) Continued to update and analyse Household Travel Survey data to understand the travel and employment patterns of women. The data indicates that women are significant users of public transport, especially buses and are more likely to work on a part-time basis in local centres. This information is then used in transport planning.

2. To reduce violence against women, the Department:

- a) Continues its administrative and logistic support to the Transport Safety Advisory Committee (TSAC). The Committee was established in 1996 to advise the Minister, Director-General and the Transport Safety Bureau on the community's needs and perceptions with regard to public transport. As a result, it is primarily concerned with personal security and safety issues on trains, buses and taxis.

- b) Continued to support projects to improve the safety of public transport users. This year, the Committee provided advice on such issues as reducing the gap between trains and platforms, training for SRA security guards and initiatives to address intimidatory behaviour on public transport. The Committee is also assisting the Department in its review of the Moving with Safety booklet, which provides people with advice for travelling safely on public transport.

3. To promote a safe and equitable workplace responsive to all aspects of women's lives, the Department:

- a) Conforms to the requirements of both the State and Federal Anti-Discrimination legislation to: a) eliminate and ensure the absence of discrimination in employment on the grounds of race (including colour, nationality and ethnic or national origin), gender, marital status and physical impairment; and b) promote equal employment opportunity for women, members of racial minorities and people with a disability.
- b) Actively supports the Premier's Spokeswomen's program with elected Spokeswomen in the Newcastle, Wollongong, Sydney and Western Region Offices and a nominated Women's Liaison Officer. A formal mentoring program, which started last year, provides career development information, training and support to all staff in the Department. It also provides opportunities for women in the Department to improve their skills through the roles of both mentor and mentoree.
- c) Continues to support the professional association Women in Transport (WIT), which is a community organisation of women working in the transport field (public and private sectors). The group supports and encourages the professional development of women working in transport by organising regular lunchtime seminars, with speakers on current transport topics, and other activities.

APPENDIX 19: RISK MANAGEMENT & INSURANCE ACTIVITIES

Transport NSW has an audit and risk management committee. The Committee meets quarterly and is comprised of the Director General, Deputy Director General, Executive Director Finance and Corporate Services, representatives of the Audit Office, the internal auditors and an independent member.

There is also a **risk management policy** and strategy in place to enhance the management of the activities being undertaken by Transport NSW.

APPENDIX 20: DISPOSAL OF PROPERTY

Nil Return.

APPENDIX 21: LEGISLATION ADMINISTERED BY THE MINISTER (AS AT 30 JUNE 2002)

Air Navigation Act 1938 No 9
Air Transport Act 1964 No 36
Border Railways (Grain Elevators) Amendment Act 1957 No 9
Broken Hill to South Australian border Railway Agreement Act 1968 No 59
Civil Aviation (Carriers' Liability) Act 1967 No 64
Commercial Vessels Act 1979 No 41
Glenreagh to Dorrigo Railway (Closure) Act 1993 No 65
Marine (Boating Safety-Alcohol and Drugs) Act 1991 No 80
Marine Pilotage Licensing Act 1971 No 56
Marine Pollution Act 1987 No 299
Marine Safety Act 1998 No 121
Maritime Services Act 1935 No 47
National Rail Corporation (Agreement) Act 1991 No 82
Navigation Act 1901 No 60
Parking Space Levy Act 1992 No 32
Passenger Transport Act 1990 No 39
Ports Corporatisation and Waterways Management Act 1995 No 13
Rail Safety Act 1993 No 50
Railway Construction (East Hills to Campbelltown) Act 1983 No 111
Railway Construction (Maldon to Port Kembla) Act 1983 No 112
Tow Truck Act 1989 No 158
Tow Truck Industry Act 1998 No 111
Transport Administration Act 1988 No 109 (jointly with Minister for Roads).

APPENDIX 22: RECYCLING

The Department continues to promote and encourage recycling in accordance with the Government's waste reduction policy to reduce land-fill waste. The Department's Waste Reduction and Purchasing Plan has been distributed to all staff throughout the agency. All photocopy paper is made up of 60 percent recycled pulp sourced from pre and post consumer waste (including recycled milk cartons from Council collection programs), and 40 percent pulp sourced from sustainable managed plantations. The Department recycles all toner cartridges through the Oncology Children's Foundation. There are also paper-recycling bins in all branches for staff to use. Paper no longer suitable for official use is recycled in fax machines or printers for draft correspondence or fax messages.

APPENDIX 23: CORPORATE GOVERNANCE

Transport NSW reports to the Minister for Transport. An executive Committee that meets fortnightly and consists of the Director General and the Senior Executive of the Department is responsible for implementing the Department's strategic directions and operational management.

FINANCIAL REPORTING AND INTERNAL CONTROLS

The Department has an annual internal audit plan, which is reviewed and updated each year. The current plan covers the period to June 2003. The plan has both a financial and operational emphasis and is implemented by the Department's internal auditors, Deloitte Touche Tohmatsu. Key areas of activity covered on a rotational basis include control procedures, financial management, purchasing functions, contracts and consultancy and scheme procedures.

Results of audits are communicated to the Executive Committee and the Audit and Risk Management Committee for consideration and action as required.

APPENDIX 24: ACCOUNT PAYMENT PERFORMANCE

AGED ANALYSIS AT THE END OF EACH QUARTER

Quarter	Current (Within due date)	Less than 30 days overdue	Between 30 days and 60 days overdue	Between 60 Days and 90 days overdue	More than 90 days overdue
	\$	\$	\$	\$	\$
September	177,368	3,108	—	—	—
December	596,024	632	—	—	—
March	4,005,556	227	—	—	—
June	2,044,417	4,910	5,033	—	—

ACCOUNTS PAID ON TIME WITHIN EACH QUARTER

	Total Accounts Paid on Time		Total Amount Paid	
	Target %	Actual %	\$	\$
September	100	100.00	384,131,782	384,141,106
December	100	100.00	516,613,498	516,615,394
March	100	100.00	484,693,121	484,693,802
June	100	100.00	909,586,870	909,616,699
				2,295,067,000

APPENDIX 25: ENERGY MANAGEMENT POLICY

During the last year the Department undertook a major refurbishment of its office accommodation at 227 Elizabeth Street, Sydney.

Prior to this taking place, an energy plan was prepared that identified areas where savings could be made by reducing the amount of electricity consumed. This report formed an integral part of the tender documentation for the refurbishment works.

Primarily, the report called for lighting circuits to be zoned in such a way that only sections of an occupied floor need to be turned on after hours. In addition, individual switches were installed in offices and meeting rooms. This work complements the re-tubing of the fluorescent lights with low wattage tubes.

During the office fitout the Department purchased electrical equipment that has a high energy saving rating.

