



Maritime

Queen Mary 2
SOUTHAMPTON



DELIVERING SAFETY THROUGH PARTNERSHIPS



Front cover: NSW Maritime is responsible for water traffic management statewide. For the visit of 'superliners' like the *Queen Mary 2*, this involves numerous safety partnerships with organisations such as Sydney Ports Corporation, Marine Rescue NSW, Commercial Vessels Association and a range of government agencies including Marine Area Command and the City of Sydney. Such work is delivering successful aquatic events that attract thousands of people both afloat and ashore.

This page: Launch of the 'Take It Easy' PWC safety awareness campaign at Revesby Beach on the Georges River in January 2011.

LETTER TO THE MINISTER

The Hon Duncan Gay MLC
Minister for Roads and Ports
Deputy Leader of the Government in the Legislative Council
Leader of the House in the Legislative Council

Level 35 Governor Macquarie Tower
1 Farrer Place
Sydney NSW 2000

02	Overview
12	Boating safety
24	Maritime infrastructure
34	Safe and competitive ports
38	Community involvement
48	Maritime and the environment
52	Our organisation
62	Our people
66	Financial Statements
126	Appendices
146	Contact Information

Dear Minister

I am pleased to submit, for presentation to Parliament, the Annual Report of the Maritime Authority of NSW (trading as NSW Maritime) for the year ended 30 June 2011.

The Annual Report has been prepared in accordance with the requirements of the *Annual Reports (Statutory Bodies) Act 1984* and the *Ports and Maritime Administration Act 1995*.

After copies of the report have been tabled in Parliament, it will be made available to key stakeholders in hard copy form and will also be accessible on NSW Maritime's website at www.maritime.nsw.gov.au.

Yours sincerely



Tony Middleton
Acting Chief Executive

1

OVERVIEW



ABOUT NSW MARITIME

NSW Maritime is the State Government's safety regulator for commercial and recreational vessels. NSW Maritime also regulates the safety functions of NSW port corporations; manages two regional ports; provides policy advice to the State Government on port-related activities; owns and manages the seabed of the major ports, including Sydney Harbour and its tributaries; and uses boating licence revenue to support better boating infrastructure across the State.

OUR VISION

SERVING OUR BOATING COMMUNITY

OUR MISSION

SAFE WATERWAYS AND SUPPORT FOR THE MARITIME COMMUNITY

ORGANISATIONAL PRIORITIES:

To better serve the boating community, NSW Maritime has five key result areas as the focus for its endeavours and has identified the key objectives it is working to achieve.

KEY RESULT AREA

OBJECTIVES

Boating Safety	Develop and promote a safe commercial vessel and recreational boating culture through a comprehensive safety and compliance program involving education about safe boating practices, and through enforcement of laws.
Maritime Infrastructure	Improve public access to waterways, including access for people with disabilities, ensure safe public ferry wharves, and encourage and promote maritime precinct developments which meet community expectations and help create maritime related jobs.
Safe and Competitive Ports	Provide co-ordinated support for port policy and development, and ensure ports operate under effective port safety management arrangements.
Community Involvement	Seek key stakeholder and community involvement in decisions that affect them, promote transparency and consistency in decision making and reduce red tape.
Maritime and the Environment	Support lead agencies, such as the Office of the Environment and Heritage, and the Department of Trade and Investment, Regional Infrastructure and Services, on issues related to the maritime environment, and maintain combat responsibilities and co-ordination under the <i>National Plan to Combat Pollution of the Sea by Oil and other Noxious and Hazardous Substances</i> .

Left: Lifejackets are now compulsory for children up to the age of 12 in runabouts. For adults, the new inflatable type lifejackets add a new level of comfort and convenience.

1

OVERVIEW CHIEF EXECUTIVE'S OVERVIEW



During the reporting year Steve Dunn was the Chief Executive of NSW Maritime. As part of the transitional arrangements for the new agency Roads and Maritime Services, Michael Bushby, the Chief Executive of the Roads and Traffic Authority, was appointed as Acting Chief Executive of NSW Maritime in August 2011.

STEVE DUNN
CHIEF EXECUTIVE, NSW MARITIME

The highlight of the year was registering the safest summer boating season on record. Reducing the fatality rate is our mission and significant progress was made over the boating season.

Tragically, seven lives were lost in June bringing the annual total of boating fatalities to 10. In every case, the person who died was not wearing a lifejacket and they were boating at times of heightened risk. Our aim is to take any lessons learnt from all these fatalities and to continue to build upon our efforts to promote safe and responsible boating. Such efforts are realised through a balance of education, regulation and compliance.

There were three significant regulation changes during 2010-2011 involving implementation of reforms in pilotage, lifejacket requirements and commercial vessels. Amendments to pilotage were aimed at reducing red tape, while the lifejacket related amendments to the *Marine Safety (General) Regulations 2009* were designed to improve the safety of the boating community.

Following overwhelming stakeholder support, new lifejacket laws were introduced in November 2010. These laws extend the compulsory wear requirements to cover a range of boating activities that were considered heightened risk, and these include the following:

- children under the age of 12, anyone boating alone, or at night when in a boat less than 4.8 metres; and
- for everyone on board a boat less than 4.8 metres when on alpine waters or offshore; and
- times the skipper considers to be of heightened risk.

This reflects NSW Maritime's overarching safety theme: You're the Skipper – You're Responsible.

Lifejackets were also the focus of discussions on a national level when NSW Maritime accepted during the year the role of Chair of the new national consultative group the Australia Recreational Boating Safety Committee (ARBSC) and also Chair of the Australia and New Zealand Safe Boating Education Group (ANZSBEG).

The ARBSC was formed to continue the collaboration, coordination and sharing of information at a national level that was previously provided by the National Marine Safety Committee (NMSC). The NMSC was wound up during the year with its commercial vessels functions transferred to the Australian Maritime Safety Authority.

The State Coroner's report of 23 February 2010 contained a number of recommendations in response to the 2007 incident at Dawes point involving the *Pam Burridge* ferry and a private motor cruiser, the *Merinda*. During the year, NSW Maritime responded with a range of actions to address concerns raised by the Coroner and to improve navigation on Sydney Harbour, particularly at night.

As a result, night incidents are down and compliance with navigation light requirements on Sydney Harbour now exceeds 98 per cent. The compliance and education effort is set to continue through the coming year.

One significant area in promoting safe and responsible boating, was the commitment over recent years to support a new and improved volunteer rescue service. Through this commitment, NSW Maritime played a lead role in the establishment of Marine Rescue NSW on 1 July 2009. This realised the creation of a single unified body which drew its membership from the three previous separate groups which performed the marine rescue role.

To provide a sustainable financial model for Marine Rescue NSW, NSW Maritime proposed a contribution of \$7.50 a year from boating licences and registrations which commenced on 1 September 2010. During the consultation process for the proposed contribution, NSW Maritime received 2150 responses. Unconditional support to the changes was given by 79 per cent of respondents.

The contributions are distributed in full to Marine Rescue NSW with strong governance and reporting requirements on the use of funds. This ongoing contribution allows the Marine Rescue NSW volunteers to focus on their core function of providing rescue and radio services, resulting in greater safety for the maritime community of NSW.

While much progress was made during the year to support and improve recreational boating safety, NSW Maritime was recognised by the International Institute of Marine Surveying for its efforts in encouraging safety within the fleet of 10,000 commercial vessels that operate and carry some 20 million passengers each year.

NSW Maritime received the Institute's highest award, the Crystal Award, for achievements in improving vessel safety, advancements in design and structures, improvements to legislation in commercial surveying and environmental improvements within the marine industry.

NSW Maritime administers around 1500 domestic waterfront tenancies primarily for private jetties, mooring pens and landing steps adjoining waterfront properties and calculates rent according to a formula set by the Independent Pricing and Regulatory Tribunal (IPART). In 2011, the rent methodology was referred to IPART for review.

The Commercial Marina Rents Procedure introduced in August 2009 was aimed at improving certainty and transparency in rental negotiations, by defining the fixed and negotiable aspects of commercial leases. The procedure was used to formalise new leases for commercial marinas during 2010-2011.

I would also like to congratulate the NSW marinas that made a clean sweep in the peak national awards for marinas – the Club Marine Australian Marina of the Year presented in Melbourne at the Convention and Exhibition Centre on Tuesday 21 June. NSW based marinas were the winners in all three categories, out-rating marina finalists from Queensland, Western Australia and Victoria. Marinas, along with boat storage and repair facilities, employ more than 9000 people in NSW, with the entire boating industry estimated to be worth more than \$2 billion annually to the state.

Development of boating infrastructure continues at Rozelle Bay. The former Department of Planning approved development of the Sydney Boat House Dry storage facility.

Under the Better Boating Program local councils and boating groups apply for grants to support a range of recreational boating projects. Those projects include large and small boat ramps, jetties, pontoons, vessel sewage pump-out facilities, dinghy storage racks, and car and trailer parking.

Over the year, \$1.7 million went towards five Sydney Harbour boat ramp projects and \$3.3 million towards 56 projects across Regional NSW. A total of \$470,000 was also awarded for nine water-based projects in Sydney Harbour as part of the Sharing Sydney Harbour Access Program.

These projects directly benefit boaters by providing safer and more convenient access to our waterways. Those benefits flow on to local communities and businesses by supporting local tourism and recreational activities.



Steve Dunn
Chief Executive

ACKNOWLEDGEMENTS

I would like to express my gratitude for the valuable advice on ports and waterways matters provided by members of the various NSW Maritime advisory groups.

I would particularly like to thank all members of the Maritime Ministerial Advisory Council, the Maritime Advisory Council, the Recreational Vessel Advisory Group, the Commercial Vessel Advisory Group and the NSW Builders Group who have shown great commitment and who voluntarily provided their time and expertise.

Finally, my sincere thanks to all our staff who continue to work hard to provide the right advice on all ports and maritime matters, and to meet the needs and expectations of the boating community.

2010-2011 has seen a number of significant achievements in all areas of NSW Maritime's responsibilities. These achievements have only been possible through the commitment and professionalism of staff and the ongoing support of stakeholders.

1

OVERVIEW KEY PERFORMANCE INDICATORS

Indicator	2009-2010	2010-2011	Trend/comment
FINANCIAL			
Total assets (\$m)	1,542.4	1,781.5	In accordance with NSW Treasury policy, NSW Maritime has amended its accounting policy to treat long-term leases of land as finance leases. This change in accounting treatment is to be treated retrospectively; which decreases Total Asset by \$19.7m and increases net surplus by \$4m in 2009-2010.
Net surplus (\$m)	13.3	11.7	
Distribution to State Government (\$m)	4.0	4.0	
OUTPUTS			
Boating licences	491,521	508,839	Reporting parameters have changed since the last report. Previously, figures reported included those current and those less than 90 days after expiry. From 2010-2011, reported figures include current figures only and do not include any expired component.
Registered recreational vessels	226,515	223,328	
Registered commercial vessels	10,120	9,207	
Competent commercial crew	15,392	13,064	
Educational seminars presented	56	31	
Solar-powered navigation aids	1,444	1,506	Represents 98.8% of total lights; 97.2% of total lights are LED technology.
Cubic metres of waste recovered from Sydney Harbour	2,778	2,284	Reduction in output is the result of a 14% reduction in crew due to long term illness, Long Service Leave and suspension of Joint Foreshore Clean-up Project.
Number of commercial vessel discharges at NSW Maritime-monitored sewage pump-out facilities	9,622	10,164	
Permission to Lodge a Development Applications determined	114	290	The increase reflects the requirement for development consent to be obtained for long term leases of structures in Sydney Harbour.
Development Applications Determined	30	48	The increase reflects the requirement for development consent to be obtained for long term leases of structures in Sydney Harbour.
Projects offered BBP grant funding (including SSHAP & Sydney Harbour Boat ramps)	74	70	
Commuter and charter wharf maintenance and upgrading	\$20.2m	\$20.3m	
OUTCOMES			
Fatalities per 100,000 recreational vessel registered	9.71	3.58	
Fatalities per 10,000 commercial vessel registered and licensed	0.99	2.18	
Fatalities:			
– recreational	22	8	
– commercial	1	2	
Boating incidents reported	362	294	
Serious injuries:			
– recreational	46	30	
– commercial	15	10	
Safety compliance rate:			
– recreational vessels (%)	89.7	92.8	
– commercial vessels (%)	88.3	91.6	
– personal watercraft (%)	84	91.6	
Licence, registration and mooring renewals paid using Interactive Voice Response, the internet or BPAY (%)	62.6%	48%	Reflects a change in inter-departmental payment processing for NSW Maritime customer renewals through other agencies, such as the RTA.
Complaints received on NSW Maritime's Infoline (as % of total calls recorded)	03	0.3	
Major foreshore redevelopments announced	1	0	
Trade through Eden and Yamba (000 mass tonnes)	1136	1233	Increased export of logs and woodchips.
Residual workers compensation exposure (\$M)	1.9	1.8	
STAFF			
Full-time equivalent staff at 30 June	361.5	389.9	
% of women staff (including casuals)	41	43	
Hours lost due to industrial disputes	0	271.1	Industrial disputes were related to the introduction of the Government Licensing System
Average days lost due to:			
– sick leave	5.1	3.7	
– accidents	0.2	1.6	

FIVE-YEAR PERFORMANCE INDICATORS

	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
FINANCIAL					
Total sets (\$m)	769.5	1,208.3	1,194.9	1,542.1	1,781.5
Net surplus (\$m)	17.6	26.6	26.6	13.3	11.7
Distribution to State Government (\$m)	13.8	14.6	15.3	4.0	4.0
Capital works expenditure (\$m)	24.1	19.6	13.2	25.9	25.5
OUTPUTS					
General (non-PWC) boating licences	414,173	419,080	447,253	452,803	468,592
PWC boating licences	31,563	32,616	36,396	38,718	40,247
Non-PWC registered recreational vessels	206,271	209,767	214,614	218,161	214,705
PWC registrations	7116	7307	7708	8354	8623
Aquatic licences issued	637	675	637	655	697
Environmental assessments for mooring and aquatic licences	2831	2734	2797	2800	2331
Educational seminars presented	432	246	245	56	31
Solar-powered navigation aids	1280	1298	1282	1444	1506
Cubic metres of waste recovered from Sydney Harbour	3471	3183	2737	2778	2284
Number of commercial vessel discharges at sewage pump-out facilities at King Street wharf and Blackwattle Bay	5224	4932	6249	7733	8306
Number of 'permission to lodge a development applications' determined	132	174	121	114	290
Development applications determined	30	58	42	30	48
Projects offered BBP grant funds	39	46	53	74	70
OUTCOMES					
Boating incidents reported	368	365	417	362	294
Fatalities	23	21	12	23	10
Serious injuries injured	56	61	75	65	40
Fatalities per 100,000 total registered or licensed vessels	10.3	9.3	5.17	9.72	4.30
Safety compliance rate:					
– recreational vessels, incl. PWC (%)	87.4	87.1	88.3	89	92.8
– commercial vessels (%)	89.8	93.4	91	88.3	91.6
Complaints received on NSW Maritime's Infoline (as % of total calls recorded)	0.3	0.3	0.3	0.3	0.3
Major foreshore redevelopments announced	1	1	2	1	0
Trade through Eden and Yamba (000 mass tonnes)	1340	1289	1215	1136	1233
MSB residual workers compensation exposure (\$m)	1.5	1.3	1.6	1.9	1.8
STAFF					
Full time equivalent staff at 30 June	330	335	354.9	361.5	389.9
% of women staff (including casuals)	43	43	43	41	43
Hours lost due to industrial disputes	0	258.7	0	0	271.1
Average days lost due to:					
– sick leave	3.8	4.4	3.7	5.1	3.7
– accident	0.8	0.5	0.7	0.2	1.6

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OVERVIEW FINANCIAL SUMMARY

NSW MARITIME'S CUSTOMERS 30 JUNE 2011 FINANCIAL STATEMENT

	Income \$000	Expenditure \$000
Maritime Operations revenue comes from the following major sources:		
Boat registrations	20,522	
Drivers' licences	18,932	
Mooring fees	7,697	
Boating fees (maps, publications, berthing charges, aquatic licenses, penalty notices, boatcode)	1,758	
Survey fees	1,737	
Registration fees	953	
Examinations etc.	351	51,950
Maritime Operations revenue pays for the following activities:		
Safety education	7,413	
Accident investigation	4,255	
Control, planning, management and administration	14,372	
Enforcement	5,671	
Navigation aid maintenance	5,516	
Mooring management	4,154	
Event management (Sydney / Hobart yacht race, New Years eve celebrations)	2,130	
Grants to councils etc. for the provision of boating infrastructure (boat ramps)	4,652	
Other grants (marine rescue volunteers, marine safety committees, Australia Day support)	2,373	50,536
Maritime Operations revenue also provides for replacement of the following assets:		
Wharves	78	
Navigation aids	704	
Buildings	567	
Plant and equipment	3,149	
Computers hardware and software	758	
Motor vehicles	1,087	
Office equipment, furniture and fittings	2,099	8,442
Shipping revenue comes from the following major sources:		
Regional ports of Yamba and Eden (pilotage, navigation and storage facility charges)	957	
Wharfage, site occupation fees and ship utility fees	251	
Channel fees from port corporations	9,520	10,728
Shipping revenue pays for the following activities:		
Protection of marine environment	1,077	
Environment including harbour cleaning	4,006	
Maritime safety and security	1,465	
Port -ordination/policy/strategy	1,156	7,704

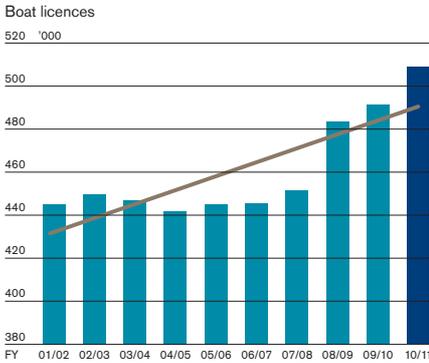
NSW MARITIME'S CUSTOMERS 30 JUNE 2011 FINANCIAL STATEMENT (CONTINUED)

	Income \$000	Expenditure \$000
Shipping revenue also provides for replacement of the following assets:		
Wharves and jetties	71	
Navigation aids	34	
Land and buildings	6	
Plant and equipment	192	
Computers hardware and software	16	
Motor vehicles	193	512
Property revenue comes from the following major sources:		
Rents and leases	38,538	38,538
Property revenue pays for the following activities:		
Wetland management (includes wharf maintenance)	13,154	
Property management	13,155	26,309
Property revenue also provides for replacement of the following assets:		
Wharves	16,361	
Plant and equipment	79	
Computers hardware and software	44	
Motor vehicles	96	
Office equipment, furniture and fittings	14	16,594
	101,216	110,097
Other sources of revenue and uses of that revenue are as follows:		
Miscellaneous services	2,834	
Channel deepening revenue	1,834	
Interest on bank deposits and investments	5,368	
MTT Finance Lease revenue and expense	7,810	8,112
Revaluation increment or decrement on investment properties	1,101	
Defined benefit superannuation schemes net income	7	
Emerging asset – marina berth leases	1,695	
Funding for Restoration of cabling – Bank St Pyrmont	50	
Funding for Multiplex Coach Layover car park	209	20,908
Total revenue received by NSWAM and total payments made by NSWAM:	122,124	118,209
Marine Rescue Contribution collected and forwarded to Marine Rescue NSW	3,754	3,754
Distribution to NSW Treasury		4,000
Balance to (from) accumulated funds		(85)
	125,878	125,878

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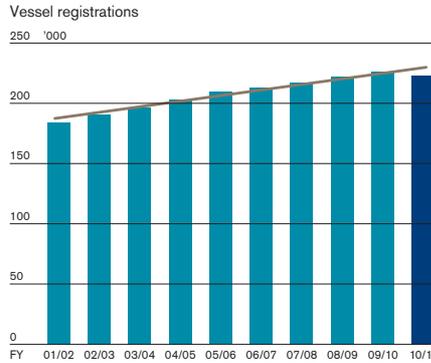
OVERVIEW 10-YEAR CUSTOMER TRENDS

BOAT LICENCES *



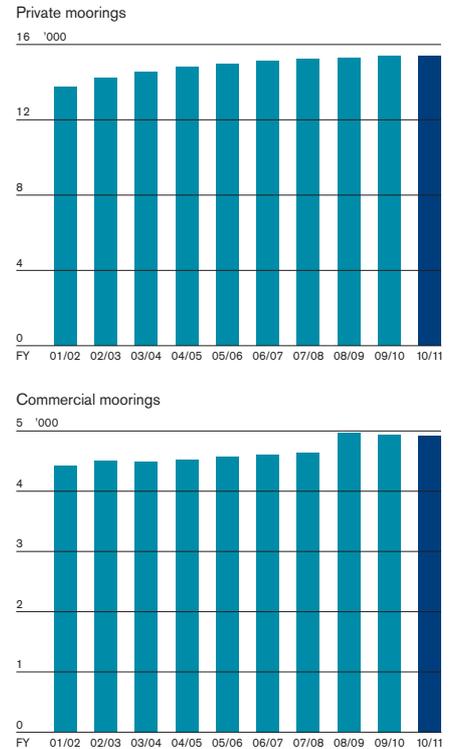
The total number of recreational boat licences in NSW increased by 3.5 per cent to 508,839 in the past 12 months. General boating licences during this period increased by 3.5 per cent to 468,592 while personal watercraft licences, which account for 7.9 per cent of all licences, increased by 3.9 per cent to 40,247. There has been a 14.3 per cent increase in all recreational licences since 2001-2002.

VESSEL REGISTRATIONS *



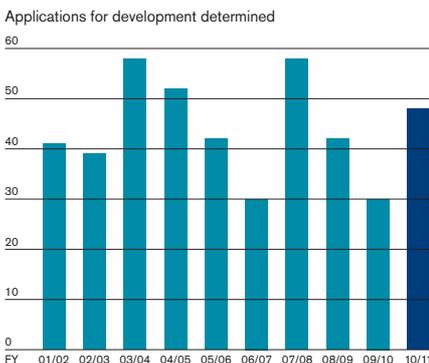
The total number of recreational vessel registrations decreased by 1.4 per cent to 223,328 from 2009-2010. General boating registrations during this period decreased by 1.6 per cent while personal watercraft registrations, which accounted for 3.9 per cent of all registrations, increased by 3.2 per cent. Registrations have increased by 21.2 per cent since 2001-2002.

MOORINGS *



In 2010-2011, the number of private moorings was 15,869. There were also 1,204 commercial mooring licences, for which there were 4,927 commercial mooring sites. While the total number of private and commercial mooring sites has remained generally steady over the past few years, there has been an increase in total mooring numbers by 10.8 per cent since 2001-2002.

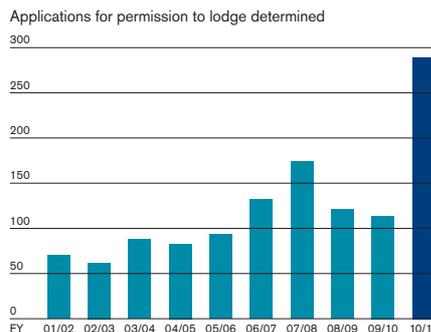
DEVELOPMENT ON NSW MARITIME LAND



NSW Maritime is the consent authority for water-based development on Sydney Harbour. Water-based development includes such things as jetties, wharves, boat lifts, slipways, pontoons, and mooring pens.

During 2010-2011, NSW Maritime determined 48 development applications, which was a 60 per cent increase on the previous year.

APPLICATIONS FOR PERMISSION TO LODGE (PTL) A DEVELOPMENT APPLICATION



In its role as land owner, NSW Maritime granted permission for the lodgement of 290 development applications during 2010-2011, taking an average of 18 days to make a determination.

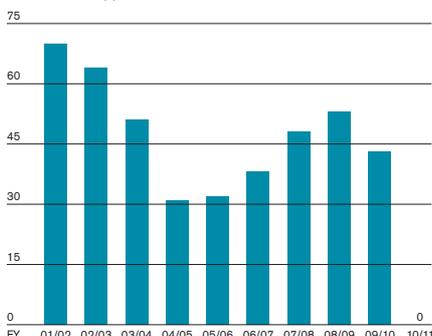
Of these 290 applications, 149 related to development applications for long-term leases – a new requirement under the planning regime for Sydney Harbour.

NSW Maritime has reduced the processing time for these applications as a result of new policies and procedures, system reforms and red tape reduction initiatives. In particular, it reviewed the Obtaining Permission to Lodge a Development Application Policy during 2010-2011 – the process was simplified and the requirement for fees was removed for minor proposals.

* Reporting parameters have changed since the last report. Previously, figures reported included those current and those less than 90 days after expiry. From 2010-2011, reported figures include current figures only and do not include any expired component.

CONSTRUCTION APPLICATIONS

Construction application determined



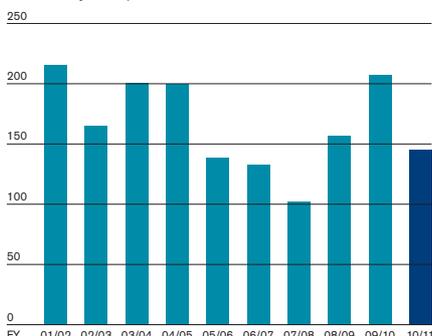
During 2010-2011, NSW Maritime also initiated some major reforms of the construction certification requirements.

Several years ago, NSW Maritime merged its construction approval requirements under the *Environmental Planning and Assessment Act 1979* with the construction approval requirements under the *Maritime Services Act 1935*. At the time this was an attempt to reduce the number of forms and streamline the system for consumers. The introduction of private certifiers, however, meant that the bundling of construction certificates and construction approvals was no longer an effective tool.

In 2010-2011 NSW Maritime allowed accredited certifiers to check and certify constructions under the *Environmental Planning and Assessment Act 1979*. As a result, NSW Maritime no longer issues Construction Certificates.

INITIAL SURVEYS COMPLETED

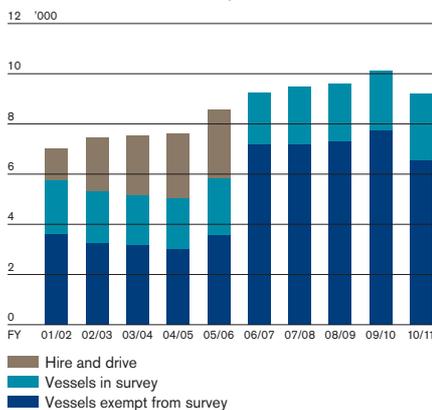
Initial surveys completed



This year, 145 vessels completed initial survey. Over the past 10 years, applications for initial survey have fluctuated without a discernible trend. The number of initial surveys completed this year is slightly lower than the long-term average of 167.

COMMERCIAL VESSELS *

Commercial vessels licensed to operate



As at 30 June 2011, there were 9207 commercial vessels licensed by NSW Maritime to operate. The term commercial vessels is defined under the *Marine Safety Act 1998* and includes charter boats, ferries, water taxis, commercial fishing vessels, oyster punts, workboats, tugs, barges, adventure rides, houseboats, hire and drive vessels, whitewater rafting vessels and sail-training vessels. There has been a 31 per cent increase in the number of commercial vessels since 2001-2002.

All commercial vessels operating in NSW are required to comply with the *Marine Safety Act 1998* and *Marine Safety (Commercial Vessels) Regulation 2010*. Passenger vessels, all commercial vessels operating in open waters and other high-risk vessels must meet the national standards for design, construction, operation and safety equipment. These vessels require a survey certificate to ensure that they comply with the national standards. Low-risk vessels must meet the design, construction and equipment requirements specified in the Regulation. Crewing levels and requirements for certificates of competency are also specified in the Regulation.

Commercial vessels in survey

Of the 9207 commercial vessels licensed by NSW Maritime to operate, 2640, or 29 per cent, have a survey certificate. This provides an assurance that the vessel has been inspected by NSW Maritime surveyors and has passed the required safety checks of the vessel's condition and safety equipment. The majority of these vessels are subject to an annual survey inspection to ensure they continue to meet rigorous safety standards. There has been a 23 per cent increase in the number of vessels in the survey since 2001-2002.

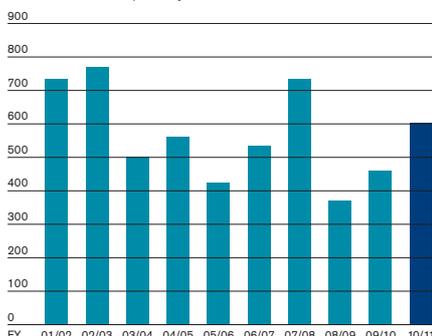
Commercial vessel vessels not in survey

Low risk vessels do not require a survey certificate. Vessels considered to be low risk include estuarine fishing vessels, oyster punts, work boats operating in sheltered waters, water-ski vessels, sail-training vessels and small vessels operating under a hire-and drive licence. These vessels are required to comply with specified design, construction and equipment requirements depending on risk.

As at 30 June 2011, there were 6567 such vessels, which represents 34.7 per cent increase since 2001-2002.

MARINE CERTIFICATION

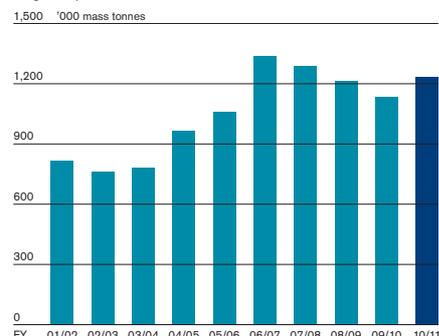
Certificates of competency issued



All commercial vessels are required to carry appropriately qualified crew. NSW Maritime is responsible for issuing certificates of competency. This year, 604 new certificates of competency were issued, which is close to the long-term average of approximately 570 certificates per year. During 2010-2011, 955 existing certificates were revalidated and 310 General Purpose Hand qualifications were issued.

TRADE THROUGH REGIONAL PORTS

Regional ports trade



Trade through the regional ports of Eden and Yamba totalled 1,233,389 mass tonnes during 2010-2011, an increase of 8.6 per cent on the previous year. There was an increase of some 99,745 mass tonnes combined log and woodchip exported from Eden compared to the previous financial year.

* Reporting parameters have changed since the last report. Previously, figures reported included those current and those less than 90 days after expiry. From 2010-2011, reported figures include current figures only and do not include any expired component.

2

BOATING SAFETY



VESSEL SAFETY MANAGEMENT

Marine Rescue NSW

Marine Rescue NSW was formed on 1 July 2009 following an independent inquiry into the volunteer marine rescue organisations. Marine Rescue falls under the jurisdiction of the Minister for Police and Emergency Services.

NSW Maritime provides grant funds to support Marine Rescue operations. In 2010-2011, NSW Maritime provided Marine Rescue with an annual financial contribution of \$1.4 million. From September 2010, it also provided around \$3.8 million of funds generated through a marine rescue contribution from boating licences and vessel registrations. This money contributes to the purchase and maintenance of vessels, running marine radio networks, search and rescue coordination, and training volunteers.

During 2010-2011 Marine Rescue NSW volunteers handled 914 or 60 per cent of all reportable marine rescues (emergencies involving loss of life or serious injury and property damage) which involved over 2700 people, as well as providing assistance to even more vessels experiencing less threatening problems.

Boating safety compliance

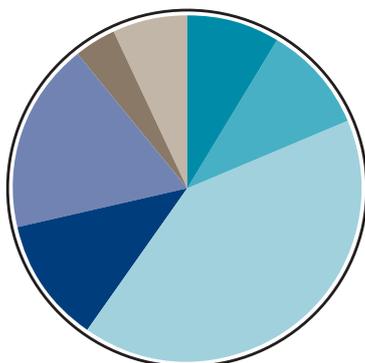
NSW Maritime checked 41,145 vessels during 2010-2011. This was about 6000 fewer than in 2009-2010, due largely to extended periods of poor weather – including major floods – during the peak season. The Murray and South Coast regions also had less Victorian boaters as increased rainfall made Victorian waterways more navigable.

Due to the reduced boating activity, the number of Penalty Notices issued for infringements during the year (1771) was considerably less than the 2009-2010 figure (3299). The major areas of non-compliance were:

- **Safety equipment (including lifejackets)** – 747 Penalty Notices were issued (42 per cent of total infringements). This compared with 1097 (33 per cent) in 2009-2010.
- **Speed** – 290 Penalty Notices were issued (16 per cent of total infringements). This compared with 558 (17 per cent) in 2009-2010.



Penalty Notices Issued 2010-2011



- GBL + PWC Licences 9%
- Registration 10%
- Safety Equipment including Life jackets 42%
- Safety 12%
- Speed 16%
- Navigation Light / col regs 4%
- Other 7%

Review of boating safety on the Murray River

NSW Maritime regulates boating activity on the Murray River, its associated lakes and its major tributary, the Ovens River.

In recent years there has been a rise in the number of boating incidents, fatalities and serious injuries on the Murray River and its associated waters. About 80 per cent of these incidents involve vessels registered in Victoria.

To address this situation, NSW Maritime engaged a consultant in April 2010 to conduct a review of navigation safety. The review was conducted in collaboration with Transport Safety Victoria. The aim was to promote safe and responsible use of the Murray River.

The consultant conducted a number of targeted meetings with boaters, boating groups and industry associations at Albury/Mulwala, Moama and Mildura/Buronga. In addition, a discussion paper, released for public consultation, prompted 150 submissions.

NSW Maritime used this feedback to develop the major findings of the safety review, and has begun implementing the recommendations. A number of issues were discussed with Transport Safety Victoria, user groups and key stakeholders.

The Murray River Safety Review can be viewed on NSW Maritime's website.

Safety regulation of commercial vessels

The *Marine Safety (Commercial Vessels) Regulation 2010* commenced on 1 January 2011. The new regulation represents a substantial regulatory reform, streamlining six regulations into one. It adopts nationally agreed safety standards for commercial vessels and simplifies regulatory requirements for large sections of the commercial vessel industry.

Above: NSW Maritime is a proud supporter for Marine Rescue NSW which provides a valuable safety net to the boating public.

Left: A new waterproof mobile phone pouch is available from NSW Maritime. One of these simple pouches helped the crew of a wrecked vessel to call for help and successful rescue when stranded on an offshore island at night.

2

BOATING SAFETY

VESSEL SAFETY MANAGEMENT (CONTINUED)

The new regulation requires only high risk vessels to have a survey certificate, allows specified low risk vessels to be operated using a general boat driving licence and requires all commercial vessels to have a safety management system. In relation to vessel crew, the regulation requires all certificates of competency to be revalidated every five years to ensure that crew meet minimum medical requirements and have current first aid skills. Requirements for determining minimum crew to be carried on vessels have also been streamlined.

The regulation also provides for the automatic recognition of interstate survey certificates and certificates of competency. This allows vessels and crew to move seamlessly from other jurisdictions, allowing NSW operators to access the crew and vessels they need to operate and grow their businesses without administrative barriers.

Progress with national maritime safety reform

On 2 July 2009, the Council of Australian Governments (COAG) agreed that the Australian Maritime Safety Authority (AMSA) would become the national safety regulator for all commercial vessels in Australian waters to ensure national uniformity in commercial vessel standards, regulation and administration.

The new national system is scheduled to commence in January 2013. It will provide a uniform approach to safety requirements, simplify laws, provide greater consistency in regulatory standards and allow commercial crew and vessels to move around the country without barriers.

The Commonwealth, States and the Northern Territory are working together to develop and implement the system, and substantial progress occurred during the past year. It included:

- Development of an Intergovernmental Agreement establishing the national system. The Agreement defines the scope of the scheme and outlines high-level operational features, governance, financial and service delivery arrangements. It is close to being finalised
- Drafting of the Maritime Safety (National Law) Bill 2011. The Bill is expected to be released for public consultation later in 2011

- Holding a series of open days in all States and Territories to consult with stakeholders about the proposed regulatory arrangements under the national system. The first open day was held in Sydney on 28 June 2011 and hosted by NSW Maritime. Representatives of AMSA and the Commonwealth Department of Infrastructure and Transport were on hand to provide information on the national system and respond to industry queries.

Use of web cameras

In 2007, NSW Maritime began installing webcams to provide vision of coastal locations. Fifteen webcams were installed in locations such as Narooma, Coffs Harbour, Port Macquarie, Shoal Bay, Tweed Heads and Nobbys Beach.

Boaters logging on to NSW Maritime's website to view the webcams are able to access a host of associated trip-planning information. This includes marine and weather forecasts, wave heights, swell direction, wind direction and speed for the ensuing week, information on tides, a bar crossing guide and checklist, and boating safety messages.

A webcam was installed at Lake Eucumbene in September 2010 and has proved very popular with boaters. By the end of June 2011, the lake webcam had attracted 64,575 page views.

Lifejackets

Lifejackets save lives. However, too often, boating fatalities have occurred when lifejackets were on board, but the person involved was not wearing one.

To improve safety, new lifejacket laws took effect from 1 November 2010, requiring lifejackets to be worn more frequently on more types of vessels. This followed almost 12 months of community and stakeholder engagement by NSW Maritime, which saw over 86 per cent of the 3695 respondents supporting the majority of the proposed changes.

Under the new laws, everyone in a vessel less than 4.8 metres in length must wear lifejackets:

- At night
- On open (ocean) waters
- On alpine waters
- When boating alone.

A lifejacket must be worn at all times when wearing waders in a boat.

Additionally, children under 12 years of age must wear lifejackets when they are in open areas of vessels less than eight metres that are underway.

The new requirements apply to particular classes of vessels such as kayaks and canoes, sailboards, wakeboards, off-the-beach sailing vessels, vessels engaged in towing activities, and vessels being used as tenders.

The new laws give skippers the authority to require passengers to put on a lifejacket in times of heightened risk. Lifejackets must always be worn when crossing a coastal bar. The full list of reforms are available on the NSW Maritime website.

In line with the changes, NSW Maritime increased its safety education and advisory programs, placing an emphasis on wearing lifejackets at times of heightened risk. To allow time for boaters to become aware of and understand the new rules, there has been a 12-month advisory period during which warnings have been issued for first offences.

NSW Maritime's safety campaigns reinforced the message that lifejackets cannot save lives unless they are worn and that it is the skipper's responsibility to ensure the safety of everyone on board.

The objectives of the campaigns were to:

- Ensure compliance with lifejacket and other safety equipment requirements
- Ensure that lifejackets are properly maintained
- Ensure that lifejackets are readily accessible.

The importance of wearing lifejackets was highlighted in June 2011, when seven people drowned in six boating incidents in NSW. None of these people were wearing a lifejacket.

Right: NSW Maritime coordinates a Safety Precinct at the Sydney International Boat Show to encourage collaboration across a range of organisations in the promotion of safe and responsible boating.

CASE STUDY

Boating Industry Association

In 2010-2011, NSW Maritime further developed its working relationship with the Boating Industry Association of NSW (BIA) in the interests of better serving the boating community.

In an industry that is worth more than \$2.1 billion annually to NSW, both the BIA and NSW Maritime have been increasingly committed to developing and enhancing the partnership in safety since 1998.

The importance of the BIA to NSW Maritime is also highlighted by industry representation on the consultative bodies the Recreational Vessels Advisory Group and also the NSW Maritime Advisory Council, which the BIA NSW President Darren Vaux chairs.

The role of the Council is to advise the Chief Executive on strategic matters concerning maritime issues, including marine safety, the growth of the marine industry, development of infrastructure, environmental impacts and other related matters on NSW waterways.

The Council provides advice from a key stakeholder perspective on a wide range of issues. Recent examples include changes to lifejacket laws, the introduction of the new Marine Rescue NSW funding arrangements, boatshare, boat storage, mooring and leasing policies, commercial water ski vessels, maritime infrastructure funding, and NSW Maritime communication strategies.

The BIA, which hosts the Sydney International Boat Show, has worked collaboratively to support NSW Maritime across a range of safety activities. For the past three years, the BIA has supported a NSW Maritime initiative to produce a Marine Safety Precinct at the show to deliver a coordinated and collaborative area for exhibitors from like-minded safety partners.