APPENDIX 26: ANNUAL REPORT COSTS

Printing costs for the 2001/2002 Annual Report. 60 copies @ \$76.93 each

APPENDIX 27: JUDICIAL DECISIONS

The Director General of Transport NSW & Anor v Oliveri Transport Services Pty Ltd [2001] NSWCA 231 (20 July 2001). The Court of Appeal unanimously upheld an appeal from an earlier decision of Rolfe J in Oliveri's favour. The Court found that in exercising a statutory power under the Passenger Transport Act to vary Oliveri's region (due to the Liverpool-Parramatta Transitway), the Director General was acting to improve the provision of transport services in the public interest. The trial judge's finding that the Director General was acting for an ulterior purpose was rejected by the Court. An application by Oliveri for special leave to appeal to the High Court was subsequently refused.

APPENDIX 28: SUBORDINATE LEGISLATION

- Passenger Transport (Private Hire Vehicle Services) Regulation 2001 no 677 commenced on 1 September 2001.
- Passenger Transport (Taxi-cab Services) Regulation 2001 no 678 commenced on 1 September 2001.
- Transport Administration (Staff) Amendment (Review & Probation) Regulation 2001 no 683 commenced on 1 September 2001.
- Transport Administration (Staff) Amendment (Promotion Appeals) Regulation 2002 no 240 commenced on 19 April 2002.
- Tow Truck Industry Regulation 2002 no 85 commenced on 1 June 2002.
- Parking Space Levy Amendment (Exemptions) Regulation 2002 no 430 commenced on 30 June 2002.

APPENDIX 29: PRIVACY

Under Section 33(3)(a) and (b) of the Privacy & Personal Information Protection Act the following information is provided for inclusion in the Department's Annual Report.

In the year 1 July 2001 to 30 June 2002 the Department did not receive any applications for reviews under the Act.

The Department has a privacy management plan, as required by the Act, which was not amended during the year. A copy of this plan is with the Privacy Commissioner.

APPENDIX 30: MAJOR ASSETS

Major assets are:

- Land.
- Computer equipment and systems.
- Office equipment.

The Department leases all motor vehicles and office space.

APPENDIX 31: CONTRACTING AND MARKET TESTING POLICY

During 2001/02, the following services were contracted out:

- Records Management.
- Information Technology.
- Help Desk.
- Network Maintenance.

These contracts will be reviewed in terms of performance and value for money in 2002/2003.

APPENDIX 32: CONSUMER RESPONSES

The Department records and co-ordinates all Ministerial Correspondence across the Transport portfolio as well as facilitating communication between transport agencies.

APPENDIX 33: RESEARCH AND DEVELOPMENT

The Department maintains the Transport Data Centre, which conducts research as a base for the strategic planning of transport in NSW, and to support the evaluation and development of specific transport projects. This research includes primary data collection on trends in travel behaviour, via a continuous Household Travel Survey, and the development and implementation of tools to forecast travel demand, such as the Strategic Travel Model.

The Department is also committed to improving business practices and customer service by applying new technologies, such as Geographic Information Systems, to the management of bus contracts and the provision of up to date passenger transport service information to the 131 500 Transport Infoline.

APPENDIX 34: RESPONSE TO MATTERS RAISED BY THE AUDITOR-GENERAL

The Audit Office did not raise any major issues in its reports. However, the Auditor-General commented on the failure of the Department to report an alleged fraud in the administration of the SSTS scheme. As a result, the Department instituted a number of policies and procedures to ensure that such an omission does not recur.

A process was also put in place requiring all managers and directors to report any irregularities and fraud within their area of responsibility, as part of the end of year reporting process.

APPENDIX 35: CREDIT CARD CERTIFICATION BY DIRECTOR GENERAL

The Director General certified, in his performance review with the Minister, that credit card usage in the Department was in accordance with Premier's Memoranda and Treasurer's Directions.

APPENDIX 36: ELECTRONIC SERVICE DELIVERY

Transport NSW met all of the required targets of the Electronic Assessment Audit and these were posted on the Office of Information Technology's "NSW ESD Reporting Framework" web site reflecting Transport NSW Electronic Service Delivery achievements and opportunities.

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Transport NSW Index

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TOW TRUCK AUTHORITY

aR 2002

Annual Report 2002



Tow Truck Authority
of New South Wales

The Hon Carl Scully MP
Minister for Transport
Minister for Roads
Parliament House
SYDNEY NSW 2000

Dear Mr Scully

In accordance with the provisions of the Annual Reports
(Statutory Bodies) Act 1984 it is our pleasure to submit, for
your presentation to Parliament, the Annual Report of the Tow
Truck Authority of NSW for the period 1 July 2001 to 30 June
2002.

Yours sincerely



The Hon Peter Anderson
Chairman
Tow Truck Authority



Terry Hickey
General Manager

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GENERAL MANAGER'S REPORT

The past twelve months were a year of great challenges for the Tow Truck Authority (TTA). The major challenge continues to be the introduction of the Job Allocation Scheme (JAS). The Authority conducted a meeting with operators in the Blacktown area to discuss issues associated with the introduction of the JAS trial. Michael Deegan, Director General of Transport NSW, chaired the meeting.

A number of positives for the JAS did occur. The NSW Treasury provided funding for the JAS trial and therefore, the trial will be undertaken with no fee to the industry or consumers. A JAS Manager has been appointed in the TTA to concentrate solely on the implementation of the JAS. The Tow Truck Industry Act and Regulation were amended to incorporate the required legislative changes for the JAS.

The TTA undertook a staff restructure in July 2001 after a comprehensive review of the organisation. It was recognised that a different set of staff skills were required to progress the reform of the tow truck industry. Recruitment action for the new positions is underway.

The review of the light towing fees has commenced and this should be finalised by the end of 2002. The TTA has also commenced to work closely with the car auction sites.

Greater emphasis has been placed on ensuring that licence and certificates are issued as soon as possible. New application forms have been introduced and the process and documentation required has been standardised. Drivers certificates now have an immediate turnaround and the only delay with Operators Licences occurs when the required documentation is not supplied.

The TTA's financial position is sound due to stringent cost controls and the introduction of revenue generation measures. However, there is a rationalisation of the industry occurring and as the TTA is a cost recovery organisation the financial position will continue to be closely scrutinised. Managerial and administrative initiatives have been implemented to ensure financial security. A Business Plan has been introduced with Key Performance Areas and objectives. This will form the basis for reporting in 2002/2003.

I would like to thank the towing industry for the support that they have given to the TTA during the past year. In addition, special thanks is due to the staff of the TTA, who displayed great professionalism and a strong commitment to improving customer service.

The Hon Carl Scully MP, Minister for Transport announced this financial year that he had requested the Independent Commission Against Corruption (ICAC) to investigate possible collusion to secure competitive advantage on the part of certain towing operators who were members of the Tow Truck Industry Advisory Council.

The Director General of Transport NSW, Mr Michael Deegan was asked by the Minister to take control of the operations of the Tow Truck Authority until the ICAC had examined the issue. In addition, to ensure that the financial operation was secure the Minister had directed Mr Deegan to bring in the Auditor-General to examine the past financial operations of the Tow Truck Authority.

All meetings of the Tow Truck Authority Board and the Tow Truck Industry Advisory Council were suspended immediately following the Minister's announcement.

The Minister also requested the Director General to review what steps were required to achieve implementation of the Job Allocation Scheme and to implement a pilot of the Scheme before the end of year 2002.

2002/2003 will be a year of greater achievement for the Authority as a sound foundation has been put in place to maintain the existing level of service and improve the professionalism of the towing industry and the TTA.

.. ..

Terry Hickey
General Manager

2001/2002 HIGHLIGHTS

- Commencement of Light Tow Fee Review.
- Business Process Revision.
- Stamp duty exemption for leased tow trucks.
- Introduction of Prohibited Vehicle Policy.
- Funding from NSW Treasury for Job Allocation Scheme (JAS) trial.
- New application forms for licences and certificates.
- Amendments to the Tow Truck Industry Act and Tow Truck Industry Regulation.
- Development of Business Plan.

2001/2002 CHALLENGES

The TTA is a cost recovery organisation and receives no funding from the Consolidated Fund. Details of the industry are:

	2000/2001	2001/2002	CHANGE(%)
<i>Operators</i>	884	837	47 (5.32)
<i>Drivers</i>	3051	2966	85 (2.8%)

The delays in recruiting permanent staff also placed pressure on the TTA during 2001/2002. Temporary staff continued to act in key licensing positions.

While planning for the Job Allocation Scheme (JAS) continues, the full implementation of the Scheme will be guided by the planned trial of the Scheme. Consultation with towing operators has continually raised issues, which needed to be resolved before the trial can commence. Additionally, the process of securing funding for the JAS trial from the NSW Treasury has taken longer than expected.

THE TOW TRUCK AUTHORITY

The Tow Truck Authority (TTA) was established on 18 February 1999 under the Tow Truck Industry Act 1998. The TTA is a statutory body responsible to the Minister for Transport and Minister for Roads, the Hon Carl Scully MP.

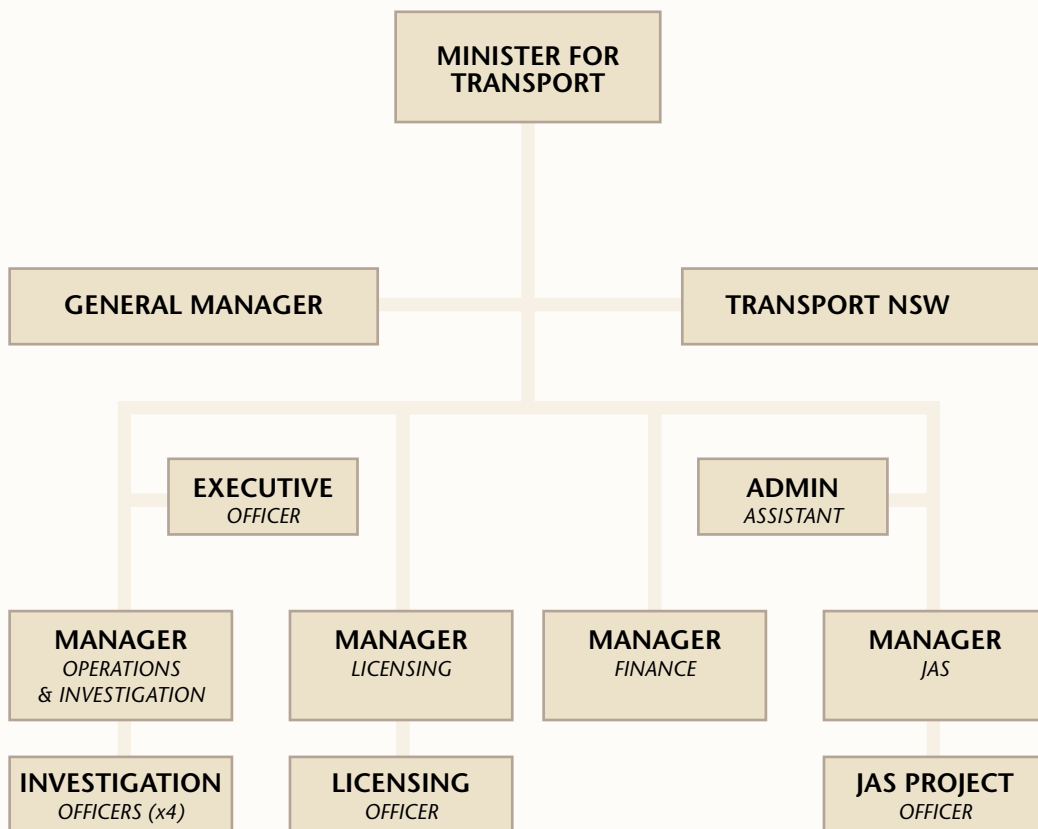
The TTA ensures that both tow truck operators and tow truck drivers comply with the Tow Truck Industry Act 1998 through licensing operators, certifying drivers, investigating complaints, and on-road enforcement. In particular the TTA has the following functions:

- To regulate the tow truck industry in accordance with the Tow Truck Industry Act 1998 and the Tow Truck Industry Regulation 1999;
- To make reports and recommendations to the Minister for Transport with respect to the licensing of tow truck operators and drivers, and the design, construction and equipment of tow trucks;
- To inform the public about the tow truck industry;
- To promote and undertake research into the tow truck industry;
- Whenever it considers it necessary to do so or is requested by the Minister for Transport to do so, to make reports or recommendations with respect to the operation of the Tow Truck Industry Act 1998 or the Tow Truck Industry Regulation 1999.

The TTA has three primary objectives:

- Ensure that the tow truck industry delivers safe and reliable services to road users;
- Improve the image of the tow truck industry through training and promoting professional conduct; and
- Make sure that there is a level playing field, so that operators and drivers who work within the regulatory framework are not at a competitive disadvantage.

STRUCTURE OF THE TTA



LEGISLATION ADMINISTERED BY THE TTA

- Tow Truck Industry Act 1998.
- Tow Truck Industry Regulation 1999.