At the 2010 boat show, the Marine Safety Precinct comprised of safety partners including the Australian Maritime Safety Authority, Marine Rescue NSW, the Australian Hydrographic Service, Surf Life Saving NSW, Marine Teachers Association of NSW, TAFE and Westpac Life Saver Rescue Helicopter.

The boat show is a significant annual event that accounts for around 25 per cent of the industry's annual turnover. It is the single largest event on the boating industry calendar and attracts between 70,000 and 80,000 visitors.

Ninety-five per cent of these visitors are regular or occasional boaters, so the audience is NSW Maritime's target for the delivery of safe boating messages. Such partnerships in safety are part of ongoing efforts by NSW Maritime to promote a culture of safe boating in the State.

In 2011, NSW Maritime introduced a Safety Forum at the Sydney International Boat Show to reach out to not only safety stakeholders but importantly the boating media. BIA President Vaux chaired this forum which may become a regular feature of the show.

Other collaborative work with the BIA includes an ongoing program to promote lifejacket awareness. This effort has resulted in more than 2000 lifejackets being handed out as a safety gesture to children, Marine Teachers and Yachting NSW Instructors over the past 2 years.

The BIA also helped NSW Maritime set a world record for the number of lifejackets inflated in one location, at one time, at the 2010 Sydney International Boat Show involving more than 415 people.

The BIA is also using NSW Maritime safety messages as part of their ongoing advertising campaign, as well as supporting and promoting the Boat for Life campaign where marine celebrities endorse a range of safety measures across a range of boating activities. For example, under Boat for Life, television personality Andrew "ET" Ettingshausen talks safety to trailer boat fishermen; ocean adventurer Pete Goss talks preparation and planning to people going offshore; kayakers Justin Jones and James Castrission talk paddle safety; while multi world surf champion Tom Carroll and multi world PWC champion Kylie Ellmers talk PWC safety.

The next phase of this partnership in safety with the BIA is looking at ways to further build upon this relationship to engage our next generation of boaters and the promotion of safe and responsible boating.



2

BOATING SAFETY

VESSEL SAFETY MANAGEMENT (CONTINUED)

Speed review of Sydney Harbour and its tributaries

On 28 March 2007, a collision occurred between the ferry *Pam Burridge* and the private motor cruiser *Merinda*. The incident, which occurred at night near Dawes Point, resulted in multiple fatalities and was examined by the State Coroner.

The Coroner made 24 recommendations in his report of 23 February 2010, including the recommendation for NSW Maritime to consider the imposition of speed limits on Sydney Harbour and its tributaries, or parts thereof, at night and during restricted visibility. The Coroner also recommended a comprehensive risk assessment of high-speed, night-time vessel operations on Sydney Harbour and its tributaries.

Accordingly, in early 2011, NSW Maritime engaged an independent consultant to undertake a thorough review of these two issues. The consultant analysed relevant data and interviewed stakeholders, including representatives of the Maritime Advisory Council, Recreational Vessels Advisory Group, Commercial Vessels Advisory Group and other peak user representatives. The review is expected to be completed in early 2011-2012.

NSW Maritime also engaged a consultant to undertake an independent risk assessment of both daytime and night-time high-speed vessel operations. This culminated in a risk management workshop on 31 May 2011, which was attended by stakeholder and industry representatives.

The consultants' report will be published later in 2011 and will inform a boating safety plan for Sydney Harbour and its tributaries to be developed during 2011-2012.



Provision of High Frequency (HF) radio services

The National Coastal Radio Network (NCRN) was established on 31 July 2002 by each State and the Northern Territory to provide VHF and HF marine radio services. These services include both listening watch of distress and emergency frequencies and the provision of navigation warnings on both VHF and HF radio.

From 9 May 2011, the HF component of the NCRN was transferred from Sydney Ports to Kordia. Kordia is a specialist communications company that has been contracted by the Australian Maritime Safety Authority since July 2002 to provide the Safety of Life at Sea / Global Marine Distress and Safety System Communication Network. Kordia will use its existing HF infrastructure at Charleville and its operations centre in Canberra to provide the HF service on behalf of NSW.

The VHF component of the NCRN will continue to be provided by the three port corporations from Sydney, Port Kembla and Newcastle.

The key difference for NSW boaters currently using the HF component of the NCRN is that the call sign for distress and emergency calls in NSW waters was changed from "Coast Radio Sydney" to "Charleville Radio".

Personal watercraft

Riding personal watercraft (PWC) – or jet skis – is a popular pastime in New South Wales. As at 30 June 2011 NSW Maritime had a total of 40,247 people holding PWC licences and 8,623 registered PWC.

At a stakeholder forum hosted by NSW Maritime in 2009, it was recognised that the majority of PWC riders were law abiding, although a persistent minority were either unaware of or ignored the rules for safe and responsible behaviour.

While PWC are a small percentage of the boating fraternity, statistics show they are overrepresented in complaints and infringements. On this basis, the forum agreed that NSW Maritime should develop a new package of education materials and explore additional opportunities to add to the program.

NSW Maritime identified the need for a PWC safety awareness campaign targeting high risk boaters who put themselves and others in danger, and engaged Cultural Partners Australia to develop and implement the Multicultural Jet Ski Safety Awareness Campaign.

Above: Sydney Harbour is home to a wide range of boating activity where it is increasingly important to ensure safe navigation is maintained both day and night.



The aim of the campaign was to:

- Modify and reduce the anti-social behaviour of the target group whilst in possession of a jet ski
- Increase observance of waterway rules
- Make inappropriate jet ski behaviour socially unacceptable.

The campaign featured comedian Rob Shehadie and highlighted the importance of jet-ski riders knowing and observing the rules for safe and responsible boating.

The campaign focussed on promoting the following safety messages for jet-ski riders:

- Keep a proper lookout
- Keep to a safe speed
- Slow down to under 10 knots when near other vessels, the shore or people
- Carry a PWC licence
- Observe navigation restrictions
- Wear a lifejacket.

The campaign was promoted through the multicultural media, social media including YouTube, and general media.

Above: The 'Take it Easy' personal watercraft campaign featuring Rob Shehadie won the State Austswim Water Safety Award for Community Project of the Year.

Maritime alerts

NSW Maritime launched a Maritime Alert system in 2009 to help boat owners and rock fishermen in their preparations and planning.

This online service allows a person to choose an area of interest along the coast, or in Alpine areas, how often the alert is sent to them and most importantly, what wind threshold they believe justifies an 'alert'. In this way, people can customise the alert to their own needs.

The Maritime Alert is based on official weather data and is delivered free via email the day prior to the 'alert' event.

As at 30 June 2011, 1256 people had subscribed to this service.

Boating weather information

NSW Maritime provides a weather forecast telephone service on 131 236. The service provides access to updated weather information from anywhere in NSW for the cost of a local call.

This initiative is part of NSW Maritime's objective of raising the awareness of mariners to check the weather and to check it often. A total of 37,625 calls were received during the year (compared with 50,534 in the previous year). The number of calls peaked in late summer (4788 calls in January), and reached a low in winter (1906 calls in June).

Boating maps

NSW Maritime produces a series of boating maps. There are 47 maps in total. Seven maps are of coastal areas and 40 cover popular boating locations statewide. These are printed on waterproof paper and provided at low cost through a network of service centres and tourist information centres. They can also be ordered online.

In the past year, seven maps were updated and reissued, and three new inland-dam maps were created to cover several major reservoirs in the Central West and Snowy Mountains areas.

Work is proceeding with new maps for sections of the Murray and Murrumbidgee rivers.

Transport Regulators Executive Committee

The Transport Regulators' Executive Committee (TREC) was formed in 2004 to provide for the strategic coordination of safety regulation by transport authorities. The TREC comprises NSW Maritime, the Independent Transport Safety Regulator, the Department of Transport, and the Roads and Traffic Authority. The role of the TREC is to:

- Monitor industry safety performance for each mode
- Monitor regulatory performance across modes
- Identify specific cross-modal safety issues.

During 2010-2011, the TREC also provided a forum for discussing the Council of Australian Governments' proposals for national safety regulators for rail, marine and heavy vehicles.

In September 2010, it was decided TREC would be wound up but that senior officers from each agency would continue to meet regularly to maintain and strengthen operational linkages, and that executives would meet when required.

2

BOATING SAFETY

CASE STUDY

Partnership with PaddleNSW

Paddle craft are soaring in popularity, not just in NSW, but across Australia and in New Zealand as well. This appears to be due to the expanding range of paddle craft on the market, and the fact that these craft are relatively inexpensive and offer greater ease of access to many different types of waterways.

The evidence is clear on many waterways, including Sydney Harbour.

While paddling has many benefits, there are also particular safety concerns. For example, paddle craft have a low profile in the water, which makes them difficult to see, especially in choppy conditions.

Paddling does not require any form of licence or registration. As a result there is no compulsory education, training or examination of knowledge. Because paddlers are not included in the licence and registration database, there is also no formal channel to inform them of safety regulations and requirements.

To support paddlers NSW Maritime has begun to build partnerships with the paddle and oared community. Over the past year, NSW Maritime has engaged PaddleNSW with a view to promote safe use through a partnership in safety.

This approach is similar to NSW Maritime's inclusion of Rowing NSW on its consultative groups and the development of a code of practice for rowers, which has resulted in genuine improvements in safety.

The partnership has resulted in PaddleNSW taking up a seat on the Recreational Vessels Advisory Group, which meets every two months to discuss safety. This high level of engagement improves two-way dialogue, which helps both NSW Maritime and PaddleNSW achieve a better understanding of the issues relating to paddling.

As an extension of this partnership, NSW Maritime also held discussions with PaddleNSW on opportunities for improving facilities for paddlers. The aim is to build upon the projects recently built through NSW Maritime's Better Boating Program that have specific benefits to paddlers – such as the launching facilities at Rozelle Bay and the facilities under construction at Blackwattle Bay.

NSW Maritime completed the production of a mini website for paddlers under the Boat for Life Safety Ambassador program. For this project, the trans-Tasman paddlers, Justin Jones and James Castrission, volunteered to promote safe and responsible paddling. The site features video clips, photographs and general safety advice for paddlers, and offers another vehicle for safety education.

A Paddle Smart sticker was also developed in consultation with PaddleNSW and made available during the year to PaddleNSW. It carries a summary of the key safety messages such as: keep right, be seen, do not cross close ahead of larger craft, and wear lifejackets.

NSW Maritime also consulted PaddleNSW in the production of a new safety leaflet. It expands on the safety themes captured in the Paddle Smart sticker and also provides a map of Sydney Harbour showing recommended areas to paddle and where to safely cross the harbour.

Meanwhile, NSW Maritime also embarked on a project to support PaddleNSW in the production of a safety video. A pilot was created in early 2010 which depicted a NSW Maritime Boating Safety Officer offering advice that included the key safety themes mentioned above. Work on this project is set to continue into 2012.

The aim is to continue building the partnership with PaddleNSW and realise the delivery of improved safety information that is available to paddlers through memberships of paddle groups, retailers and industry stakeholders.



SAFETY EDUCATION

Boating safety education

Recreational boating is a popular pastime for hundreds of thousands of NSW families. Each year an estimated 1.5 million people go boating along the NSW coastline and on inland lakes, rivers and estuaries.

NSW Maritime is the State's boating safety regulator, and conducts an active communications and education program to highlight on-water risks and responsibilities. NSW Maritime also works with schools, community and industry organisations to support a culture of boating safety on our waterways.

The main focus of the NSW Maritime's Safe Boating Communications and Education Plan is skipper responsibility, with secondary themes related to lifejacket use, safe navigation, trip planning, and alcohol restrictions.

The plan includes specific campaigns on each theme, targeted at varying boating demographics and using a range of communication and education tools.

Highlights for the year included improved partnership with the NSW Marine Teachers Association which reaches out to 8000 students a year, and taking on the Chair role of the Australia and New Zealand Safe Boating Education Group. In addition, significant new projects included education packages to promote safe and responsible use of personal watercraft, and greater awareness of the benefits of modern and convenient inflatable lifejackets.

Combined with NSW Maritime's on-water compliance program, the \$3 million Safe Boating Communications and Education Plan has helped NSW record the safest summer boating season on record for the 2010-2011 year.

Education and compliance campaigns

State wide education and compliance campaigns for the boating season are developed based on the history of boating incidents, and penalties issued in previous years.

During the 2010-2011 boating season, NSW Maritime conducted seven state-wide education and compliance campaigns. Each campaign had a specific primary focus and also included a lifejacket and safety equipment compliance component. The campaigns included:

- **Operation 'Boat Safe'** – October 2010 long weekend. On this weekend, Boating Safety Officers (BSOs) carried out 771 vessel checks along the NSW coast. There was a statewide compliance rate of 94.2 per cent, an improvement on the previous year's rate of 92 per cent. The most common infringements were for failing to comply with safety equipment requirements. Speeding was also a common issue across a number of regions.
- **Operation 'Lifejackets'** – 6 and 7 November 2010. In this campaign, BSOs educated the masters of 494 vessels about the new lifejacket reforms, which came into effect on 1 November 2010, while conducting routine safety checks. They issued 19 penalty notices, 10 of which related to non-compliance with lifejacket regulations (primarily not carrying the required number). Overall, there was a state-wide compliance rate of 94 per cent.
- **Operation 'Lights On'** – 18 and 19 December. BSOs carried out 597 on-the-spot safety checks. These resulted in only two penalty notices and six formal warnings related to non-compliance with navigation light requirements. Overall, there was a state-wide navigation light compliance rate of 99 per cent.

- **Operation 'Tow-Smart'** – January 2011. BSOs carried out 1298 vessel safety checks, with an overall compliance rate of 93 per cent state-wide. This is an improvement on the 87 per cent compliance rate recorded in January 2010.
- **'Offshore and Bar Crossing Education and Compliance' campaign** – February 2011. The objective of this campaign was to remind operators of their responsibilities when offshore. BSOs conducted 518 vessel safety checks and issued 33 penalty notices and 34 formal warnings, of which 12 penalty notices and 15 formal warnings related to safety equipment. The overall compliance rate was 87 per cent, and the safety equipment compliance rate was 94.8 per cent.
- **'Safe Speed' campaign** – Easter/Anzac Day long weekend, 2011. This campaign focused on the fundamentals of speed, preparation for boating and wash. BSOs took advantage of the increased boating activity and conducted 2384 vessel safety checks while educating masters on their responsibility in relation to speed and wash. They issued 116 penalty notices (14 related to non-compliance with speed and wash regulations) and 108 formal warnings (14 related to speed and wash). A state-wide compliance rate of 90.6 per cent was achieved which was an improvement on the 89 per cent achieved in the April 2010 'Safe Speed' campaign.
- **Operation 'Cold Water'** – June long weekend, 2011. BSOs undertook 553 vessel safety checks, resulting in 24 infringement notices and 30 formal warnings. Overall, there was a state-wide compliance rate of 90.2 per cent.

NSW Maritime also conducted 49 regional boating safety programs. These were supported by on-water patrols, service centre staff, staff attendance at local boat shows, advertising and a series of media releases.

Left: The number of people participating in paddle or oared craft is on the rise. As with other boating activity, paddlers must also observe the rules and regulations for safe and responsible boating.

2

BOATING SAFETY



INCIDENTS AND INVESTIGATIONS

Vessel incident investigation

The Maritime Investigations Unit (MIU) conducted 43 formal incident investigations, which resulted in the issuing of two court attendance notices, two penalty notices and one formal warning.

An Investigation Officer attended one Coronial Inquest as subject matter expert, and prepared statements in three other matters. An Investigator also attended one 'not guilty' court hearing as the Investigating Officer.

Three joint investigations were conducted throughout the year:

- One with NSW Police Marine Area Command and NSW Food Authority into non-compliant and unsafe charter ferries
- One with WorkCover NSW into work practices at a commercial marina
- One with NSW Fisheries to investigate and contain a marine pest infestation on a vessel hull.

One covert operation was also conducted to investigate an alleged marine pollution offence.

As a result of these investigations, the MIU made over 20 safety recommendations to commercial vessel operators.

The unit has procedures to ensure that all recommendations are adequately tracked, audited and reported. It found that all of its safety recommendations were implemented by the various operators.

A number of the investigations during the year were complex and lengthy:

- Three involved investigating Boatcode or Hull Identification Number anomalies to determine possible vessel rebirthing offences
- One involved the illegal construction of a vessel berth in prohibited waters
- One looked into non-compliant hull scraping practices by commercial divers in Sydney Harbour; this resulted in enhanced communications between NSW Maritime and commercial diving operators in Sydney Harbour to ensure that operators are aware of current legislative requirements.

The MIU also assisted police investigating several fatal and serious collisions, using training obtained in the United States in forensic boat accident examination. This technical assistance allowed police to more easily determine the circumstances of several high-speed vessel collisions.

In addition, the MIU conducted three Safety Investigations pursuant to Part 8, Division 3 of the *Marine Safety Act 1998*. These investigations were into:

- The small boating practices of the Australian Defence Force Academy
- Control failures on a Sydney Ferries' vessel
- The adequacy of existing securing points for mooring lines at the Port of Eden (this led to the revision of the Port of Eden's Port Safety Operating Standards, including the addition of several bollards to the wharf to enhance the securing of mooring lines)
- The powers of Harbour Masters to direct ships away from shipping wharves during adverse weather conditions.

The MIU also provided training in vessel incidents to Australian Customs and Border Protection Service marine crew, as well as to NSW Maritime Boating Safety Officers.

Above: A partnership between NSW Maritime and the Boating Industry Association is helping to promote lifejackets to current and new boating instructors with Yachting NSW.

CASE STUDIES

Yachting NSW

Much of the education and enforcement activity of NSW Maritime is focused on clients known through the vessel registration and boat driving licence system. However, many people participate in boating activities in vessels for which a licence to operate is not required and in vessels that do not require to be registered. These vessels include the various boats powered by oars and paddles, and thousands of sailing vessels.

The challenge is therefore to promote a culture of safe boating to those who are not contactable or identifiable as conventional 'clients'.

With such a significant number of people engaged in sailing, NSW Maritime has taken steps over recent years to build a partnership in safety with Yachting NSW.

Since 2009, Yachting NSW has been invited to join or participate in a co-ordinated Marine Safety Precinct at the Sydney International Boat Show. This partnership was an extension of a relationship that developed through collaboration in Sydney Harbour Week and the Audi Sydney Harbour Regatta.

Support for major regattas, especially those involving large numbers of interstate or international visitors has also been developing over recent years. For example, NSW Maritime supported the 2010 Sydney International Regatta. This partnership with Yachting NSW allowed NSW Maritime to promote the Big Ships – Small Boats safety awareness campaign to the many visiting sailors who may not be so familiar with issues such as keeping clear of ferries and larger vessels working in a busy port such as Sydney Harbour.

NSW Maritime, with the support of the Boating Industry Association of NSW, has also gifted more than 300 inflatable type one lifejackets to Yachting NSW over the past two seasons. These jackets are used by Yachting NSW as part of an incentive program to attract new boating instructors statewide.

The instructor program coordinated by Yachting NSW offers an ideal opportunity to use the statewide structures of sailing clubs which already run an excellent program of youth training in safe and responsible boating. By supporting Yachting NSW's existing network of clubs and training, NSW Maritime is able to extend the reach of its safety programs statewide to a significant boating audience.

NSW Maritime is looking to provide another 300 inflatable type one lifejackets for use by Instructors who in turn act as role models to many thousands of people who are getting into boating.

A national partnership in safety

New South Wales has a growing boating population, with more than 1.5 million people enjoying boating each year.

NSW Maritime convened a forum of experts in 2008 to analyse its communication and education strategies and to recommend changes to improve safety on our waterways. This led to the establishment of the Boating Safety Communications and Education Plan 2009-2012.

The main focus of the plan was skipper responsibility; secondary themes related to lifejacket use, safe navigation, trip planning, and alcohol restrictions.

An important component in the delivery of the plan was the emphasis on building 'partnerships in safety'. The idea was to encourage the sharing of effort, resources and messages in a bid to promote safe and responsible use of our waterways.

To achieve this, NSW Maritime has worked on maintaining existing partnerships in safety, and building new ones. This included working with 'safety ambassadors' such as Andrew Ettingshausen and supporting the Marine Teachers Association of NSW, which teaches some 8000 students each year.

Over the past year, NSW Maritime took its involvement in national boating safety programs to a new level when it was appointed Chair of the Australian Recreational Boating Safety Committee (ARBSC) and the Australia New Zealand Safe Boating Education Group (ANZSBEG).

Both these groups aim to improve cooperation and information sharing across the marine jurisdictions of Australia and, in the case of ANZSBEG, also New Zealand.

This high-level collaboration will enhance the ability of NSW to deliver its safety goals, which include:

- Encourage a culture of boating safety in NSW
- Improve boating safety
- Improve the reach of safety messages through contemporary technology, media and partnerships
- Support Boating Safety Officers in their on-water duties by ensuring the boating community is well-informed regarding boating rules and requirements.

As an example of how this will be put into practice, in the coming year, NSW Maritime will work with ARBSC and ANZSBEG to deliver improvements in the wear rate of lifejackets and also to improve the understanding of skippers of the responsibility to care for, routinely inspect and appropriately service inflatable lifejackets.

2

BOATING SAFETY

CASE STUDY

Marine Teachers NSW

The Marine Teachers Association (MTA) has some 120 member teachers spread across NSW teaching the Marine Studies component of the high school curriculum, reaching out to 8000 students each year.

Ballina High School teacher Mick O'Conner who was also President of the MTA approached NSW Maritime to seek support in 2007 for an annual conference being staged for marine teachers.

NSW Maritime realised the value in building a stronger partnership with MTA in safety education and training.

In March 2008, NSW Maritime announced an agreement with the MTA for NSW Maritime to recognise the Marine Studies course taught through NSW high schools as appropriate to attain a licence to drive a powerboat.

The high school course incorporates NSW Maritime's Safe Boating Course which is compulsory for all those wishing to sit for a boat driver's licence test.

Under the agreement, marine teachers in more than 120 NSW High Schools are able to provide the Marine Studies course to students from years 7 to 12.

Since that time, NSW Maritime has continued to build the partnership with the association in a bid to promote safe and responsible boating to future generations.

This partnership has resulted in the following:

- Support for Menai High School, in tandem with the Boating Industry Association, in securing a new trailer boat used for the Marine Studies program that reaches out to schools in the Sutherland district of southern Sydney
- Assisted the association since 2009 to participate at the Sydney International Boat Show on the Marine Safety Precinct
- Delivered more than 400 promotional lifejackets to the association and its membership in NSW as a safety gesture
- Supported Marine Teacher Association conferences
- Supported the establishment of a safe boating component within a new Marine Studies educational centre at Ballina High School.

Future partnership projects being developed include:

- Collaboration on a student video project on the theme of lifejackets to be incorporated into the Marine Studies program in early 2012
- Support for and attendance at, the 2012 Marine Teachers Association annual conference to promote safe boating.



INCIDENTS AND INVESTIGATIONS (CONTINUED)

Summary of incident data (2010-2011 and 2009-2010)

Indicator	2010-2011 Vessel type				2009-2010 Vessel type			
	Rec	Com	C/R	Total	Rec	Com	C/R	Total
Incidents	215	47	32	294	262	63	37	362
Fatal incident	8	1	0	9	19	1	0	20
Fatalities	8	2	0	10	22	1	0	23
Serious injuries	30	7	3	40	46	15	4	65
Minor injuries	77	27	3	107	90	27	6	123

Incident and fatality summary

NSW Maritime recorded 294 boating incidents for the year, which involved both recreational and commercial vessels. The number of incidents was 19 per cent less than the previous year (362) and 20 per cent less than the 10-year average of 367. This represents one of the safest years, across all measures, since 1992, when NSW Maritime began gathering comprehensive records.

The table above provides a summary of incident data for 2010-2011 compared with the results for 2009-2010. The table shows that:

- 73 per cent of all incidents (215) involved recreational vessels
- 16 per cent of all incidents (47) involved commercial vessels
- 11 per cent (32) of all incidents involved both commercial and recreational vessels.

Looking at the types of injuries during the year, there were:

- 10 fatalities – this was the lowest figure in five years and more than 40% below the 10-year average of 17
- 40 serious injuries – this was down 38 per cent from 65 in 2009-2010
- 107 minor injuries – this was down 13 per cent from 123 in 2009-2010
- nine fatal incidents – this was down 55 per cent from 20 in 2009-2010.

Preliminary analysis indicates that drowning was the cause of death in the majority of fatalities and most of the incidents were the result of a vessel capsizing or a person falling overboard (four each), while one fatality resulted from a collision with a floating object. Lifejackets were worn by only two of the deceased, one of whom died from massive trauma injuries in a high-speed powerboat race. Most of the deaths could have been averted had the victim been wearing a lifejacket.

This year NSW Maritime recorded the safest summer boating season on NSW waters since detailed record keeping began in 1992. This may be partly attributable to new lifejacket laws that took effect from 1 November 2010, requiring lifejackets to be worn more often and especially at times of 'heightened risk', and the associated intensive education campaigns.

Conversely, the month of June was the worst month since 1992 in terms of fatal incidents (six accidents, resulting in seven fatalities in the month). The combination of small, open vessels getting into trouble in adverse conditions continues to be a major source of preventable death and reinforces the importance of wearing a lifejacket.

Alcohol and drug testing

NSW Police carried out over 11,500 random breath tests on vessel operators, and 47 operators were charged with being over the 0.05 prescribed alcohol limit. NSW Maritime continued its public education on the risks associated with boating under the influence of alcohol and drugs.

Coroner's recommendations from Merinda incident

NSW Maritime responded to the Coroner's Recommendations, made on 23 February 2010, arising from the collision between the Sydney Ferries HarbourCat *Pam Burrige* and the recreational motor cruiser *Merinda*. The incident occurred on the night of Wednesday 28 March 2007, to the east of the Sydney Harbour Bridge. Four people from the *Merinda* died as a result of the collision.

NSW Maritime submitted its response in relation to the recommendations to the Attorney-General and Premier in August 2010. A copy of the response is available on the NSW Maritime website.

Left: Marine Teachers Association of NSW members are supporting NSW Maritime in promoting lifejacket awareness to high school students statewide.

3

MARITIME INFRASTRUCTURE



MAJOR PROJECTS

Rozelle Bay maritime precinct

NSW Maritime continued to work with the remaining five consortia chosen to develop the Rozelle Bay maritime precinct.

When complete, more than \$150 million of infrastructure will be provided at Rozelle Bay for a range of maritime services including covered dry boat storage, commercial/retail development, waterfront construction contractors, boat salvage services and vessel refit and repair.

This year was Sydney Slipways' first full year of operation. While the Sydney Boathouse, and waterfront contractor, Waterway Constructions, were awaiting further modifications to their development consents before commencing work on their sites.

Sydney Superyacht Marina (SSM) assumed full management of the Rozelle Bay Superyacht Marina and began to upgrade the facility in mid 2010. SSM also sought approval for some minor alterations to the original planning approval. Redevelopment of the land-based component of the marina comprises:

- Two buildings for mixed uses including, maritime (brokerage, chandlery)
- A marine club
- Dormitory accommodation
- Retail, commercial, cafes, restaurants, and function facilities
- A hotel (tavern) and liquor outlet
- A four-storey car park and outdoor areas.

The development application has been through the public exhibition phase and SSM is preparing the project report for consideration by the Joint Regional Planning Panel administered by the Department of Planning and Infrastructure. Construction works are planned to commence, subject to planning approval, early in 2012.

Berrys Bay maritime precinct

The Berrys Bay maritime precinct comprises the former BP and Woodleys sites on the western side of Berrys Bay, Waverton. Woodleys vacated its leased site on 31 March 2011 and arrangements are being made for the removal of its land and water structures as required under its lease with NSW Maritime.

At 30 June 2011, an agreement with Meridien Marinas Pty Ltd to lease and develop the site was subject to ongoing negotiation.

Meridien Marinas' \$40 million development proposal includes:

- An on-water marina that can berth 92 vessels, 12 to 30 metres long
- Vessel sewage pump-out and refuelling facilities
- Berths for visiting and pick-up / drop-off vessels
- A dry-stack storage facility for 60 vessels
- A covered vessel maintenance facility on 1150 square metres
- Maritime workshops, offices and ancillary businesses including a café
- A launch area for small craft such as canoes and kayaks, with storage space
- On-site parking for 140 cars
- New public foreshore access and open space, with retention of the heritage-listed convict-era bund wall and original seawall.

Balls Head maritime precinct

NSW Maritime plans to redevelop the former Balls Head coal loader wharf and adjacent berthing structure at Waverton into a marine precinct providing berthing facilities for vessels longer than 20 metres. The \$25 million project will involve removing decayed wharf timbers; redeveloping the wharf in line with heritage requirements; installing services, pontoons and infrastructure; and upgrading access.

During the year, the following development tasks were completed:

- An Options Feasibility Report was finalised in August 2010, and a preferred option was discussed with stakeholders, including the Heritage Branch of the Department of Planning, Shell, HMAS Waterhen and Sydney Ports Corporation
- An internal transport study was completed in October 2010. It assessed the traffic and parking impacts of both the Berrys Bay and Balls Head proposals on Waverton Peninsula and surrounds and concluded that the existing road network could adequately cope with these developments
- A geotechnical investigation was completed in March 2011. It determined sediment strata and rock levels, and provided soil and rock design parameters for pile installation
- Department of Planning requirements for the preparation of a development application were sought in March 2011
- Loose and decayed wharf timbers, which potentially constitute a hazard to navigation, were removed in May and June 2011.

Proposals for redevelopment will be sought once consent has been given to a development application.

Left: The \$7m wharf upgrade project at Milsons Point was the first in a program to deliver significant improvements to commuter ferry wharf facilities across Sydney Harbour.

3

MARITIME INFRASTRUCTURE

MAJOR PROJECTS (CONTINUED)

Blackwattle Bay maritime precinct

In March 2011, NSW Maritime awarded a contract to construct a common-user passive boat-launching ramp on its land at Bank Street, Pyrmont, beneath the Anzac Bridge. The facility will be used primarily by dragon boaters but will also cater for other small passive watercraft such as canoes, kayaks and rowing craft.

NSW Maritime began building the ramp during the year, and work was expected to be finished by July 2011. The project is expected to cost \$495,000.

The Roads and Traffic Authority (RTA) plans to complete essential maintenance works on the Anzac Bridge. The RTA intends to occupy part of the site with a works compound for the period of the road bridge work.

It is also proposed to use a section of the site to build a new base for the Sydney Heritage Fleet, storage for dragon boats and a wash-down area for passive craft. A development application for this use is under consideration by the Department of Planning and Infrastructure.

Discussions also continued between NSW Maritime and the City of Sydney Council over the establishment of a public recreation reserve fronting the foreshore over part of the Bank Street site.

In December 2010, NSW Maritime awarded a contract to build a public boardwalk and a facility for launching kayaks and small passive watercraft in Blackwattle Bay. The work is expected to cost \$630,000 with part of the funding coming from NSW Maritime's Better Boating Program and Glebe Rowing Club. The work was expected to be completed in late 2011.

At 37 Bank Street, Hymix Australia completed the demolition of the former Australian Cement Limited wharf in July 2010. A temporary charter vessel wharf is now operating from the site following a barge and pontoon stability and condition assessment, and approval for new piles and mooring blocks.

Yeend Street wharf day-berthing facility

In April 2011, NSW Maritime awarded a contract for the construction of a day-berthing facility for recreational vessels at the site of the former Yeend Street Wharf in Birchgrove. The contract is valued at \$495,000.

Situated at the south-western entrance to Ballast Point Park, the facility will provide temporary berthing pick-up and drop-off space for small vessels and water taxis. A low-level landing for launching kayaks and other small passive watercraft will also be provided.

Homebush Bay (Wentworth Point) maritime precinct

NSW Maritime owns two sites at Homebush Bay West, adjoining the Parramatta River and Homebush Bay, covering a total area of 18 hectares. The area is collectively known as Wentworth Point. It is intended to develop the area as a maritime hub that will include wet, and dry-stack, storage; boat launching and berthing facilities; boat manufacture and maintenance facilities; and ancillary uses.

The site will be offered as a long-term lease to a developer, chosen as a result of a Request for Proposals (RFP) process, to construct and manage the maritime precinct. Responses to the RFP have been received and are in the final stages of being evaluated.

Concurrent with the RFP process, NSW Maritime lodged a development application with Auburn City Council. This will permit continuation of existing leases on the site until development commences.

Homebush Bay remediation

NSW Maritime's contractor, Thiess Services, completed the remediation of contaminants in the bed of Homebush Bay and the adjacent land, formerly owned by Union Carbide, in March 2011.

The remediation was independently audited and certified to meet the appropriate standards set by the Office of Environment and Heritage. Following successful remediation, the land adjacent to the bay was transferred, as required under the remediation agreement, to the private sector in June 2011 for redevelopment. NSW Maritime contributed \$21 million to the remediation.

Hunter South Arm dredging

NSW Maritime, as owner of the bed of Newcastle harbour, is the proponent for the proposal to extend the shipping channels in the port. Development consent for the project was granted in 2005. This provided a framework for dredging to be carried out in stages from the existing port area westward along the South Arm of the Hunter River to Tourle Street Bridge.

BHP Billiton has responsibility and liability for remediation of an area of contaminated sediments on the bed of the Hunter River South Arm, adjacent to the former BHP steelworks site. NSW Maritime negotiated a dredging licence with BHP Billiton for the full remediation exercise to ensure impacts on river users during the dredging phase were managed.

Dredging was completed during the year, with an estimated 800,000 cubic metres of contaminated material permanently removed from the primary remediation zone. The contaminated material was treated on the former BHP site then transported to Kooragang Island where it was placed in specially engineered landfill to prevent interaction with ground and surface waters.

The independent site auditor has confirmed that validation requirements have been satisfied and that no further dredging is required in the primary remediation zone.

The project has been a success with 200,000 environmental measurements confirming no adverse impacts on river health. In June 2011, BHP Billiton won the United Nations Association of Australia Environmental Best Practice Program Award for the Hunter River Remediation Project.

In addition, Newcastle Coal Infrastructure Group progressed its coal terminal expansion plans during the year and reached agreement with NSW Maritime on the scope of the expansions as well as the prospective terms of an extended dredging licence.

Stockton boat harbour

For some 50 years, the Stockton boat harbour has provided berthing for small-scale commercial fishermen and some recreational boaters.

NSW Maritime continued working in cooperation with the Department of Primary Industries on a proposal to develop Stockton boat harbour.

CASE STUDIES

Heritage assessment of Pier 2/3

NSW Maritime owns Pier 2/3 at Walsh Bay. It comprises a two-storey Federation-style shed located on a 200-metre long pier. The pier forms part of the Walsh Bay Wharves Precinct, a listed State Heritage item.

Pier 2/3 was constructed between 1912 and 1922 by the Sydney Harbour Trust for maritime trade. It was used for cargo handling until the 1960s.

In 1997, a development application was approved for the \$850 million Walsh Bay precinct redevelopment (including wharves 2 and 3 – renamed Pier 2/3). As part of the redevelopment, the approved Walsh Bay Masterplan nominated Pier 2/3 for future “cultural uses”.

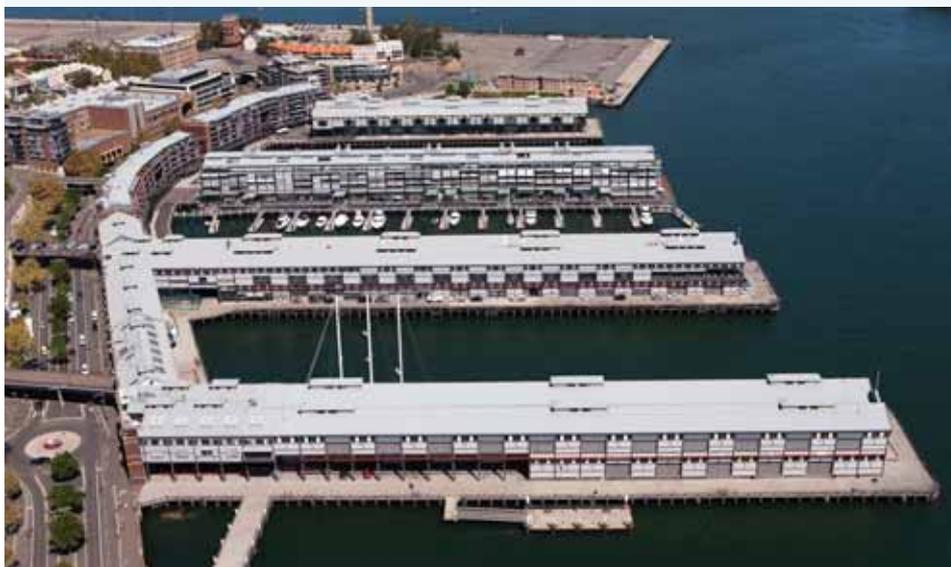
Following the Walsh Bay redevelopment, numerous industrial and engineering artefacts associated with the precinct were stored in Pier 2/3 including ladder ways, bale hoists, overhead pulley systems, floor hatches, wooden rollers, hydraulic ram cat hoists, overhead travelling cranes, a lifting beam, wool bale drops, wool slides, hoist wells, mooring piles and heavy timber bracing.

A small shipping container located on the pier also contains hundreds of archaeological artefacts discovered during excavations within the precinct.

NSW Maritime engaged heritage consultants to assess some 124 movable heritage items located at the pier, together with the archaeological items stored in the shipping container. The assessment found that four or five items have exceptional heritage significance, and a further 17 have high heritage significance.

In view of this finding, NSW Maritime has decided to prepare a use and interpretation plan for movable heritage items, for approval by the Office of Environment and Heritage. The plan will recommend suitable locations for the storage of those items that cannot form part of interpretative displays.

Communities NSW has now entered into a 99-year lease with NSW Maritime to occupy Pier 2/3 for mainly cultural purposes. Where possible, the site's heritage items will be re-used or interpreted as part of the fit-out of the pier.



Right: The Walsh Bay finger wharves provided a unique opportunity to blend residential, commercial and public use of an historic harbourside site.

3

MARITIME INFRASTRUCTURE



ASSET AND PROPERTY MANAGEMENT

Commuter wharves

NSW Maritime owns and is responsible for commuter wharves on Sydney Harbour. These wharves, including those at Circular Quay, are being upgraded as part of an upgrade program which is due to be completed by 2022. The program's main objectives are to:

- Create a functional and distinctive design to unify and identify commuter wharves
- Upgrade facilities to be practical, robust and fit-for-purpose
- Introduce economies of scale through a 'kit-of-parts' approach
- Improve efficiencies and upgrade facilities to better meet commuter needs and expectations
- Provide safe and convenient public facilities
- Open up harbour views where appropriate
- Incorporate disabled access standards.

Milsons Point wharf was the first to be upgraded, with work completed in November 2010 (see case study).

The next wharves to be upgraded are at Rose Bay and Neutral Bay, with site work planned to commence in August 2011.

Charter wharves

NSW Maritime continued its charter wharf upgrade and maintenance program during the year, with the aim of ensuring the safety and integrity of the structures. With a budget of \$4.5 million for 2010-2011, the program involved regular monthly inspections and maintenance of over 100 maritime structures in Sydney, Newcastle and Port Kembla harbours, including charter vessel wharves critical to Sydney's transport infrastructure.

The work included repairing or replacing major wharf elements such as shelters, decking, piling, ramps and stairs. Significant works included repairing and replacing piles and headstocks at Campbells Cove wharf, repairing the roof at Taronga Zoo wharf, repairing the southern promenade at Circular Quay, and replacing steps at Kirribilli wharf.

Wharf safety audit

Under the *Marine Safety Act 1998*, NSW Maritime is responsible for inspecting public ferry wharves and monitoring wharf safety. Public ferry wharves include commuter wharves, such as Sydney Harbour ferry wharves, and wharves used by smaller commercial operators such as charter or dive vessels in regional NSW. Across the State, there are about 240 public ferry wharves.