TOW TRUCK AUTHORITY BOARD

The members of the Tow Truck Authority Board are appointed under the requirements of section 9 of the Tow Truck Industry Act 1998. The Act was amended in 2001/2002 to increase the size of the Board from 3 members to 5 and remove the TTA's General Manager as a member. The Chairman the Hon Peter Anderson and the Deputy Chairman Paul O'Sullivan have been reappointed. Two new members were appointed in May 2002– Christine Thomas from Transport NSW and Mark Fitzgibbon, General Manager of Clubs NSW. A fifth member Ms Elizabeth Darlison, Principal of Darlison Rowe Consultants was appointed outside the reporting period of this document. The details of the TTA Board are:

THE HON PETER ANDERSON, BA (POL STUD) AM

CHAIR

Principal of Peter Anderson and Co, Peter Anderson served for over 15 years in the NSW Legislative Assembly as the Member for Nepean, Penrith and Member for Liverpool, and for more than six years as a Minister under the Wran and Unsworth Governments, holding the Police, Emergency Services, Health and Community Services Portfolios. The Minister for Transport appointed Peter Anderson to the Chair of the TTIC on 25 March 1998, and to the position of Chair of the TTA's Board on 19 February 1999. He is the author of the Review of the Tow Truck Industry in NSW.

Mr Anderson is a member of the Board of the Children's Hospital at Westmead and Wentworth Area Health Service; Chair of the Penrith Regional Gallery and the Lewers Bequest; and a Director of the Joan Sutherland Performing Arts Centre.

PAUL O'SULLIVAN, AM, MBE

DEPUTY CHAIR

Chief Executive of the NSW Division of the Australian Red Cross, Paul O'Sullivan served for 35 years in the Australian Army retiring with the rank of Brigadier. During his career, he commanded the Holsworthy based 1st Brigade, served as Military Attache in Washington DC and Chief of Staff at Victoria Barracks . Mr O'Sullivan also presided over the Inquiry into the Black Hawk helicopter accident in North Queensland.

Mr O'Sullivan is a graduate of the Army Command and Staff College and the Joint Services Staff College. He holds degrees in politics, history and business administration. He is a Fellow of the Australian Institute of Company Directors and a Fellow of the Australian Institute of Management.

MARK FITZGIBBON

Chief Executive Officer Clubs NSW from March 1999, Mark Fitzgibbon served for over 20 years in local government. During his career he was the General Manager of Bankstown, Maitland and Baulkham Hills Councils. Mr Fitzgibbon is also the Executive Director of Clubs Australia and New Zealand and Chief Executive Officer Club Keno Holdings Ltd.

Mr Fitzgibbon holds a Masters Degree in Business Administration and is currently undertaking a Doctorate in Business Administration at Macquarie University. He is also a Fellow of the Australian Institute of Company Directors.

CHRISTINE THOMAS B. SOC. SCI., MPH

Chris Thomas joined Transport NSW in February 2001.

The Tow Truck Authority Board met 9 times during 2001/20021.

Attendance details are:

<i>The Hon Peter Anderson (Chairman)</i>	9
<i>Paul O'Sullivan</i>	9
<i>Terry Hickey</i>	8
<i>Christine Thomas (Appointed May 2002)</i>	1
<i>Mark Fitzgibbon (Appointed May 2002)</i>	1
<i>Michael O'Brien (Resigned 13 July 2001)</i>	1

TOW TRUCK INDUSTRY ADVISORY COUNCIL

The Tow Truck Industry Advisory Council (TTIAC) is chaired by the General Manager of the TTA and comprises members appointed by the Minister for Transport and Minister for Roads .The TTIAC's membership in 2000/2001 is listed below:

- **Terry Hickey**, General Manager Tow Truck Authority
- **Leslie Bond**, Association of Country Service Centres*
- **Andrew Gottwald**, Auto Recovery Association**
- **Graeme Walker**, Auto Recovery Association*
- **Philip Martin**, Motor Traders Association*
- **Bruce O'Neill**, Motor Traders Association**
- **Steven Willis**, Tow Truck Operators Association**
- **Kevin Waters**, Tow Truck Operators Association**
- **Geoffrey Hughes**, Insurance Council of Australia (Appointed 22 August 2001 to 22 August 2004)

- **Gavin Strangwick**, Insurance Council of Australia (Appointed 22 August 2001 to 22 August 2002)
- **Superintendent Ron Sorrenson**, NSW Police Service**
- **Ira Christou**, NRMA*
- **John Stokes**, Roads and Traffic Authority**
- **Barbara El Gamal**, Department of Fair Trading*
- **Inspector Dave Evans**, NSW Police***
- **Michael Barrett**, Motor Traders Association***
- **Peter Steele**, NRMA***
- **Gerard Ashford**, Auto Recovery Association***
- **Arthur Rogers**, Transport NSW***
- **Chris Ford**, Roads and Traffic Authority***

* Term expired 31 January 2002, reappointed to 30 April 2005.

** Term expired 31 January 2002, not reappointed.

*** Appointed 1 May 2002 to 30 April 2005.

In 2001/2002 the TTIAC held 4 meetings, with attendance as follows:

<i>Terry Hickey</i>	4
<i>Steven Willis</i>	3
<i>Kevin Waters</i>	3
<i>Barbara El-Gamal</i>	2
<i>Les Bond</i>	3
<i>Andrew Gottwald</i>	3
<i>Phillip Martin</i>	2
<i>Peter Anderson</i>	1
<i>Gavin Strangwick</i>	3
<i>Geoffrey Hughes</i>	3
<i>Ira Christou</i>	2
<i>Peter Steele</i>	1
<i>Gerard Ashford</i>	1
<i>Mike Barrett</i>	1
<i>Chris Ford</i>	1
<i>Superintendent Dave Evans</i>	1
<i>Arthur Rogers</i>	1

WHERE IS THE TTA

The TTA is located at: Level 1,
20 Charles Street,
Parramatta NSW 2150.

Telephone: 02 8836 6200

FAX: 02 8836 6266

Free Phone: 1800 044 547

Postal Address: Locked Bag 5054, Parramatta NSW 2150.

APPENDIX 1: FREEDOM OF INFORMATION ACT

During the reporting period 1 July 2001 to 30 June 2002, the Tow Truck Authority did not receive any requests under the Freedom of Information Act.

APPENDIX 2: PUBLICATIONS

- TTA Newsletter December 2001.

APPENDIX 3: CONSULTANTS OVER \$30,000

- During the period 1 July 2001 to 30 June 2002, the Tow Truck Authority did not make payment of any individual consultancies for a value greater than \$30,000. The TTA employed four consultants below \$30,000 at a total cost of \$53,240.

APPENDIX 4: SIGNIFICANT COMMITTEES

- Tow Truck Industry Advisory Council.
- Heavy Vehicle Towing / Smash Repair Working Party.
- Insurance Council of Australia Tow Truck Reference Group.

APPENDIX 5: OVERSEAS VISITS

No member of the Tow Truck Authority had any overseas visits in 2001/2002.