Within Sydney Harbour, some 50 commuter wharves are owned, inspected and maintained by NSW Maritime. During 2010-2011, NSW Maritime undertook wharf safety inspections at 20 of these wharves and a high level of safety compliance was recorded.

NSW Maritime also inspected eight Sydney Harbour charter wharves maintained by councils and other government agencies. Warning letters were issued in respect of defects at 11 ferry wharves in Sydney Harbour, the majority being minor defects.

About 170 ferry wharves are located outside Sydney Harbour. These include wharves used by scheduled ferry or charter operations in Pittwater, Hawkesbury River, Brisbane Waters, Lake Macquarie, Nelson Bay, Port Hacking and Yamba.

In regional areas, local Boating Safety Officers made preliminary visual inspections of charter wharves during the year. In addition, detailed inspections were undertaken at 32 wharves with schedule ferry services and 12 wharves with non-schedule (charter) services. NSW Maritime issued warning letters in respect of defects at 24 of these wharves in regional areas.

Maritime Trade Towers

NSW Maritime owns the Maritime Trade Towers at 201-207 Kent Street, Sydney, and occupies levels 5, 6 and 11 at 207 Kent Street.

As at 30 June 2011, the building occupancy rate was 99 per cent (a vacancy on Level 23, covering 293 square metres, was being marketed).

NSW Maritime has introduced initiatives to reduce energy use, water use and waste at Maritime Trade Towers. These initiatives have included:

- Smart metering energy monitoring equipment. This continued to improve energy efficiency during the year, and meant that no green power was required to maintain the four-star National Australian Built Environmental Rating System (eight per cent green power was required in 2009-2010 to maintain this rating).
- Waterless urinals in all male toilets, which save 70,000 litres of water per annum per urinal.
- An active waste reduction and recycling program. This resulted in 68 per cent of all office waste being recycled during the year.

There are also plans to replace an old air-conditioning chiller with a Power PAX unit in the coming year, which will result in further energy savings.



CASE STUDIES

Commuter wharf upgrade program – Milsons Point wharf

Milsons Point was the first wharf to be upgraded under NSW Maritime’s Commuter Wharf Upgrade Program. The original wharf was demolished and replaced with a new wharf, which was completed in November 2010.

The wharf was architect-designed and purpose-built to provide an elegant public room for commuters. Quality materials were used to construct the wharf.

The comfort of commuters was of paramount concern during the planning and design stages. The waiting room was sized for tourist and commuter crowds with generously proportioned ramps and pathways facilitating passenger flow.

The landing platform is hydraulically operated, providing a level and stable surface for commuters to easily board and disembark ferries at all stages of tide and wave condition.

The wharf relates to its iconic maritime setting, which features the Sydney Opera House, Sydney Harbour Bridge and Luna Park.

The upgrade delivers a host of benefits to more than 12,000 Sydney Ferries’ passengers who use Milsons Point wharf each week.

Providing wheelchair access at Milsons Point wharf brings a new total of 18 wharves serviced by Sydney Ferries that are now accessible for wheelchair users, providing more options to move around Sydney on public transport.

Milsons Point wharf is now serviced by the Darling Harbour/ Balmain East, Parramatta River and Woolwich/Balmain routes, and increased services from 442 to 552 every week.

Milsons Point wharf represents the first step in a new vision for transport facilities serving Sydney Harbour.

Above: Night scene of the new Milsons Point Ferry Wharf showing design elements which will be incorporated elsewhere across the harbour to improve amenity and open up views at these commuter facilities.

3

MARITIME INFRASTRUCTURE

SURVEY AND SPATIAL INFORMATION

New survey equipment

NSW Maritime took delivery of a TCRP 1203 Leica total station with RX1250 (remote control) and R1000 (1000-metre reflectorless range) in January 2011. This instrument has proved to be particularly effective in steep foreshore areas where GPS signals can be significantly restricted. It is ideal for determining the position of marine structures, such as isolated mooring piles.

Hydrographic survey work

NSW Maritime completed surveys for a range of investigations relating to the measurement and monitoring of depths and contours of the beds of various waterways and safe navigation during the year. Surveys were carried out at numerous Sydney Harbour locations as well as NSW coastal locations such as Clarence River Yamba, Port Stephens, Swansea Channel and Black Neds Bay, Batemans Bay entrance bar, Snug Cove Eden and the multipurpose wharf berth area on the southern side of Twofold Bay.

Cadastral survey work

The demand for reviews of cadastral surveys and endorsement of mean high-water mark and former mean high-water mark boundaries continued to increase in 2010-2011. The general purpose of these plans is for the subdivision, consolidation and redefinition of harbour foreshore lands.

NSW Maritime surveyed 17 subdivisions to facilitate the long-term lease of privately owned marine structures (such as boathouses, jetties, ramps, pontoons, ramps, skids and piles associated with casual and permanent vessel moorings). Most surveys related to domestic property development, but several were for very large-scale commercial development in the ports of Newcastle, Botany and Port Kembla.

Domestic leasing

NSW Maritime administers approximately 1,500 domestic waterfront leases primarily for private jetties, mooring pens and other boating related facilities. A program is in place to replace all existing expired leases with new leases for terms of three or twenty years. By the end of the reporting period 680 new domestic leases had been sent to existing tenants in Sydney Harbour and Botany Bay.

The method of rental pricing for domestic leasing across NSW is again being reviewed by the Independent Pricing and Regulatory Tribunal (IPART), with the results of this review expected to be made available in December 2011.

Commercial leasing

NSW Maritime is the land owner of Sydney Harbour and supports the development of marinas and other boating infrastructure to help satisfy demand for boat storage. New commercial leases were negotiated for the expansion of existing facilities at: Rose Bay Marina, Point Piper Marina, Davis Marina Balgowlah, Woolwich Marina, Double Bay Marinas, Birkenhead Point Marina, Neutral Bay Marina, Middle Harbour Yacht Club and the Cruising Yacht Club at Rushcutters Bay.

In addition to marina leases NSW Maritime also manages other categories of commercial operations on its land. Examples of commercial leases negotiated include: Sydney Seaplanes at Rose Bay, Catalinas Restaurant Rose Bay, St George Sailing Club, Sydney Flying Squadron, Doyles Watsons Bay, The Botanic Gardens Outdoor Cinema (seasonal) and Charter Vessel Wharf Access agreements for Wharf 6 Circular Quay.

As at June 2011, NSW Maritime administered 373 commercial leases in Sydney Harbour, Botany Bay, Port Kembla and Newcastle Harbour.

NSW Maritime's Commercial Lease Policy and Commercial Marina Rents Procedure, which set the framework for the administration of commercial leases, have been widely accepted by stakeholders. A review of the Commercial Lease Policy is scheduled for 2012.

Community leasing

NSW Maritime administers 258 community leases and licences. These provide public facilities such as boat ramps, and enable not-for-profit organisations to engage in maritime activities such as rowing, dragon boating and sailing.

Maps

NSW Maritime had been in the process of developing a Maritime Property and Assets system (MAPS) however, during the year the decision was taken to cease development work and continue with the existing arrangements. Following the creation of the new Roads and Maritime Services (RMS), an assessment will be undertaken to determine the most appropriate solution for property management within the RMS software environment.

Total Asset Management strategy

NSW Maritime maintains a ten-year Total Asset Management (TAM) strategy covering maritime infrastructure, harbour lands, the Maritime Trade Towers, heritage assets, operational assets and accommodation, dredging channels and berthing boxes.

The strategy integrates asset planning with organisational strategic and business planning processes. The cornerstone of the strategy is the improvement and upgrade of wharves and jetties for both commuter and charter vessels. This will provide a network of quality assets for all users to enjoy for many years to come.

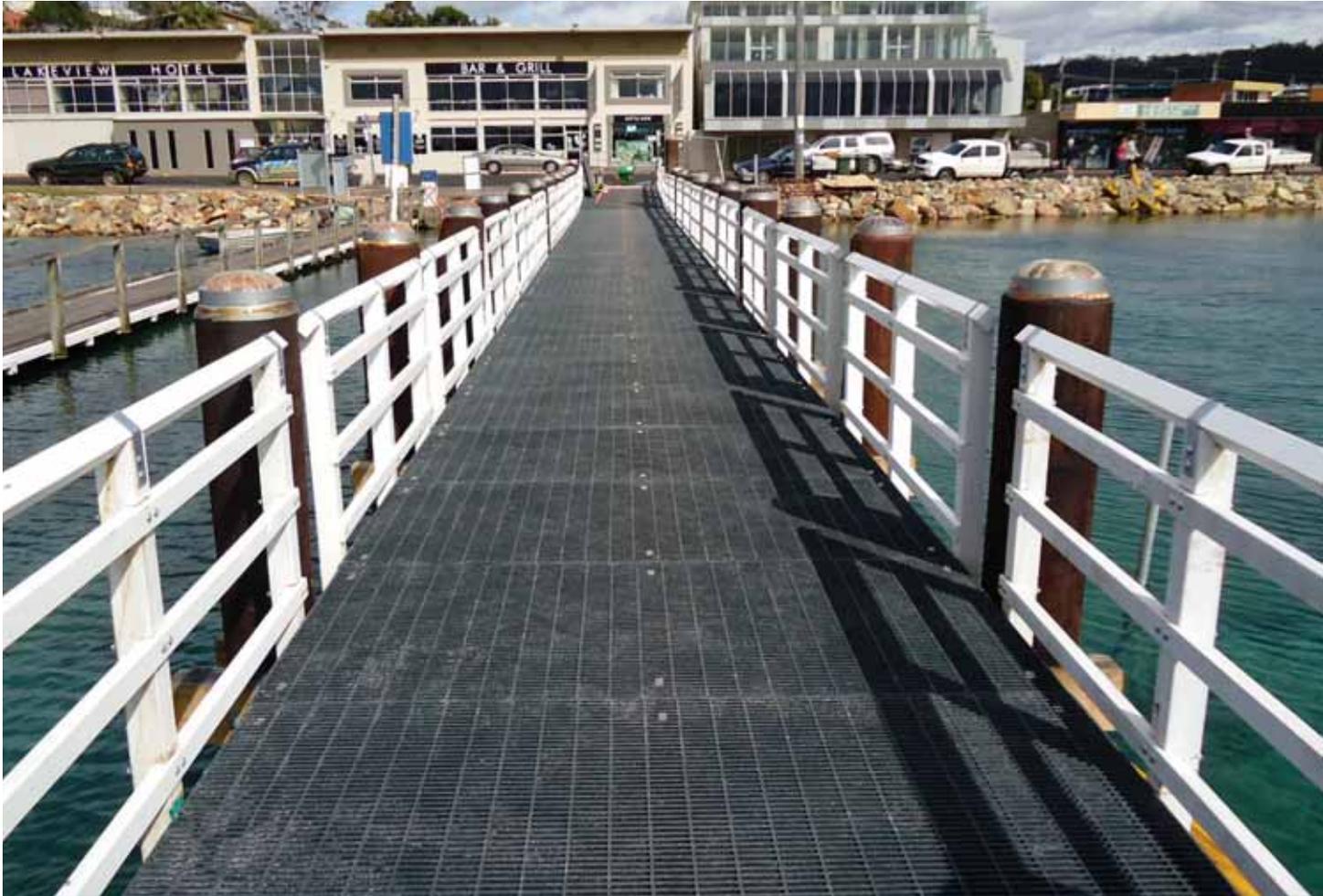
NSW Maritime also refined its TAM strategies to accommodate improvements in information collection and analysis to ensure the plan is adequately integrated into its capital investment and replacement planning processes.

NSW Maritime's TAM strategy supports NSW Treasury's 10-year State Infrastructure Strategy.

Vessel fleet services contract

NSW Maritime's patrol boat, trailer and outboard engine fleet is maintained under a Vessel Services Contract. The contract also includes outboard engine procurement and vessel refurbishment. During the year:

- 105 vessels and 98 trailers were maintained under contract
- 1368 work notifications were issued for routine engine service and corrective maintenance tasks, which cost a total \$750,000.



CASE STUDIES

Better Boating Program supports the Merimbula public jetty

The Better Boating Program is a State Government grants program aimed at providing waterways infrastructure for the benefit of the boating community and the maritime sector.

Under the program, local councils and boating groups apply for grants for recreational boating projects that would improve access.

The recently completed reconstruction of Merimbula Public Jetty is an example of collaboration between government and the community; Bega Valley Shire Council undertook the work, while NSW Maritime contributed \$223,000 through the Better Boating Program.

It was a significant development. Improvements to the value of over \$1 million were made to the jetty, including the total reconstruction of the jetty access, a larger deck area with new non-slip mesh decking, lighting and public fish-cleaning facilities.

The project included the installation of a floating pontoon to improve access for smaller recreational craft and improved access for people with disabilities. Installing the pontoon was a major challenge, and required the protection of nearby seagrass beds. Its successful installation followed collaboration between NSW Maritime, local community representatives, the Department of Primary Industries and council.

Better Boating Program grants, like the one for Merimbula, allow communities to plan for the future, promote safe access to facilities, and get out and enjoy our waterways.

Above: Merimbula Public Jetty underwent a major upgrade over the year which included significant improvements in access to people with disabilities.

3

MARITIME INFRASTRUCTURE

INFRASTRUCTURE PROGRAMS

Better Boating Program

Through the Better Boating Program, NSW Maritime provides grants for recreational boating infrastructure for the benefit of the NSW boating community.

The five-year program will provide \$25 million in funding for projects such as public wharves and jetties, boat ramps, car and trailer parking, public sewage pump-out facilities, dinghy storage and related feasibility studies. This year, the second year of the program, grants totalling \$5.45 million were awarded for 70 projects across NSW.

The Better Boating Program provides grants across three categories:

- Regional infrastructure grants
- Sharing Sydney Harbour access program
- Sydney Harbour boat ramps program.

Grants in these categories are discussed below.

Regional infrastructure grants

Regional infrastructure grants are allocated on a 50:50 partnership basis, with funding shared by NSW Maritime and local councils, other State agencies and boating and community groups. Vessel registration fees contribute to the funding of the program.

Projects are submitted by landowners – usually local councils. NSW Maritime works with councils during the year (as a member of River and Estuary Management Committees and local boating user groups, or through the Boating Safety Plan) to identify opportunities and issues on particular waterways, including improvements to boating facilities.

In 2010-2011, NSW Maritime received 83 applications for Regional Infrastructure grants, and subsequently offered 56 grants totalling \$3.3 million.

Since 1998, the State Government has provided more than \$30 million in grants, supporting nearly 600 projects across regional NSW, for recreational boaters and their families.

Sharing Sydney Harbour access program

The Sharing Sydney Harbour Access Program (SSHAP) is administered through the Department of Planning and Infrastructure with funding and technical assistance provided by NSW Maritime. The objective of the SSHAP is to improve public access to, and along, the foreshore of Sydney Harbour.

Through the program, NSW Maritime subsidises 50 per cent of the eligible cost of projects. Nine grants were offered through the SSHAP in 2010-2011, totalling \$467,325.

The past year was the eighth year of the SSHAP, which will run until 2013.

Sydney Harbour boat ramps program

The upgrading of boat ramp facilities in Sydney Harbour has been restricted as there is limited foreshore land available for significant trailer boat ramp upgrades or new facilities. The Sydney Harbour Boat Ramps program aims to address this issue.

Through the program, NSW Maritime subsidises 100 per cent of the eligible cost of projects.

In 2010-2011, it awarded grants for five boat ramp projects to the value of \$1.7 million.

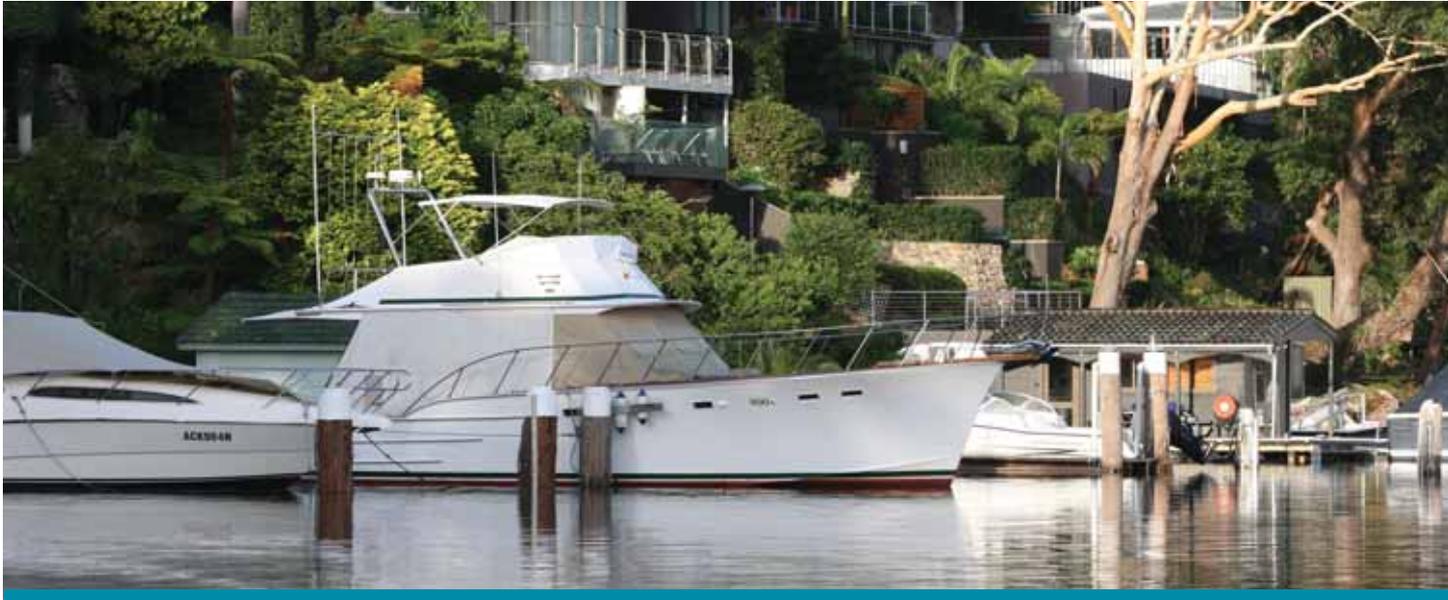
Aids to navigation

Under NSW Maritime's Total Asset Management strategy, and due to operational requirements, the following aids to navigation (AtoN) were upgraded or replaced during the year:

- 142 lights were converted or upgraded to LED technology
- 36 PVC markers replaced aged steel pipe markers
- 91 aqua-buoys were upgraded
- 100 plastic buoys replaced aged/damaged buoys
- 20 public/courtesy moorings were upgraded
- 14 aged timber piles were replaced or upgraded with timber piles
- 10 aged timber/steel piles were upgraded or replaced with composite and steel piles.

In addition, NSW Maritime completed the following major works:

- Upgrade/replacement of seven piles, 46 buoys and 38 lights in North Coast Region waterways, including new seagrass advisory aquamarks in the Bellinger River (\$145,299)
- Upgrade/replacement of 14 piles, 52 buoys and 33 lights in Hunter Inland Region waterways (\$111,844)
- Upgrade/replacement of 21 piles, 14 buoys and 16 lights in Hawkesbury Region waterways (\$127,194)
- Upgrade/replacement of 10 piles, 14 buoys and 22 lights in Sydney Harbour, Parramatta River, Botany Bay and Port Hacking (\$72,260)
- Upgrade/replacement of eight piles, 50 buoys and 28 lights in South Coast Region waterways (\$130,932)
- Upgrade/replacement of 36 buoys and five lights in Murray Region waterways, including new navigation aids in Yanga Lake and Lake Albert (\$98,260)
- Upgrade/replacement of navigation aids in Port of Yamba and Eden (\$37,169).



NSW Maritime also issued 561 breakdown notifications – 53 per cent for lit aids and 47 per cent for unlit aids. The total number of breakdowns was 16 per cent of the total number of navigation aids (3418).

The number of breakdown notifications was 24 per cent higher than in 2009-2010 – mainly due to flood damage in December, January, March and June, which was responsible for 35 per cent of the total breakdown figure. Other major causes were damage (10 per cent), vandalism (five per cent), false alarm (eight per cent) and missing/off station (six per cent).

The navigation aids maintenance contractor achieved a 100 per cent compliance rating for meeting key contract performance targets.

SYDNEY HARBOUR PLANNING

Sydney Cove Infrastructure, Usage and Public Improvement Plan

NSW Maritime continued to collaborate with other State government agencies, including Sydney Ports Corporation, with respect to the long-term strategy for providing infrastructure, access and services within Sydney Cove.

DEVELOPMENT ON NSW MARITIME LAND

The bed of Sydney Harbour, Botany Bay, Newcastle Harbour and Port Kembla Harbour is vested in NSW Maritime as publicly-owned land. NSW Maritime also owns parcels of reclaimed land, dry land and intertidal land in selected locations.

Permission to lodge a development application

The *Environmental Planning and Assessment Act 1979* prescribes that the consent of the landowner is required in order to lodge a planning application. To ensure consistency and transparency in development on our land, NSW Maritime requires that a formal 'Permission to Lodge' application be made to obtain consent to lodge a planning application.

In 2010-2011, NSW Maritime determined 290 applications under the Permission to Lodge a Development Application Policy. Applications took an average of 18 days to make a determination.

Of these 290 applications, 149 related to development applications for long-term leases – a new requirement under the planning regime for Sydney Harbour.

The average time taken to determine an application was 37 days. This is a substantial improvement on the previous year – which was 61 days – due to NSW Maritime's initiatives to reduce red tape.

Development on NSW Maritime's land

In the same way as a local council is the consent authority for most development on land, NSW Maritime is the consent authority under the Sydney Regional Environment Plan (Sydney Harbour Catchment) 2005 for most water-based development within Sydney Harbour. Water-based development includes structures such as jetties, wharves, boat lifts, slipways, pontoons, and mooring pens, but excludes commercial marinas.

In 2010-2011, NSW Maritime determined a total of 48 development applications, which was 60 per cent more than the previous year.

Above: NSW Maritime administers wetland leases across Sydney Harbour which include domestic pontoons and berths.

4

SAFE AND COMPETITIVE PORTS



REGIONAL PORT UPDATE

Port of Eden trade report

The Port of Eden is the southern-most declared port in NSW. The port services the south coast of NSW and eastern Victoria. It has significant capacity to meet the needs of a variety of importers and exporters, as well as being home to a large fishing fleet.

In 2010-2011, the Port of Eden recorded an 8.9 per cent increase in trade on the previous year to a total of 1,228,046 mass tonnes.

Hard woodchip and softwood log exports continued to be the major commodity traded. The total woodchip traded rose by 12.1 per cent to 1,007,643 mass tonnes, while total logs traded fell by 3.8 per cent to 219,631 mass tonnes.

Total trade from general cargo vessels and offshore support vessels was 772 mass tonnes, or 0.1 per cent of the total trade.

There were 64 trading ship visits – down from 75 in the previous year – and 22 visits by Royal Australian Navy vessels – down from 36 in the previous year.

Port of Yamba trade report

The Port of Yamba is Australia's eastern-most sea port. The port is located at the mouth of the Clarence River in northern NSW. It serves the Northern Rivers district including the towns of Grafton, Maclean, Ballina, Lismore, Casino and Coffs Harbour. It is also the home port of a large fishing fleet, and handles a range of imports and exports.

The Port of Yamba also services general cargo trade to Norfolk Island, New Zealand and other Pacific Islands.

In 2010-2011, trade through the port decreased by 30.7 per cent to 5343 mass tonnes, which continued a downward trend following the transfer of Lord Howe Island trade to Port Macquarie in October 2009.

The major commodities traded included timber products, miscellaneous manufactured articles and petroleum products.

There were 22 vessel visits during the year, down from 27 in the previous year.

New harbour masters

The Harbour Master in Yamba, Captain Alan Jones, retired in December after 15 years of service. Captain Simon McEvoy was appointed as his successor.

The Harbour Master in Eden, Captain Josephine Clark, was relieved in May by Captain Paul Webster. Captain Clark has retained a part-time role as harbour master and marine pilot in Eden.

OTHER PORT MATTERS

Safety operating licences and standards

NSW Maritime is responsible for administering the Port Safety Operating Licence (PSOL) issued to each port corporation (Newcastle, Port Kembla and Sydney) under the *Ports and Maritime Administration Act 1995*.

The PSOL contains performance standards for safety, navigation aids, environmental protection, investigation of incidents, and other functions. The current PSOLs were issued to the three port corporations in December 2006 for a period of five years.

During the year, the required PSOL audits were carried out and found that the performance standards were being met. The audits were as follows:

- Newcastle – 25 November 2010 and 21 June 2011
- Port Kembla – 23 September 2010
- Sydney – 25 August 2010.

NSW Maritime is conducting a review of PSOL regulatory arrangements and is developing a revised licensing model, prior to the expiry of the current model on 31 December 2011. The task is being overseen by a working group, which includes the three port corporations.

NSW Maritime also implemented Port Safety Operating Standards for the regional ports of Eden and Yamba. The operating standards are based on the PSOL for the port corporations.

Maritime and port security

NSW Maritime upgraded the security systems at the ports of Eden and Yamba. The security systems at port facilities are now linked to the Harbour Masters' offices to allow constant monitoring and recording of activities on NSW Maritime assets.

In addition, NSW Maritime submitted a new Maritime Security Plan for the Port of Eden to the Commonwealth Department of Infrastructure and Transport. Proposed changes reflect the current and predicted operational security needs of the port. The plan includes recent changes to the boundaries within Twofold Bay.

During the year, drills and exercises in Eden and Yamba were carried out to test the security preparedness of the ports as required by the *Maritime Transport and Offshore Facilities Security Act 2003*. There were no reportable security incidents at these ports, and minor breaches of security were dealt with effectively at a local level.

NSW Maritime continued to be represented on the port security committees for Sydney/Port Botany, Newcastle and Port Kembla, and on the related committees for Circular Quay, Manly wharf and King Street wharf. It is also represented on the Port Security Working Group of Ports Australia, the Maritime Industry Security Consultative Forum and the related Passenger Ship and Maritime Security Identification Card working groups. These committees and working groups met regularly during the year.

Marine pilotage legislation amendments

NSW Maritime has done a comprehensive review of the NSW marine pilotage legislation. The review found the legislation required consolidation and some amendment, and the Training Code for Marine Pilots and Exempt Masters 2003 needed to be replaced with more contemporary requirements. This work was carried out in conjunction with the NSW port corporations and marine pilots.

4

SAFE AND COMPETITIVE PORTS

OTHER PORT MATTERS (CONTINUED)

In February 2011, the NSW Government made the *Marine Safety (General) Amendment (Pilotage) Regulation 2011* which introduced contemporary requirements for:

- Marine pilots' licences
- Marine pilotage exemption certificates
- Certificates of local knowledge.

The Regulation also introduced a NSW Marine Pilotage Code, which replaces the previous Training Code for Marine Pilots and Exempt Masters 2003. The new code has requirements for qualification, initial training and ongoing training of marine pilots, exempt masters and holders of certificates of local knowledge. It also addresses the health of marine pilots and requirements for check pilots and mentor pilots, and contains a code of conduct for marine pilots.

Sydney Harbour superyacht guidelines

The increasing number and size of superyachts visiting Sydney Harbour has led to a need to issue guidance to superyacht masters to support the safe movement of these vessels in Sydney Harbour.

In May 2011, the *Sydney Harbour Superyacht Guidelines* were finalised. The guidelines provide procedural and mariner information relevant to the movement of large recreational vessels within, and in the approaches to, Sydney Harbour. The guidelines have been developed and issued jointly by NSW Maritime and Sydney Ports Corporation.

Port Macquarie and Bass Point safety reviews

The *MV Island Trader* provides a fortnightly freight service between Port Macquarie and Lord Howe Island. In August 2010, NSW Maritime carried out a review of safety of the *MV Island Trader* operations in Port Macquarie. The review did not identify any major issues or concerns.

MV Claudia I operated between the Bass Point jetty and Blackwattle Bay carrying concrete aggregates. In February 2011, NSW Maritime carried out a safety review of the vessel operations. The review did not identify any major issues or concerns.

PORT PLANNING AND POLICY

Port Botany landside improvement strategy

In 2008, the Independent Pricing and Regulatory Tribunal (IPART) released a report on options for improving the efficiency of landside operations at Port Botany.

In response, the NSW Government initiated the Port Botany Landside Improvement Strategy (PBLIS), which presents a series of actions to improve the competitive access and service arrangements of container movements between stevedores and transport carriers. The PBLIS is lead by Sydney Ports Corporation.

Governing the PBLIS reform is *The Ports and Maritime Administration Amendment (Port Botany Landside Improvement Strategy) Regulation 2010* and associated mandatory standards, which came into effect on 26 November and 3 December 2010, respectively. NSW Maritime helped Sydney Ports Corporation to develop these regulatory measures.

The objectives of this regulation are to:

- Set access standards for road carriers at the Port Botany container terminals
- Set performance standards for stevedores in providing services to road carriers at the terminals, and for road carriers when at the terminals
- Provide for the regulation of truck and rail servicing charges imposed by stevedores.

Advice on port matters

During the year, NSW Maritime provided advice to the NSW Government on the following port corporation matters:

- Port pricing proposals
- Development proposals
- Supply chain efficiency
- Port safety, security and environmental protection.

REPRESENTATION ON NATIONAL FORUMS

Australian Maritime Group

NSW Maritime is a member of the Australian Maritime Group (AMG), a subcommittee of the Standing Committee on Transport. The AMG is an inter-governmental group that brings together the peak maritime organisations at State and national levels to develop advice on key issues for the maritime sector, including safety, productivity and environmental concerns.

During the year, the AMG:

- Progressed the proposed national approach to maritime safety regulation for commercial vessels
- Progressed the national standard for commercial vessels
- Contributed to the development of a national standard on Competencies for a Trainee Marine Pilot
- Held a forum with industry stakeholders to:
 - Share knowledge on, and provide input to, national policy initiatives such as the national approach to maritime safety legislation and the emissions trading scheme
 - Share knowledge on maritime trends and issues
 - Inform industry stakeholders of AMG progress and activities
 - Fine-tune the AMG work plan through industry feedback and comment.

National Marine Safety Committee

NSW Maritime is a member of the National Marine Safety Committee (NMSC), a national inter-governmental committee which seeks to promote national vessel standards supported by policy research, a national database and safety education. In 2010-2011, the NMSC:

- Established the Australian Recreational Boating Safety Committee as a sub-committee of AMG
- Revised the standard for the Australian Builders Plate for Recreational Boats
- Provided ongoing support and oversight to the Australian and New Zealand Safe Boating Education Group.



With the near completion of the national standard for commercial vessels, many of the NMSC's functions, including commercial vessel safety, will transfer to the Australian Maritime Safety Authority.

The Recreational Boating Safety Committee will have oversight of recreational boating safety issues.

National Plan Management Committee

The National Plan to Combat Pollution of the Sea by Oil and Other Noxious and Hazardous Substances (National Plan) is an integrated government and industry framework enabling effective response to marine pollution incidents.

The National Plan is overseen by the National Plan Management Committee (NPMC), which provides high-level advice to Ministers on the Australian Transport Council on the strategic, policy and funding aspects of the National Plan. The NPMC is supported by the National Plan Operations Group (NPOG), which provides advice on the operational aspects of the National Plan.

NSW Maritime represents NSW on the NPMC, the NPOG and a number of working groups.

The NPMC met once during the year. Major items addressed included the 10-yearly review of the National Plan, involving a review of the national capability, risk assessments and emergency vessel towage capability. NSW Maritime coordinated State agency input on these matters.

Above left and centre: Oil spill response is regularly tested including equipment used to combat impacts of pollution.

Above right: Water traffic coordination for special aquatic events such as the arrival of 'superliners' like the *Queen Mary 2* is the responsibility of NSW Maritime.

The NPMC also endorsed the introduction of a national competency-based training system. NSW Maritime has participated in the development of the national level incident management course, which forms a component of the training system.

NSW National Plan Executive Committee

NSW Maritime convenes and chairs the NSW National Plan Executive Committee (NPEC), which provides policy advice on issues that affect the interests of all the parties to the National Plan in NSW and to foster an effective working relationship between senior management of the member agencies.

The NPEC met twice during 2010-2011. The key outcomes from these meetings included the development of a State response team for marine pollution incidents, and the endorsement of the introduction of a competency-based training system for personnel likely to become involved in marine pollution response.

NSW Maritime and port corporations' Chief Executives' meeting

During the year, NSW Maritime's Chief Executive and the three port corporations' Chief Executive Officers met three times. The Director General of the Department of Transport also attended the meeting held in July 2010. These forums address regulatory and operational matters common to the three NSW port corporations and NSW Maritime. Matters discussed included:

- Amendments to the *Marine Pollution Act 1987*
- National and NSW marine pilotage standards and regulations
- Emergency response arrangements in NSW
- National Ports Strategy and National Freight Network Plan
- Dangerous goods legislation
- Port safety reforms.

NSW Maritime and Sydney Ports Corporation Safety Working Group

The NSW Maritime and Sydney Ports Corporation Safety Working Group was established in June 2010 to address maritime safety issues on Sydney Harbour and Botany Bay that involve both organisations. Matters discussed included:

- The development of a memorandum of understanding on the roles and responsibilities of NSW Maritime and Sydney Ports for marine safety on Sydney Harbour and Botany Bay
- Navigational procedures for superyachts
- Coronial recommendations on unlit vessels on Sydney Harbour
- Trading vessel escorts on Sydney Harbour
- Operation of foreign cruise ship tender vessels on NSW navigable waters.

Passenger Cruise Terminal Steering Committee

NSW Maritime was represented on the NSW Government's Passenger Cruise Terminal Steering Committee, formed to assess the future needs of the cruise industry in Sydney Harbour and make recommendations for the location of future passenger cruise terminal infrastructure west and east of the Sydney Harbour Bridge.

The committee's Part A Report determined that a new terminal at White Bay was the preferred option for a replacement passenger terminal west of the Harbour Bridge. The Part B Report highlighted the challenges in accommodating future demand for passenger cruise facilities east of the Harbour Bridge. Both reports are available on the Sydney Harbour Foreshore Authority's website (www.shfa.nsw.gov.au).

5

COMMUNITY INVOLVEMENT



ADVISORY GROUPS

Maritime Advisory Council

The NSW Maritime Advisory Council (the Council) provides advice, expertise and a wide strategic view on maritime issues – including safety, the growth of the industry, infrastructure development and environmental matters – to the Chief Executive of NSW Maritime.

The Council first met on 15 June 2011. It replaced the Maritime Ministerial Advisory Council (MMAC), which held the last of its quarterly meetings on 16 February 2011. The MMAC provided advice on a range of issues, such as lifejacket reform, the establishment of Marine Rescue NSW, boat storage, mooring and leasing policies.

Commercial Vessels Advisory Group

The Commercial Vessels Advisory Group (CVAG) draws members from a cross-section of the NSW commercial vessel industry. The group provides a forum to:

- Review issues facing the industry, changes to legislation, and new NSW Maritime initiatives
- Examine measures that will foster a safe, responsible and competitive commercial vessel industry in NSW.

CVAG met in December 2010 and June 2011. It considered a range of matters, including the development of the remaining standards to complete the National Standard for Commercial Vessels (NSCV), the new *Marine Safety (Commercial Vessels) Regulation 2010* and progress in establishing the Australian Maritime Safety Authority as the national regulator for commercial vessels in 2013.

During the year, CVAG developed a *Code of Conduct for Charter Vessels – Managing Passengers and Alcohol* in collaboration with the Commercial Vessel Association. It aims to reduce alcohol-related anti-social behaviour on 'party boats' and improve the amenity of the harbour and surrounding areas for the broader community.

CVAG also implemented a number of initiatives such as audits of safety management systems and the impact of new lifejacket requirements on commercial vessels; automatic recognition of certificates of competency issued in other states or territories; and arrangements for the conversion of perpetual certificates to certificates of competency.

Recreational Vessels Advisory Group

The Recreational Vessels Advisory Group (RVAG) comprises representatives of peak recreational user groups, including Yachting NSW, Australian Power Boat Association, NSW Rowing Association, NSW Water-ski Association and Boat Owners' Association of NSW as well as representatives from Marine Rescue NSW and NSW Police. In April 2011, NSW Maritime welcomed a new member representing PaddleNSW.

The group met six times during 2010-2011 and discussed a wide range of issues including:

- The Sydney Harbour speed review
- Lifejacket wearing requirements
- Boating activities on Manly Dam
- Boating incidents
- Disposal processes for expired flares
- Education and compliance campaigns
- Personal watercraft restrictions on the south coast
- The review of boating activity on the Murray River
- Marine Rescue NSW.

Commercial Vessels Builders Group

The Commercial Vessels Builders Group comprises NSW and interstate builders, designers, consultants, surveyors and importers. It met three times during 2010-2011 and discussed a range of issues including the introduction of Australian Standard AS 4132 for hull scantling assessment for vessels up to 16 metres as an interim measure until 2016.

The group forwarded a submission to the National Marine Safety Committee on implementation issues surrounding introduction of the NSCV. The issues in the submission included lightning protection and anchor requirements for smaller vessels, and underwater exhausts solutions.

Commercial Vessels Importers Group

This group is a subset of the Commercial Vessels Builders Group and was formed to address the requirements of importing vessels for commercial operations in NSW waters. The group met twice during 2010-2011 and discussed a range of issues including:

- Introduction of new offshore Class 4C hire-and-drive vessels to enable bareboat coastal cruising
- Streamlining of the process for surveying imported vessels
- Development and adaption of factory stability data for compliance with the NSCV rules.

Fishing Industry Group

NSW Maritime is represented on the Fishing Industry Group, which also comprises representatives from the NSW Seafood Council, Fishing Industry Training Council, and NSW Department of Primary Industries.

The group meets annually to review a range of relevant issues.

Foreshores and Waterways Planning and Development Advisory Committee

This committee comprises representatives from NSW Maritime, the NSW Department of Planning and Infrastructure, and local councils. It provides advice to consent authorities (such as local councils and NSW Maritime) on development proposals within Sydney Harbour.

Left: The promotion of the importance of lifejackets included setting a 'world record' for the inflation of lifejackets at one time, in one place, during the 2010 Sydney International Boat Show.

5

COMMUNITY INVOLVEMENT

COMMUNITY FORUMS

Eden and Yamba stakeholder meetings

During the previous annual reporting period, in September 2009, NSW Maritime held port stakeholder forums in the regional ports of Eden and Yamba. The stakeholders included port operators, marine industry representatives, and key staff from local and State Government departments. The aim of the forums was to discuss current and upcoming issues in the ports, and identify any strategies to address them.

In late 2010 and early 2011, NSW Maritime held follow-up meetings in both ports. At these meetings, the strategies were reviewed and updated, and some further issues identified. Key outcomes of these forums and meetings included:

- Enhancing the flow of information between the three tiers of government, the port industry and the community
- Balancing the competing interests of shipping, tourism and other commercial activity with the preservation of sites of cultural significance
- Promoting the regional ports as destinations for trade and tourism.

OTHER COMMUNITY INVOLVEMENT

Cutting red tape – commercial vessels

In recent years, NSW Maritime has introduced substantial changes to improve services and cut red tape for vessel builders and designers, and crew on commercial vessels.

During the past year, the most significant initiative was the introduction of the *Marine Safety (Commercial Vessels) Regulation 2010*, which commenced on 1 January 2011. This regulation represents a substantial reform of the regulatory framework for commercial vessels and their crew.

The new regulation simplifies requirements and improves transparency by consolidating all regulatory requirements for commercial vessels and crew into one regulation. It also reduces complexity, reflects current industry standards, and removes unnecessary bureaucratic practices. These new arrangements are saving the commercial vessel industry time and money without compromising on safety.

Three significant reforms that will benefit the industry have been introduced by the regulation.

The first major reform is the adoption of a risk-based approach for determining those vessels that require inspection, making NSW the first jurisdiction to adopt the new nationally agreed standard for the inspection of vessels. This replaces the previous approach in which all commercial vessels required inspection, irrespective of size or the risk level.