APPENDIX 6: PROGRAM PERFORMANCE EVALUATION

The following major reviews were conducted:

- Prohibited Vehicle Policy.
- Review of Authority's Structure.
- Review of light towing fees.

APPENDIX 7: GRANTS TO NON-GOVERNMENT ORGANISATIONS

The Tow Truck Authority did not make any grants to Non-Government Organisations in 2001/2002.

APPENDIX 8: TOW TRUCK AUTHORITY GUARANTEE OF SERVICE

The Authority's Guarantee of Service is being developed and will be released in 2002/2003.

**APPENDIX 9:
NUMBER OF EMPLOYEES (EFFECTIVE FULL TIME)**

Grade	Number of Staff
Senior Executive Service	Nil
Senior officer	1
DTO 9	
DTO 8	2
DTO 7	2
DTO 6	3
DTO 5	4
DTO 4	5
DTO 3	2
DTO 2	
DTO 1	
TOTAL	19

**APPENDIX 10:
CHIEF AND SENIOR EXECUTIVE SERVICE**

There are no Senior Executive Service officers within the Tow Truck Authority.

APPENDIX 11: HUMAN RESOURCES AND INDUSTRIAL RELATIONS POLICIES AND PRACTICES

All **Tow Truck Authority** staff are employed under the Public Sector Management Act. One industrial dispute was recorded for the year however, no hours were lost due to the dispute.

APPENDIX 12 OCCUPATIONAL HEALTH AND SAFETY

The Authority is committed to providing a safe and healthy working environment for staff and to ensure that effective Occupational Health and Safety policies and practices are developed and implemented.

The Authority's occupational health and safety performance for 2001/2002 is detailed below:

<i>Number of work related injuries:</i>	<i>1</i>
<i>Number of work related illnesses</i>	<i>3</i>
<i>Total time lost due to work related injuries or illnesses</i>	<i>875 hours</i>
<i>Number of worker's compensation claims</i>	<i>4</i>
<i>Number of prosecutions reported during 2001/2002</i>	<i>1</i>

APPENDIX 13: CODE OF CONDUCT

The **Tow Truck Authority** is covered by Transport NSW's Code of Conduct.

APPENDIX 14: DISABILITY PLAN

The **Tow Truck Authority** is included within Transport NSW's Disability Plan.

APPENDIX 15: EQUAL EMPLOYMENT OPPORTUNITY

The **Tow Truck Authority** is committed to the implementation of EEO strategies and initiatives.

APPENDIX 16: STAFF BY LEVEL AND EMPLOYMENT BASIS

Level	TOTAL STAFF (Number)	Men	Women	Aboriginal People & Torres Strait Islanders	People whose language first spoken as a child was not english	People with a disability	People with a disability requiring adjustment at work
< \$25,761	0	—	—	—	—	—	—
\$25,762 - \$37,825	0	—	—	0	—	0	0
\$37,826 - \$47,866	7	1	6	0	4	0	0
\$47,867 - \$61,899	7	5	2	0	1	0	0
>\$61,899 (non SES)	5	3	2	0	0	0	0
TOTAL	19	9	10	0	5	0	0

APPENDIX 17: ETHNIC AFFAIRS PRIORITIES STATEMENT

The Authority during 2002/2003 will prepare an Ethnic Affairs Priorities Statement.

APPENDIX 18: WOMEN'S ACTION PLAN

Consistent with the whole of Government approach to addressing women's issues and concerns the Tow Truck Authority undertakes human resources policy to provide means and opportunities to give effect to the goals of the NSW Government's "Action Plan for Women".

APPENDIX 19: RISK MANAGEMENT AND INSURANCE ACTIVITIES

The major risks faced by the Authority are the security of its assets, operational and administrative risks and accidents resulting in workers' compensation and motor vehicle claims. The Authority's Risk Management activities aim to ensure that occupational health and safety and other business risks are identified and appropriate strategies implemented to mitigate risk and impacts on the Authority.

The Authority's insurance activities are conducted within the framework of the NSW Treasury Managed Fund.

APPENDIX 20: DISPOSAL OF PROPERTY

The Tow Truck Authority did not dispose of any property in 2001/2002.

APPENDIX 21: LEGISLATION ADMINISTERED BY THE MINISTER. (AS AT 30 JUNE 2002)

- Tow Truck Industry Act 1998.
- Tow Truck Industry Regulation 1999.

APPENDIX 22: RECYCLING

The Tow Truck Authority promotes and encourages recycling in accordance with the Government's waste reduction policy to reduce landfill waste.

APPENDIX 23: CORPORATE GOVERNANCE

The Tow Truck Authority's policies management, performance and strategies are coordinated by the Tow Truck Authority Board which reports to the Minister for Transport and Minister for Roads.

The Tow Truck Authority complies with the audit program specified in the Public Finance and Audit Act and Australian Standard Accounting Practices. The Authority does not have an internal auditor.

APPENDIX 24: ACCOUNT PAYMENT PERFORMANCE

The Tow Truck Authority applies the general accounts payable policy of payment on a "creditor terms" basis, using its computerised accounting system. Creditor terms are entered into the system and payments are made by the due date. This ensures payment performance, as well as gaining maximum benefits from cash management. When a payment attracts discount on an early settlement, we ensure that the Tow Truck Authority benefits from that discount.

During 2001/2002 there were no instances leading to penalty payments made on overdue accounts under clause 2AB of the Public Finance and Audit Regulation 1984.

APPENDIX 25: ENERGY MANAGEMENT POLICY

The TTA follows the energy management policies of Transport NSW. Electricity cost \$2,558. Petrol \$8,120.

APPENDIX 26: ANNUAL REPORT COSTS

The direct cost of production of 60 copies of the 2001/2002 Tow Truck Authority Annual Report is \$4,616 or \$76.93 per report.

APPENDIX 27: JUDICIAL DECISIONS

No **judicial decisions** were recorded in 2001/2002.

APPENDIX 28: SUBORDINATE LEGISLATION

Tow Truck Industry Amendment Regulation 2001 commenced 1 June 2002.

APPENDIX 29: PRIVACY ACT

Under section 3393(a) and (b) of the Privacy & Personal Information Protection Act the following information is provided for inclusion in the Authority's Annual Report.

In 2001/2002 the Authority did not receive any applications for reviews under the Act.

APPENDIX 30: MAJOR ASSETS

Major assets are:

- Computer equipment;
- Motor vehicles; and
- Office equipment.

APPENDIX 31: CONTRACTING AND MARKET TESTING POLICY

The Authority's **human resource** operations and information technology are undertaken by Transport NSW.

APPENDIX 32: CONSUMER RESPONSE

The Authority received 272 letters from the public and the towing industry that required a response in 2001/2002.

APPENDIX 33: RESEARCH AND DEVELOPMENT

No **major research** or development projects were undertaken in 2001/2002.

APPENDIX 34: RESPONSE TO MATTERS RAISED BY THE AUDITOR-GENERAL

There were no qualifications raised by the Auditor-General.

APPENDIX 35: CREDIT CARD CERTIFICATION

The Director General certified, in his performance review with the Minister, that credit card usage in the Department was in accordance with Premier's Memoranda and Treasurer's Directions.

APPENDIX 36: ELECTRONIC SERVICE DELIVERY

The TTA is currently re-configuring its internet site. Once finalised, this site will meet the requirements of the Office of Information technology.



GPO BOX 12
SYDNEY NSW 2001

INDEPENDENT AUDIT REPORT

TOW TRUCK AUTHORITY OF NEW SOUTH WALES

To Members of the New South Wales Parliament

Scope

I have audited the accounts of the Tow Truck Authority of New South Wales for the year ended 30 June 2002. The General Manager of the Authority is responsible for the financial report consisting of the accompanying statement of financial position, statement of financial performance and statement of cash flows, together with the notes thereto, and the information contained therein. My responsibility is to express an opinion on the financial report to Members of the New South Wales Parliament based on my audit as required by the *Public Finance and Audit Act 1983* (the Act).

My audit has been conducted in accordance with the provisions of the Act and Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. My 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 the requirements of the Act, Accounting Standards and other mandatory professional reporting requirements, in Australia, so as to present a view which is consistent with my understanding of the Authority's financial position, the results of its operations and its cash flows.

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

Audit Opinion

In my opinion, the financial report of the Tow Truck Authority of New South Wales complies with section 41B of the Act and presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements the financial position of the Authority as at 30 June 2002 and the results of its operations and its cash flows for the year then ended.

S R Stanton CPA
Assistant Director of Audit

SYDNEY
30 October 2002





Tow Truck Authority
of New South Wales

STATEMENT BY THE GENERAL MANAGER TOW TRUCK AUTHORITY OF NSW

FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2002

Pursuant to Section 41C of the Public Finance and Audit Act, 1983

I state that in my opinion:

- a) The accompanying general purpose financial report has been prepared in accordance with the Public Finance and Audit Act, 1983, Public Finance and Audit Regulations 2000, applicable Australian Accounting Standards, Urgent Issues Group (UIG) Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board.
- b) The accompanying financial report exhibits a true and fair view of the financial position of TTA of NSW as at June 30, 2002 and of the profit and cash flows of the Authority for the year ended on that date.
- c) At the date of this report there are reasonable grounds to believe that TTA of NSW will be able to pay its debts as and when they become due and payable.
- d) I am not aware of any circumstance that would render any particulars included in these statements to be misleading or inaccurate.

Terry Hickey
General Manager

Parramatta 18 October, 2002

TOW TRUCK AUTHORITY OF NSW STATEMENT OF FINANCIAL PERFORMANCE

For the year ended 30 June 2002

	Note	2002 \$'000	2001 \$'000
Revenue			
<i>Retained fees and fines</i>	2a	1,405	1,287
<i>Investment income</i>	2b	29	41
<i>Grants and contributions</i>	2c	535	—
<i>Other revenue</i>	2d	170	56
Total revenue from ordinary activities		2,139	1,384
Expenses			
<i>Employee related expenses</i>	3a	1,163	1,082
<i>Other operating expenses</i>	3b	507	615
<i>Depreciation</i>	3c	25	36
<i>Deferred Superannuation</i>		—	215
Total expenditure from ordinary activities		1,695	1,948
Surplus/(Deficit) for the Year from Ordinary Activities		444	(564)
<i>Total revenues, expenses and valuation adjustments recognised directly in equity</i>		—	—
Total changes in equity other than those resulting from transactions with owners as owners		444	(564)

TOW TRUCK AUTHORITY OF NSW STATEMENT OF FINANCIAL POSITION

As at 30 June 2002

	Note	2002 \$'000	2001 \$'000
Current Assets			
<i>Cash at bank</i>	4	464	214
<i>Receivables</i>	5	3	8
<i>Other financial assets</i>	6	454	433
<i>Other</i>	7	8	9
Total Current Assets		929	664
Non-Current Assets			
<i>Receivables</i>	5	159	—
<i>Property, Plant and Equipment</i>	8	42	98
Total Non-Current Assets		201	98
Total Assets		1,130	762

The accompanying notes form part of these statements.

	Note	2002 \$'000	2001 \$'000
Current Liabilities			
<i>Payables</i>	9	501	319
<i>Provisions</i>	1c	—	91
<i>Other</i>	10	362	405
Total Current Liabilities		863	815
Non-Current Liabilities			
<i>Payables</i>	9	159	—
<i>Provisions</i>	1c	—	160
<i>Unfunded superannuation</i>	1c	—	123
Total Non-Current Liabilities		159	283
Total Liabilities		1,022	1,098
Net Assets			
Equity	11	108	(336)
<i>Accumulated Funds</i>		108	(336)
Total Equity		108	(336)

TOW TRUCK AUTHORITY OF NSW

STATEMENT OF CASH FLOWS

For the year ended 30 June 2002

	Note	2002 \$'000	2001 \$'000
<i>Cash Flows from Operating Activities</i>			
<i>Retained fees and fines</i>		1,380	1,310
<i>Interest received</i>		29	41
<i>Other Income</i>		783	56
<i>Payments to employees and suppliers</i>		(1,921)	(1,767)
Net Cash Flows from Operating Activities	13	271	(360)
Net increase / (decrease) in cash held		271	(360)
Opening cash and cash equivalents		647	1,007
Closing cash and cash equivalents	4	918	647

The accompanying notes form part of these statements.

TOW TRUCK AUTHORITY OF NSW

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 30 June 2002

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

The Tow Truck Authority (TTA) of NSW was constituted by the Tow Truck Industry Act 1998, which came into effect on 12th February 1999. It replaced the former Tow Truck Industry Council, which was constituted by the Tow Truck Act 1989 as an Independent Statutory Body on 1st November 1990.

(b) Basis of Accounting

The Authority's financial statements are a general purpose financial report which has been prepared on an accruals basis and in accordance with:

- applicable Australian Accounting Standards;
- other authoritative pronouncements of the Australian Accounting Standards Board (AASB);
- Urgent Issues Group Consensus (UIG) Views;
- the requirements of the Public Finance and Audit Act and Regulations.

In the absence of a specific Accounting Standard, other authoritative pronouncements of the AASB or UIG Consensus View, the hierarchy of other pronouncements as outlined in AAS6 "Accounting Policies" is considered.