Now, only high-risk vessels require inspection to determine if they meet design and construction standards. For low-risk vessels operating in sheltered waters, inspections are no longer required and less onerous, though standardised, requirements are applied to their construction. It is also no longer necessary for larger vessels that have undergone a stringent inspection as part of the survey process to have a hull identification number. These reforms are saving vessel operators the cost of inspections and eliminating the need to have vessels out of service.

A second major reform is that interstate survey certificates and crew licences are now automatically recognised in NSW. This change allows vessels and crew to move seamlessly from other jurisdictions to NSW, and allows NSW operators to access the crew and vessels they need to operate and grow their businesses without administrative barriers. There is no additional paperwork, no additional costs and no delays for business.

A third major reform is that crew working on small non-passenger vessels operating in sheltered waters now only need a recreational boat licence rather than a commercial licence. This reform reduces barriers to those seeking work in the industry, helps address skill shortages, and provides valuable experience to those that may later want to apply for a commercial qualification and build a career in the industry.

NSW Maritime will continue to work collaboratively with the industry to improve service delivery and reduce costs while maintaining high levels of safety.

Cutting red tape – construction reforms

Anyone undertaking building work on Sydney Harbour is responsible for obtaining certification to show the work complies with relevant legislation and other standards. This process ensures development is safe and meets industry standards.

NSW Maritime has historically reviewed the engineering details of all construction work proposed on submerged land. As part of ongoing reforms of planning and leasing procedures throughout 2010-2011, applicants can now use accredited certifiers to inspect and certify construction work on Sydney Harbour. Administrative fees and forms which used to be associated with the process have also been removed.

Right: If trouble strikes and people end up in the water, a lifejacket will help save a life. The message is: at times of heightened risk, such as boating alone, at night, offshore or in adverse conditions... Wear It.

CASE STUDY

NSW – leading in national safety partnerships

Maritime safety demands national collaboration. The sharing of information and resources across national jurisdictions, where appropriate, can assist in promoting a culture of safe boating.

For this reason, NSW has played a leading role in efforts to promote cooperation and coordination in boating safety across jurisdictions throughout Australia and in New Zealand. Following the winding down last year of the National Marine Safety Committee and the transfer of that committee's commercial vessels functions to the Australian Maritime Safety Authority, NSW has ensured the collaborative effort in the recreational boating sector will continue.

Through 2010 NSW helped in the establishment of the Australian Recreational Safety Committee (ARBSC) and the ongoing work of the Australia and New Zealand Safe Boating Education Group (ANZSBEG).

NSW accepted the inaugural chair position for ARBSC and the chair role for ANZSBEG.

ARBSC is comprised of senior executives of State and Federal marine agencies, while ANZSBEG is comprised of senior boating safety staff of State and Federal, and NZ, marine agencies.

While ARBSC was officially formed in early 2011, ANZSBEG has been in operation since 1994. ANZSBEG's mission is to enhance the effectiveness of boating safety education in Australia and New Zealand and, in so doing, to help prevent boating incidents and associated injury and loss of life.

The goals of ANZSBEG are:

- To promote a recreational boating safety culture within the wider community
- To work with governments and the marine industry
- To facilitate and support good practice in recreational boating safety education
- To develop and support consistent national messages on safe boating
- To share information on safe boating education initiatives.

Each jurisdiction is faced with similar boating safety challenges and by sharing information and resources where appropriate, the group is able to deliver improved boating safety outcomes – not just for NSW but for all member jurisdictions.

Over the next 12 months, the ANZSBEG will target improved awareness programs that include lifejacket awareness, the risks of alcohol when boating, the need for appropriate emergency communications, the danger of propeller strike and the importance of accurate electronic navigation equipment.

The trans-Tasman collaboration is delivering benefits in boating safety education programs which contributed to NSW recording the safest boating season on record during 2010-2011.

At the close of Easter 2011, the end of the official boating season, boating fatalities and serious injuries in NSW were well down on the previous year-to-date figures, with an 86 per cent drop in fatalities and 55 per cent drop in serious injuries.

It is the best result for boating safety on record. With only three fatalities recorded in the period, it is 50 per cent lower than the previous record low achieved in the 2003-2004 season.

NSW is committed to maintaining and building such partnerships to further promote safe and responsible boating.



5

COMMUNITY INVOLVEMENT

CASE STUDY

Major stakeholder engagement through aquatic events

One of NSW Maritime's unique functions is the licensing and on-water coordination of major aquatic events.

These include annual events like the start of the Rolex Sydney to Hobart Yacht Race, Sydney's New Year's Eve Fireworks, and Australia Day celebrations; and special events such as the Sydney Olympics, Millennium Fireworks, APEC, World Youth Day, Jessica Watson's arrival, Oprah Winfrey's visit, and visits by the Cunard line Queens – Elizabeth, Mary and Victoria.

NSW Maritime has an enviable safety record in licensing and coordinating these events. A key figure in managing them is NSW Maritime's Chris Bolton. Chris is well qualified to manage these events – he served for 31 years in the Royal Australian Navy, retiring as Commander. He also holds a masters degree in leisure management and is a Master Mariner (MC1).

Chris has been with NSW Maritime for 20 years. After managing Sydney Harbour for seven years, he became Special Aquatic Events Manager in 1998 for the 2000 Sydney Olympics. Since then, he has led, managed, planned, implemented and evaluated over 100 major and special aquatic events.

The complexity of his role becomes clear when you look at just one of these events – the 2010 New Year's Eve Fireworks and Harbour of Light parade. NSW Maritime was the major event partner with the organiser, the City of Sydney, licensed the event, and issued the marine operations plan with responsibilities for risk and on-water crowd and traffic management.

Chris began preparing for the event in mid-2010 when he started briefing involved organisations – such as City of Sydney Production, Sydney Ports, Sydney Water Police, Sydney Ferries and Marine Rescue NSW – and masters of the fireworks barge, tug and workboats.

He spent the following months with legal assessment, risk and crowd management, operations planning, command control coordination, communications, training, and special briefings.

On the night, Chris was at the City of Sydney's event control centre in the AMP Building, working with the production and technical management team to provide direct feedback to the Maritime Commander, Trevor Williams, in NSW Maritime's Sydney Harbour control centre.

The event comprised seven fireworks barges and a fleet of over 50 commercial vessels in the Harbour of Light parade. Helping to manage it were 15 Marine Area Command vessels, 20 NSW Maritime vessels, 11 Marine Rescue NSW vessels, a National Parks vessel and a Police helicopter.

The evening went to plan. There were no major incidents, and very good compliance from the estimated 2500 to 3000 spectator vessels. Meanwhile, on land, the estimated 1.2 million spectators partied, happily oblivious to the hard work that had gone into making the event such a success.

NSW Maritime was also responsible for another highly visible part of the event – the flashing lights of its vessels that patrolled the boundaries of the exclusion zone, which was marked by over 150 buoys fitted with flashing yellow, red and green lights and safety messages. The buoys had been laid by NSW Maritime's Environmental Services team.

Chris attributes the success of every event to sound lead management, networking and teamwork; collaborating with external stakeholders; establishing and maintaining quality relationships with event organisers; careful planning of safety, operational competence, risk and crowd management; and on-water traffic coordination.

And he readily acknowledges the whole-hearted support of staff in every division of NSW Maritime, who are actively involved in facilitating the event – from early preparation to mapping, communications, security, implementation and evaluation.



OTHER COMMUNITY INVOLVEMENT (CONTINUED)

Clean, safe wharf initiative

In 2009-2010, NSW Maritime developed a co-ordinated and consistent approach to ensure commuter wharves remain clean and safe at all times. As part of this initiative, NSW Maritime awarded cleaning contracts for commuter wharves in June 2010.

To complement the initiative, fishing bans are in place at commuter wharves at Manly, Circular Quay, Taronga Zoo and Sydney Olympic Park; and partial fishing bans at City of Canada Bay Council wharves.

In November 2010, NSW Maritime organised a community forum to review the progress made and seek ways to further improve wharf cleanliness. As a result, the following measures were put in place:

- Increased wharf patrols by NSW Maritime boating safety officers, water police, council rangers and fisheries inspectors
- Nightly visits to problem wharves by members of fishing clubs to educate anglers on appropriate behaviour and cleanliness
- Use of existing CCTV cameras to monitor and identify problems on wharves together with the use of loudspeakers to discourage inappropriate behaviour.

NSW Maritime also trialled the following measures:

- Installation of purpose-built refuse bins on all commuter wharves
- Provision of water and power at problem wharves where such services do not exist
- Distribution of notices on appropriate behaviour with every new fishing licence issued
- Education on appropriate behaviour via community and commercial radio and by well-known public identities.

Far Left: Sydney to Hobart yacht race start... a time to ensure the fleet has a 'fair go' in racing clear of the harbour. This is achieved through special event controls including a large exclusion zone and navigation restrictions.

Left: New Year's Eve on Sydney Harbour... a time for skippers to take extra care.

Customer response - info line

NSW Maritime's Customer Service Call Centre provides an important link to the public. It operates seven days a week.

The call centre provides services such as boating and weather information, customer service feedback, payment of renewals and map purchases. It also responds to calls for assistance from the general public, police and volunteer marine rescue, and supports on-water Boating Safety Officers via two-way radio.

The call centre allows NSW Maritime to respond quickly to complaints and on-water issues in support of a culture of safe and responsible boating. The table below shows customer service statistics.

	2010-2011	2009-2010
Calls taken	119,954	93,251
Feedback taken	377	303
General on-water complaints	224	252
Personal watercraft complaints	34	51

There were 26,703 more calls taken this year than last year, while both general on-water complaints and personal watercraft complaints declined.

Provision of selected maritime services at RTA & GAC

All Roads and Traffic Authority Motor Registries and Government Access Centres provide selected maritime services, including boat licence knowledge tests and the receipt of payment for boat licences, moorings and vessel registrations.

About 27,609 renewal transactions and 2730 licence tests were conducted at these centres during the year.

5

COMMUNITY INVOLVEMENT



OTHER COMMUNITY INVOLVEMENT (CONTINUED)

2010 Sydney International Boat Show

NSW Maritime continued its partnership with the Boating Industry Association of NSW to promote boating safety at the Sydney International Boat Show.

The show attracted 73,158 visitors over the five days, with Sunday the busiest day (24,289 visitors).

At the show, NSW Maritime promoted its 'You're the Skipper – You're Responsible' campaign. It also had a large stand in Hall 5 and provided floor space gratis to the volunteer group Marine Rescue NSW.

To further promote a culture of safety, NSW Maritime expanded the number of partners on its stand to present a coordinated, single point of contact for all major maritime safety organisations. These included Australian Maritime Safety Authority, Australian Hydrographic Office, Department of Primary Industries (Fisheries), Recreational Fishing Alliance, Department of Lands, NSW Police Marine Area Command, Marine Rescue NSW, Boating Industry Association and Marine Teachers Association of NSW.

Partnerships program

NSW Maritime continued to build on existing partnerships and develop new ones to promote safe, responsible and enjoyable boating. This created stronger relations between the agency and organisations such as the Boating Industry Association, Boat Owners Association, Marine Teachers Association, United States Coast Guard, Royal National Lifeboat Institution of the UK and marine safety jurisdictions throughout Australia and New Zealand.

These partnerships have helped NSW Maritime to improve boating safety awareness in areas such as the wearing of lifejackets and safe navigation at night, and have led to the sharing of resources.

NSW Maritime has also formed partnerships with other organisations to promote safe, responsible and enjoyable boating, especially during specific events. Through these partnerships, NSW Maritime promoted safety during events that included Sail Port Stephens, Audi Sydney Harbour Regatta, Sydney International Regatta, and the Eden Whale Festival.

Maritime Medal

The NSW Maritime Medal recognises outstanding and sustained contributions by members of the public to the boating and maritime community. The first medal was awarded in 2006.

The annual awards are directed at, but not limited to, a person or group who performs an outstanding effort in the categories of safety, environment and community.

NSW Maritime is proud to support these awards as a way of expressing our gratitude to those who are making an extraordinary contribution.

In 2010, NSW Maritime awarded seven medals to individuals and groups at a function held aboard the restored 1874 tall ship, *James Craig*, at Sydney's Darling Harbour.

Above: The NSW Maritime Medal is awarded to people who are making outstanding and sustained contributions to the boating community.

Right: Our mission is serving our boating community.

Far right: Info Line operates seven days a week to assist the public with boating related business and information.

CASE STUDY

Electronic Service Delivery

Serving the boating community is the mission of NSW Maritime. This goal is being increasingly achieved through smarter service delivery and that means electronic service delivery.

NSW Maritime has a proud history of being able to keep near the forefront of electronic service delivery.

Through the 1990s, NSW Maritime gradually improved its ability to offer e-business solutions and service delivery.

In February 1996 customers were able to pay for their licence, registration and mooring renewal over the telephone.

In March 1999, NSW Maritime was one of the first government agencies to provide an online renewal service for these transactions.

Electronic service delivery is also an important element of the Boating Safety Communications and Education Plan. The principal focus of the plan is skipper responsibility, with secondary themes related to lifejacket use, safe navigation, trip planning, and alcohol restrictions. The plan includes specific campaigns on each theme, targeted at varying boating demographics and using a range of communication and education tools. Reflecting the rapid evolution in communications technology, the plan identifies the Internet as a channel targeted for significant expansion.

The first significant educational service delivery initiative by NSW Maritime was the establishment of a webcam trial launched in 2008 to provide real time video vision of the most popular bar crossings in NSW. This past year, this network was expanded to include the first high-country web cam which is located at Lake Eucumbene.

An online weather alert service was introduced in 2009. This service allows a person to choose the area of interest along the coast, or in Alpine areas, and to choose how often the alert is sent and most importantly, what wind threshold a person wants to be alerted to. In this way, it is possible to customise the alert to be of most use to an individual. This email service does not replace the official forecast and Maritime strongly recommends all skippers keep a close eye on the official weather.

In March 2010, NSW Maritime launched an online vessel navigation tool that allows people to test their knowledge of the buoyage and navigation light system. The agency liaised with, and gained permission from, the Royal National Lifeboat Institute of the UK, to adapt their existing product for use in NSW and other Australian states if needed.

In June 2010, an online facilities locator service was launched that allows people to locate, view details and obtain directions to services such as Maritime Service Centres, Government Access Centres and RTA offices, boatcode agents, boat ramps, waterside fuel and sewage pumpouts.

During 2010-2011, NSW Maritime migrated to the Government Licensing Service (GLS) which is designed to simplify licence processing across NSW through a single integrated system. These range from business, occupational, recreational and community service licences to various other types of certificates, notifications, permits and registrations. As of June 2011, the GLS system managed over 4.9 million NSW licences across more than 80 different licence types.

The next electronic service to be offered is an extension of the Maritime Alert to support the upcoming Don't Expire safety awareness campaign.

As every responsible skipper knows, there are certain items in the safety equipment list that have an expiry date. Such dates are applied in a bid to ensure this equipment will work when needed, which can include life threatening circumstances.

Safety gear that carry expiry dates include: flares, emergency position indicating radio beacons and inflatable lifejackets.

To help skippers understand their responsibility, the Don't Expire campaign will see an additional feature within the Maritime Alert that will allow a person to set personal reminders online for their safety equipment.



5

COMMUNITY INVOLVEMENT



CASE STUDIES

Emergency response in the Queensland floods

In late January 2011, south-eastern Queensland experienced disastrous floods with a large loss of life and enormous property and infrastructure damage.

While NSW Maritime's interstate assistance is usually in response to shipping incidents and oil spills, it has the capability and expertise to provide assistance in response to a range of different emergencies.

In the case of the Brisbane floods, a number of personnel from Maritime Operations Division were deployed following a request from Maritime Safety Queensland (MSQ) for on-water assistance on the Brisbane River.

NSW Maritime was able to assist by providing relief to MSQ personnel who had already worked a significant number of days. Personnel were involved in a wide variety of tasks including the recovery of navigation aids, debris removal, vessel recovery, and mooring audits.

When further flooding occurred in February 2011 NSW Maritime personnel were again on standby to respond to requests for assistance from the State and national emergency services.

NSW Maritime's Boating Safety Officer Bret Ryan was one of those who provided valuable assistance during the floods. Here, he shares his experience:

"At times the river was flowing at around 18 knots through the narrow sections in the heart of Brisbane."

"It's difficult to comprehend the volumes and quantity of debris that the river carried downstream. One small side tributary near the Brisbane River entrance at Pinkenba, called Boggy Creek, had accumulated some 500,000 cubic metres of debris."

"In places, riverfront properties lost massive sections of riverbank to expose cliffs of red soil while other parts got the lawn top-dressed with sand and silt that was metres deep."

"The only commuter ferry wharves to survive the flood were the old ones on timber piles. All that remained of the more modern editions were piles of twisted aluminium gang-planks and tilted, freestanding pylons."

"The Navy was a regular sight along the river, with dive teams surveying structures identified during sidescan sonar operations. Salvage teams with heavy-lift cranes on massive barges were raising all manner of vessels, including trawlers, yachts and runabouts from the bottom, not to mention semi-trailers, shipping containers and anything else that posed a threat to navigation."

"It was good to be a part of the NSW relief effort, which will ultimately help Queenslanders return to some degree of normal life."



OTHER COMMUNITY INVOLVEMENT (CONTINUED)

Multicultural relations

NSW Maritime's Multicultural Policies and Services Program details the actions the agency is committed to delivering in support of the four principles of multiculturalism. The program complies with the Community Relations Commission's Multicultural Planning Framework and is published on NSW Maritime's website.

During 2010-2011, NSW Maritime implemented actions under the program, using community language media in education and safety campaigns.

For example, the 'Ride Right' safety campaign, engaged multicultural social marketing experts to ensure the campaign effectively reached age-specific community groups. The campaign, which involved advertising in community media, amongst other strategies, received very positive feedback from community leaders.

In addition, NSW Maritime assessed the usage levels of the community language safety messages on its website, but no new trends in customer needs were identified. The feasibility of using translation software on the website was also assessed. It was found that Google Translate is sufficient to meet the needs of website users.

NSW Maritime also reviewed the usage of its Community Language Assistance Scheme and found that the scheme is not the most effective method for meeting the identified translation and interpreter needs of its customers, who do not relate to any particular community group in significant numbers. Accordingly, funding for the scheme ceased during the year; however, the *ad hoc* use of interpreter and translation services will continue.

During the year, NSW Maritime reviewed and updated its staff induction program to highlight the concept of cultural diversity and the importance of providing equitable accessibility for all members of the community.

Disability Action Plan

NSW Maritime's Disability Action Plan sets out the actions the agency will take to meet the needs of customers and stakeholders with disabilities. The plan was developed in accordance with the disability access planning guidelines published by the Department of Ageing, Disability and Home Care.

A major focus is the commitment to upgrade all Sydney Harbour commuter wharves to comply with the requirements in the Commonwealth *Disability Standards for Accessible Public Transport 2002* (as amended) by 2022.

During 2010-2011, as part of the wharf upgrade program, NSW Maritime constructed Milsons Point wharf and completed designs for Rose Bay and Neutral Bay wharves, which will be upgraded in 2011-2012. The design of all wharves complies with the disability access standards. In the coming year, NSW Maritime plans to finish designing at least two more wharves due for construction in 2012-2013.

Other initiatives during the year included:

- A review of staff training on how to provide appropriate service to customers with disabilities. This led to amendments to the staff induction program
- A review of the EEO Management Plan in relation to the actions listed to increase the number of employees with disabilities and to support current staff with disabilities.

Above left: NSW Maritime BSO Brett Ryan pictured with his Maritime colleagues and others who assisted during the Queensland floods.

Above: Rob Shehadie (left) proved a hit with the community during the Take it Easy campaign to promote safe and responsible use of personal watercraft.

6

MARITIME AND THE ENVIRONMENT





REDUCING THE IMPACT OF BOATING ON THE ENVIRONMENT

NSW Maritime has a statutory responsibility for the environment in the State's navigable waters.

Implementation of grey-water legislation

In 2010-2011, NSW Maritime requested the NSW Government to amend the *Marine Pollution Regulation 2006* to allow commercial vessel operators greater choice in how to manage their grey-water.

Under the planned amendments, most operators currently required to use a grey-water holding tank will have the choice of using either a holding tank or a grey-water treatment system that complies with Australian Standards. However, Class 1 passenger vessels on Sydney Harbour will continue to require a grey-water holding tank.

The proposed changes will provide operators with greatly reduced pump-out times should they choose to take up the grey-water treatment option. The changes will also ensure a consistent regulatory regime along the full length of the Murray River, with NSW requirements coming into line with those of South Australia. The new requirements will allow vessel operators to return clean water to the State's waterways.

NSW Maritime became aware of at least one treatment system that complies with the relevant Australian Standard. This system was certified after 12 weeks' continuous laboratory testing and eight months' field testing during the year.

Left: The new Environmental Services vessel arrived in the winter months and is well equipped to help keep Sydney Harbour clear of debris.

Above left: The new clean up vessel.

Above centre: Discussing communication solutions during an oil spill exercise.

Above right: The oil spill response team discuss tactics during a desk top exercise.



Environmental education

NSW Maritime continued to promote awareness of environmental issues for the boating community during the year. This involved a continual review and refinement of environmental messages in publications such as the Boating Handbook, the Marine Activity booklet for primary school age children and online information. NSW Maritime also produces dedicated publications, such as *Leave Only Water in Your Wake* and *Take Charge of Your Discharge*, to educate boaters on their responsibility to reduce the impact of boating on the environment.

Vessel waste recovery

To protect the marine environment from the impacts of sewage pollution from vessels and to encourage the responsible disposal of vessel waste, NSW Maritime maintains multiple pump-out facilities at King Street Wharf and Blackwattle Bay and monitors an additional two pump-out facilities at Cabarita and Birkenhead Point.

During the financial year of 2010-2011, a total of 13,588,674 litres of untreated sewage waste was pumped out from vessels through these facilities. This represented a 26 per cent improvement on the previous year's outcome. NSW Maritime also funds mobile vessel pump-out facilities on Myall Lakes. During the year 100,657 litres of untreated sewage waste was pumped out through these facilities, a decrease of 2 per cent on the previous year.

ENVIRONMENTAL SERVICES

Sydney Harbour

Sydney Harbour covers an area of 5020 hectares and has a combined foreshore length of 270 kilometres. NSW Maritime is responsible for ensuring the removal of hazards to navigation, litter and waste from the navigable waters of Port Jackson (Sydney Harbour), navigable tributaries (Parramatta and Lane Cove rivers) and public beaches and foreshores.



The Environmental Services team uses a fleet of purpose built vessels to perform this role, 365 days a year. Its tasks include:

- Clearing navigational hazards each day before ferry services commence on the Parramatta River
- Removing rubbish each day from waters, public foreshores and beaches
- Removing navigation hazards each day, wherever they are found
- Responding promptly to calls from members of the public, commercial and recreational vessels that sight and report hazards to navigation on harbour waters and foreshores
- Forming partnerships with local community groups with a view to jointly improving the marine environment
- Inspecting and testing public marine sewage pump-out facilities each day to ensure operational readiness
- Preparing for and delivering operational support to major aquatic events (such as the Sydney to Hobart race, New Year's Eve fireworks and Australia Day celebrations)
- Contracting work to patrol and clean Sydney Water's litter booms
- Supporting maintenance and service work of all NSW Maritime vessels at Rozelle.

During the year, the Environmental Services team recovered and removed 2284 cubic metres of hazards to navigation, litter and waste material from harbour waters, tributaries and public beaches and foreshores. This waste was transported to approved waste transfer stations.

6

MARITIME AND THE ENVIRONMENT



CASE STUDIES

Environment

NSW Maritime has a responsibility to ensure removal of litter and hazards to navigation from Sydney Harbour and tributaries, the Parramatta and Lane Cove Rivers. To meet this responsibility, a fleet of purpose built vessels are used to clean these waters and foreshores, a surface area of 5020 hectares and with a combined foreshore length of 270km.

The Environmental Services fleet collects an average annual volume of 2800 cubic metres of debris comprised of floating litter, debris and other hazards to navigation. To keep the fleet up-to-date, a new \$1.8 million flagship vessel was designed and, following a tender process, built in New Zealand.

The vessel is 16.3m long, powered by twin 450-horsepower engines and has an on-board crane. Litter is skimmed from the water with a special water-jet assisted litter capture cage fitted between its catamaran hulls.

As construction on the vessel neared completion, options were considered for naming and holding an official commissioning ceremony. It soon became apparent that any such naming could be tied to an opportunity to raise awareness about the need to care for the environment of Sydney Harbour.

With the support of the Marine Teachers Association, the Department of Education and Training, and the Sydney Heritage Fleet, NSW Maritime developed an environmental awareness package around a naming competition.

The package included a media event, media release, online entry system, editorial support, photography and a new mini website under banner of Caring for Your Harbour.

Entries were invited from more than 500 primary schools in Sydney and a four-hour cruise on Sydney Harbour was the prize. The cruise would be aboard either the historic schooner Boomerang or the historic steam tug Waratah. Both vessel are more than 100 years old and are part of the collection of the Sydney Heritage Fleet.

From the website <http://www.caring4yourharbour.com.au/> students were able to:

- Download a poster which features the state-of-the art rubbish retrieval boat
- Order or download Marine Safety activity books
- Download a copy of 'Leave Only Water in Your Wake' brochure on protecting the marine environment
- View photographs of Environmental Services boats and other vessels at work on the Harbour
- Learn more about how litter is removed from the marine environment.

Class 3/4J of Carlton South Public School in Sydney put forward the winning name of *Mallagongan* – an Aboriginal name for the platypus. Their entry pointed to the unique nature of the platypus. The class entry said: "It is not a bird because it doesn't have feathers; it's not a mammal because it lays eggs and it's not a lizard because it doesn't have scaly skin. It is in a class of its own, just like the new flagship harbour cleaning vessel!"

Class 3/4J of Carlton South Public School went on to say: "Mallagongans love water and often spend 12 hours a day searching for food. This flagship will be like the Mallagongan because it will always be looking for litter and hazards in the water".

The mini site <http://www.caring4yourharbour.com.au/> remains as an educational resource.

Above: The Minister for Ports and Roads Duncan Gay congratulates the students of Carlton South Public School for their winning entry to name the new Environmental Services vessel... Mallagongan.

ENVIRONMENTAL EMERGENCY MANAGEMENT

Oil and chemical spill response

NSW Maritime is responsible for coordinating the National Plan in NSW. The agency works closely with the NSW port corporations and other supporting NSW agencies to ensure the State is prepared to respond to shipping accidents in NSW waters.

NSW Maritime is also the 'combat agency' for responding to marine oil and chemical spills in State waters between the Queensland border and Fingal Head (Port Stephens) and from Gerroa to the Victorian border. These areas include the Ports of Yamba and Eden and the State waters around Lord Howe Island.

During the year, NSW Maritime conducted exercises to test response-readiness including:

- The annual State marine incident response exercise (October 2010). The exercise scenario was based in the Port Kembla region and included a place of refuge request, an oil spill outside port waters and a shoreline cleanup. The following organisations participated: Fire and Rescue NSW, NSW Police, the Office of Environment and Heritage, local government, NSW Health, NSW port corporations, Industry and Investment NSW, oil companies Shell and Caltex, and Svitzer Salvage Australia
- The annual pollution response exercises at the Port of Eden, Port of Yamba and Lord Howe Island.

In addition, NSW Maritime provided specially tailored training for support staff. This included a Finance, Administration and Logistics Level 2 course in September 2010, which was attended by personnel from NSW Maritime, Sydney Ports Corporation and Port Kembla Port Corporation.

The agency also conducted a Senior Executive Maritime Incident and Crisis Management Workshop in March 2011, which was attended by personnel from 18 agencies, including six interstate and two Commonwealth agencies.

A number of staff attended national training courses during the year.

New emergency response equipment

During 2010-2011, NSW Maritime continued to replace and upgrade oil spill response equipment. This included:

- Replacing a general-purpose boom at Eden
- Purchasing a facility for washing oiled wildlife
- Purchasing a trailer for the decontamination tent at Eden
- Developing a portable computer network for incident response
- Developing a portable telephone system that will allow NSW Maritime to have four permanent telephone numbers for an Incident Control Centre no matter where it is located.

Incidents

There were a number of minor shipping incidents in NSW waters during 2010-2011.

The most significant was a spill of about 12 tonnes of heavy fuel oil at Kooragang Basin in the Port of Newcastle in August. The area was boomed and some oil recovered. Some of the oil entered the North Arm of the Hunter River where a shoreline cleanup was undertaken to clean oil from mangrove and saltbush areas.

The shoreline response involved a number of supporting agencies and took four weeks to complete. During the response, 30 pelicans were captured and cleaned.

Following the incident, a debriefing was held for all agencies involved in the response. It recommended that early phases of the notification process for incidents be further streamlined.

The NSW State Waters Marine Oil and Chemical Spill Contingency Plan is being updated to reflect this recommendation. Recommendations are being implemented via the NSW National Plan Executive Committee.

Emergency management

During the year, NSW Maritime continued to fulfil its roles in emergency management at the local, district, State and national level. As part of its role as the combat agency for marine pollution response, NSW Maritime is a member of relevant district and local emergency management committees. These committees coordinate support from various agencies on behalf of NSW Maritime, during an oil-spill response.

NSW Maritime is also represented on the State Emergency Management Committee (SEMC), which met four times during the year. As a member of SEMC, NSW Maritime is a supporting agency under a number of other emergency management plans such as the flood, tsunami and influenza pandemic plans.

NSW Maritime assisted Maritime Safety Queensland with its response to the floods in Brisbane. Six NSW Maritime staff were seconded to repair navigation aids, remove debris and provide pollution response.

In August 2010, NSW Maritime conducted its second internal emergency management exercise, Blackadder II. The aim of the exercise was to test the outcomes identified during the inaugural exercise held 12 months earlier. It also tested NSW Maritime's ability to respond to large complex incidents in order to further enhance the agency's organisational resilience.

To address the recommendations from Blackadder II, an executive sub-committee was established to oversee emergency management arrangements within NSW Maritime.

7

OUR ORGANISATION

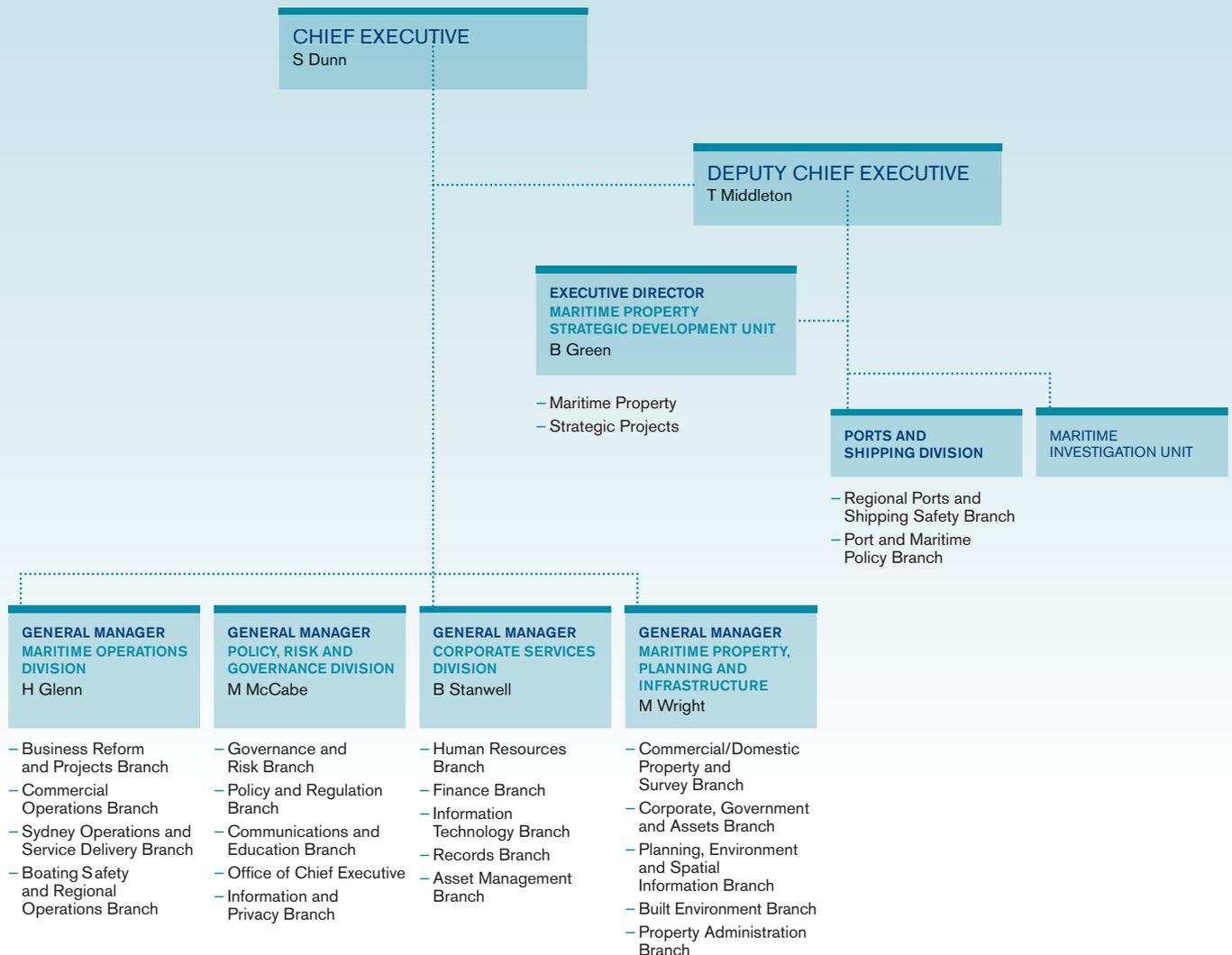


Note: On 15 July 2011, the Minister for Roads and Ports Duncan Gay MLC and the Minister for Transport Gladys Berejiklian MP announced the establishment of a new agency, Roads and Maritime Services (RMS). Upon establishment of RMS the Maritime Authority of NSW will be abolished and its functions, property and other assets transferred to the new agency. Michael Bushby was appointed Acting Chief Executive in August 2011.

ORGANISATIONAL STRUCTURE

Organisational chart – NSW Maritime

as at 30 June 2011



Left: Our mission is to provide safe waterways and support for the maritime community.

7

OUR ORGANISATION

ORGANISATIONAL STRUCTURE (CONTINUED)

Management team



STEVE DUNN – BSc Hons (Plymouth),
MMgt (Macquarie)

Chief Executive (until August 2011)

Steve Dunn was appointed as Chief Executive in July 2008 after joining NSW Maritime in August 2007 as the Deputy Chief Executive.

He joined the NSW public sector in 1991 as a Fisheries Officer with the Department of Fisheries and Agriculture and then held a number of senior management positions in the Australian public sector. These positions included Director of Victorian Fisheries, Director General of NSW Fisheries, and Executive Director in the Department of Natural Resources.

As well as implementing major fishing industry reforms, he was a member of the board of the NSW Marine Parks Authority and played a lead role in the introduction of both the Solitary Islands and Jervis Bay Marine Parks. He is a past Chair of the National Fisheries Compliance Committee and was the inaugural Chair of the Australian Fisheries Management Forum.

From 2004 to 2006 he held a diplomatic posting as Deputy Director General of the Pacific Islands Forum Fisheries Agency (FFA) based in Honiara, Solomon Islands.

He is a keen fly fisher, a scuba diving instructor, and holds a commercial vessel Coxswain's certificate of competency.



TONY MIDDLETON – BA Hons (London),
MPP (Deakin)

Deputy Chief Executive

Tony Middleton was appointed as Deputy Chief Executive in January 2009. He has responsibility for the Ports and Shipping Division, the Maritime Investigation Unit and the Maritime Property Strategic Development Unit. He has been with NSW Maritime since December 2004.

His previous roles were Director, Marine Safety Victoria; General Manager Policy and Planning at NSW Waterways Authority; and in the NSW Department of Transport with responsibility for taxi and hire car regulation.

His responsibilities include port policy; shipping safety; management of the regional ports of Eden and Yamba; marine environmental policy for shipping; pollution response; maritime incident investigation; intergovernmental relations; and oversight of the strategic development of NSW Maritime land, adjoining the main harbours of NSW, for maritime purposes.

Tony has considerable knowledge of ports and maritime issues, particularly in relation to safety, environmental policy and regulatory activities. He has extensive experience in maritime-related intergovernmental issues through past membership of the National Marine Safety Committee and other national maritime policy and environmental committees.



HOWARD GLENN

General Manager Maritime Operations

Howard Glenn leads the Maritime Operations Division, which is responsible for promoting safe boating throughout New South Wales, together with programs for improving access to and navigation on the State's waterways.

Since joining NSW Maritime in 2008, he has had a wide range of responsibilities. These have involved legislative and policy reform, managing commercial vessel safety programs, and finalising arrangements for the Sydney Harbour commuter wharves upgrade program.

Immediately prior to coming to NSW Maritime, Howard managed the vehicle registration business of the NSW Roads and Traffic Authority, and introduced substantial business and legislative reforms that allowed for a major increase in transactions that could be completed online.

Howard has held several other executive roles with the NSW and Commonwealth governments specialising in bringing business, government and the community sector together to cooperate on complex policy and program reforms. This has included the establishment of the reconciliation process, the modernisation of Australia Day celebrations and awards, and a range of other human rights and social policy initiatives.



MELINDA MCCABE – MPP (Sydney)
General Manager Policy, Risk and Governance

Melinda McCabe was appointed General Manager, Policy, Risk and Governance in 2010. She is responsible for the development of NSW Maritime's strategic policy, the governance framework, and risk management activities.

Her division also has responsibility for NSW Maritime's communication and education program, its corporate planning functions, the provision of legal advice, and preparation of Ministerial and Chief Executive correspondence.

A key responsibility is to deliver the three-year \$3 million Boating Safety Communications and Education Plan. This plan has the over arching theme of You're the Skipper – You're Responsible and is delivering safety education programs in support of statewide safety awareness compliance.

In addition, the Division oversees all matter relating to Ministerial correspondence, issues management, media activities and development of strategic safety partnerships.

Melinda joined NSW Maritime in 2008 in the Property Division as Manager, Business Support and Policy and prior to becoming General Manager she held the role of Executive Director, Governance and Risk. Melinda has also held roles at the Independent Commission Against Corruption and the Office of State Revenue.



BRIAN STANWELL – CPA
General Manager Corporate Services

Brian Stanwell was appointed General Manager Corporate Services in November 2004 and is responsible for finance, human resources, information technology, asset management, records management and internal audit. He is also the Chief Audit Executive and reports to the Audit and Risk Committee on matters arising from internal and external audits.

He joined the Finance Branch of the former Maritime Services Board in 1980, where he held a number of senior accounting and finance positions.

NSW Maritime is non-budget dependent, so a key responsibility is managing its financial obligations to retain its self-funding status and provide an annual operating distribution to NSW Treasury. A major accomplishment during the year was the Maritime Authority of NSW Enterprise Agreement 2010-2013, which defines the working arrangements for NSW Maritime staff.

His other responsibilities include managing NSW Maritime's minor capital program that provides the working assets such as cars, boats, computers and office equipment to the organisation; preparing forward estimates and reporting to NSW Treasury on NSW Maritime's financial performance; introducing new information technologies; and providing safe storage for the organisation's vast collection of documents and records.



MICHAEL WRIGHT – BA (Sydney), BComm (UNSW)
General Manager Maritime Property, Planning and Infrastructure

Michael Wright joined NSW Maritime in January 2011. As General Manager, Maritime Property, Planning and Infrastructure, he leads NSW Maritime's commercial, corporate, domestic and community property leasing, licensing and management programs; directs the organisation's involvement in land use planning matters, particularly for developments on Sydney Harbour; and oversees the delivery of the Sydney Harbour commuter wharves upgrade program.