The financial statements have been prepared in accordance with the historical cost convention. All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

The accounting policies adopted are consistent with those of the previous year with the exception of issues mentioned in note 1(c).

Where appropriate, comparative amounts have been amended in accordance with changes to presentation made in the current year.

(c) Changes in Presentation of the Financial Report

Employee entitlements have been reclassified as creditors in the current financial year. This change recognises the fact that the TTA does not engage employees directly, rather, all employees are seconded from Transport NSW. Therefore, such employee entitlements are brought to account and initially funded by Transport NSW with appropriate employee expenses then passed onto the TTA.

Previously, employee entitlements were classified as provisions, and this change has resulted in an adjustment within the Statement of Financial Position between provisions and creditors.

To accurately account for the fact that TTA does not have employees, the unfunded superannuation liability (\$123,000 as at 30 June 2001) has been reversed, resulting in a credit expense for superannuation in 2002 (See note 3(a)).

The lease liability has been adjusted to reflect the policy whereby operating lease payments are charged to the Statement of Financial Performance in the period in which they are incurred. As a result, rental and lease payments for 2002 have been adjusted by \$19,000 (See note 3(b)).

Some minor changes have also been made to the presentation of the financial report (comparative information for previous year has also been amended) to improve readability and more accurately classify items. In particular:

- contractors have been reclassified as employee related expenditure. Previously, such expenditure was included as maintenance and working expenditure;
- maintenance and working expenses have been renamed as other operating expenses;
- prepayments have been reclassified from receivables to other current assets;
- income received in advance has been brought to account under other current liabilities.

(d) Revenue Recognition

(i) Drivers' Certificates and Operators' Licences.

Revenue from Drivers' Certificates and Operators' Licences represents revenue from non-refundable application fees and licence fees relating to the financial year. The portion of licence fees which has been paid in advance is reported as a Liability.

(ii) Fines and Other Income.

Revenue from Fines and Other Income is recognised as it is received.

(iii) Investment Income.

Interest revenue is recognised as it accrues.

(e) Employee Entitlements

Employee entitlements are brought to account as creditors in the financial statements. This adjustment recognises the fact that the TTA does not engage employees directly. Rather, all employees are seconded from Transport NSW, with employee entitlements brought to account by Transport NSW and appropriate employee expenses subsequently charged to the TTA.

(f) Insurance

The agency's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self insurance for Government agencies. The expense (premium) is determined by the Fund Manager based on past experience.

(g) Accounting for the Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except:

- the amount of GST incurred by the agency as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

Receivables and payables are stated with the amount of GST included.

(h) Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the TTA. Cost is determined as the fair value of the assets given as consideration plus the costs incidental to the acquisition.

Fair value means the amount for which an asset could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction.

(i) Plant and Equipment

Plant and equipment costing \$5,000 and above individually are capitalised. Leasehold improvements and computer and office equipment are valued at historical cost less accumulated depreciation.

(j) Revaluation of Physical Non-Current Assets

The TTA considers the written down value for non-current assets to be a fair approximation of their market value.

The recoverable amount test has not been applied as the agency is a not-for-profit entity whose service potential is not related to the ability to generate net cash flows.

(k) Depreciation of Non-Current Physical Assets

Depreciation is provided on a straight line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the entity. Leasehold improvements are amortised over the period of the lease (20 percent) and the rate for computer and office equipment is 25 percent.

(l) Maintenance and Repairs

The costs of maintenance are charged as expenses as incurred, except where they relate to the replacement of a component of an asset, in which case the costs are capitalised and depreciated.

(m) Leased Assets

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets, and operating leases under which the lessor effectively retains all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is recognised at its fair value at the inception of the lease. The corresponding liability is established at the same amount. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are charged to the Statement of Financial Performance in the periods in which they are incurred.

(n) Receivables

Receivables are recognised and carried at cost, based on the original invoice amount less a provision for any uncollectable debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

Licence fees are collected in advance of issuance of operator and driver authorities. There are no doubtful debts or provision for doubtful debts as at 30 June 2002.

(o) Other Financial Assets

Term deposits over 90 days are classified as other financial assets and are recognised at cost.

(p) Other Assets

Other assets including prepayments are recognised on a cost basis.

(q) Payables

These amounts represent liabilities for goods and services provided to the TTA including liabilities in respect of entitlements for staff seconded from Transport NSW and the repayable advance from Transport NSW, for the Job Allocation Scheme (JAS).

(r) Authority Member Payments

Authority Members were paid a sitting fee for each meeting attendance and received no other remuneration or benefit from the Authority.

	2002 \$'000	2001 \$'000
2. REVENUE		
(a) Retained Fees & Fines		
<i>Licence Fees – Operators</i>	921	789
- Administration	267	276
- Certificates	184	190
- Other	21	11
<i>Fines & Other Infringements</i>	12	21
	1,405	1,287
(b) Investment Income		
<i>Interest</i>	29	41
	29	41
(c) Grants and Contributions		
<i>Transport NSW</i>	535	—
- Job Allocation Scheme (JAS)	535	—
(d) Other Revenue		
<i>Recovery of costs</i>	146	—
<i>Other</i>	24	56
	170	56

	2002 \$'000	2001 \$'000
3. EXPENSES		
<i>(a) Employee Related Expenses^c</i>		
Salaries & allowances	684	543
JAS salaries	59	223
Annual leave	49	90
Payroll tax	19	30
Superannuation	(48)	115
Long service leave	31	64
Workers compensation	6	3
Other (Including contractors)	363	14
	1,163	1,082
<i>b) Other Operating Expenses</i>		
Audit Fees (**)	7	8
Rental and lease payments	83	96
Insurance	16	4
Fleet & equipment hire	92	84
Consultants	61	12
Printing & stationery	51	62
Postage, freight & communications	45	17
Write-off of furniture and computer/office equipment	31	—
Legal fees	20	24
Refund of licence fees	19	9
Travel & lodging	10	33
Transport NSW Office Services	9	8
Call centre	8	—
Training & meetings	8	97
Advertising	6	2
Bank charges	5	6
Other administration & miscellaneous charges	36	153
	507	615

** Audit fees represent amounts paid or payable to The Audit Office of NSW. The Audit Office NSW received no other benefits throughout the year.

	2002 \$'000	2001 \$'000
<i>(c) Depreciation and Amortisation Expense</i>		
Computer and office equipment	3	12
Office furniture and equipment	—	2
Leasehold improvements	22	22
	25	36
4. CURRENT ASSETS - CASH		
Cash at bank and on hand	464	214
	464	214

For the purposes of the Statement of Cash Flows, cash includes cash on hand, cash at bank and term deposits.