He has over 20 years of senior managerial and executive level experience. This includes five years with The Cabinet Office leading and coordinating natural resource management and environmental planning matters; five years managing a policy division and four years as Director, Policy and Science with the National Parks and Wildlife Service; and seven years as Director, Reserve and Wildlife Conservation and Director, Protected Areas Policy and Programs with the Department of Environment, Climate Change and Water.

Some of his achievements include working to resolve conflict around the use of public forests, dealing with conservation and fishing interests to deliver marine conservation and sustainable commercial and recreational fishing outcomes, growing the area covered by the NSW national parks system by more than 50 per cent, and establishing a pioneering legislative framework for Aboriginal involvement in park management.

7

OUR ORGANISATION

ORGANISATIONAL STRUCTURE (CONTINUED)

Corporate structure

NSW Maritime is a statutory body classified by NSW Treasury as a non-budget dependent general government agency. NSW Maritime is a self-funding entity.

The Chief Executive is responsible and accountable to the NSW Minister for Roads and Ports for NSW Maritime's overall performance and for ensuring performance is consistent with legislative compliance and best-practice principles.

Strategic direction and operational management is the responsibility of an Executive Management Committee (EMC) consisting of the Chief Executive, the Deputy Chief Executive, four General Managers, the Executive Director, Strategic Development, Manager Communications and Manager, Office of the Chief Executive.

The EMC plays a key role in the delivery of the NSW Maritime governance framework. It supports the decision-making process by providing a discussion and evaluation forum; in some instances, it provides formal advice and decision-making. The EMC develops and reviews the framework and plays a lead role by:

- Shaping NSW Maritime's strategic direction
- Administering an overarching framework of internal policies and procedures
- Monitoring operational management
- Focusing on risk and NSW Maritime's response to events
- Ensuring accountability for NSW Maritime's activities and actions.

Advisory bodies and committees also provide advice to the EMC.

Statutory framework

During 2010-2011, the Maritime Authority of NSW, trading as NSW Maritime, administered (either wholly or partly) or operated under the following legislation:

Commercial Vessels Act 1979
Environmental Planning and Assessment Act 1979
Marine Pilotage Licensing Act 1971
Marine Pollution Act 1987
Marine Safety Act 1998
Marine Safety Legislation (Lakes Hume and Mulwala) Act 2001
Maritime Services Act 1935
Navigation Act 1901
Passenger Transport Act 1990
Ports and Maritime Administration Act 1995
Protection of the Environment (Operations) Act 1997
Transport Administration Act 1988.

CORPORATE GOVERNANCE

Governance framework

NSW Maritime's Governance Framework has been developed to ensure the management and control of the agency and its activities are both effective and appropriate, and are undertaken in accordance with the principles of good governance.

The framework details NSW Maritime's oversight systems and processes, the structures through which organisational objectives are identified and delivered, and the mechanisms for performance and compliance monitoring. The framework also codifies the rules and processes for decision-making and delegated responsibilities.

The framework's success is dependent upon the organisation's culture and values being aligned to it, and it being actively implemented. An action plan for the implementation of the framework has been developed and is monitored by NSW Maritime's Executive.

Ethical behaviour and corruption prevention

NSW Maritime's ethical framework is detailed in policies and guidelines relating to ethical conduct, managing complaints and allegations, preventing fraud and corruption and making public interest disclosures.

The Code of Conduct and Ethics applies to all employees, contractors, volunteers and anyone representing NSW Maritime. The code embraces values that NSW Maritime upholds and describes the ethical framework that guides actions, decisions and behaviour. Minor amendments were made to the Code of Conduct and Ethics as a result of an annual review.

Training for managers and supervisors on ethics and accountability was developed and delivered in 2010-2011 as a component of the NSW Maritime program for managers.

During 2010-2011, all NSW Maritime managers attended the ICAC Corruption Prevention for Managers Course and the Executive Management Committee attended an ICAC workshop for executives.

NSW Maritime conducted workshops for all staff on corruption prevention, which covered secondary employment, the use of public resources and recruitment. The workshops were delivered by the Chief Executive. A finance-specific fraud and corruption prevention workshop was delivered to ensure finance staff were alert to the possibility of fraud and corruption, including awareness of the process to alert and report irregularities.

A Corruption Prevention Strategy has been developed, which communicates NSW Maritime's corruption prevention principles and corruption prevention plan. The strategy was issued to staff via the intranet.

Risk management and insurance

NSW Maritime maintains organisational arrangements that provide additional assurance, independent from operational management, on risk management and internal audit, consistent with NSW Treasury Circular TC 09/08 Internal Audit and Risk Management Policy.

It has developed an enterprise-wide risk management framework, which provides information on the roles, responsibilities, processes and procedures, standards, tools and documentation to be used for managing risk at NSW Maritime. The Framework applies the International Standard for Risk Management (AS/NZS ISO 31000:2009).

The risk management framework is supplemented by policies, procedures and plans that deal with specific categories of risk, such as occupational health and safety and incident management.

The NSW Treasury Managed Fund provides NSW Maritime's cover for its insurable risks in the areas of workers' compensation, motor vehicles, liability, property, travel and personal accident. No major changes to insurance activities occurred in 2010-2011.

NSW Maritime's comprehensive internal audit program helps to ensure NSW Maritime's programs and processes comply with legislation and best practice. Audits conducted during the year found that systems were predominantly sound. There were no areas with 'extreme' risk ratings. The areas identified with 'high' risk ratings were all controlled by the acceptance of a range of recommendations.

NSW Maritime adopts an outsourced internal audit delivery model. During 2010-2011, NSW Maritime undertook a tender process to appoint an internal auditor for a new term.

The Audit and Risk Committee provides independent assistance to the Chief Executive by overseeing and monitoring NSW Maritime governance, risk and control frameworks, and its external accountability requirements. The Audit and Risk Committee met five times during 2010-2011.



CORPORATE GOVERNANCE Internal Audit and Risk Management Attestation For the 2010-2011 financial year for NSW Maritime

ICE11/453

I, Steve Dunn am of the opinion that NSW has internal audit and risk management processes in place that are, in all material respects, compliant with the core requirements set out in Treasury Circular NSWTC09/08 "Internal Audit and Risk Management Policy". These processes provide a level of assurance that enables the senior management of NSW Maritime to understand, manage and satisfactorily control risk exposures. NSW Maritime adopts the outsourced service delivery with only in-house project management model as it is a small agency that would have difficulty securing and retaining internal audit staff with sufficient skilled expertise to deliver professional internal audit services.

I, Steve Dunn am of the opinion the Audit and Risk Committee for NSW Maritime is constituted and operates in accordance with the independence and governance requirements of Treasury Circular NSWTC09/08.

The Chair and Members of the Audit and Risk Committee are:

Independent Chair: Dr Liz Coombs – appointed 7 January 2009 for a three year term.

Independent Member 1: Alex Smith – appointed 16 January 2010 for a three year term.

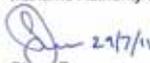
Independent Member 2: Ken Barker – appointed 23 February 2010 for a three year term.

Non-independent Member 1: Howard Glenn, General Manager Maritime Operations appointed 17 February 2010 for a three year term.

Non-independent Member 2: Melinda McCabe, General Manager Policy, Risk and Governance appointed 15 February 2010 for a three year term.

I, Steve Dunn declare this Internal Audit and Risk Management Attestation is made on behalf of the following controlled entities:

Maritime Authority of NSW Division.


Steve Dunn
Chief Executive
NSW Maritime

Contact Officer
Brian Stanwell
General Manager Corporate Services (Chief Audit Executive)
Telephone: 9563 8670

City Office | Level 11, 207 Kent Street, Sydney NSW 2000 | P: 02 9563 8511 | F: 02 9384 2321
Rosette Office | James Craig Road, Rosette NSW 2039 | P: 02 9563 8511 | F: 02 9563 8530
Postal Address | Locked Bag 5100, Camperdown NSW 1450 | Web | www.maritime.nsw.gov.au

7

OUR ORGANISATION

Procurement guidelines

NSW Maritime built on the procurement framework developed in the previous year and drafted a series of guidelines for staff to assist in the procurement process.

The guidelines reflect the General Purchasing Delegation made under Clause 10 of the *Public Sector Employment and Management (Goods and Services) Regulation 2010*, with separate guidelines drafted for procurement under \$3000, procurement from \$3000 to \$30,000, and procurement from \$30,000 to \$250,000.

Audit and Risk Committee

In August 2009, NSW Treasury issued the Internal Audit and Risk Management Policy for the NSW Public Sector (TPP09-5). The Policy and Guidelines paper includes six core requirements:

- An operationally independent internal audit function
- Appointment of a Chief Audit Executive
- An Audit and Risk Committee (ARC) with an independent chair and a majority of independent members appointed from the central register of 'pre-qualified' individuals established by DPC Circular C2009-13 Prequalification Scheme: Audit and Risk Committees
- Consistent application of a 'model charter' for Audit and Risk Committees
- Adoption of current standards for enterprise risk management
- Adoption of current standards for professional practice in internal audit.

NSW Maritime's Audit and Risk Committee has five members:

- Dr Liz Coombs (Independent Chair)
- Ken Barker (Independent Member)
- Alex Smith (Independent Member)
- Howard Glenn (Internal Member – General Manager Maritime Operations)
- Melinda McCabe (Internal Member – General Manager Policy, Risk and Governance).

Regular meeting observers include:

- Steve Dunn (Chief Executive)
- Brian Stanwell (General Manager, Corporate Services and Chief Audit Executive)
- Kelly McFadyen (Executive Director, Governance and Risk)
- Audit Office of NSW
- Internal Audit Bureau.

Members are appointed for an initial period of three years, after which they are eligible for extension or re-appointment for a further maximum term of three years, after a formal review of their performance.

In accordance with NSW Maritime's Internal Audit Manual, the Internal Auditors are appointed to a maximum five-year term. During 2010-2011 the contract for the provision of internal audit services was tendered and the Internal Audit Bureau retained the contract for a further period of up to five years, subject to performance.

During 2010-2011, NSW Maritime's ARC met five times to consider the findings of reviews on NSW Maritime's systems of internal controls. Audit recommendations for improvements in systems and procedures are considered by management, and when agreed, are compiled in a recommendations register to manage progression on the recommendation's implementation.

ICAC inquiry

In April 2010, the Independent Commission of Against Corruption (ICAC) conducted a public enquiry into the misuse of resources by a NSW Maritime Legal Services Branch Officer. NSW Maritime fully cooperated with the ICAC during the process. The ICAC released its report in September 2010 and made seven corruption prevention recommendations to NSW Maritime.

NSW Maritime accepted the ICAC recommendations and is committed to implementing them and regularly reporting the progress of implementation to the ICAC. NSW Maritime submitted its first progress report to the ICAC in April 2011 and is on track to complete the implementation of the corruption prevention recommendations.

Privacy Management Plan

NSW Maritime commenced a review of its Privacy Management Plan during the year. The plan is required by the *Privacy and Personal Information Protection Act 1998*, which sets out how all NSW public sector agencies must manage personal information and specifies how personal information is to be collected, stored, accessed, used, disclosed and destroyed.

STRATEGIC PLANNING

Strategic and business planning

NSW Maritime's strategic and business planning activities are structured to ensure the agency's focus and activities support its vision of serving the boating community, as well as the goals of the *State Plan*.

The agency's 2010-2013 Corporate Plan is implemented through an Implementation Plan, which is supported by more detailed divisional and branch business plans. During 2010-2011, the Executive Management Committee oversaw progress of the Corporate Plan at quarterly reviews.

The Executive also used a strategic management calendar to identify key organisational priorities. The calendar details NSW Maritime's responsibilities to other agencies on a month-by-month basis.

Early in 2011, the Executive undertook a planning workshop, which confirmed the agency's strategic direction and focus. The Corporate Plan was then reviewed and amended to better reflect contemporary circumstances and address emerging issues. It was delivered to the Minister for Roads and Ports on 30 June 2011 in accordance with the *Ports and Maritime Administration Act 1995*. The plan is available on NSW Maritime's website.

Right: The Geospatial Information team supports all of the mapping and plan drawing requirements of both NSW Maritime and external stakeholders.



OUR ORGANISATION

Compliance framework

A compliance framework has been developed which informs the community of NSW Maritime's approach to managing compliance with the legislation it administers, and the processes it employs to ensure compliance actions are implemented in a fair and equitable manner. The compliance framework, which is available on NSW Maritime's website, is supported by NSW Maritime's operational policies and procedures, which guide its authorised officers in the implementation of its legislative obligations.

During 2010-2011, NSW Maritime undertook a review of its own compliance with marine legislation administered by the Minister for Roads and Ports. The review will continue in 2011-2012 to assess compliance with relevant instruments such as legislation and regulations administered by other NSW Ministers and NSW Government policy.

Policy framework and development

NSW Maritime progressed the development and implementation of an overarching policy framework during the year.

One key step was to introduce a corporate document register. The register is designed to store all finalised policies, procedures and other corporate documents in an easily accessible location for all NSW Maritime staff. It improves document control and provides an authoritative reference point.

Administrative instructions for staff

The past year has seen a major focus on developing policies and procedures for staff. The following administrative instructions were introduced:

- A comprehensive instruction setting out the processes and procedures for recruiting and selecting staff (including ICAC recommendations on pre-employment checks)
- An instruction on relieving opportunities
- An instruction on the new purchased leave provisions (which follows the public service model)
- Updates to the instruction on parental leave to incorporate the new Commonwealth Paid Parental Leave provisions.

At the time of preparation of this report, the following were nearing final approval:

- A new instruction on leave without pay
- A comprehensive set of procedures and controls for the engagement of contractors and temporary employees
- An instruction on driver fatigue.

In addition, the following are currently being prepared:

- A strategic framework for the handling of employee complaints
- An instruction on lactation breaks (based on the public service model).

IT management

NSW Maritime finalised its Information and Communication Technology (ICT) Strategic Plan 2010-2013 and began to implement its recommended projects.

This included preparation for the upgrade of Windows and the MS Office suite used throughout the organisation, and upgrading the records management system prior to rollout.

After the implementation of the Government Licensing System, a data network upgrade is required to help improve the efficiency of the service, and provide for future systems, such as VoIP telephony, video conferencing and regionalised records management.

NSW Maritime will continue to implement the ICT Strategic Plan, enabling the provision of up-to-date services and goals for stakeholders and the general public.

Other IT projects undertaken during the year included the relocation of South West Rocks and Ballina offices to new sites, disaster recovery testing, and an e-mail system upgrade.

Introduction of the Government Licensing System (GLS)

In July 2010, NSW Maritime switched to the Government Licensing Service (GLS), which replaced NSW Maritime's WALROS licensing, registration and moorings database.

The GLS is a new centralised computer system to deliver over 65 NSW State licences across eight government departments across the State. It is developed and managed by the NSW Department of Finance & Services (DFS).

The objective of the switch to the new system was to reduce operational costs, reduce red tape, increase system efficiency, improve system security and offer more online services to customers across the State.

The transition to the GLS was a major change for the organisation, and involved training over 180 staff, engaging additional staff at city and regional offices, software and hardware upgrades and replacement, and notification to customers that a new system was being implemented. NSW Maritime's GLS project implementation team worked closely with staff and the project team at DFS to manage the significant challenges posed by the implementation.

Over 900,000 transactions were processed using the GLS in the first 12 months of implementation. However, the Audit Office of NSW raised the implementation of the GLS as a significant matter in the 2010-2011 audit due to processing delays, data migration problems, transaction errors and reconciling accounting information. In response to these issues, NSW Maritime advised that additional customer service staff were recruited to deal with the transaction processing issue, and comprehensive financial reconciliations have been developed between the GLS and the general ledger. The GLS is now fully implemented with the GLS team continuing to work on system improvements.

Changes proposed over the next year include a better vessel registration process for manufacturers, on-water compliance management, and more online services for customers.

Development of NSW Maritime

A number of major events took place during the year. The most significant were:

- Introduction of the 2010-2013 Enterprise Agreement that defines employer–employee workplace relations until 30 June 2013. The agreement provides a four per cent salary increase to employees for each year of the three-year agreement. (Wages policy guidelines determined that employee-related savings must fund any increase above 2.5 per cent. This requirement was met by identifying a number of initiatives that, in aggregate, enabled the increase above 2.5 per cent to be funded)
- Re-organisation of the Maritime Operations Division, which encompasses commercial vessel, recreational boating and regional services functions and came into effect on 5 July 2010. The division was re-organised to reduce the number of direct reports to the General Manager and to absorb the responsibilities of managing the business relationship with GLS. The revised structure became effective in January 2011
- A switch to GLS (see above description).

During 2010-2011, NSW Maritime was also involved in Transport Shared Services' scoping studies and baselining projects to determine corporate service activities that should be included in the shared service environment.

Towards the latter part of the financial year, NSW Maritime became involved with the development of the integrated transport authority – Transport for NSW. NSW Maritime participated in workshops to review the approach by transport agencies to common corporate service procedures, such as accounts payable and receivable, payroll processing, fleet management and procurement. Further work was undertaken reviewing IT platforms and the utilisation of hardware and software programs.

CASE STUDY

Audit and Risk Committee

NSW Maritime's Audit and Risk Committee (ARC) was restructured in August 2009 when NSW Treasury issued the Internal Audit and Risk Management Policy for the NSW Public Sector. The policy and accompanying guidelines included six core requirements:

- 1) An operationally independent audit function
- 2) Appointment of a Chief Audit Executive
- 3) An Audit and Risk Committee with an independent chair and a majority of independent members
- 4) Consistent application of a model charter for Audit and Risk Committees
- 5) Adoption of current standards for enterprise risk management
- 6) Adoption of current standards for professional practice in internal audit.

NSW Maritime's ARC consists of five members, the maximum permitted under the policy. The ARC comprises an independent Chair and two independent members, the General Manager Maritime Operations and General Manager Policy, Risk and Governance.

Regular meeting observers include the Chief Executive, General Manager Corporate Services/Chief Audit Executive, Executive Director Governance and Risk, Audit Office, Internal Audit Bureau.

The purpose of NSW Maritime's ARC is to provide independent assistance to the Chief Executive by overseeing and monitoring NSW Maritime's governance, risk and control frameworks and its external accountability requirements.

The independent members have strong professional and technical backgrounds within their areas of expertise, while the internal members and regular meeting observers are experienced in NSW Maritime's operations.

On appointment, the independent ARC members are given an induction to provide them with a background to the organisation, the extent of its responsibilities and involvement with stakeholders and customers. At each meeting a list of 'significant financial transactions' is produced that informs the independent members on material amounts that have been processed by NSW Maritime since the last meeting. Those items are discussed and evaluated.

A partnership exists between the members of the ARC: the independent members can call on the experience of internal members to explain and put into context many of the observations and findings about NSW Maritime's operations, processes and procedures that arise through audit reviews and the ordinary conduct of the meeting. This collaborative approach strengthens the effectiveness of the ARC without threatening or compromising the independence of the members.

8

OUR PEOPLE



Learning and development

Training activity was a major focus through the entire year. There was particular emphasis on the topic of 'fraud awareness and avoidance of corruption', with all staff attending the training.

Over 300 staff attended HR-organised learning or development activities, mainly conducted via our in-house registered training organisation (RTO). The most popular courses were:

- Certificate III in Government (required by Customer Service Officers)
- Certificate IV in Government (Investigations)
- Certificate IV in Government (Workplace Training)
- Boating Safety Officer Compliance Training program.

A major initiative was the first intake under a new trainee scheme, with 16 trainees undertaking a 12-month structured traineeship with the organisation. NSW Maritime used feedback on the initial course to fine-tune the course structure and deliverables. The scheme has been repeated in 2011.

Following a 2009 audit by IAB Services into training effectiveness, NSW Maritime began work to introduce a learning management system. The project is well underway – a provider has been selected, dedicated hardware and software have been ordered, and the system is being customised and tested. This initiative will enable NSW Maritime to:

- Centralise all training and related records, including courses, competencies/skills at various proficiency levels, and assessment results
- Establish a consistent process for booking, approving, attending and evaluating courses and training providers
- Provide a single repository and version control for all the organisation's training and assessment documents, induction, compliance, and online training or refresher modules
- Produce standard and ad hoc reports for managers, including those needed to meet RTO accreditation requirements.

Organisational effectiveness profile – staff survey

NSW Maritime surveyed staff in December 2010 about the agency's organisational effectiveness. The survey measured how well NSW Maritime is operating in three core business elements: strategic intent, business processes/systems, and culture/behaviour, and how each of these elements interacts with the others.

Around half of all staff completed the survey. They were able to identify the organisational strengths – such as its meaningful and well-communicated vision and purpose – as well as areas for improvement, such as systems software and documentation.

An initial pilot program was commenced, but was placed on hold when the NSW Government announced the creation of Roads and Maritime Services. The intention is to undertake further work as part of the newly formed agency.

Occupational health and safety

NSW Maritime is committed to fulfilling its obligations under the *Occupational Health and Safety Act 2000*, and provides the necessary resources to ensure the health and safety of all its employees, visitors and contractors.

Through the year, NSW Maritime continued its approach to meeting its OH&S and injury management obligations, including the implementation of the NSW Government's *Working Together Strategy 2010-2012*, which targets improvements in the areas of health, safety and injury management. Significant initiatives were to:

- Establish a biannual reporting regime by branch and regional managers on key OH&S prevention strategies aimed at achieving targeted improvements
- Develop and implement a safety management plan for wharf construction and wharf maintenance programs
- Complete the periodic medical program for Boating Safety Officers, which is held every two years to monitor fitness level demands for the position
- Review recent changes to OH&S and workers' compensation policies and procedures to ensure currency and conformity with the legislation
- Conduct a health and wellness program, which included employee welfare information and screening programs; lifestyle issues, including fitness, sun exposure, healthy diet and regular exercise; and information on virulent diseases and associated immunisation clinics
- Manage the changeover to a new workers' compensation insurer from 1 January 2011, including resetting all information and procedural records.

OH&S performance, 2010-2011

Number of lost-time injuries*	increased from 6 to 16
Reported non-lost-time injuries	increased from 21 to 26
Total number of workers' compensation claims	increased from 27 to 32
Days lost for workers' compensation per employee	increased from 0.8 to 1.6

*The increase in lost-time injuries was related to absences due to psychological injuries. The ICAC inquiry into the operations of the Legal Branch and the introduction of the Government Licensing System were the two events associated with these injuries.

Left: Vessel survey underway: the Commercial Operations Branch is responsible for ensuring that commercial vessels are designed, equipped, operated and staffed for maximum safety.



OUR PEOPLE

MSB workers' compensation residual liability

NSW Maritime holds legal responsibility for managing recurrent liabilities originating from the Maritime Services Board (MSB) Workers' Compensation Self Insurer's Scheme. This involves managing existing and future workers' compensation (non-dust diseases) and dust diseases claims lodged with the scheme, which operated from 1 July 1989 to 30 June 1995, when the MSB ceased to operate.

Notwithstanding the passing of time, claims for benefits continue to be lodged by former MSB employees who were employed during its period of cover.

Based on actuarial projections, NSW Maritime ensures appropriate monetary provisions are set aside each forward year for each category of claim.

MSB workers' compensation liability (non dust diseases claims)

NSW Maritime manages the outstanding liability for a range of liability issues for the former Maritime Services Board, abolished in 1995. During the year, 17 claims were outstanding. There remain 10 claims for industrial deafness, four for skin cancers and three other claims relating to physical injuries or degenerative diseases.

In 2010-2011, five new claims were lodged, all for industrial deafness. Six claims were also finalised during the year and one finalised claim for degenerative diseases was settled.

The total claims cost incurred for the financial year was \$245,095. This is \$11,000 less than the total cost incurred in the previous period. The expenditure covers weekly benefit payments, eligible lump sum payments, medical and legal costs.

Based on actuarial projections of future claims trends, a provision of \$1.8 million has been set aside to continue managing future liabilities. This is \$0.9 million less than the previous year. These projections also consider any uncertainties in the estimation of liabilities for current and future projected claims.

Since 1995, NSW Maritime has incurred a total cost of \$9.8 million for workers' compensation liabilities.

MSB dust diseases liability

At 30 June 2011, there are no active dust diseases claims outstanding.

The propensity for future claims to emerge remains a risk and monetary provisions based on actuarial advice need to be set aside for future liabilities.

Based on an actuarial assessment, a provision of \$1.2 million has been set aside to manage current and future claims. This is less than the \$1.4 million set aside for the previous year.

Equal employment opportunity

During the year, NSW Maritime's major initiative was to sponsor its second Women's Conference on 29 June 2011. The first Women's Conference was held in 2008.

This year's event was titled Women@Maritime: Oceans of Opportunity. It was very well supported with a third of female employees at NSW Maritime attending. The major themes were:

- Career resilience and dealing with change
- Women working in non-traditional roles
- Gender equity and flexible work practices
- Equity issues in NSW Maritime.

The Minister for Roads and Ports, Duncan Gay, addressed conference participants on the sometimes competing demands of work and family, amongst other things. The two keynote speakers were Robyn Kruk (CEO designate of the National Mental Health Commission) and Deborah Wallace (Commander, Middle Eastern Crime Squad).

Feedback from the participants indicated that the conference was inspirational, motivating and very practical. In addition, the plenary and panel discussions provided direct feedback from staff on the key, current equity issues in NSW Maritime and made suggestions on how they should be addressed. This valuable input will be utilised to complete the next update of NSW Maritime's Equity and Diversity Plan.

In addition, through negotiation of the enterprise agreement at the beginning of 2011, NSW Maritime has introduced the Commonwealth Paid Parental Leave scheme and the standard NSW public sector approach on lactation breaks for new mothers.

Right: Boating Safety Officers provide a wide range of customer services on and off the water, from patrols and vessel inspections to management of moorings.



9

FINANCIAL STATEMENTS



NSW Maritime retains an archive of historical property records of Sydney Harbour.

INDEPENDENT AUDIT REPORT

MARITIME AUTHORITY OF NSW AND CONTROLLED ENTITY



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

Maritime Authority of New South Wales

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of the Maritime Authority of New South Wales (the Authority), which comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information of the Authority and the consolidated entity. The consolidated entity comprises the Authority and the entities it controlled at the year's end or from time to time during the financial year.

Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Authority and the consolidated entity as at 30 June 2011, and of their financial performance for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010

My opinion should be read in conjunction with the rest of this report.

The Acting Chief Executive's Responsibility for the Financial Statements

The Acting Chief Executive is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act, and for such internal control as the Acting Chief Executive determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Acting Chief Executive, as well as evaluating the overall presentation of the financial statements.

INDEPENDENT AUDIT REPORT

MARITIME AUTHORITY OF NSW AND CONTROLLED ENTITY

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My opinion does *not* provide assurance:

- about the future viability of the Authority or consolidated entity
- that they have carried out their activities effectively, efficiently and economically
- about the effectiveness of internal control
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information, which may have been hyperlinked to/from the financial statements.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and other relevant ethical pronouncements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their role by the possibility of losing clients or income.



C J Giumelli
Director, Financial Audit Services

28 October 2011
SYDNEY

CHIEF EXECUTIVE'S STATEMENT

MARITIME AUTHORITY OF NSW AND CONTROLLED ENTITY

MARITIME AUTHORITY OF NSW Financial Statements

For the year ended 30 June 2011

STATEMENT BY CHIEF EXECUTIVE

Pursuant to Section 41C (1B) and (1C) of the *Public Finance and Audit Act 1983*, I declare that in my opinion:

1. The accompanying Financial Statements exhibit a true and fair view of the Authority's financial position as at 30 June 2011 and the transactions for the year then ended.
2. The statements have been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2010*, and the Treasurer's Directions.

Further, I am not aware of any circumstances which would render any particulars included in the Financial Statements to be misleading or inaccurate.



Tony Middleton
Acting Chief Executive

28 October 2011

STATEMENT OF COMPREHENSIVE INCOME

MARITIME AUTHORITY OF NSW AND CONTROLLED ENTITY
FOR THE YEAR ENDED 30 JUNE 2011

	Note	Consolidated		Parent	
		2011 \$000	2010 \$000	2011 \$000	2010 \$000
INCOME					
Rendering of services:					
Port management	5	1,208	1,250	1,208	1,250
Channel fees	6	11,354	8,342	11,354	8,342
Boat licences	7	18,932	18,246	18,932	18,246
Boat registrations	8	20,522	20,368	20,522	20,368
Moorings	9	7,697	7,705	7,697	7,705
Commercial vessel charges	10	3,041	3,058	3,041	3,058
Lease revenue:					
Rentals	11	38,538	36,808	38,538	36,808
Investment income	12	13,178	15,163	13,178	15,163
Other income:					
Gain on revaluation of investment property		1,101	1,730	1,101	1,730
Other	13	6,294	11,907	6,287	11,907
Contract revenue	14	259	238	259	238
Total income		122,124	124,815	122,117	124,815
EXPENSES					
Employee related expenses	15	40,739	39,221	39,998	44,478
Contract service expenses	16	23,600	22,056	23,600	22,056
Fuel, protective clothing and other materials		1,111	1,117	1,111	1,117
Utilities and communications		3,272	3,366	3,272	3,366
Administration	17	8,589	8,300	8,194	7,920
Depreciation and amortisation		14,391	11,417	14,391	11,417
Grants and subsidies	18	2,373	5,233	2,373	5,233
Better Boating Program		4,652	3,896	4,652	3,896
Finance costs	19	8,137	9,896	8,137	9,896
Audit fees – audit of the financial statements		188	170	188	170
Net loss on disposal of assets	20	3,381	6,827	3,381	6,827
Total expenses		110,433	111,499	109,297	116,376
Surplus for the year		11,691	13,316	12,820	8,439
Other comprehensive income					
Other comprehensive income in accumulated funds					
Superannuation actuarial gains (losses)		1,129	(4,877)	–	–
Other comprehensive income in asset revaluation reserve					
Revaluation increment		206,864	150,102	206,864	150,102
Other comprehensive income for the year		207,993	145,225	206,864	150,102
Total comprehensive income for the year		219,684	158,541	219,684	158,541

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2011
FOR THE YEAR ENDED 30 JUNE 2011

	Note	Consolidated			Parent		
		2011 \$'000	2010 restated \$'000	As t 1 July 2009 restated \$'000	2011 \$'000	2010 \$'000	As t 1 July 2009 restated \$'000
ASSETS							
Current assets							
Cash and cash equivalents	21	32,120	39,160	59,634	31,419	38,092	58,713
Trade and other receivables	22	32,230	27,752	20,158	32,230	27,752	20,118
Inventories	23	143	137	173	143	137	173
Financial assets at fair value through profit or loss	24	43,740	39,013	35,679	43,740	39,013	35,679
Total current assets		108,233	106,062	115,644	107,532	104,994	114,683
Non-current assets							
Trade and other receivables	22	31,435	45,785	60,215	30,955	45,678	60,074
Property, plant and equipment	25	1,508,593	1,258,412	955,210	1,508,593	1,258,412	955,210
Investment property	26	132,289	131,188	129,458	132,289	131,188	129,458
Intangible assets	27	978	983	855	978	983	855
Total non-current assets		1,673,295	1,436,368	1,145,738	1,672,815	1,436,281	1,145,597
Total assets		1,781,582	1,542,430	1,261,382	1,780,347	1,541,275	1,260,280
LIABILITIES							
Current liabilities							
Trade and other payables	28	55,678	51,056	44,837	90,112	86,697	73,622
Interest bearing borrowings	29	20,595	16,689	13,334	20,595	16,689	13,334
Provisions	30	21,389	21,123	34,564	5,500	6,117	22,709
Total current liabilities		97,662	88,868	92,735	116,207	109,503	109,665
Non-current liabilities							
Trade and other payables	28	236,129	199,973	51,552	219,220	181,217	36,717
Interest bearing borrowings	29	25,130	45,725	62,414	25,130	45,725	62,414
Provisions	30	2,817	3,034	3,197	—	—	—
Total non-current liabilities		264,076	248,732	117,163	244,350	226,942	99,131
Total liabilities		361,738	337,600	209,898	360,557	336,445	208,796
Net assets		1,419,790	1,204,830	1,051,484	1,419,790	1,204,830	1,051,484
EQUITY							
Asset revaluation reserve		889,122	648,064	509,789	889,122	648,064	509,789
Accumulated funds		530,668	556,766	541,695	530,668	556,766	541,695
Total equity		1,419,790	1,204,830	1,051,484	1,419,790	1,204,830	1,051,484

The above statement of financial position should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS

MARITIME AUTHORITY OF NSW AND CONTROLLED ENTITY
FOR THE YEAR ENDED 30 JUNE 2011

	Note	Consolidated		Parent	
		2011 \$000	2010 \$000	2011 \$000	2010 \$000
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers		115,926	101,297	115,926	101,297
Payments to suppliers and employees		(96,173)	(87,604)	(95,806)	(87,751)
Interest received		5,368	5,699	5,368	5,699
Contract receipts from development projects		259	238	259	238
Net GST refund received from the Australian Tax Office		5,287	2,272	5,287	2,272
Payments for Better Boating Program		(4,652)	(3,896)	(4,652)	(3,896)
Net cash flows from operating activities	21	26,015	18,006	26,382	17,859
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sale of property, plant and equipment		4,396	6,923	4,396	6,923
Purchase of property, plant and equipment		(24,935)	(25,770)	(24,935)	(25,770)
Receipt of lease revenue – Maritime Trade Tower lease		23,812	22,189	23,812	22,189
Loan to Marine Rescue NSW		(3,000)	–	(3,000)	–
Marine Rescue NSW loan repaid		200	–	200	–
Net cash flows from investing activities		473	3,342	473	3,342
CASH FLOWS FROM FINANCING ACTIVITIES					
Contribution paid to Government		(4,000)	(15,309)	(4,000)	(15,309)
Payment of lease expense – Maritime Trade Tower lease		(24,801)	(23,179)	(24,801)	(23,179)
Net cash flows used in financing activities		(28,801)	(38,488)	(28,801)	(38,488)
Net decrease in cash and cash equivalents		(2,313)	(17,140)	(1,946)	(17,287)
Cash and cash equivalents at the beginning of the year		78,173	95,313	77,105	94,392
Cash and cash equivalents at the end of the year	21	75,860	78,173	75,159	77,105

The above statement of cash flows should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

MARITIME AUTHORITY OF NSW AND CONTROLLED ENTITY
FOR THE YEAR ENDED 30 JUNE 2011

	Note	Consolidated		Parent	
		2011 \$000	2010 \$000	2011 \$000	2010 \$000
Accumulated funds					
Balance at 1 July		556,766	541,695	556,766	541,695
Surplus for the year		11,691	13,316	12,820	8,439
Other comprehensive income for the year		1,129	(4,877)	–	–
Total other comprehensive income for the year		12,820	8,439	12,820	8,439
Transactions with owners in their capacity as owners					
Transfer from (to) asset revaluation reserve on disposal		(34,194)	11,827	(34,194)	11,827
Assets transferred to Port Kembla Port Corporation		–	(695)	–	(695)
Assets transferred from (to) Sydney Ferries		–	(500)	–	(500)
Assets transferred to Land and Property Management Authority		(6,385)	–	(6,385)	–
Assets transferred from Sydney Olympic Park Authority		2,351	–	2,351	–
Assets transferred from Sydney Harbour Foreshore Authority		3,310	–	3,310	–
Distribution to Government		(4,000)	(4,000)	(4,000)	(4,000)
Total transactions with owners in their capacity as owners		(38,918)	6,632	(38,918)	6,632
Balance at 30 June		530,668	556,766	530,668	556,766
Effect of change in accounting policy and correction of errors in previous year					
Surplus for the period as recognised in 2010			9,228		4,351
Effect of accounting policy change for long-term leases of land	36		4,088		4,088
Restated surplus for the year			13,316		8,439
Accumulated funds at 1 July as recognised in 2010					
Accumulated funds at 1 July as recognised in 2010			273,530		273,530
Effect of accounting policy change for long-term leases of land	36		268,165		268,165
Restated accumulated funds			541,695		541,695
Asset revaluation reserve					
Balance at 1 July		648,064	509,789	648,064	509,789
Total other comprehensive income		206,864	150,102	206,864	150,102
Revaluation transferred from (to) equity on disposal		34,194	(11,827)	34,194	(11,827)
Balance at 30 June		889,122	648,064	889,122	648,064
Total equity					
Balance at 1 July		1,204,830	1,051,484	1,204,830	1,051,484
Comprehensive income for the year		219,684	158,541	219,684	158,541
Transactions with owners in their capacity as owners		(38,918)	6,632	(38,918)	6,632
Revaluation transferred from (to) equity on disposal		34,194	(11,827)	34,194	(11,827)
Balance at 30 June		1,419,790	1,204,830	1,419,790	1,204,830

The above statement of changes in equity should be read in conjunction with the accompanying notes

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

MARITIME AUTHORITY OF NSW AND CONTROLLED ENTITY
FOR THE YEAR ENDED 30 JUNE 2011

1 INFORMATION ABOUT THE MARITIME AUTHORITY OF NSW

The Maritime Authority of NSW (NSW Maritime) was established on 1 July 1995 under the *Ports and Maritime Administration Act 1995*, as a statutory authority with responsibility for "all waterways management functions under the marine legislation other than those relating to any vessel that either requires a pilot...or whose master is the holder of a Pilotage Exemption Certificate that applies to that vessel". The financial statements for the year ended 30 June 2011 were authorised for issue by the Chief Executive on 28 October 2011. The Maritime Authority of NSW's registered business name is NSW Maritime.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards, the requirements of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2010* and the Treasurer's Directions. The financial statements have been prepared on the basis of accrual accounting using historical cost conventions, except for non-current physical assets and investment properties which are reported at fair value, and superannuation which is shown at actuarially assessed present value. NSW Maritime and its controlled entity are not-for-profit entities as profit is not their principal objective.

The financial statements are presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000) unless otherwise stated.

a) Changes in accounting policy

In accordance with NSW Treasury policy, NSW Maritime has changed its accounting policy in relation to the treatment of long-term land leases. Such long-term leases are now treated as finance leases if substantially all of the risks and rewards incidental to ownership are transferred to the lessee. Previously, all long-term land leases were treated as operating leases.

The change in policy has been adopted as a consequence of the issue of amended Accounting Standard AASB 117 Leases and the subsequent issue by NSW Treasury of tpp 11-01 *Accounting Policy: Lessor classification of long-term land leases*. The change in policy leads to an accounting treatment which more accurately reflects the substance of the transaction.

The impact of changes in accounting policies on each line item in the financial statements and the comparative figures is shown in note 36. It is not practicable to show the financial effect on each line item of earlier financial statements.

b) New accounting standards and interpretations

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the consolidated entity for the annual reporting period ending 30 June 2011. These are outlined in the table below.

Reference	Title	Summary	Financial year of application
AASB 7	Financial Instruments: Disclosures	Introduces disclosure requirements for transfer of financial assets, including in respect of the nature of the financial assets involved and the risks associated with them.	30 June 2012
AASB 9	Financial Instruments	Simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortised cost and fair value.	30 June 2014
AASB 108	Accounting Policies, Changes in Accounting Estimates and Errors	Minor editorial change and will not result in a material financial impact on the financial statements.	30 June 2012
AASB 110	Events after the Reporting Period	Minor editorial change and will not result in a material financial impact on the financial statements.	30 June 2012
AASB 119	Employee Benefits	Minor editorial change and will not result in a material financial impact on the financial statements.	30 June 2012
AASB 137	Provisions, Contingent Liabilities and Contingent Assets	Minor editorial change and will not result in a material financial impact on the financial statements.	30 June 2012
AASB 139	Financial Instruments: Recognition and Measurement	Clarifies that a prepayment option is considered closely related to the host contract when the exercise price of a prepayment option reimburses the lender up to the approximate present value of lost interest for the remaining term of the host contract.	30 June 2012

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Basis of consolidation

The consolidated entity comprises NSW Maritime and its controlled entity the Maritime Authority of NSW Division. The Maritime Authority of NSW Division (the Division) is a division of the Government Service, established pursuant to Part 2 of Schedule 1 to the *Public Sector Employment and Management Act 2002*. Its sole objective is to provide personnel services to NSW Maritime. They are consolidated as part of the NSW Total State Sector Accounts. In the process of preparing the consolidated financial statements for the economic entity consisting of NSW Maritime and the Division, all inter-entity transactions and balances have been eliminated.

d) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank, cash in hand and TCorp Hour-Glass cash facilities. For the purposes of the statement of cash flows, cash and cash equivalents include cash at bank, cash in hand and all TCorp Hour-Glass investment facilities.

e) Trade and other receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at invoiced amount, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Any changes are accounted for in the statement of comprehensive income when impaired, derecognised or through the amortisation process.

Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. Collectability of receivables is reviewed on an ongoing basis and, where necessary, an impairment provision is recorded in accordance with accounting policy note 2(h).

f) Inventories

A perpetual inventory system is adopted and is supported by monthly stocktakes of fuel and annual stocktakes of maps. Ending balance of fuel inventories, which are held for distribution, is reported at the lower of average cost or average replacement cost. Ending balance of maps inventories, which are held for sale, is reported at the lower of cost and net realisable value.

g) Financial assets at fair value

NSW Maritime determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates them at each financial year end. The classifications are:

Fair value through profit or loss – NSW Maritime measures investments classified as “held for trading” or designated upon initial recognition “at fair value through profit or loss” at fair value. Financial assets are classified as “held for trading” if they are acquired for the purpose of selling in the near term. Derivatives are also classified as held for trading. Gains or losses on these assets are recognised in the statement of comprehensive income.

The Hour-Glass investment facilities are designated at fair value through profit or loss using the second leg of the fair value option i.e. these financial assets are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management strategy, and information about these assets is provided internally on that basis to NSW Maritime’s key management personnel.

Designation at fair value through profit or loss is consistent with NSW Maritime’s documented risk management strategy because that strategy requires management to monitor the fair value of its Hour-Glass investments as a basis for assessing the risk associated with the investment.

The movement in the fair value of the Hour-Glass investment facilities incorporates distributions received as well as unrealised movements in fair value and is reported in the line item ‘investment income’.

NSW Maritime currently has no investments “held to maturity” or “available for sale”.

h) Impairment of financial assets

All financial assets, except those measured at fair value through profit and loss, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that NSW Maritime will not be able to collect all amounts due.

For financial assets carried at amortised cost, the amount of the allowance is the difference between the asset’s carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment loss is recognised in the statement of comprehensive income.

Any reversals of impairment losses are reversed through the statement of comprehensive income, where there is objective evidence that the reversal is justified. Reversals of impairment losses of financial assets carried at amortised cost cannot result in a carrying amount that exceeds the carrying amount which would have been reported had there not been an impairment loss.

i) De-recognition of financial assets and financial liabilities

A financial asset is derecognised when:

- the contractual rights to the cash flows from the financial assets expire
- NSW Maritime transfers the financial asset where substantially all the risks and rewards have been transferred; or
- NSW Maritime transfers the financial asset and has not retained control of that asset

Where NSW Maritime has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of NSW Maritime’s continuing involvement in the asset.

A financial liability is derecognised when the obligation specified in the contract is discharged or the obligation is cancelled or expires.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

MARITIME AUTHORITY OF NSW AND CONTROLLED ENTITY
FOR THE YEAR ENDED 30 JUNE 2011

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j) Property, plant and equipment

Property, plant and equipment costing \$500 and above individually is capitalised. Only those assets completed and ready for service are taken to the property, plant and equipment account. The remaining capital expenditures are carried forward as construction in progress and included under property, plant and equipment in the statement of financial position.

Under certain long-term lease agreements where development has been carried out by the private sector, NSW Maritime may take control of various wharf constructions after 99 years. Due to the length of time until control may be achieved, they are currently recorded at \$1. In addition, certain wetland leases may be returning to NSW Maritime in a relatively short period of time. These assets have been independently valued and are stated at fair value in the statement of financial position.

Following initial recognition at cost, property, plant and equipment is carried at a revalued amount which is the fair value at the date of the revaluation less any subsequent accumulated depreciation and accumulated impairment losses. Fair value is determined by reference to market-based evidence, which is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date.

Depreciation is calculated on a straight line basis over the estimated useful life of the asset as follows:

	Rates (%)
Buildings	2 – 5
Plant and equipment:	
Plant – communications	20 – 40
Plant – mobile	5 – 20
Plant – outboard engines	50
Plant – vessels	5 – 20
Plant – other	5 – 20
Computer – hardware	20 – 50
Motor vehicles	10 – 15
Furniture and fittings	7.5 – 20
Infrastructure:	
Moorings	0 – 5
Navigational aids	5 – 20
Roadways	5
Wharves & jetties	2.5 – 10
Seawalls	2.5 – 4

The assets residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each reporting date.

Revaluations of property, plant and equipment

Property, plant and equipment is valued at fair value in accordance with Australian Accounting Standard AASB 116 *Property, Plant and Equipment*. NSW Treasury Policy and Guidelines Paper tpp 07-1 *Accounting Policy: Valuation of Physical Non-Current Assets at Fair Value* provides additional guidance on applying AASB 116 to public sector assets.

All significant physical non-current assets were revalued during 2009-2010 with the exception of dredged assets. Dredged assets (principally channels) were independently valued at 30 June 2011, using the written down replacement cost methodology. Those assets not revalued are recorded at their historical cost or previously revalued amount, which is considered not to be materially different from fair value. The written down replacement cost of a number of assets has been established by qualified persons within NSW Maritime.

Any revaluation increment is credited to the asset revaluation reserve included in equity, except to the extent that it reverses a revaluation decrement for the same asset class previously recognised in the statement of comprehensive income, in which case the increment is recognised in the statement of comprehensive income. Any revaluation decrement is recognised in the statement of comprehensive income unless it directly offsets a previous revaluation increment for the same asset class, in which case the decrement is debited to the asset revaluation reserve to the extent of the credit balance existing in the revaluation reserve for that asset class.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. Gains and losses on disposals are included in the statement of comprehensive income. Upon disposal of an asset, any revaluation reserve relating to that asset is transferred to accumulated funds.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists, the asset is written down to its recoverable amount, which is the greater of fair value less costs to sell and value in use. As NSW Maritime is a not-for-profit entity, value in use is defined as depreciated replacement cost. Impairment losses are recognised in the statement of comprehensive income.

Contributed assets

Assets transferred from other NSW State Government agencies at no cost are recorded at fair value directly to equity. Assets transferred from other entities at no cost are recorded at fair value through the statement of comprehensive income.

Port Corporation dredging

As NSW Maritime is the owner of the major NSW ports, costs incurred by Port Corporations in NSW in capital dredging (harbour deepening) of channels are recorded as a NSW Maritime asset. A corresponding amount is recorded as "Long term channel fees unearned income" and amortised over a period of 99 years.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

k) Investment properties

Initially, investment properties are measured at cost including transaction costs. Subsequent to initial recognition, investment properties are revalued annually and stated at fair value, which is based on active market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in the statement of comprehensive income in the year in which they arise.

Investment properties are derecognised when they have either been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal. Any gains or losses on the derecognition of an investment property are recognised in the statement of comprehensive income in the year of derecognition.

Transfers are made to and from investment property when, and only when, there is a change in use. Where properties are transferred from investment property, the deemed cost for subsequent accounting is its fair value at the date of change in use. Where properties are transferred to investment property, such properties are accounted for in accordance with the policy stated under note 2(i) up to the date of change in use.

l) Intangible assets

Intangible assets acquired separately are initially measured at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The useful lives of intangible assets have been assessed to be finite. These intangible assets are amortised over their useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The useful life of intangible assets is also examined on an annual basis and adjustments, where applicable, are made on a prospective basis by changing the amortisation period or method, as appropriate, which is a change in an accounting estimate. The amortisation expense of intangible assets is recognised in the statement of comprehensive income. The amortisation rate for computer software is 20-50%.

m) Trade and other payables

Payables represent liabilities for goods, services and other amounts provided to NSW Maritime. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. Trade accounts payable are unsecured and are generally settled within their due date.

n) Leases

Where NSW Maritime is the lessor, leases in which it retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease rental receipts are recognised as revenue in the statement of comprehensive income on a straight line basis over the term of the lease. Where NSW Maritime is the lessee, operating lease payments are recognised as an expense in the statement of comprehensive income on a straight-line basis over the lease term.

Leases in terms of which NSW Maritime assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Long term land leases (up to 99 years) are classified as finance leases where substantially all the risks and rewards incidental to ownership have been transferred to the lessee. This is in line with AASB 117 Leases and NSW Treasury Policy and Guidelines Paper tpp11-01 *Accounting Policy: Lessor classification of long-term land leases*. Where long term leases of land have been classified as finance leases, the land is recorded at a nominal value of \$1, the fair value of which increases towards the end of the lease term as the effect of the encumbrance diminishes.

o) Provisions

Provisions are recognised when NSW Maritime has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where NSW Maritime expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date using a discounted cash flow methodology. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised in the statement of comprehensive income.

Employee leave benefits

i) Salaries, sick leave and annual leave

Liabilities for salaries and annual leave are recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees service up to that date. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

ii) Long service leave

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. This is based on an actuarial assessment. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using Commonwealth bond rates.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

MARITIME AUTHORITY OF NSW AND CONTROLLED ENTITY
FOR THE YEAR ENDED 30 JUNE 2011

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

iii) Payroll tax, fringe benefits tax and compulsory employer superannuation contributions

The outstanding amount of payroll tax, fringe benefits tax and compulsory employer superannuation contributions, which are consequential to employment, are recognised as liabilities and expenses where the employee entitlements to which they relate have been recognised and it is reasonably likely that the expense will be incurred at the time of paying the employee entitlement.

iv) Superannuation

NSW Maritime contributes to employee superannuation funds in addition to contributions made by employees. Such contributions are paid to nominated funds. NSW Maritime contributes to defined benefit schemes and accumulation schemes. Payments are applied towards the accruing liability for superannuation in respect of employees and are expensed in the statement of comprehensive income. Actuarial assessments are performed at each reporting date for the defined benefit schemes. Actuarial gains and losses are recognised as a movement in accumulated funds. Under funded defined benefit schemes are recognised as a non-current liability while over funded schemes are recognised as a non-current asset.

p) Revenue recognition

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must be met before revenue is recognised:

- i) *Licences, registrations, and grants and subsidies* – where control of a right exists to receive consideration upon the completion of or a stage of services provided.
- ii) *Rentals and moorings* – where control of a right exists to receive consideration for the provision of assets has been attained in accordance with Australian Accounting Standard AASB 117 Leases.
- iii) *Interest* – where control of a right exists to receive consideration for the provision of, or investment in assets has been attained.
- iv) *Fines and penalties* – Fines and penalties are recognised on a cash basis when received from NSW Police Service Infringement Processing Bureau.
- v) *Marine Rescue Contribution* – From 1 September 2010, the former Minister for Ports and Waterways approved a Marine Rescue Contribution to be added to certain boat licences and registrations. The revenue collected from the contribution is for the sole purpose of Marine Rescue NSW to assist their voluntary work in marine safety throughout NSW. From September 2010 to May 2011 the contribution was paid to the NSW Rural Fire Service for forwarding to Marine Rescue NSW.

Since June 2011, the contribution was paid to Ministry for Police and Emergency Services for forwarding to Marine Rescue NSW. NSW Maritime is acting as agent for the collection of this contribution, it has no control over the actual level of revenue collected and has no exposure to the risks and rewards associated with the collection of the contribution. Consequently the contribution is not recognised by NSW Maritime as revenue. The contribution collected in 2010-11 and paid to the NSW Rural Fire Service and the Ministry for Police and Emergency Service for forwarding to Marine Rescue NSW totalled \$3.754M.

q) Financial expenses

Lease interest is recognised as a financial expense and is accrued using the effective interest rate method. This is a method of calculating the amortised cost of a finance lease liability and allocating the interest expense over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future payments over the lease term to the net carrying amount of the lease liability.

r) Insurance

NSW Maritime's insurance requirement is managed by the NSW Treasury Managed Fund. NSW Maritime had the following coverage in place during the year: workers' compensation, public liability, motor vehicle, property and miscellaneous.

s) Distribution policy

NSW Maritime pays distributions to the Consolidated Fund. These distributions are from operations. Distributions from operations are provided after the results for the year have been determined and cash requirements for subsequent periods, according to forward estimates, have been satisfied. Distributions from operations are paid in two equal instalments each year, the first on 1 August and the second on 1 December.

t) Income and other taxes

NSW Maritime is a non-budget dependent general government agency and is not subject to the income tax equivalent regime.

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

- i) when the GST incurred on the purchase of goods or services is not recoverable from the Australian Taxation Office, in which case the GST is recognised as part of the cost of acquisition of the good or service, and
- ii) in relation to receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from or payable to the Australian Taxation Office is included as part of receivables or payables in the statement of financial position. Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from or payable to the Australian Taxation Office is included in operating cash flows. Commitments and contingencies are disclosed at the gross amount, including any GST.

3 FINANCIAL INSTRUMENTS

NSW Maritime's principal financial instruments comprise receivables, payables, finance leases, cash and short-term deposits.

NSW Maritime manages its exposure to key financial risks in accordance with NSW Maritime's risk management policy. The objective of the policy is to facilitate the effective management of potential opportunities and adverse effects.

The main risks arising from NSW Maritime's financial instruments are interest rate risk, credit risk and liquidity risk. NSW Maritime uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate risk and assessments of market forecasts for interest rates. Ageing analyses and monitoring of specific credit allowances are undertaken to manage credit risk, and liquidity risk is monitored through the development of cash flow forecasts.

Primary responsibility for identification and control of financial risks rests with the Finance Manager under the authority of the Chief Executive. The General Manager Corporate Services reviews and agrees policies for managing each of the risks identified below, including the setting of limits for credit allowances, and future cash flow forecast projections.

a) Financial instrument categories

	Note	Category	Consolidated		Parent	
			2011 \$000	2010 \$000	2011 \$000	2010 \$000
FINANCIAL ASSETS						
Cash and cash equivalents	21	N/A	32,120	39,160	31,419	38,092
Receivables	22	Loans and receivables at amortised cost excluding prepayments and statutory receivables	12,908	10,478	12,908	10,478
Financial assets at fair value	24	At fair value through profit or loss – designated as such upon initial recognition	43,740	39,013	43,740	39,013
FINANCIAL LIABILITIES						
Payables	28	Financial liabilities measured at amortised cost, excluding unearned income	13,907	13,315	13,269	12,390
Borrowings	29	Finance lease liabilities measured at amortised cost	45,725	62,414	45,725	62,414

b) Credit risk

Credit risk arises from the financial assets of NSW Maritime, which comprise cash and cash equivalents, receivables and financial assets at fair value. NSW Maritime's exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets (net of any allowance for impairment). Exposure at reporting date is addressed in each applicable note. NSW Maritime trades only with recognised, creditworthy third parties, and as such collateral is not requested. NSW Maritime has not securitised its trade and other receivables and has not granted any financial guarantees. Credit risk associated with NSW Maritime's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards.

Cash

Comprises cash on hand and at bank and TCorp Hour-Glass cash facilities.

Receivables – trade debtors

All trade debtors are recognised as amounts receivable at reporting date. Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that NSW Maritime will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions and debtor credit ratings. No interest is earned on trade debtors. Sales are normally made on 7 day terms.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

MARITIME AUTHORITY OF NSW AND CONTROLLED ENTITY
FOR THE YEAR ENDED 30 JUNE 2011

3 FINANCIAL INSTRUMENTS (CONTINUED)

Major concentrations of credit risk that arise from NSW Maritime debtors in relation to the industry categories and location of the customer by the percentage of the total receivable from customers are:

Categories	2011 (%)	2010 (%)
Boating industries	12	14
Government authorities	35	30
Other business	53	56
	100	100

Based on past experience, debtors that are less than 3 months past due (2011: \$2.397M; 2010: \$1.860M) are not considered impaired. Total unimpaired debtors represent 87% (2010: 90%) of the total debtors. There are no debtors which would otherwise be past due or impaired whose terms have been renegotiated. The only financial assets that are past due or impaired are 'trade debtors' and 'rental debtors' in the 'receivables' category of the statement of financial position.

	Total \$000	Not past due \$000	Past due but not impaired \$000	Considered impaired \$000
2011 – CONSOLIDATED				
< 3 months overdue	7,702	5,305	2,397	–
3 months – 6 months overdue	50	–	50	–
> 6 months overdue	1,984	–	702	1,282
	9,736	5,305	3,149	1,282
Allowance for impairment	(1,282)	–	–	(1,282)
Receivables	8,454	5,305	3,149	–
2010 – CONSOLIDATED				
< 3 months overdue	6,772	4,912	1,860	–
3 months – 6 months overdue	235	–	235	–
> 6 months overdue	2,444	–	1,478	966
	9,451	4,912	3,573	966
Allowance for impairment	(966)	–	–	(966)
Receivables	8,485	4,912	3,573	–
2011 – PARENT ENTITY				
< 3 months overdue	7,702	5,305	2,397	–
3 months – 6 months overdue	50	–	50	–
> 6 months overdue	1,984	–	702	1,282
	9,736	5,305	3,149	1,282
Allowance for impairment	(1,282)	–	–	(1,282)
Receivables	8,454	5,305	3,149	–
2010 – PARENT ENTITY				
< 3 months overdue	6,772	4,912	1,860	–
3 months – 6 months overdue	235	–	235	–
> 6 months overdue	2,444	–	1,478	966
	9,451	4,912	3,573	966
Allowance for impairment	(966)	–	–	(966)
Receivables	8,485	4,912	3,573	–

The aging analysis excludes statutory receivables and prepayments.

3 FINANCIAL INSTRUMENTS (CONTINUED)

Financial assets at fair value

NSW Maritime has placed funds on deposit with TCorp, which has been rated "AAA" by Standard and Poors. These deposits are similar to money market or bank deposits and can be placed "at call" or for a fixed term. For fixed term deposits, the interest rate payable by TCorp is negotiated initially and is fixed for the term of the deposit, while the interest rate payable on at call deposits vary. The deposits at balance date were earning an average interest rate of 6.70% (2010: 7.02%), while over the year the weighted average interest rate was 6.58% (2010: 6.67%) on a weighted average balance during the year of \$71.1M (2010: \$82.8M). None of these assets are past due or impaired.

c) Liquidity risk

Liquidity risk is the risk that NSW Maritime will be unable to meet its payment obligations when they fall due. NSW Maritime continuously manages liquidity risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets when required. The objective is to maintain a balance between continuity of funding and flexibility through the use of available liquid resources. Consequently exposure to liquidity risk is considered minimal.

During the current and prior years, there were no defaults or breaches on any loans payable. No assets have been pledged as collateral.

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 for late payment. NSW Maritime policy is to apply the judgement debt interest rate as stated in the Uniform Civil Procedures Rules 2005.

The table below summarises the maturity profile of financial liabilities, together with the interest rate exposure. All obligations are shown in present value terms.

	Interest rate %	Interest rate exposure						Maturity dates		
		Nominal amount \$000	Fixed rate \$000	Variable rate \$000	Non-interest bearing \$000	< 1 year	1-5 years	> 5 years		
2011 – CONSOLIDATED										
Payables										
Creditors	–	13,907	–	–	–	13,907	13,907	–	–	
Borrowings										
Finance leases	13%	45,725	45,725	–	–	–	20,595	25,130	–	
	–	59,632	45,725	–	–	13,907	34,502	25,130	–	
2010 – CONSOLIDATED										
Payables										
Creditors	–	13,315	–	–	–	13,315	13,315	–	–	
Borrowings										
Finance leases	13%	62,414	62,414	–	–	–	16,690	45,724	–	
	–	75,729	62,414	–	–	13,315	30,005	45,724	–	
2011 – PARENT										
Payables										
Creditors	–	13,269	–	–	–	13,269	13,269	–	–	
Borrowings										
Finance leases	13%	45,725	45,725	–	–	–	20,595	25,130	–	
	–	58,994	45,725	–	–	13,269	33,864	25,130	–	
2010 – PARENT										
Payables										
Creditors	–	12,390	–	–	–	12,390	12,390	–	–	
Borrowings										
Finance leases	13%	62,414	62,414	–	–	–	16,690	45,724	–	
	–	74,804	62,414	–	–	12,390	29,080	45,724	–	

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

MARITIME AUTHORITY OF NSW AND CONTROLLED ENTITY
FOR THE YEAR ENDED 30 JUNE 2011

3 FINANCIAL INSTRUMENTS (CONTINUED)

d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. NSW Maritime's exposure to market risk is primarily through price risks associated with the movement in the unit price of the Hour-Glass investment facilities. NSW Maritime has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which NSW Maritime operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the reporting date. The analysis is performed on the same basis as last year. The analysis assumes that all other variables remain constant.

Interest rate risk

NSW Maritime has insignificant exposure to interest rate risk on its borrowings as its only borrowings arise from a long-term finance lease in which the interest rate is fixed.

NSW Maritime has some limited exposure to interest rate risk arising from its investment in interest-bearing cash balances. In assessing sensitivity, a reasonably possible change of +/- 2% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. Exposure to interest rate risk is set out in the following table:

		-2%		+2%	
	Carrying amount \$000	Profit \$000	Equity \$000	Profit \$000	Equity \$000
2011 – CONSOLIDATED					
<i>Financial assets</i>					
Cash and cash equivalents	32,120	(642)	(642)	642	642
2010 – CONSOLIDATED					
<i>Financial assets</i>					
Cash and cash equivalents	39,160	(783)	(783)	783	783
2011 – PARENT					
<i>Financial assets</i>					
Cash and cash equivalents	31,419	(628)	(628)	628	628
2010 – PARENT					
<i>Financial assets</i>					
Cash and cash equivalents	38,092	(762)	(762)	762	762

3 FINANCIAL INSTRUMENTS (CONTINUED)

Other price risk – TCorp Hour-Glass facilities

Exposure to 'other price risk' primarily arises through the investment in the TCorp Hour-Glass investment facilities, which are held for strategic rather than trading purposes. NSW Maritime has no direct equity investments, and holds units in the following Hour-Glass investment trusts:

Facility	Investment sectors	Investment horizon	2011 \$000	2010 \$000
Cash facility	Cash, money market instruments	Up to 1.5 years	23,730	35,675
Strategic cash facility	Cash, money market instruments Interest rate securities, Bank floating rate notes	1.5 years to 3 years	1,802	–
Medium term growth facility	Cash, money market instruments Australian and international bonds listed property Australian and international shares	3 years to 7 years	30,847	28,792
Long term growth facility	Cash, money market instruments, Australian and international bonds listed property, Australian and international shares	7 years and over	11,091	10,221
			67,470	74,688

The unit price of each facility is equal to the total fair value of net assets held by the facility divided by the total number of units on issue for that facility. Unit prices are calculated and published daily. TCorp as trustee for each of the above facilities is required to act in the best interest of the unitholders and to administer the trusts in accordance with the trust deeds. As trustee, TCorp has appointed external managers to manage the performance and risks of each facility in accordance with a mandate agreed by the parties. However, TCorp acts as manager for part of the cash facility. A significant portion of the administration of the facilities is outsourced to an external custodian.

Investment in the Hour-Glass facilities limits NSW Maritime's exposure to risk, as it allows diversification across a pool of funds, with different investment horizons and a mix of investments. TCorp provides sensitivity analysis information for each of the facilities, using historically based volatility information. The TCorp Hour-Glass investment facilities are designated at fair value through profit or loss and therefore any change in unit price impacts directly on comprehensive income (rather than equity).

	Impact on comprehensive income			
	Change in unit price	2011 \$000	Change in unit price	2010 \$000
Cash facility	+/- 1%	237	+/- 1%	357
Strategic cash facility	+/- 1%	18	+/- 1%	–
Medium term growth facility	+/- 6%	1,851	+/- 7%	2,015
Long term growth facility	+/- 15%	1,664	+/- 15%	1,533

A reasonable possible change is based on the percentage change in unit price multiplied by the redemption price as at 30 June each year for each facility (as advised by TCorp).

9

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

MARITIME AUTHORITY OF NSW AND CONTROLLED ENTITY
FOR THE YEAR ENDED 30 JUNE 2011

3 FINANCIAL INSTRUMENTS (CONTINUED)

e) Fair value

Financial instruments are generally recognised at cost, with the exception of the TCorp Hour-Glass facilities, which are measured at fair value. As discussed, the value of the Hour-Glass investments is based on NSW Maritime's share of the value of the underlying assets of the facility, based on the market value. All of the Hour-Glass facilities are valued using 'redemption' pricing. As at 30 June 2011 NSW Maritime recognised \$nil (2010: \$nil) amortised cost of financial instruments in the statement of financial position.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
	\$000	\$000	\$000	\$000
2011				
Financial assets at fair value through profit or loss				
TCorp Hour-Glass investment facilities				
Long term growth facility	–	11,091	–	11,091
Medium term growth facility	–	30,847	–	30,847
Strategic cash facility	–	1,802	–	1,802
	–	43,740	–	43,740
2010				
Financial assets at fair value through profit or loss				
TCorp Hour-Glass investment facilities				
Long term growth facility	–	10,221	–	10,221
Medium term growth facility	–	28,792	–	28,792
	–	39,013	–	39,013

There were no transfers between levels in the period.

4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on other factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods. Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

Significant accounting judgements

Leases

Leases in terms of which NSW Maritime assumes substantially all risks and rewards of ownership are classified as finance leases. Other leases are treated as operating leases and are expensed in the statement of comprehensive income.

Impairment of non-financial assets

NSW Maritime assesses impairment of all assets at each reporting date by evaluating possible impairment conditions. These include changes in technology, economic and political environments and future customer expectations. If an impairment trigger exists, the recoverable amount of the asset is determined. In relation to the year ended 30 June 2011, management did not identify significant triggers for impairment testing and as such these assets have not been tested for impairment.

Capitalised development costs

Development costs are only capitalised when it can be demonstrated that the technical feasibility of completing the intangible asset is valid so that the asset will be available for use or sale.

Significant accounting estimates and assumptions

Make good provisions

A provision has been made for the present value of anticipated costs of future environmental restoration. The provision includes future cost estimates associated with remediation of the maritime environment. The calculation of this provision requires assumptions such as application of environmental legislation, community expectations, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from the amounts currently provided. The provision recognised is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs are recognised in the statement of financial position by adjusting both the expense and/or asset (if applicable) and provision.

Long service leave provision

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. This is based on an actuarial assessment. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using Commonwealth bond rates.

Net defined benefit superannuation asset or liability

The net defined benefit superannuation asset or liability arising from under funded or over funded obligations is assessed each year by independent consultants. This assessment requires assumptions in relation to future salary increases, changes in CPI and return on plan assets. These uncertainties may result in future actual expenditure differing from the amounts currently provided.

Estimation of useful lives of assets

The estimation of the useful lives of assets has been based on historical experience as well as manufacturers' warranties (for plant and equipment), lease terms (for leased equipment) and turnover policies (for motor vehicles). In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

Valuation of infrastructure assets

Major infrastructure assets consisting of wharves and jetties, seawalls, roadways and dredged assets (channels) are revalued to fair value based on written down replacement cost. The determination of replacement cost, total useful life and remaining useful life of these assets require assessments and judgements based on available market evidence. The written down replacement cost methodology is in accordance with NSW Treasury Policy and Guidelines Paper tpp 07-1. Significant judgement is involved in assessing the fair value of the Authority's dredged assets (channels). The Authority has revalued these assets in accordance with an independent valuation report, which contains judgements as to appropriate costs per cubic metre of dredging, the nature of the material to be dredged, methods to be used etc. Any significant changes in these judgements is likely to result in a material change in the carrying value of dredged assets of \$949.3 million within Infrastructure assets.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

MARITIME AUTHORITY OF NSW AND CONTROLLED ENTITY
FOR THE YEAR ENDED 30 JUNE 2011

	Consolidated		Parent	
	2011 \$000	2010 \$000	2011 \$000	2010 \$000
5 PORT MANAGEMENT				
Wharfage	195	210	195	210
Site occupation charges	54	97	54	97
Ship utility charges	2	3	2	3
Navigation services	635	611	635	611
Pilotage	199	193	199	193
Storage facilities	123	136	123	136
	1,208	1,250	1,208	1,250
6 CHANNEL FEES				
Newcastle Port Corporation	3,671	3,204	3,671	3,204
Port Kembla Port Corporation	2,183	1,664	2,183	1,664
Sydney Ports Corporation	3,666	3,203	3,666	3,203
Channel deepening	1,834	271	1,834	271
	11,354	8,342	11,354	8,342
7 BOAT LICENCES				
One year licence	2,220	1,987	2,220	1,987
Three year licence – current year's portion	16,367	15,897	16,367	15,897
Licence ests t	345	362	345	362
	18,932	18,246	18,932	18,246
8 BOAT REGISTRATIONS				
Initial	1,094	799	1,094	799
Renewal	16,664	16,382	16,664	16,382
Other	2,764	3,187	2,764	3,187
	20,522	20,368	20,522	20,368
9 MOORINGS				
Private	6,233	5,995	6,233	5,995
Commercial	1,440	1,558	1,440	1,558
Inspection fees	24	152	24	152
	7,697	7,705	7,697	7,705
10 COMMERCIAL VESSELS CHARGES				
Survey fees	1,737	1,839	1,737	1,839
Registration fees	953	840	953	840
Examinations	95	169	95	169
Other	256	210	256	210
	3,041	3,058	3,041	3,058
11 RENTALS				
Maritime Trade Tower – building	12,244	10,491	12,244	10,491
Commercial	18,239	17,542	18,239	17,542
Private	8,011	8,274	8,011	8,274
Superyacht charges c	44	501	44	501
	38,538	36,808	38,538	36,808

	Consolidated		Parent	
	2011 \$000	2010 \$000	2011 \$000	2010 \$000
12 INVESTMENT INCOME				
Bank and other interest	279	119	279	119
Interest – Maritime Trade Tower	7,810	9,464	7,810	9,464
TCorp investment facilities designated at fair value through profit or loss – gain on fair valuation	5,089	5,580	5,089	5,580
	13,178	15,163	13,178	15,163
13 OTHER INCOME				
Other boating fees	1,758	1,761	1,758	1,761
Miscellaneous services	2,834	2,554	2,834	2,554
Defined benefit superannuation schemes net income	7	–	–	–
Wharf assets received from local councils	–	4,538	–	4,538
Emerging asset – marina berth leases	1,695	1,597	1,695	1,597
Sale of Superyacht Marina	–	1,457	–	1,457
	6,294	11,907	6,287	11,907
14 CONTRACT REVENUE				
Maritime shelter signage	–	8	–	8
Realignment of James Craig Road	–	230	–	230
Restoration of cabling – Bank St Pyrmont	50	–	50	–
Multiplex Coach Layover car park	209	–	209	–
	259	238	259	238
15 EMPLOYEE RELATED EXPENSES				
Payroll services	–	–	39,995	44,478
Ordinary time	29,350	27,680	–	–
Long service leave	1,815	2,386	–	–
Recreation leave	2,763	2,589	–	–
Payroll tax and fringe benefits tax	2,074	2,295	–	–
Overtime	480	501	–	–
Sick leave	530	684	–	–
Voluntary separation payments	326	42	3	–
Other employee benefits and workers' compensation	1,133	1,111	–	–
Superannuation expenses				
Accumulation schemes expense including contributions	2,162	1,980	–	–
Defined benefit superannuation schemes net expense	106	357	–	–
Accrual for salaries, enterprise agreement, annual leave and long service leave	–	(404)	–	–
	40,739	39,221	39,998	44,478
16 CONTRACT SERVICE EXPENSES				
Contractors	8,989	8,448	8,989	8,448
External labour	3,879	2,467	3,879	2,467
Maintenance agreements	2,203	1,209	2,203	1,209
Wharf maintenance	5,679	7,426	5,679	7,426
Navigational aids maintenance	1,629	1,476	1,629	1,476
Motor vehicle and vessel expenses	1,154	979	1,154	979
Other	67	51	67	51
	23,600	22,056	23,600	22,056

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

MARITIME AUTHORITY OF NSW AND CONTROLLED ENTITY
FOR THE YEAR ENDED 30 JUNE 2011

	Consolidated		Parent	
	2011 \$000	2010 \$000	2011 \$000	2010 \$000
17 ADMINISTRATION				
Advertising	482	673	482	673
Collection fees	304	708	304	708
Printing	883	828	883	828
Rent	1,100	1,034	1,100	1,034
Training	539	710	539	710
Stationery and office supplies	285	320	285	320
Insurance	629	616	629	616
Travel	1,102	932	708	553
Legal fees	781	1,414	781	1,414
Management fees – port corporations	32	241	32	241
Internal audit fees and special reviews	261	257	261	257
Subscriptions, donations and professional fees	110	129	110	129
Other	2,081	438	2,080	437
	8,589	8,300	8,194	7,920
18 GRANTS AND SUBSIDIES				
Marine Rescue NSW	1,442	4,481	1,442	4,481
National Marine Safety Committee	577	577	577	577
Australia Day NSW Maritime staff support	99	170	99	170
Menai High School Boat Smart program	–	5	–	5
Sewage pumpout facilities White Bay Balmain	253	–	253	–
Sponsorship 19th NSW Coastal Conference	2	–	2	–
	2,373	5,233	2,373	5,233
19 FINANCE COST				
Interest – Maritime Trade Tower	8,112	9,845	8,112	9,845
Transactions and account keeping fees	25	51	25	51
	8,137	9,896	8,137	9,896
20 NET LOSS ON DISPOSAL OF ASSETS				
Property plant and equipment				
Proceeds from sale of property, plant and equipment	7,189	6,923	7,189	6,923
Disposed and written off assets at cost	61,261	16,146	61,261	16,146
Less: accumulated depreciation	(50,693)	(2,396)	(50,693)	(2,396)
Written down value of disposed and written off assets	10,568	13,750	10,568	13,750
Net loss on disposal and write off of property, plant and equipment	(3,379)	(6,827)	(3,379)	(6,827)
Intangible Assets				
Written off assets at cost	532	–	532	–
Less: accumulated depreciation	(530)	–	(530)	–
Written down value of written off assets	2	–	2	–
Net loss on write off of intangible assets	(2)	–	(2)	–
Net loss on disposal of property, plant and equipment	(3,381)	(6,827)	(3,381)	(6,827)

	Consolidated		Parent	
	2011 \$000	2010 \$000	2011 \$000	2010 \$000
21 CASH AND CASH EQUIVALENTS				
Cash on hand	53	50	53	50
Cash at bank	8,337	3,435	7,636	2,367
TCorp Investments: Hour-Glass cash facility	23,730	35,675	23,730	35,675
Cash and cash equivalents in the statement of financial position	32,120	39,160	31,419	38,092

Reconciliation of cash

The amount shown is fair value. For the purposes of the statement of cash flows, cash and cash equivalents include cash at bank, cash on hand and TCorp investments. The TCorp investments are unit trust investment facilities which are at call.

Cash and cash equivalent assets recognised in the statement of financial position are reconciled at the end of the financial year to the statement of cash flows as follows:

Cash and cash equivalents (per statement of financial position)	32,120	39,160	31,419	38,092
Long term growth facility	11,091	10,221	11,091	10,221
Medium term growth facility	30,847	28,792	30,847	28,792
Strategic cash facility	1,802	–	1,802	–
Closing cash and cash equivalents (per statement of cash flows)	75,860	78,173	75,159	77,105

Reconciliation of net cash flows from operating activities to net surplus (deficit)

Net cash provided by operating activities	26,015	18,006	26,382	17,859
Revaluation (decrement) increment on investment properties	1,101	1,730	1,101	1,730
Depreciation and amortisation	(14,391)	(11,417)	(14,391)	(11,417)
Interest paid shown as financing cash flow	(8,112)	(9,845)	(8,112)	(9,845)
Interest received shown as investing cash flow	7,810	9,464	7,810	9,464
Net loss on assets disposed, written off and granted	(3,381)	(6,917)	(3,381)	(6,917)
Non-cash assets received and recognised	1,695	6,135	1,695	6,135
Change in assets and liabilities				
(Decrease) increase in current receivables	61	9,468	61	9,468
(Decrease) increase in inventory	6	(36)	6	(36)
Increase in non-current receivables	476	652	83	505
(Increase) in current payables	(4,622)	(9,352)	(3,415)	(16,168)
Decrease in non-current payables	5,082	1,484	4,364	753
Decrease in provisions	(49)	2,319	617	5,283
Net surplus (deficit)	11,691	13,316	12,820	8,439

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

MARITIME AUTHORITY OF NSW AND CONTROLLED ENTITY
FOR THE YEAR ENDED 30 JUNE 2011

	Consolidated		Parent	
	2011 \$000	2010 \$000	2011 \$000	2010 \$000
22 TRADE AND OTHER RECEIVABLES (CURRENT)				
Trade debtors	3,777	4,070	3,777	4,070
Rental debtors	6,350	5,075	6,350	5,075
Payments in advance	597	71	597	71
Accrued income	1,616	367	1,616	367
Land sale receivables (a)	19,819	16,002	19,819	16,002
Net GST receivable	615	2,827	615	2,827
Other	738	306	738	306
Less: allowance for impairment	(1,282)	(966)	(1,282)	(966)
	32,230	27,752	32,230	27,752
Movement in the allowance for impairment				
Balance at 1 July	966	3,111	966	3,111
Amounts written off during the year	(837)	(1,669)	(837)	(1,669)
Increase in allowance recognised in profit or loss	1,153	(476)	1,153	(476)
Balance at 30 June	1,282	966	1,282	966
Trade and other receivables (non-current)				
Superannuation surplus	480	87	—	—
Land sale receivables (a)	24,253	44,072	24,253	44,072
Other non-current receivables	6,702	1,626	6,702	1,626
	31,435	45,785	30,955	45,698

a) Land sale receivables relate to the Maritime Trade Tower land which was sold in 1989 on a 96 year term with payments extending for 25 years. These amounts represent the capital portion owed. The purchaser's tenure is secured by a lease.

Details regarding credit risk, liquidity risk and market risk, including financial assets that are either past due or impaired, are disclosed in note 3.

23 INVENTORIES

Boating maps (at cost) and fuel (at average cost)	143	137	143	137
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24 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

TCorp Hour-Glass investment facilities				
Long term growth facility	11,091	10,221	11,091	10,221
Medium term growth facility	30,847	28,792	30,847	28,792
Strategic cash facility	1,802	—	1,802	—
	43,740	39,013	43,740	39,013

Details regarding credit risk, liquidity risk and market risk, arising from financial instruments are disclosed in note 3.

25 PROPERTY, PLANT AND EQUIPMENT (CONSOLIDATED AND PARENT ENTITY)

	Construction in progress \$000	Land and buildings \$000	Infrastructure \$000	Plant and equipment \$000	Total \$000
Year ended 30 June 2011					
At 1 July 2010					
Carrying amount	10,309	117,185	1,114,072	16,846	1,258,412
Additions	2,834	1,358	12,449	8,022	24,663
Assets transferred between classes	–	–	–	–	–
Transfers of assets from local agencies	–	–	48,028	–	48,028
Emerging assets – marinas	–	–	1,695	–	1,695
Disposal of assets	(1,546)	(6,386)	(7,596)	(1,425)	(16,953)
Revaluations	–	–	206,864	–	206,864
Depreciation charge for the year	–	(1,103)	(9,648)	(3,365)	(14,116)
At 30 June 2011					
Carrying amount	11,597	111,054	1,365,864	20,078	1,508,593
At 1 July 2010					
Cost or fair value	10,309	122,259	1,285,860	25,915	1,444,343
Accumulated depreciation and impairment	–	(5,074)	(171,788)	(9,069)	(185,931)
Carrying amount	10,309	117,185	1,114,072	16,846	1,258,412
At 30 June 2011					
Cost or fair value	11,597	117,231	1,498,972	30,147	1,657,947
Accumulated depreciation and impairment	–	(6,177)	(133,108)	(10,069)	(149,354)
Carrying amount	11,597	111,054	1,365,864	20,078	1,508,593

Asset stocktake

An asset stocktake of all items on the fixed asset register was undertaken during the year. Records were adjusted for stocktake results.

Valuation

All significant physical non-current assets except for dredged assets (channels) were revalued as at 30 June 2010 by independent external valuers. Dredged assets were independently valued at 30 June 2011.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

MARITIME AUTHORITY OF NSW AND CONTROLLED ENTITY
FOR THE YEAR ENDED 30 JUNE 2011

25 PROPERTY, PLANT AND EQUIPMENT (CONSOLIDATED AND PARENT ENTITY) (CONTINUED)

	Construction in progress \$000	Land and buildings \$000	Infrastructure \$000	Plant and equipment	Total \$000
Year ended 30 June 2010					
At 1 July 2009					
Carrying amount	5,728	126,415	807,920	15,147	955,210
Additions	4,581	1,975	14,082	6,734	27,372
Assets transferred between classes	–	(26,362)	26,362	–	–
Transfers of assets from state and local agencies	–	–	4,538	–	4,538
Assets received from developer	–	–	145,814	–	145,814
Emerging assets – marinas	–	–	1,597	–	1,597
Disposal of assets held for sale	–	(10,967)	(2,419)	(1,651)	(15,037)
Revaluations	–	27,405	122,697	–	150,102
Depreciation charge for the year	–	(1,281)	(6,519)	(3,384)	(11,184)
At 30 June 2010					
Carrying amount	10,309	117,185	1,114,072	16,846	1,258,412
At 1 July 2009					
Carrying amount	5,728	126,415	807,920	15,147	955,210
At 30 June 2010					
Cost or fair value	10,309	122,259	1,285,860	25,915	1,444,343
Accumulated depreciation and impairment	–	(5,074)	(171,788)	(9,069)	(185,931)
Carrying amount	10,309	117,185	1,114,072	16,846	1,258,412

	Consolidated		Parent	
	2011 \$000	2010 \$000	2011 \$000	2010 \$000
26 INVESTMENT PROPERTY				
Opening balance at 1 July	131,188	129,458	131,188	129,458
Changes in fair value	1,101	1,730	1,101	1,730
Closing balance at 30 June	132,289	131,188	132,289	131,188

The fair value of investment properties has been determined by reference to independent valuations as at 30 June 2011. Such valuations are performed on an open market basis, being the amounts for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction at the valuation date, in accordance with Australian Valuation Standards.

	Consolidated		Parent	
	2011 \$000	2010 \$000	2011 \$000	2010 \$000
27 INTANGIBLE ASSETS				
Opening balance at 1 July	983	855	983	855
Additions (subsequent expenditure)	272	361	272	361
Written off	(2)	–	(2)	–
Depreciation charge for the year	(275)	(233)	(275)	(233)
Closing balance at 30 June	978	983	978	983
At 1 July				
Cost	5,639	5,306	5,639	5,306
Accumulated depreciation and impairment	(4,656)	(4,451)	(4,656)	(4,451)
	983	855	983	855
At 30 June				
Cost	5,379	5,639	5,379	5,639
Accumulated depreciation and impairment	(4,401)	(4,656)	(4,401)	(4,656)
	978	983	978	983

Intangible assets consist of computer software which is not an integral part of a computer system and is recorded at cost. Intangible assets have been assessed as having a finite life and are amortised using the straight line method over 5 years. The assets are tested for impairment when an indicator of impairment arises.

28 TRADE AND OTHER PAYABLES

Current

Accrued salaries, wages and on-costs	865	748	35,937	37,314
Creditors	10,475	11,206	9,878	10,312
Customer advances and deposits	1,602	456	1,602	456
Priority list on moorings	543	561	543	561
Wetland lease security deposits (a)	1,197	1,078	1,197	1,078
Rent in advance	5,868	5,112	5,868	5,112
Long term channel fees unearned income	3,394	1,789	3,394	1,789
Other creditors and accruals	2,452	2,109	2,411	2,078
Boating fees in advance (b)	29,282	27,997	29,282	27,997
	55,678	51,056	90,112	86,697

Non-current

Boating fees in advance (b)	10,043	10,970	10,043	10,970
Long term channel fees unearned income	209,177	170,247	209,177	170,247
Superannuation deficit	16,909	18,756	–	–
	236,129	199,973	219,220	181,217

Trade payables are non-interest bearing and 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 for late payment.

a) This amount mainly represents cash deposits, in lieu of bank guarantees, received from the developer of King Street Wharf, as security over the completion of specific stages of the construction project.

b) Boating fees in advance comprises prepayments by customers for licences, registrations and moorings for the service component which will be provided by NSW Maritime in the future.

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables are disclosed in note 3.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

MARITIME AUTHORITY OF NSW AND CONTROLLED ENTITY
FOR THE YEAR ENDED 30 JUNE 2011

	Consolidated		Parent	
	2011 \$000	2010 \$000	2011 \$000	2010 \$000
29 INTEREST BEARING BORROWINGS				
Current				
<i>Less than one year</i>				
Future minimum lease payments	26,538	24,802	26,538	24,802
Future finance charges	(5,943)	(8,113)	(5,943)	(8,113)
	20,595	16,689	20,595	16,689
Non-current				
<i>Between one and five years</i>				
Future minimum lease payments	28,396	54,934	28,396	54,934
Future finance charges	(3,266)	(9,209)	(3,266)	(9,209)
	25,130	45,725	25,130	45,725

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above borrowings are disclosed in note 3.

30 PROVISIONS**Current employee benefits and related on-cost**

Annual leave (a)	3,609	3,398	–	–
Long service leave – short term benefit (a)	1,059	1,226	–	–
Long service leave – long term benefit (a)	10,761	9,892	–	–
Provision for workers' compensation (b)	460	490	–	–
	15,889	15,006	–	–

Current other provisions

Provision for distribution	4,000	4,000	4,000	4,000
Provision for environmental restoration	1,500	2,117	1,500	2,117
	21,389	21,123	5,500	6,117

Non-current employee benefits and related on-cost

Long service leave (a)	277	269	–	–
Provision for workers' compensation (b)	2,540	2,765	–	–
	2,817	3,034	–	–

	Balance 1 Jul 10 \$000	Charges to revenue \$000	Less payments \$000	Balance 30 Jun 11 \$000
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Movement in annual and long service leave provisions

Annual leave	3,398	2,998	(2,787)	3,609
Long service leave – current	11,118	1,874	(1,172)	11,820
Long service leave – non-current	269	8	–	277

a) The provision for annual leave is calculated using 1 July 2011 wage rates and the provision for long service leave is actuarially assessed.

b) Workers' compensation provision includes \$1.210M for dust diseases (2010: \$1.380M) of which \$102K (2010: \$151K) is current. This provision is for claims from former Maritime Services Board (MSB) staff for dust related diseases that can be attributed to their service during the period 1/7/89 – 30/6/95 when the MSB was a self insurer.

31 SUPERANNUATION

Fund information

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:

State Superannuation Scheme (SSS)

State Authorities Non-Contributory Superannuation Scheme (SANCS)

State Authorities Superannuation Scheme (SASS)

These schemes are all defined benefit schemes – at least a component of the final benefit is derived from a multiple of member salary and years of membership. All the schemes are closed to new members.

	SASS 2011	SANCS 2011	SSS 2011
Member numbers			
Contributors	49	79	30
Deferred benefits	–	–	2
Pensioners	3	–	34
Pensions fully commuted	–	–	5

	SASS 2010	SANCS 2010	SSS 2010
Contributors	56	87	31
Deferred benefits	–	–	2
Pensioners	3	–	33
Pensions fully commuted	–	–	5

Superannuation position recognised in the statement of financial position under AASB 119

	SASS 2011 \$000	SANCS 2011 \$000	SSS 2011 \$000	Total 2011 \$000
Accrued liability	17,900	3,890	58,819	80,609
Estimated reserve account balance	(18,037)	(4,233)	(41,910)	(64,180)
Net (asset) liability recognised in the statement of financial position	(137)	(343)	16,909	16,429
Future service liability	2,809	1,075	1,807	5,691
Surplus in excess of recovery available from schemes	–	–	–	–
Net (asset)/liability to be recognised in statement of financial position	(137)	(343)	16,909	16,429

	SASS 2010 \$000	SANCS 2010 \$000	SSS 2010 \$000	Total 2010 \$000
Accrued liability	19,093	4,039	58,026	81,158
Reserve account balance	(18,593)	(4,126)	(39,770)	(62,489)
Net (asset) liability recognised in the statement of financial position	500	(87)	18,256	18,669
Future service liability	3,525	1,286	2,297	7,108
Surplus in excess of recovery available from schemes	–	–	–	–
Net (asset)/liability to be recognised in statement of financial position	500	(87)	18,256	18,669

The future service liability does not have to be recognised by NSW Maritime. It is only used to determine if an asset ceiling limit should be imposed. Under AASB 119, any prepaid superannuation asset recognised cannot exceed the amount of any unrecognised past service cost and the present value of any economic benefits that may be available in the form of refunds from the plan or reductions in future contributions to the plan. Where the “surplus in excess of recovery” is zero, no asset ceiling limit is imposed.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

MARITIME AUTHORITY OF NSW AND CONTROLLED ENTITY
FOR THE YEAR ENDED 30 JUNE 2011

31 SUPERANNUATION (CONTINUED)

Accounting policy

Actuarial gains and losses are recognised immediately in other comprehensive income in the year in which they occur.

Reconciliation of the present value of the defined benefit obligation

	SASS 2011 \$000	SANCS 2011 \$000	SSS 2011 \$000	Total 2011 \$000
Present value of partly funded defined benefit obligations at beginning of year	19,093	4,039	58,026	81,158
Current service cost	682	184	400	1,266
Interest cost	948	199	2,957	4,104
Contributions by fund participants	321	–	397	718
Actuarial (gains) losses	(545)	(103)	(538)	(1,186)
Benefits paid	(2,599)	(429)	(2,423)	(5,451)
Present value of partly funded defined benefit obligations at end of year	17,900	3,890	58,819	80,609

	SASS 2010 \$000	SANCS 2010 \$000	SSS 2010 \$000	Total 2010 \$000
Present value of partly funded defined benefit obligations at beginning of year	16,212	3,614	51,420	71,246
Current service cost	662	177	410	1,249
Interest cost	881	194	2,831	3,906
Contributions by fund participants	336	–	400	736
Actuarial (gains) losses	1,170	216	4,114	5,500
Benefits paid	(168)	(162)	(1,149)	(1,479)
Present value of partly funded defined benefit obligations at end of year	19,093	4,039	58,026	81,158

Reconciliation of the fair value of fund assets

	SASS 2011 \$000	SANCS 2011 \$000	SSS 2011 \$000	Total 2011 \$000
Fair value of fund assets at beginning of year	18,593	4,126	39,770	62,489
Expected return on fund assets	1,560	347	3,364	5,271
Actuarial gains (losses)	(469)	(4)	417	(56)
Employer contributions	631	193	385	1,209
Contributions by fund participants	321	–	397	718
Benefits paid	(2,599)	(429)	(2,423)	(5,451)
Fair value of fund assets at end of year	18,037	4,233	41,910	64,180

	SASS 2010 \$000	SANCS 2010 \$000	SSS 2010 \$000	Total 2010 \$000
Fair value of fund assets at beginning of year	15,924	3,755	36,897	56,576
Expected return on fund assets	1,358	319	3,121	4,798
Actuarial gains (losses)	477	14	132	623
Employer contributions	667	200	369	1,236
Contributions by fund participants	335	–	400	735
Benefits paid	(168)	(162)	(1,149)	(1,479)
Fair value of fund assets at end of year	18,593	4,126	39,770	62,489

31 SUPERANNUATION (CONTINUED)

Reconciliation of the assets and liabilities recognised in statement of financial position

	SASS 2011 \$000	SANCS 2011 \$000	SSS 2011 \$000	Total 2011 \$000
Present value of partly funded defined benefit obligation at end of year	17,900	3,890	58,819	80,609
Fair Value of Fund assets at end of year	(18,037)	(4,233)	(41,910)	(64,180)
Subtotal	(137)	(343)	16,909	16,429
Unrecognised past service cost	—	—	—	—
Unrecognised gain/(loss)	—	—	—	—
Adjustment for limitation on net asset	—	—	—	—
Net Liability/(Asset) recognised in statement of financial position at end of year	(137)	(343)	16,909	16,429

	SASS 2010 \$000	SANCS 2010 \$000	SSS 2010 \$000	Total 2010 \$000
Present value of partly funded defined benefit obligation at end of year	19,093	4,039	58,026	81,158
Fair Value of Fund assets at end of year	(18,593)	(4,126)	(39,770)	(62,489)
Subtotal	500	(87)	18,256	18,669
Unrecognised past service cost	—	—	—	—
Unrecognised gain/(loss)	—	—	—	—
Adjustment for limitation on net asset	—	—	—	—
Net Liability/(Asset) recognised in statement of financial position at end of year	500	(87)	18,256	18,669

Total expense (income) recognised in the statement of comprehensive income

	SASS 2011 \$000	SANCS 2011 \$000	SSS 2011 \$000	Total 2011 \$000
Current service cost	682	184	400	1,266
Interest cost	948	199	2,957	4,104
Expected return on fund assets (net of expenses)	(1,560)	(347)	(3,364)	(5,271)
Expense (income) recognised	70	36	(7)	99

	SASS 2010 \$000	SANCS 2010 \$000	SSS 2010 \$000	Total 2010 \$000
Current service cost	662	177	410	1,249
Interest cost	881	194	2,831	3,906
Expected return on fund assets (net of expenses)	(1,358)	(319)	(3,121)	(4,798)
Expense (income) recognised	185	52	120	357

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

MARITIME AUTHORITY OF NSW AND CONTROLLED ENTITY
FOR THE YEAR ENDED 30 JUNE 2011

31 SUPERANNUATION (CONTINUED)

Amounts recognised in other comprehensive income

	SASS 2011 \$000	SANCS 2011 \$000	SSS 2011	Total 2011
Actuarial (gains) losses	(76)	(99)	(954)	(1,129)

	SASS 2010 \$000	SANCS 2010 \$000	SSS	Total
Actuarial (gains) losses	693	201	3,983	4,877

Cumulative amount recognised in other comprehensive income

	SASS 2011 \$000	SANCS 2011 \$000	SSS 2011	Total 2011
Actuarial (gains) losses	(1,344)	954	19,327	18,937

	SASS 2010 \$000	SANCS 2010 \$000	SSS	Total
Actuarial (gains) losses	(1,268)	1,053	20,281	20,066

Fund assets

	2011	2010
<i>The percentage invested in each asset class at reporting date</i>		
Australian equities	33.4%	31.0%
Overseas equities	29.5%	26.8%
Australian fixed interest securities	5.7%	6.1%
Overseas fixed interest securities	3.1%	4.3%
Property	9.9%	9.5%
Cash	5.1%	9.6%
Other	13.3%	12.7%
Total	100.0%	100.0%

Fair value of fund assets

All fund assets are invested by the SAS Trustee Corporation (STC) at arm's length through independent fund managers.

Expected rate of return on assets

The expected return on assets assumption is determined by weighting the expected long-term return for each asset class by the target allocation of assets to each class. The returns used for each class are net of investment tax and investment fees.

31 SUPERANNUATION (CONTINUED)

Actual return on fund assets

	SASS 2011 \$000	SANCS 2011 \$000	SSS 2011	Total 2011
Actual return on fund assets	1,530	342	3,312	5,184

	SASS 2010 \$000	SANCS 2010 \$000	SSS	Total
Actual return on fund assets	1,498	333	3,387	5,218

Valuation method and principal actuarial assumptions at reporting date

a) Valuation method

The Projected Unit Credit (PUC) valuation method was used to determine the present value of the defined benefit obligations and the related current service costs. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

	2011	2010
b) Economic assumptions		
Salary increase rate (excluding promotional increases)	3.50%	3.50%
Rate of CPI increase	2.50%	2.50%
Expected rate of return on assets	8.60%	8.60%
Discount rate	5.28%	5.17%

c) Demographic assumptions

The demographic assumptions at 30 June 2011 are those that were used in the 2009 triennial actuarial valuation. The triennial review report is available from the NSW Treasury website.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

MARITIME AUTHORITY OF NSW AND CONTROLLED ENTITY
FOR THE YEAR ENDED 30 JUNE 2011

31 SUPERANNUATION (CONTINUED)

Historical information

	SASS 2011 \$000	SANCS 2011 \$000	SSS 2011 \$000	Total 2011 \$000
Present value of defined benefit obligation	17,900	3,890	58,819	80,609
Fair value of Fund assets	(18,037)	(4,233)	(41,910)	(64,180)
(Surplus)/Deficit in Fund	(137)	(343)	16,909	16,429
Experience adjustments – Fund liabilities	(545)	(103)	(538)	(1,186)
Experience adjustments – Fund assets	469	4	(417)	56

	SASS 2010 \$000	SANCS 2010 \$000	SSS 2010 \$000	Total 2010 \$000
Present value of defined benefit obligation	19,093	4,039	58,026	81,158
Fair value of Fund assets	(18,593)	(4,126)	(39,770)	(62,489)
(Surplus)/Deficit in Fund	500	(87)	18,256	18,669
Experience adjustments – Fund liabilities	1,170	216	4,115	5,501
Experience adjustments – Fund assets	(478)	(14)	(132)	(624)

Expected contributions

	SASS 2011 \$000	SANCS 2011 \$000	SSS 2011 \$000	Total 2011 \$000
Expected employer contributions to be paid in the next reporting period	611	195	369	1,175

Funding arrangements for employer contributions

a) Surplus/deficit

The following is a summary of the 30 June 2011 financial position of the fund calculated in accordance with AAS25 "Financial Reporting by Superannuation Plans":

	SASS 2011 \$000	SANCS 2011 \$000	SSS 2011 \$000	Total 2011 \$000
Accrued benefits	16,420	3,577	41,800	61,797
Net market value of fund assets	(18,037)	(4,233)	(41,910)	(64,180)
Net (surplus) deficit	(1,617)	(656)	(110)	(2,383)

	SASS 2010 \$000	SANCS 2010 \$000	SSS 2010 \$000	Total 2010 \$000
Accrued benefits	17,376	3,654	40,139	61,169
Net market value of fund assets	(18,593)	(4,126)	(39,771)	(62,490)
Net (surplus) deficit	(1,217)	(472)	368	(1,321)

31 SUPERANNUATION (CONTINUED)

b) Contribution recommendations

Recommended contribution rates for the entity are:

	SASS 2011	SANCS 2011	SSS 2011
multiple of member contributions	1.90	–	0.93
% member salary	–	2.5	–

	SASS 2010	SANCS 2010	SSS 2010
multiple of member contributions	1.90	–	0.93
% member salary	–	2.50	–

c) Funding method

Contribution rates are set after discussions between NSW Maritime, STC and NSW Treasury.

d) Economic assumptions

The economic assumptions adopted for the 2009 actuarial review of the fund were:

Weighted average assumptions

Expected rate of return on fund assets backing current pension liabilities	8.3%
Expected rate of return on fund assets backing other liabilities	7.3%
Expected salary increase rate	4.0%
Expected rate of CPI increase	2.5%

Nature of asset / liability

If a surplus exists in NSW Maritime's interest in the fund, NSW Maritime may be able to take advantage of it in the form of a reduction in the required contribution rate, depending on the advice of the fund's actuary and agreement with NSW Treasury. Where a deficiency exists, NSW Maritime is responsible for any difference between its share of fund assets and the defined benefit obligation.

e) Five year comparatives

	2011 \$000	2010 \$000	2009 \$000	2008	2007
Fair value of the plan assets	64,180	62,489	56,576	63,154	68,801
Present value of the defined benefit obligation	(80,609)	(81,158)	(71,246)	(57,750)	(57,853)
Plan surplus (deficit)	(16,429)	(18,669)	(14,670)	5,404	10,948

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

MARITIME AUTHORITY OF NSW AND CONTROLLED ENTITY
FOR THE YEAR ENDED 30 JUNE 2011

	Consolidated		Parent	
	2011 \$000	2010 \$000	2011 \$000	2010 \$000
32 COMMITMENTS				
a) Capital expenditure commitments – relates to capital projects mainly dealing with the Wharf Upgrade Program				
Aggregate capital expenditures contracted for at balance date and not provided:				
Not later than one year	14,486	17,055	14,486	17,055
Later than one year and not later than 5 years	56,903	56,281	56,903	56,281
Total Including GST	71,389	73,336	71,389	73,336
b) Operating expenditure commitments (excluding lease commitments) – relates mainly to wharf maintenance contracts				
Not later than one year	5,377	4,235	5,377	4,235
Later than one year and not later than 5 years	2,557	5,280	2,557	5,280
Total Including GST	7,934	9,515	7,934	9,515
c) Operating lease commitments payable – relates mainly to rental for office accommodation				
Not later than one year	682	587	682	587
Later than one year and not later than 5 years	817	693	817	693
Later than 5 years	–	29	–	29
Total Including GST	1,499	1,309	1,499	1,309
d) National Marine Safety Committee Incorporated (NMSC) – grant to the national intergovernmental committee which seeks to promote national vessel standards				
Commitments in relation to operating expenditure of the NMSC are as follows				
Not later than one year (total Including GST)	656	634	656	634
e) Better Boating Program – grants for recreational boating infrastructure				
Not later than one year	4,467	3,599	4,467	3,599
Later than one year and not later than 5 years	5,446	5,238	5,446	5,238
Total Including GST	9,913	8,837	9,913	8,837
f) Marine Rescue NSW – grant to assist their voluntary work in marine safety throughout NSW				
Not later than one year	1,472	1,442	1,472	1,442
Total (no GST)	1,472	1,442	1,472	1,442
g) Total GST included in the above commitments is as follows:				
GST recoverable from the Australian Taxation Office	8,308	8,512	8,308	8,512

33 CONTINGENT ASSET AND LIABILITIES

Contingent liabilities for unsettled claims subject to litigation as at 30 June 2011 are estimated to be \$0.979M (2010: \$1.340M). If successful, these claims will be met by NSW Maritime's insurers. The contingent asset in relation to these claims is \$0.979M (2010: \$1.340M).

	Consolidated		Parent	
	2011 \$000	2010 \$000	2011 \$000	2010 \$000

34 AUDITORS' REMUNERATION

Amounts received or due and receivable by the NSW Auditor-General for:
audit and review of financial statements *

	188	170	188	170
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* There were no other services performed by the NSW Auditor-General

35 COMPARATIVES

Comparatives for current and non-current receivables, current and non-current interest-bearing borrowings, accumulated funds, rental income, interest income and interest expense were amended to reflect the change in the method of accounting for long-term land leases as provided in AASB 117 *Leases* and as required by NSW Treasury Policy and Guidelines Paper tpp 11-01 *Accounting Policy: Lessor classification of long-term land leases*.

36 CHANGE OF ACCOUNTING POLICIES

In accordance with NSW Treasury policy, NSW Maritime has amended its accounting policy to treat long-term leases of land as finance leases. This change in policy is in accordance with AASB 117 *Leases* and NSW Treasury Policy and Guidelines Paper tpp 11-01 *Accounting Policy: Lessor classification of long-term land leases*. This change in policy increases the 2011 surplus by \$2.540m (2010: \$4.088m).

	Consolidated		Parent	
	2011 \$000	2010 \$000	2011 \$000	2010 \$000
Effect of changes in policy on prior period accumulated funds balance				
a) Maritime Trade Tower finance lease of land sale	–	229,840	–	229,840
b) Maritime Trade Tower finance lease of buildings purchase	–	(72,031)	–	(72,031)
c) Munn St Stores finance lease of land	–	1,132	–	1,132
d) Finger / Cowper Wharf Road finance lease of land and buildings	–	11,324	–	11,324
e) Lincoln Crescent finance lease of land and buildings	–	3,135	–	3,135
f) Walsh Bay redevelopment finance lease of land and buildings	–	9,293	–	9,293
g) Pier One finance lease of land and buildings	–	2,496	–	2,496
h) King Street Wharf finance lease of land and buildings	–	82,976	–	82,976
Total effect on accumulated funds at 1 July 2009	–	268,165	–	268,165

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

MARITIME AUTHORITY OF NSW AND CONTROLLED ENTITY
FOR THE YEAR ENDED 30 JUNE 2011

36 CHANGE OF ACCOUNTING POLICIES (CONTINUED)

	Previously reported figure at 30 June 2010 \$000	Correction of balance at 1 July 2009 \$000	Correction of balance at 30 June 2010 \$000	Comparative restated at 30 June 2010 \$000
Consolidated revenues				
Lease rental income	41,452	–	(4,644)	36,808
Investment income	5,699	–	9,464	15,163
Other income	10,450	–	1,457	11,907
Total income	118,538	–	6,277	124,815
Consolidated expenses				
Finance cost	7,707	–	2,189	9,896
Total expenses	109,310	–	2,189	111,499
Consolidated surplus	9,228	–	4,088	13,316
Consolidated assets				
Current trade and other receivables	13,376	12,725	1,651	27,752
Total current assets	91,686	12,725	1,651	106,062
Non-current trade and other receivables	79,862	(5,383)	(28,694)	45,785
Total non-current assets	1,470,445	(5,383)	(28,694)	1,436,368
Total assets	1,562,131	7,342	(27,043)	1,542,430
Consolidated liabilities				
Current trade and other payables	55,729	(4,643)	(30)	51,056
Current interest bearing borrowings	1,340	12,128	3,221	16,689
Total current liabilities	78,192	7,485	3,191	88,868
Non-current trade and other payables	481,699	(262,754)	(18,972)	199,973
Non-current interest bearing borrowings	66,629	(5,554)	(15,350)	45,725
Total non-current liabilities	551,362	(268,308)	(34,322)	248,732
Total liabilities	629,554	(260,823)	(31,131)	337,600
Net assets	932,577	268,165	4,088	1,204,830
Consolidated equity				
Accumulated funds	284,513	268,165	4,088	556,766
Total equity	932,577	268,165	4,088	1,204,830

36 CHANGE OF ACCOUNTING POLICIES (CONTINUED)

	Previously reported figure at 30 June 2010 \$000	Correction of balance at 1 July 2009 \$000	Correction of balance at 30 June 2010 \$000	Comparative restated at 30 June 2010 \$000
Parent entity revenues				
Lease rental income	41,452	–	(4,644)	36,808
Investment income	5,699	–	9,464	15,163
Other income	10,450	–	1,457	–
Total income	118,538	–	6,277	124,815
Parent entity expenses				
Finance cost	7,707	–	2,189	9,896
Total expenses	114,187	–	2,189	116,376
Parent entity surplus	4,351	–	4,088	8,439
Parent entity assets				
Current trade and other receivables	13,376	12,725	1,651	27,752
Total current assets	90,618	12,725	1,651	104,994
Non-current trade and other receivables	79,775	(5,383)	(28,694)	45,698
Total non-current assets	1,470,358	(5,383)	(28,694)	1,436,281
Total assets	1,560,976	7,342	(27,043)	1,541,275
Parent entity liabilities				
Current trade and other payables	91,370	(4,643)	(30)	86,697
Current interest bearing borrowings	1,340	12,128	3,221	16,689
Total current liabilities	98,827	7,485	3,191	109,503
Non-current trade and other payables	462,943	(262,754)	(18,972)	181,217
Non-current interest bearing borrowings	66,629	(5,554)	(15,350)	45,725
Total non-current liabilities	529,572	(268,308)	(34,322)	226,942
Total liabilities	628,399	(260,823)	(31,131)	336,445
Net assets	932,577	268,165	4,088	1,204,830
Parent entity equity				
Accumulated funds	284,513	268,165	4,088	556,766
Total equity	932,577	268,165	4,088	1,204,830

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

MARITIME AUTHORITY OF NSW AND CONTROLLED ENTITY
FOR THE YEAR ENDED 30 JUNE 2011

37 EVENTS AFTER THE REPORTING DATE

On 15 July 2011 the Minister for Transport and the Minister for Roads and Ports jointly announced the establishment of a new integrated transport authority that is to be called 'Transport for NSW'. Transport for NSW will be responsible for improving the customer experience, planning, program administration, policy, regulation, procurement of transport services, infrastructure and freight. Some of the functions of NSW Maritime will be transferred to Transport for NSW.

The Ministers also announced that the Roads and Traffic Authority (RTA) and NSW Maritime would cease to exist in their current form with a new agency, Roads and Maritime Services, created in their place. The legislation to create Roads and Maritime Services has been passed by both houses of parliament, with the date of proclamation expected to be 1 November 2011.

The new agency will report to the Minister for Roads and Ports. As a result of these changes, it is expected that Transport for NSW, through the direction of the Director General, will have control over the following transport agencies operating in NSW in 2011-12:

- Roads and Maritime Services
- Rail Corporation
- State Transit Authority
- Sydney Ferries
- Public Transport Ticketing Corporation
- Sydney Metro

It is also expected that Transport for NSW will be preparing consolidated financial statements of these transport agencies for the year 2011-12.

There are no other material post-balance date events or transactions that require adjustments or disclosures in the financial statements.

End of Audited Financial Statements

INDEPENDENT AUDIT REPORT

MARITIME AUTHORITY OF NSW DIVISION



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

Maritime Authority of New South Wales Division

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of the Maritime Authority of New South Wales Division (the Division), which comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information of the Division.

Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Division as at 30 June 2011, and of its financial performance for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010.

My opinion should be read in conjunction with the rest of this report.

The Acting Chief Executive's Responsibility for the Financial Statements

The Acting Chief Executive is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act, and for such internal control as the Acting Chief Executive determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Acting Chief Executive, as well as evaluating the overall presentation of the financial statements.

INDEPENDENT AUDIT REPORT

MARITIME AUTHORITY OF NSW DIVISION

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My opinion does *not* provide assurance:

- about the future viability of the Division
- that it has carried out its activities effectively, efficiently and economically
- about the effectiveness of its internal control
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information, which may have been hyperlinked to/from the financial statements.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and other relevant ethical pronouncements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their role by the possibility of losing clients or income.



C J Giumelli
Director, Financial Audit Services

28 October 2011
SYDNEY

CHIEF EXECUTIVE'S STATEMENT

MARITIME AUTHORITY OF NSW DIVISION

MARITIME AUTHORITY OF NSW DIVISION Financial Statements

For the year ended 30 June 2011

STATEMENT BY CHIEF EXECUTIVE

Pursuant to Section 41C (1B) and (1C) of the *Public Finance and Audit Act 1983*, I declare that in my opinion:

1. The accompanying Financial Statements exhibit a true and fair view of the Division's financial position as at 30 June 2011 and the transactions for the year then ended.
2. The statements have been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2010*, and the Treasurer's Directions.

Further, I am not aware of any circumstances which would render any particulars included in the Financial Statements to be misleading or inaccurate.



Tony Middleton
Acting Chief Executive

28 October 2011

STATEMENT OF COMPREHENSIVE INCOME

MARITIME AUTHORITY OF NSW DIVISION
FOR THE YEAR ENDED 30 JUNE 2011

	Note	2011 \$000	2010 \$000
REVENUE			
Payroll services		39,995	44,478
Superannuation funding surplus		7	–
Total revenue		40,002	44,478
EXPENSES			
Employee related expenses	5	40,736	39,221
Administration	6	395	380
Total expenses		41,131	39,601
Surplus (deficit) for the year		(1,129)	4,877
Other comprehensive income			
Superannuation actuarial gains/(losses)	11	1,129	(4,877)
Other comprehensive income for the year		1,129	(4,877)
Total comprehensive income for the year		–	–

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2011

	Note	2011 \$000	2010 \$000
ASSETS			
Current assets			
Cash and cash equivalents	7	701	1,068
Trade and other receivables	8	35,937	37,314
Total current assets		36,638	38,382
Non-current assets			
Trade and other receivables	8	480	87
Total non-current assets		480	87
Total assets a		37,118	38,469
LIABILITIES			
Current liabilities			
Trade and other payables	9	1,503	1,673
Provisions	10	15,889	15,006
Total current liabilities		17,392	16,679
Non-current liabilities			
Trade and other payables	9	16,909	18,756
Provisions	10	2,817	3,034
Total non-current liabilities		19,726	21,790
Total liabilities		37,118	38,469
Net assets a		–	–
EQUITY			
Accumulated funds		–	–
Total equity		–	–

STATEMENT OF CASH FLOWS

MARITIME AUTHORITY OF NSW DIVISION
FOR THE YEAR ENDED 30 JUNE 2011

The accompanying notes form part of these financial statements

	Note	2011 \$000	2010 \$000
Cash flows from operating activities			
Receipts from customers		40,986	38,909
Payments to suppliers and employees		(41,353)	(38,762)
Net cash flows from operating activities	7	(367)	147
Net increase (decrease) in cash and cash equivalents		(367)	147
Cash and cash equivalents at the beginning of the year		1,068	921
Cash and cash equivalents at the end of the year	7	701	1,068

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2011

	Note	2011 \$000	2010 \$000
Accumulated funds			
Balance at 1 July		—	—
Surplus (deficit) for the year		(1,129)	4,877
Other comprehensive income for the year		1,129	(4,877)
Balance at 30 June		—	—

The accompanying notes form part of these financial statements

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

MARITIME AUTHORITY OF NSW DIVISION
FOR THE YEAR ENDED 30 JUNE 2011

1 INFORMATION ABOUT NSW MARITIME AUTHORITY DIVISION

Maritime Authority of NSW Division (the Division) was established on 16 March 2006, as a special purpose entity to take over all payroll and employment related responsibilities from the Maritime Authority of NSW (NSW Maritime) in order to enhance and protect the working conditions of NSW Maritime employees. The financial statements of the Division for the year ended 30 June 2011 was authorised for issue by the Chief Executive on 28 October 2011.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards, the requirements of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2010* and the Treasurer's Directions. The financial statements have been prepared on the basis of full accrual accounting using historical cost conventions, except for superannuation which is shown at actuarially assessed present value.

The Division is a division of the Government Service, established pursuant to Part 2 of Schedule 1 to the *Public Sector Employment and Management Act 2002*. Its sole objective is to provide personnel services to NSW Maritime.

The financial statements are presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000) unless otherwise stated.

a) New accounting standards and interpretations

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted for the annual reporting period ending 30 June 2011. These are outlined in the table below.

Reference	Title	Summary	Financial year of application
AASB 7	Financial Instruments: Disclosures	Introduces disclosure requirements for transfer of financial assets, including in respect of the nature of the financial assets involved and the risks associated with them.	30 June 2012
AASB 9	Financial Instruments	Simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortised cost and fair value.	30 June 2014
AASB 108	Accounting Policies, Changes in Accounting Estimates and Errors	Minor editorial change and will not result in a material financial impact on the financial statements.	30 June 2012
AASB 110	Events after the Reporting Period	Minor editorial change and will not result in a material financial impact on the financial statements.	30 June 2012
AASB 119	Employee Benefits	Minor editorial change and will not result in a material financial impact on the financial statements.	30 June 2012
AASB 137	Provisions, Contingent Liabilities and Contingent Assets	Minor editorial change and will not result in a material financial impact on the financial statements.	30 June 2012

b) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank. For the purposes of the statement of cash flows, cash and cash equivalents consist of cash at bank.

c) Trade and other receivables

The only receivable relates to an amount payable by NSW Maritime. This amount will be settled in cash during the next financial year. Subsequent transactions between NSW Maritime and the Division are settled on a monthly basis. This financial asset is measured at the original invoice amount as the effect of discounting is immaterial. There is no material risk associated with the collectability of this receivable, so no impairment evaluation is deemed necessary.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) Trade and other payables

Trade accounts payable, including accruals not yet billed, are recognised when the Division becomes obliged to make future payments as a result of the purchase of assets or services. Trade accounts payable are unsecured and are generally settled within their due date.

e) Provisions

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Division expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date using a discounted cash flow methodology. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised in the statement of comprehensive income.

Employee leave benefits

i) Salaries, sick leave and annual leave

Liabilities for salaries and annual leave are recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees service up to that date. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

ii) Long service leave

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. This is based on an actuarial assessment. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using Commonwealth bond rates.

iii) Payroll tax, fringe benefits tax and compulsory employer superannuation contributions

The outstanding amount of payroll tax, fringe benefits tax and compulsory employer superannuation contributions, which are consequential to employment, are recognised as liabilities and expenses where the employee entitlements to which they relate have been recognised and it is reasonably likely that the expense will be incurred at the time of paying the employee entitlement.

iv) Superannuation

The Division contributes to employee superannuation funds in addition to contributions made by employees. Such contributions are paid to nominated funds. The Division contributes to defined benefit schemes and accumulation schemes. Payments are applied towards the accruing liability for superannuation in respect of employees and are expensed in the statement of comprehensive income. Actuarial assessments are performed at each reporting date for the defined benefit schemes. Actuarial gains and losses are recognised as a movement in accumulated funds. Under funded defined benefit schemes are recognised as a non-current liability while over funded schemes are recognised as a non-current asset.

f) Revenue recognition

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The only source of revenue for the Division is NSW Maritime. The Division is structured such that all expenses are reimbursed by NSW Maritime, so that revenues will always equal costs except for the amount of superannuation actuarial gains and losses.

g) Insurance

The Division's insurance requirement is managed by the NSW Treasury Managed Fund. During the year the Division had workers' compensation insurance in place.

3 FINANCIAL INSTRUMENTS

The Division's principal financial instruments comprise receivables, payables and cash.

The Division's exposure to key financial risks is managed by NSW Maritime in accordance with NSW Maritime's risk management policy. The objective of the policy is to facilitate the effective management of potential opportunities and adverse effects.

The main risks arising from financial instruments are interest rate risk and liquidity risk. The Division has no significant credit risk. Methods used to measure and manage risk include monitoring levels of exposure to interest rate risk and assessments of market forecasts for interest rates, and development and monitoring of forward cash flow estimates.

Primary responsibility for identification and control of financial risks rests with NSW Maritime's Finance Manager under the authority of the Chief Executive. The General Manager Corporate Services reviews and agrees policies for managing each of the risks identified below.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

MARITIME AUTHORITY OF NSW DIVISION
FOR THE YEAR ENDED 30 JUNE 2011

3 FINANCIAL INSTRUMENTS (CONTINUED)

a) Financial instrument categories

	Note	Category	2011 \$000	2010 \$000
FINANCIAL ASSETS				
Cash and cash equivalents	7	N/A	701	1,068
Receivables	8	Loans and receivables at amortised cost excluding prepayments and statutory receivables		
FINANCIAL LIABILITIES				
Payables	9	Financial liabilities measured at amortised cost excluding unearned income and statutory payables	597	894

b) Credit risk

Credit risk arises from the financial assets of the Division, which comprise cash and cash equivalents and receivables. Exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets. Exposure at reporting date is addressed in each applicable note. The Division trades only with NSW Maritime and as such collateral is not requested. The Division has not securitised its trade and other receivables and has not granted any financial guarantees. Credit risk associated with NSW Maritime's financial assets, other than receivables, is managed through the selection of its bankers.

Cash

Cash comprises cash at bank held with the Division's bankers. Interest on daily bank balances is credited directly to NSW Maritime.

Receivables – NSW Maritime

The receivable from NSW Maritime is considered to have no significant risk, and no allowance for impairment is considered. No interest is earned on this debt. The amount is payable within 30 days. No amount is past due.

c) Liquidity risk

As a body funded by NSW Maritime, the Division has no significant liquidity risk. The table below reflects all contractually fixed payables resulting from recognised financial liabilities at reporting date, based on management expectations. The Division has no interest-bearing payables and, therefore, no exposure to interest rate risk. All obligations are shown at undiscounted cash amounts.

	Maturity dates		
	< 1 year	1-5 years	> 5 years
2011			
Payables	–	–	–
Creditors	597	–	–
	597	–	–
2010			
Payables	–	–	–
Creditors	894	–	–
	894	–	–

d) Market risk

Interest rate risk

The Division has no material exposure to market interest rate risks, as it has no long-term variable interest rate debt obligations and receives no interest on its short-term cash balances.

e) Fair Value

Financial instruments are recognised at cost. The Division has no financial instruments which are measured at fair value.

4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on other factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods. Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

Significant accounting estimates and assumptions

Long service leave provision

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. This is based on an actuarial assessment. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using Commonwealth bond rates.

Net defined benefit superannuation asset or liability

The net defined benefit superannuation asset or liability arising from under funded or over funded obligations is assessed each year by independent consultants. This assessment requires assumptions in relation to future salary increases, changes in CPI and return on plan assets. These uncertainties may result in future actual expenditure differing from the amounts currently provided.

	2011 \$000	2010 \$000
5 EMPLOYEE RELATED EXPENSES		
Ordinary time	29,350	27,680
Long service leave	1,815	2,386
Recreation leave	2,763	2,589
Payroll tax and fringe benefits tax	2,074	2,295
Overtime	480	501
Sick leave	530	684
Voluntary separation payments	323	42
Other employee benefits and workers' compensation	1,133	1,111
Superannuation		
Accumulation schemes expense including contributions	2,162	1,980
Defined benefit superannuation schemes net expense	106	357
Accrual for salaries, enterprise agreement, annual leave and long service leave	-	(404)
	40,736	39,221

9

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

MARITIME AUTHORITY OF NSW DIVISION
FOR THE YEAR ENDED 30 JUNE 2011

	2011 \$000	2010 \$000
6 ADMINISTRATION		
Travel expenses allocated	395	380
7 CASH AND CASH EQUIVALENTS		
Cash at bank	701	1,068
Reconciliation of cash		
The amount shown is fair value. For the purposes of the statement of cash flows, cash and cash equivalents comprise the amount shown above.		
Reconciliation of net cash flows from operating activities to net surplus		
Net cash provided by (used in) operating activities	(367)	147
Changes in assets and liabilities		
Increase (decrease) in current receivables	(1,377)	5,422
Increase in non-current receivables	393	147
Decrease in current payables	170	1,394
Decrease in non-current payables	718	731
Increase (decrease) in provisions	(666)	(2,964)
Net surplus (deficit)	(1,129)	4,877
8 TRADE AND OTHER RECEIVABLES		
Current receivables		
Amount owing from NSW Maritime	35,937	37,314
	35,937	37,314
Non-current receivables		
Superannuation surplus	480	87
	480	87

i) Net fair value

The Division considers the carrying amount of debtors approximate their net fair values.

ii) Significant terms and conditions

The amount receivable from NSW Maritime is payable within the next financial year. Amounts owing which arise during subsequent years will be settled within one month.

Details regarding credit risk, liquidity risk and market risk relating to receivables are disclosed in note 3.

	2011 \$000	2010 \$000
9 TRADE AND OTHER PAYABLES		
Current payables		
Trade debtors	597	894
Accrued superannuation	41	31
Accrued payroll tax	233	220
Accrued salaries	564	439
Accrued fringe benefits tax	68	89
	1,503	1,673
Non-current payables		
Superannuation deficit	16,909	18,756
	16,909	18,756

Details regarding credit risk, liquidity risk and market risk relating to payables are disclosed in note 3.

10 PROVISIONS

Current employee benefits and related on-cost

Annual leave (a)	3,609	3,398
Long service leave – short term benefit (a)	1,059	1,226
Long service leave – long term benefit (a)	10,761	9,892
Provision for workers' compensation (b)	460	490
	15,889	15,006

Non-current employee benefits and related on-cost

Long service leave (a)	277	269
Provision for workers' compensation (b)	2,540	2,765
	2,817	3,034

a) The provision for annual leave is calculated using 1 July 2011 wage rates and the provision for long service leave is actuarially assessed.

b) Workers' compensation provision includes \$1.210M for dust diseases (2010: \$1.380M) of which \$102K (2010: \$151K) is current. This provision is for claims from former Maritime Services Board (MSB) staff for dust related diseases that can be attributed to their service during the period 1/7/89 – 30/6/95 when the MSB was a self insurer.

	Balance 1 Jul 10 \$000	Charges to revenue \$000	Less payments \$000	Balance 30 Jun 11 \$000
Movement in annual and long service leave provision				
Annual leave	3,398	2,998	(2,787)	3,609
Long service leave – current	11,118	1,874	(1,172)	11,820
Long service leave – non-current	269	8	–	277

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

MARITIME AUTHORITY OF NSW DIVISION
FOR THE YEAR ENDED 30 JUNE 2011

11 SUPERANNUATION

Fund information

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:
State Superannuation Scheme (SSS)
State Authorities Non-Contributory Superannuation Scheme (SANCS)
State Authorities Superannuation Scheme (SASS)

These schemes are all defined benefit schemes – at least a component of the final benefit is derived from a multiple of member salary and years of membership. All the schemes are closed to new members.

Member numbers

	SASS 2011	SANCS 2011	SSS 2011
Contributors	49	79	30
Deferred benefits	–	–	2
Pensioners	3	–	34
Pensions fully commuted	–	–	5

	SASS 2010	SANCS 2010	SSS
Contributors	56	87	31
Deferred benefits	–	–	2
Pensioners	3	–	33
Pensions fully commuted	–	–	5

Superannuation position recognised in the statement of financial position under AASB 119

	SASS 2011 \$000	SANCS 2011 \$000	SSS 2011	Total 2011
Accrued liability	17,900	3,890	58,819	80,609
Estimated reserve account balance	(18,037)	(4,233)	(41,910)	(64,180)
Net (asset) liability recognised in the statement of financial position	(137)	(343)	16,909	16,429
Future service liability	2,809	1,075	1,807	5,691
Surplus in excess of recovery available from schemes	–	–	–	–
Net (asset)/liability to be recognised in statement of financial position	(137)	(343)	16,909	16,429

	SASS 2010 \$000	SANCS 2010 \$000	SSS	Total
Accrued liability	19,093	4,039	58,026	81,158
Reserve account balance	(18,593)	(4,126)	(39,770)	(62,489)
Net (asset) liability recognised in the statement of financial position	500	(87)	18,256	18,669
Future service liability	3,525	1,286	2,297	7,108
Surplus in excess of recovery available from schemes	–	–	–	–
Net (asset)/liability to be recognised in statement of financial position	500	(87)	18,256	18,669

The future service liability does not have to be recognised by the Division. It is only used to determine if an asset ceiling limit should be imposed. Under AASB 119, any prepaid superannuation asset recognised cannot exceed the amount of any unrecognised past service cost and the present value of any economic benefits that may be available in the form of refunds from the plan or reductions in future contributions to the plan. Where the “surplus in excess of recovery” is zero, no asset ceiling is imposed.

11 SUPERANNUATION (CONTINUED)

Accounting policy

Actuarial gains and losses are recognised immediately in other comprehensive income in the year in which they occur.

Reconciliation of the present value of the defined benefit obligation

	SASS 2011 \$000	SANCS 2011 \$000	SSS 2011 \$000	Total 2011
Present value of partly funded defined benefit obligations at beginning of year	19,093	4,039	58,026	81,158
Current service cost	682	184	400	1,266
Interest cost	948	199	2,957	4,104
Contributions by fund participants	321	–	397	718
Actuarial (gains) losses	(545)	(103)	(538)	(1,186)
Benefits paid	(2,599)	(429)	(2,423)	(5,451)
Present value of partly funded defined benefit obligations at end of year	17,900	3,890	58,819	80,609

	SASS 2010 \$000	SANCS 2010 \$000	SSS 2010 \$000	Total
Present value of partly funded defined benefit obligations at beginning of year	16,212	3,614	51,420	71,246
Current service cost	662	177	410	1,249
Interest cost	881	194	2,831	3,906
Contributions by fund participants	336	–	400	736
Actuarial (gains) losses	1,170	216	4,114	5,500
Benefits paid	(168)	(162)	(1,149)	(1,479)
Present value of partly funded defined benefit obligations at end of year	19,093	4,039	58,026	81,158

Reconciliation of the fair value of fund assets

	SASS 2011 \$000	SANCS 2011 \$000	SSS 2011 \$000	Total 2011
Fair value of fund assets at beginning of year	18,593	4,126	39,770	62,489
Expected return on fund assets	1,560	347	3,364	5,271
Actuarial gains (losses)	(469)	(4)	417	(56)
Employer contributions	631	193	385	1,209
Contributions by fund participants	321	–	397	718
Benefits paid	(2,599)	(429)	(2,423)	(5,451)
Fair value of fund assets at end of year	18,037	4,233	41,910	64,180

	SASS 2010 \$000	SANCS 2010 \$000	SSS 2010 \$000	Total
Fair value of fund assets at beginning of year	15,924	3,755	36,897	56,576
Expected return on fund assets	1,358	319	3,121	4,798
Actuarial gains (losses)	477	14	132	623
Employer contributions	667	200	369	1,236
Contributions by fund participants	335	–	400	735
Benefits paid	(168)	(162)	(1,149)	(1,479)
Fair value of fund assets at end of year	18,593	4,126	39,770	62,489

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

MARITIME AUTHORITY OF NSW DIVISION
FOR THE YEAR ENDED 30 JUNE 2011

11 SUPERANNUATION (CONTINUED)

Reconciliation of the assets and liabilities recognised in statement of financial position

	SASS 2011 \$000	SANCS 2011 \$000	SSS 2011	Total 2011
Present value of partly funded defined benefit obligation at end of year	17,900	3,890	58,819	80,609
Fair Value of Fund assets at end of year	(18,037)	(4,233)	(41,910)	(64,180)
Subtotal	(137)	(343)	16,909	16,429
Unrecognised past service cost	—	—	—	—
Unrecognised gain/(loss)	—	—	—	—
Adjustment for limitation on net asset	—	—	—	—
Net Liability/(Asset) recognised in statement of financial position at end of year	(137)	(343)	16,909	16,429

	SASS 2010 \$000	SANCS 2010 \$000	SSS	Total
Present value of partly funded defined benefit obligation at end of year	19,093	4,039	58,026	81,158
Fair Value of Fund assets at end of year	(18,593)	(4,126)	(39,770)	(62,489)
Subtotal	500	(87)	18,256	18,669
Unrecognised past service cost	—	—	—	—
Unrecognised gain/(loss)	—	—	—	—
Adjustment for limitation on net asset	—	—	—	—
Net Liability/(Asset) recognised in statement of financial position at end of year	500	(87)	18,256	18,669

Total expense (income) recognised in the statement of comprehensive income

	SASS 2011 \$000	SANCS 2011 \$000	SSS 2011	Total 2011
Current service cost	682	184	400	1,266
Interest cost	948	199	2,957	4,104
Expected return on fund assets (net of expenses)	(1,560)	(347)	(3,364)	(5,271)
Expense/(Income) recognised	70	36	(7)	99

	SASS 2010 \$000	SANCS 2010 \$000	SSS	Total
Current service cost	662	177	410	1,249
Interest cost	881	194	2,831	3,906
Expected return on fund assets (net of expenses)	(1,358)	(319)	(3,121)	(4,798)
Expense (income) recognised	185	52	120	357

11 SUPERANNUATION (CONTINUED)

Amounts recognised in other comprehensive income

	SASS 2011 \$000	SANCS 2011 \$000	SSS 2011	Total 2011
Actuarial (gains) losses	(76)	(99)	(954)	(1,129)

	SASS 2010 \$000	SANCS 2010 \$000	SSS	Total
Actuarial (gains) losses	693	201	3,983	4,877

Cumulative amount recognised in other comprehensive income

	SASS 2011 \$000	SANCS 2011 \$000	SSS 2011	Total 2011
Actuarial (gains) losses	(1,344)	954	19,327	18,937

	SASS 2010 \$000	SANCS 2010 \$000	SSS	Total
Actuarial (gains) losses	(1,268)	1,053	20,281	20,066

Fund assets

	2011	2010
<i>The percentage invested in each asset class at the reporting date</i>		
Australian equities	33.4%	31.0%
Overseas equities	29.5%	26.8%
Australian fixed interest securities	5.7%	6.1%
Overseas fixed interest securities	3.1%	4.3%
Property	9.9%	9.5%
Cash	5.1%	9.6%
Other	13.3%	12.7%
Total	100.0%	100.0%

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

MARITIME AUTHORITY OF NSW DIVISION
FOR THE YEAR ENDED 30 JUNE 2011

11 SUPERANNUATION (CONTINUED)

Fair value of fund assets

All fund assets are invested by the SAS Trustee Corporation (STC) at arms length through independent fund managers.

Expected rate of return on assets

The expected return on assets assumption is determined by weighting the expected long-term return for each asset class by the target allocation of assets to each class. The returns used for each class are net of investment tax and investment fees.

Actual return on fund assets

	SASS 2011 \$000	SANCS 2011 \$000	SSS 2011	Total 2011
Actual Return on fund assets	1,530	342	3,312	5,184

	SASS 2010 \$000	SANCS 2010 \$000	SSS	Total
Actual Return on fund assets	1,498	333	3,387	5,218

Valuation method and principal actuarial assumptions at reporting date

a) Valuation method

The Projected Unit Credit (PUC) valuation method was used to determine the present value of the defined benefit obligations and the related current service costs. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

	2011	2010
b) Economic assumptions		
Salary increase rate (excluding promotional increases)	3.50%	3.50%
Rate of CPI increase	2.50%	2.50%
Expected rate of return on assets	8.60%	8.60%
Discount rate	5.28%	5.17%

c) Demographic assumptions

The demographic assumptions at 30 June 2011 are those that were used in the 2009 triennial actuarial valuation. The triennial review report is available from the NSW Treasury website.

11 SUPERANNUATION (CONTINUED)

Historical information

	SASS 2011 \$000	SANCS 2011 \$000	SSS 2011 \$000	Total 2011 \$000
Present value of defined benefit obligation	17,900	3,890	58,819	80,609
Fair value of Fund assets	(18,037)	(4,233)	(41,910)	(64,180)
(Surplus)/Deficit in Fund	(137)	(343)	16,909	16,429
Experience adjustments – Fund liabilities	(545)	(103)	(538)	(1,186)
Experience adjustments – Fund assets	469	4	(417)	56

	SASS 2010 \$000	SANCS 2010 \$000	SSS 2010 \$000	Total 2010 \$000
Present value of defined benefit obligation	19,093	4,039	58,026	81,158
Fair value of Fund assets	(18,593)	(4,126)	(39,770)	(62,489)
(Surplus)/Deficit in Fund	500	(87)	18,256	18,669
Experience adjustments – Fund liabilities	1,170	216	4,115	5,501
Experience adjustments – Fund assets	(478)	(14)	(132)	(624)

Expected contributions

	SASS 2011 \$000	SANCS 2011 \$000	SSS 2011 \$000	Total 2011 \$000
Expected employer contributions to be paid in the next reporting period	611	195	369	1,175

Funding arrangements for employer contributions

a) Surplus/deficit

The following is a summary of the 30 June 2011 financial position of the fund calculated in accordance with AAS25 "Financial Reporting by Superannuation Plans":

	SASS 2011 \$000	SANCS 2011 \$000	SSS 2011 \$000	Total 2011 \$000
Accrued benefits	16,420	3,577	41,800	61,797
Net market value of fund assets	(18,037)	(4,233)	(41,910)	(64,180)
Net (surplus) deficit	(1,617)	(656)	(110)	(2,383)

	SASS 2010 \$000	SANCS 2010 \$000	SSS 2010 \$000	Total 2010 \$000
Accrued benefits	17,376	3,654	40,139	61,169
Net market value of fund assets	(18,593)	(4,126)	(39,771)	(62,490)
Net (surplus) deficit	(1,217)	(472)	368	(1,321)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

MARITIME AUTHORITY OF NSW DIVISION
FOR THE YEAR ENDED 30 JUNE 2011

11 SUPERANNUATION (CONTINUED)

b) Contribution recommendations

Recommended contribution rates for the entity are:

	SASS 2011	SANCS 2011	SSS 2011
multiple of member contributions	1.90	–	0.93
% member salary	–	2.50	–

	SASS 2010	SANCS 2010	SSS 2010
multiple of member contributions	1.90	–	0.93
% member salary	–	2.50	–

c) Funding method

Contribution rates are set after discussions between NSW Maritime, STC and NSW Treasury.

d) Economic assumptions

The economic assumptions adopted for the 2009 actuarial review of the fund were:

Weighted average assumptions

Expected rate of return on fund assets backing current pension liabilities	8.3%
Expected rate of return on fund assets backing other liabilities	7.3%
Expected salary increase rate	4.0%
Expected rate of CPI increase	2.5%

Nature of asset / liability

If a surplus exists in the Division's interest in the fund, the Division may be able to take advantage of it in the form of a reduction in the required contribution rate, depending on the advice of the fund's actuary and agreement with NSW Treasury. Where a deficiency exists, the Division is responsible for any difference between its share of fund assets and the defined benefit obligation.

e) Five year comparatives

	2011 \$000	2010 \$000	2009 \$000	2008 \$000	2007 \$000
Fair value of the plan assets	64,180	62,489	56,576	63,154	68,801
Present value of the defined benefit obligation	(80,609)	(81,158)	(71,246)	(57,750)	(57,853)
Plan surplus (deficit)	(16,429)	(18,669)	(14,670)	5,404	10,948

12 COMMITMENTS

The Division had no commitments for expenditures at 30 June 2011.

13 CONTINGENT ASSETS AND LIABILITIES

The Division had no contingent assets or liabilities at 30 June 2011.

14 COMPARATIVES

No comparative information has been materially amended from the previous financial statements.

15 EVENTS AFTER THE REPORTING DATE

On 15 July 2011 the Minister for Transport and the Minister for Roads and Ports jointly announced the establishment of a new integrated transport authority that is to be called 'Transport for NSW'. Transport for NSW will be responsible for improving the customer experience, planning, program administration, policy, regulation, procurement of transport services, infrastructure and freight. Some of the functions of NSW Maritime will be transferred to Transport for NSW.

The Ministers also announced that the Roads and Traffic Authority (RTA) and NSW Maritime would cease to exist in their current form with a new agency, Roads and Maritime Services, created in their place. The legislation to create Roads and Maritime Services has been passed by both houses of parliament, with the date of proclamation expected to be 1 November 2011. The division will be abolished and its functions will be transferred to the new Roads and Maritime Services Division.

The new agency will report to the Minister for Roads and Ports. As a result of these changes, it is expected that Transport for NSW, through the direction of the Director General, will have control over the following transport agencies operating in NSW in 2011-12:

- Roads and Maritime Services
- Rail Corporation
- State Transit Authority
- Sydney Ferries
- Public Transport Ticketing Corporation
- Sydney Metro

It is also expected that Transport for NSW will be preparing consolidated financial statements of these transport agencies for the year 2011-12.

There are no other material post-balance date events or transactions that require adjustments or disclosures in the financial statements.

End of Audited Financial Statements

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APPENDICES



1. CHANGES TO LEGISLATION

Date	Legislation	Action
2 August 10	– <i>Marine Safety (General) Regulation 2009</i>	Amended by the <i>Marine Safety (General) Amendment (Fees) Regulation 2010</i> to increase certain fees related to vessel registration (other than personal watercraft and certain fishing vessels), personal watercraft driving licences and general boat driving licences.
1 September 10	– <i>Ports and Maritime Administration Regulation 2007</i>	Amended by the <i>Ports and Maritime Administration Amendment (Site Occupation Charges) Regulation 2010</i> to provide for site occupation charges to be based on gross tonnage of a vessel or the amount of time for which the site is reserved or occupied, or both.
1 October 10	<ul style="list-style-type: none"> – <i>Commercial Vessels (Certificates of Competency and Safety Manning) Regulation 1986</i> – <i>Commercial Vessels (Load Lines) Regulation 1986</i> – <i>Commercial Vessels (Permits) Regulation 1986</i> – <i>Management of Waters and Waterside Lands Regulations – N.S.W.</i> – <i>Marine Safety (General) Regulation 2009</i> 	<p>Amended by the following Regulations to increase fees generally in line with movements in the Consumer Price Index:</p> <ul style="list-style-type: none"> – <i>Commercial Vessels Legislation (Fees, Charges and Expenses) Regulation 2010</i> – <i>Management of Waters and Waterside Lands Amendment (Fees) Regulation 2010</i> – <i>Marine Safety (General) Further Amendment (Fees) Regulation 2010</i>
1 November 10	– <i>Marine Safety (General) Regulation 2009</i>	Amended by the <i>Marine Safety (General) Amendment (Lifejackets) Regulation 2010</i> to extend lifejacket wear requirements on vessels, make further provision for minimum safety equipment on vessels and clarify that kiteboard and sailboard craft are vessels for the purposes of the safety equipment requirements for recreational vessels and make related amendments.
26 November 10	– <i>Ports and Maritime Administration Regulation 2007</i>	<p>Amended by the <i>Ports and Maritime Administration Amendment (Port Botany Landside Improvement Strategy) Regulation 2010</i> to provide for:</p> <ul style="list-style-type: none"> a) the setting of and compliance with standards relating to access by road carriers to the Port Botany Container Terminals and the performance of road carriers and stevedores, and b) the regulation by the Minister of charges imposed by stevedores and service providers for or in connection with facilities or services of the port-related supply chain at Port Botany.
1 January 11	<ul style="list-style-type: none"> – <i>Marine Safety Act 1998</i> and – <i>Marine Safety Amendment Act 2008</i> 	Provisions relating to commercial vessels commenced.
1 January 11	<ul style="list-style-type: none"> – <i>Commercial Vessels Act 1979</i> – <i>Commercial Vessels (Certificates of Competency and Safety Manning) Regulation 1986</i> – <i>Commercial Vessels (Emergency Procedures and Safety of Navigation) Regulation 1986</i> 	Repealed and replaced by provisions of the <i>Marine Safety Act 1998</i> and the <i>Marine Safety (Commercial Vessels) Regulation 2010</i>

Left: New lifejacket rules introduced in November 2010 require paddlers to wear lifejackets at all times on open or alpine waters, and when more than 100 metres from shore on enclosed waters.

A

APPENDICES

Date	Legislation	Action
1 January 11 continued...	<ul style="list-style-type: none"> - <i>Commercial Vessels (Equipment) Regulation 1986</i> - <i>Commercial Vessels (Hire and Drive) Regulation 1986</i> - <i>Commercial Vessels (Load Lines) Regulation 1986</i> - <i>Commercial Vessels (Permits) Regulation 1986</i> 	Repealed and replaced by provisions of the Marine Safety Act 1998 and the Marine Safety (Commercial Vessels) Regulation 2010
1 January 11	- <i>Marine Safety (Commercial Vessels) Regulation 2010</i>	Commenced
1 January 11	- <i>Maritime Services Act 1935</i>	<ul style="list-style-type: none"> - Section 13SA repealed - Relevant provisions concerning speed limits are now in the Marine Safety Act 1998 and regulations under that Act.
1 January 11	- <i>Management of Waters and Waterside Lands Regulations – N.S.W.</i>	<ul style="list-style-type: none"> - Clauses 8, 8A, 12, 13, 14, 16-17B, 19 and 19A, and the Sixth and Eighth Schedules repealed. - Relevant provisions concerning matter covered by these clauses and schedules is now in the <i>Marine Safety Act 1998</i> and regulations under that Act.
1 February 11	<ul style="list-style-type: none"> - <i>Marine Safety Act 1998</i> - <i>Marine Safety Amendment Act 2008</i> 	Provisions relating to marine pilot licensing commenced.
1 February 11	<i>Marine Safety (General) Regulation 2009</i>	Amended by the <i>Marine Safety (General) Amendment (Pilotage) Regulation 2011</i> to provide for the issue, suspension, cancellation, conditions, requirements and other matters in respect of marine pilot's licences, marine pilotage exemption certificates and certificates of local knowledge.
1 February 11	<ul style="list-style-type: none"> - <i>Marine Pilotage Licensing Act 1971</i> - <i>Marine Pilotage Licensing Regulation</i> 	Repealed and replaced by provisions of the <i>Marine Safety Act 1998</i> and the <i>Marine Safety (General) Regulation 2009</i> .
1 February 11	- <i>Ports and Maritime Administration Act 1995</i>	Amended by the <i>Marine Safety Act 1998</i> to omit Part 6 Pilotage. Similar provision is now made in Part 6 Pilotage of the <i>Marine Safety Act 1998</i> .
7 February 11	<ul style="list-style-type: none"> - <i>Marine Safety Act 1998</i> - <i>Marine Safety (General) Regulation 2009</i> 	Amended by the <i>Statute Law (Miscellaneous Provisions) Act (No 2) 2010</i> to remove amending provisions of the Act that have commenced and to correct minor errors in the Regulation.
3 March 11	- <i>Marine Safety (General) Regulation 2009</i>	Amended by the <i>Marine Safety (General) Amendment Regulation 2011</i> to make minor miscellaneous amendments with respect to various matters.
3 March 11	- <i>Ports and Maritime Administration Regulation 2007</i>	Amended by the <i>Ports and Maritime Administration Amendment Regulation 2011</i> to prescribe authorised officers appointed under the Marine Safety Act 1998 as a class of law enforcement officer for the purpose of issuing a penalty notice under the <i>Ports and Maritime Administration Act 1995</i> .

2. GOVERNMENT INFORMATION (PUBLIC ACCESS) ACT 2009

Schedule 2 Statistical information about access applications to be included in annual report

Table A: Number of applications by type of applicant and outcome*

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny information whether information is held	Application withdrawn
Media	0	3	0	2	0	0	0	0
Members of Parliament	3	3	2	1	0	0	0	0
Private sector business	17	1	1	3	0	0	0	0
Not for profit organisations or community groups	1	2	0	0	0	0	0	0
Members of the public (application by legal representative)	18	6	0	0	0	0	0	0
Members of the public (other)	16	4	6	4	0	3	0	0

* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

GOVERNMENT INFORMATION (PUBLIC ACCESS) APPLICATION – ANNUAL REPORT

Table B: Number of applications by type of application and outcome

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny information whether information is held	Application withdrawn
Personal information applications ¹	1	2	0	0	0	0	0	0
Access applications (other than personal information applications)	44	19	8	10	0	3	0	0
Access applications that are partly personal information applications ²	3	1	1	0	0	0	0	0

* A **personal information application** is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

Table C: Invalid applications

Reason for invalidity	No of applications
Application does not comply with formal requirements (section 41 of the Act)	3
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	3
Invalid applications that subsequently became valid applications	1

A

APPENDICES

GOVERNMENT INFORMATION (PUBLIC ACCESS) APPLICATION – ANNUAL REPORT

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 of Act

	Number of times consideration used*
Overriding secrecy laws	2
Cabinet information	1
Executive Council information	0
Contempt	0
Legal professional privilege	7
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

* More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of Act

	Number of occasions when application not successful
Responsible and effective government	4
Law enforcement and security	1
Individual rights, judicial processes and natural justice	12
Business interests of agencies and other persons	11
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Table F: Timeliness

	Number of applications
Decided within the statutory timeframe (20 days plus any 35 extensions)	35
Decided after 35 days (by agreement with applicant)	1
Not decided within time (deemed refusal)	55
Total	91

GOVERNMENT INFORMATION (PUBLIC ACCESS) APPLICATION – ANNUAL REPORT

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

	Decision varied	Decision upheld	Total
Internal review	0	0	0
Review by Information Commissioner*	0	1	1
Internal review following recommendation under section 93 of Act	0	0	0
Review by the Administrative Decisions Tribunal	0	1	1
Total	0	2	2

* Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

Table H: Applications for review under Part 5 of the Act (by type of applicant)

Number of applications for review

Applications by access applicants	2
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

3. COMPLIANCE AND LITIGATION REPORT

During the year, NSW Maritime conducted 53 Local Court prosecutions across the State, mainly in the Sydney and Central Coast regions, but also in regional areas such as Tweed Heads, Ballina, Nowra and Moama.

Many of these marine safety prosecutions related to those legislative provisions which have been identified by NSW Maritime, State Coroners and others as requiring greater scrutiny and compliance. Targeted areas include the use of navigation lights at night, the carriage of lifejackets, and anti-social behaviour involving the use of vessels generally.

In one case, NSW Maritime conducted its first prosecution under the newly inserted section 63A of the Marine Safety Act 1998, and was successful in securing convictions against a serial offender for several offences of Driving a Vessel While Disqualified.

NSW Maritime was also successful in defending appeals in the District Court, and continued to manage its general litigation function, including responding to claims for personal injury damages, negligence and other civil matters. NSW Maritime dealt with 118 written representations appealing Penalty Notices issued by Boating Safety Officers and Police as a result of breaches of the marine legislation.

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APPENDICES

4. PUBLICATIONS

Section 1 – Policy Documents

NSW Maritime's Policy Documents are listed below:

- Governance Framework
- Enterprise Wide Risk Management Framework
- Compliance Framework
- Corruption Prevention
- Procurement etc
 - i) Corporate Plan and Business Plans.
 - ii) Policy Files held in the Records Section
 - iii) Policy and Procedure Documents – containing policy and procedures relevant to recreational boating, commercial vessels, environmental assessments, boating plans, mooring plans of management, property, personnel, and administrative matters
 - iv) Project Management Guidelines
 - v) Privacy Management Plan (under review)

Section 2 – Information Documents

- i) Annual Report
- ii) NSW Boating Handbook
- iii) Maritimes Newsletter – The newsletter of NSW Maritime.
- iv) NSW tides 2010/2011
- v) Maritime Infrastructure Program Information Kit and Application Form
- vi) Sydney's Aquatic Events Boating Guide
- vii) School activity booklet
- viii) Brochures and fliers entitled:
 - Aquatic Licences
 - Australian Builders Plate
 - Bars 'n' Boats – A Safety Guide
 - Be Bright, Be Safe at Night
 - Be Responsible Near Whales and Dolphins
 - Big Ships, Small Boats
 - Boatcode Agents
 - Boatcode Built-in Security For Your Boat
 - Boating Handbook
 - Boat Ramp Etiquette
 - Boating on Iron Cove
 - Boatsmart – Boats and Alcohol Caution

- Buying or Registering a Vessel
- Carbon Monoxide
- Determining the Length of Your Vessel
- Don't Make Waves
- Go Easy on the Drink
- Hypothermia
- I've Gone Boating (Magnet)
- Info Kit
- Leave Only Water In Your Wake
- Maritime Infrastructure Program
- Maritime Skills
- Mooring Licence Conditions (Private and Commercial)
- Noise Annoys
- Pittwater No Wash Zone
- Proof of Identity and the Use of Personal Information under the *Privacy and Personal Information Protection Act 1998*
- Safety Equipment Checklist
- Sailboarding in the Waters of Sydney Harbour
- Series of Boating Maps – Your guide to safe navigation of NSW coastal and inland waterways
- Serving our Boating Community
- Small Craft Safety
- Some People Go Overboard – Overloading Boats
- Take Care, Be Prop Aware
- Take Charge of Your Discharge
- Take Charge of Your Discharge on Lake Macquarie
- Take Note When Hiring A Boat
- Traffic Co-ordination On Parramatta River
- Traffic Separation on Middle Harbour
- Transit Zone Under Sydney Harbour Bridge
- Wash Your Boat
- What To Know Before You Tow
- Your Boating Fees At Work
- You're the Skipper – You're Responsible

Section 3 – Posters

- i) Always check the weather before and during boating
- ii) Boat Smart From the Start – Know when to wear your lifejacket
- iii) Boat stability – know the wind and wave limits
- iv) Capsize is a major contributor to boating fatalities
- v) Excessive wash can cause nuisance, annoyance or danger
- vi) Go Easy on the Drink
- vii) Keep carbon monoxide levels at a minimum and prevent poisoning
- viii) Lifejackets – compulsory when crossing bars
- ix) Make sure when towing that it is safe
- x) Stow it – Don't Throw it
- xi) Wear it – lifejackets
- xii) Blue Water Safety – offshore
- xiii) Keep a Proper Lookout
- xiv) Keep Right
- xv) Take Care be Prop Aware

Section 4 – Information Stickers

- i) Bar Crossing
- ii) Bin Your Butts
- iii) Boat Smart From The Start – Know When To Wear Your Lifejacket
- iv) Bow Riding
- v) Drowning Is Uncool
- vi) Go Easy on the Drink
- vii) Hypothermia – Cold Water Kills
- viii) Kids In Boats
- ix) Navigation Rules/Advisory Signs/Warning Signals/Remember
- x) Ride Smart – PWC Behaviour
- xi) Row Smart
- xii) Safe Boating – Buoyage System
- xiii) Safe Boating – Navigation Marks
- xiv) Safe Boating – Navigation Rules
- xv) Safety Check
- xvi) Safety Check – Offshore
- xvii) Safety Label
- xviii) Take Care, Be Prop Aware (small)
- xix) Take Care, Be Prop Aware (large)
- xx) Water Ski Hand Signals
- xxi) Wear it!
- xxii) You're the Skipper – You're Responsible

Boating Maps

North Coast

93. 1A (map number)

Tweed River, Cudgen Creeks
Upper Tweed River, Cudgera
and Mooball Creeks

94. 1B

Brunswick River
Evans River

95. 2A

Richmond River and Wilsons River
including detail insets Lismore and
Casino Richmond River Ballina Area

96. 2B

Clarence River
Yamba, Wooli, Sandon River, Brooms
Head and Minnie Water insets

97. 3A

Bellinger/Kalang Rivers and detail inset
Sawtell area.
Detail Insets Coffs Harbour, Red Rock,
Arrawarra and Woolgoolga areas.

98. 4A

Nambucca River, Warrell and
Deep Creeks
Nambucca Heads and Scotts
Head insets

99. 4B

Macleay River Area
South West Rocks, Crescent and
Hat Heads inset

100. 5A

Hastings, Wilson and Maria Rivers and
Port Macquarie Area
Camden Haven River, Queens and
Watson Taylors Lakes, Laurieton and
Lake Cathie areas

101. 6A

Manning River area and Crowdy Head
boating harbour
Harrington, Old Bar and Khappinghat
Creek insets

102. 6B

Wallis Lake, Coolongolook, Wallingat and
Wallamba Rivers area
Smiths Lake and Upper Wallis Lake,
Forster/Tuncurry area insets

Hunter

103. 7A

Port Stephens and Tea Gardens inset
Karuah River, Broughton Island and
Nelson Bay detail insets

104. 7B

Myall River and Tea Gardens detail inset
Myall Lakes and Upper Myall River area
and detail inset Seal Rocks

105. 7C

Newcastle Harbour, Hunter River
and Williams Rivers
Newcastle Harbour detail inset

106. 8A

Lake Macquarie
Detail insets for Swansea Channel/
Belmont, Toronto, Cockle Bay and
Wangi Wangi areas.

107. 8B

Tuggerah, Budgewoi and
Munmorah Lakes
Brisbane Water and Broken Bay

Hawkesbury

108. 9A

Pittwater
Cowan Creek and Narrabeen Lakes

109. 9B

Lower Hawkesbury River, Berowra,
Mooney Mooney Creeks
Mid Hawkesbury River
and Mangrove Creek

110. 9C

Upper Hawkesbury and Colo Rivers
Nepean River at Penrith

Sydney

111. 9D

Port Jackson east of the Harbour Bridge
Middle Harbour

112. 9E

Botany Bay, Lower Georges and Cooks
Rivers
Georges and Woronora Rivers and
Chipping Norton Lakes

113. 9F

Port Hacking
Botany Bay, Lower Georges and
Cooks Rivers

114. 9G

Port Jackson west of the Harbour
Bridge including Lane Cove and Lower
Parramatta Rivers.
Upper Parramatta River

South Coast

115. 10A

Wollongong and Port Kembla area
Bellambi, Wollongong Harbour,
Austinmer, Shellharbour and Port Kembla
boat harbour detail insets

116. 10B

Lake Illawarra area
Windang and Minnamurra detail insets

117. 11A

Shoalhaven and Crookhaven Rivers,
Culburra detail inset
Kiama, Gerringong, Gerroa, Nowra and
Crookhaven Heads detail insets

118. 11B

Jervis Bay, Currumbene and
Currarong Creeks
Sussex Inlet, Swan Lake and
St. Georges Basin

119. 12A

Lake Conjola and Narrawallee Inlet
Ulladulla, Burrill and Tabourie Lakes,
Bawley Point and Kioloa areas

120. 12B

Batemans Bay, Clyde and
Tomaga Rivers Batemans Bay detail
and Durras Lake insets

121. 13A

Moruya River area and Congo Creek
Tuross, Coila and Mummuga Lakes

122. 13B

Wagonga Inlet and Montague Island
Bermagui River, Wallaga and Coruma
Lakes, Brogo Dam

123. 14A

Merimbula and Pambula Lakes,
Mogareka Inlet and Tathra detail Insets
Twofold Bay and Wonboyn River

Inland Dams

124. 15

Lake Keepit
Split Rock and Chaffey Dams

125. 16

Glenbawn Dam
Lake St. Clair and Lostock Dam

126. 17

Copeton Dam
Pindari Dam

127. 18

Lake Jindabyne
Lake Eucumbene and Tantangara
Reservoir

128. 19

Murray River – Moama/ Echuca, Barmah,
Picnic Point, Tocumwal and Cobram/
Barooga areas
Lake Mulwala

A

APPENDICES

129. 20

Murray River – Wentworth to Wickets, including insets for Mildura/Buronga, Wentworth and Wickets to Colignan Murray River – Wentworth to the South Australian border
Including insets for Locks 7, 8 and 9

Coastal Boating Maps

130. 1-2

Tweed Heads to Ballina
Ballina to Brooms Head

131. 3-4

Brooms Head to Coffs Harbour
Bonville Creek to Crescent Head

132. 5-6

Crescent Head to Crowdy Head
Crowdy Head to Seal Rocks

133. 7-8

Seal Rocks to Newcastle
Newcastle to Broken Bay

134. 9-10

Broken Bay to Garie Beach
Garie Beach to Crookhaven Heads

135. 11-12

Crookhaven Heads to Ulladulla Harbour
Ulladulla Harbour to Tuross Heads

136. 13-14

Tuross Heads to Tathra
Tathra to Wonboyn River

Digital Media

137. Website – www.maritime.nsw.gov.au

138. Boating Safety Course – <https://online.maritime.nsw.gov.au/OnlineBSC/>

139. Boating Quiz – www.maritime.nsw.gov.au/boattest.html

140. Maritimes Newsletter – www.maritimes.com.au

141. Maritimes Staff Newsletter (url available internally only)

142. Maps\DVDs order form – <https://online.maritime.nsw.gov.au/store/>

143. Live bar crossing web cams – www.maritime.nsw.gov.au/webcams/web-cam.html

144. Safety Campaigns – www.maritime.nsw.gov.au/campaign.html

145. Port of Yamba – www.yamba.nsw.gov.au

146. Port of Eden – www.eden.nsw.gov.au

147. Flickr – www.flickr.com/photos/nswmaritime

148. Facebook – <http://www.facebook.com/nswmaritime>

149. Twitter – twitter.com/nswmaritime

150. YouTube – www.youtube.com/NSWMaritime

151. Boat for Life – www.boatforlife.com.au

5. CONSULTANTS

NSW Maritime engaged eight consultancies during the year at a total cost of \$210,455, excluding GST. Of these, only one was valued over \$50,000. The Independent Pricing and Regulatory Tribunal's review into NSW Maritime's method of rent determination was valued at \$70,000.

6. OVERSEAS VISITS

NSW Maritime Officer Travelling

NSW Maritime Officer Travelling	Date of Trip	Trip Purpose	Country of Trip	City of Trip
General Manager, Maritime Operations	4 to 13 March 2011	Attend International Boating and Water Safety Summit	United States of America	Savannah, Georgia
Ship Surveyor	7 to 11 March 2011	Survey Inspections	Lord Howe Island	Lord Howe Island
Naval Architect	17 to 21 April 2011	Survey Inspection	New Zealand	Whanganui
Manager Maritime Investigations Unit	13 to 25 May 2011	Training	USA	Boston
Manager, Commercial Operations	21 to 30 May 2011	Attend conference of the International Institute of Marine Surveying to accept an award and deliver a paper	United Kingdom	London

7. SIGNIFICANT COMMITTEES

External:

- Australian Maritime Group – *Steve Dunn, Tony Middleton*
- Australia and New Zealand Safe Boating Education Group – *Ed