Cash as recognised in the Statement of Financial Position is reconciled to cash at the end of the financial year in the Statement of Cash Flows as follows:

	2002 \$'000	2001 \$'000
Tcorp – Hour Glass Facility	454	433
Cash at bank and on hand	464	214
	918	647
5. CURRENT / NON-CURRENT ASSETS - RECEIVABLES		
<i>Current</i>		
Miscellaneous	3	8
	3	8
<i>Non-current</i>		
Repayable advance from Transport NSW for JAS	159	—
	159	—

	2002 \$'000	2001 \$'000
6. CURRENT ASSETS – OTHER FINANCIAL ASSETS		
<i>Tcorp – Hour Glass Facility</i>	454	433
	454	433
7. CURRENT ASSETS – OTHER		
<i>Prepayments</i>	8	9
	8	9

8. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT

The TTA's non-current assets comprise leasehold improvements and computer and office equipment.

	2002 \$'000	2001 \$'000
<i>Plant and equipment (at cost)</i>	123	186
<i>Less: accumulated depreciation (at cost)</i>	81	88
	42	98

RECONCILIATIONS

Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the current and previous financial years are set out below:

	Leasehold improvements \$'000	Office furniture & equipment \$'000	Computer & office equipment \$'000	Total \$'000
<i>Carrying amount at start of year</i>	59	6	33	98
<i>Write-off of assets</i>	—	6	25	31
<i>Depreciation expense</i>	22	0	3	25
<i>Carrying amount at end of year</i>	37	0	5	42

	2002 \$'000	2001 \$'000
9. CURRENT / NON –CURRENT LIABILITIES – PAYABLES		
<i>Current</i>		
<i>Creditors</i> Transport NSW	298	253
<i>Other</i>	23	23
<i>Accruals</i>	27	43
<i>Entitlements for employees seconded from Transport NSW</i>	153	—
	501	319
<i>Non-Current</i>		
<i>Repayable advance from Transport NSW for JAS</i>	159	—
	159	—
10. CURRENT LIABILITIES – OTHER		
<i>Income received in advance – licence fees</i>	362	386
<i>Lease liability</i>	—	19
	362	405
11. CHANGES IN EQUITY		
<i>Balance at the beginning of the financial year</i>	(336)	228
<i>Changes in equity – other than transactions with owners as owners – surplus/(deficit) for period</i>	444	(564)
Balance at the end of the financial period	108	(336)
12. COMMITMENTS FOR EXPENDITURE		
<i>Commitments in relation to non-cancellable operating leases are payable as follows:</i>		
<i>Not later than 1 year</i>	108	72
<i>Later than 1 year but not later than 5 years</i>	72	121
Total (including GST)	180	193
<i>The Authority has no other commitments for expenditure.</i>		
13. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO OPERATING SURPLUS / DEFICIT		
<i>Net cash provided by operating activities</i>	(271)	(360)
<i>Depreciation / amortisation</i>	(25)	(36)
<i>Write-off of non-current assets</i>	(31)	—
<i>Decrease in prepaid superannuation</i>	—	(92)
<i>Increase / (decrease) in receivables</i>	(6)	(12)
<i>(Increase) / decrease in payables and accruals</i>	(163)	113
<i>(Increase) / decrease in provisions</i>	374	(67)
<i>(Increase) / decrease in income received in advance</i>	24	(110)
Operating surplus / (deficit)	444	(564)

14. FINANCIAL INSTRUMENTS

Financial instruments give rise to positions that are a financial asset of either Tow Truck Authority of NSW or its counterparty and a financial liability of the other party. For the Authority these include cash and term deposits, receivables, trade creditors and accruals.

a) Cash and Term Deposits

Cash comprises cash on hand and bank balances. Interest on term deposits is earned at approximately 4.29 percent per annum and interest on the operating account is earned at the bank set rate. The term deposit is held with NSW Treasury Corporation, which has been rated "AAA" by Standard and Poors.

b) Receivables

All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectable are written-off. A provision for doubtful debts is raised when some doubt as to collection exists. The credit risk is the carrying amount (net of any provision for doubtful debts). No interest is earned on trade debtors. The carrying amount approximates net fair value. Sales are made on seven days credit terms.

c) Trade Creditors and Accruals

Liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are generally settled in accordance with the agreed trade terms. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received.

15. CONTINGENT LIABILITIES

There are no contingent liabilities as at 30 June 2002.

End of audited financial statements.

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Transport NSW Locations

HEAD OFFICE

Level 17, 227 Elizabeth St,
SYDNEY NSW 2000

Telephone: (02) 9268 2800

Facsimile: (02) 9268 2900

Website: www.transport.nsw.gov.au

Email: mail@transport.nsw.gov.au

CONTRACTS & COMPLIANCE OFFICE - PARRAMATTA

Level 1, 16-18 Wentworth St,
PARRAMATTA NSW 2150

Telephone: (02) 9891 8900

Toll Free: 1800 227 774

Facsimile: (02) 9891 8999

CONTRACTS & COMPLIANCE OFFICE - WOLLONGONG

Level 6, NRMA Building,
221-229 Crown St,
WOLLONGONG NSW 2500

Telephone: (02) 4224 3333

Toll Free: 1800 049 961

Facsimile: (02) 4226 4117

CONTRACTS & COMPLIANCE OFFICE - NEWCASTLE

Ground Floor, 239 King St
NEWCASTLE NSW 2300

Telephone: (02) 4929 7006

Toll Free: 1800 049 983

Facsimile: (02) 4929 6288

TAXI AND HIRE CAR BUREAU

Level 5, 6 Parkes St
PARRAMATTA NSW 2150

Telephone: (02) 9689 8888

Toll Free: 1800 049 971

Facsimile: (02) 9689 8813

All offices are open between 8.30am and 4.30pm for personal access by the public without appointment. Offices are staffed between 7.30am and 5.30pm and appointments may also be made on a needs basis during these hours.

TRANSPORT SERVICES AND ENQUIRIES

General Enquiries

Telephone: (02) 9268 2800

TTY (for people with hearing impairments)

Telephone: (02) 9268 2244

Email: mail@transport.nsw.gov.au

Website: www.transport.nsw.gov.au

Transport Infoline:

(Bus, train and ferry information)

Telephone: 131 500

Website: www.131500.com.au

Freedom of Information:

Telephone: (02) 9268 2886

Media Enquiries:

Telephone: (02) 9268 2800

Air Transport Council:

Telephone: (02) 9268 2800

Bus Operator Accreditation Renewal:

Telephone: 1800 227 774

Taxi Operator Accreditation Renewal:

Telephone: (02) 9689 8888

Taxi Complaints:

Telephone: 1800 648 478

Taxi Transport Subsidy Scheme:

Telephone: 1800 623 724

TTY (for people with hearing impairments):

Telephone: (02) 9689 8899

Wheelchair Accessible Taxis:

Telephone: (02) 9689 8888

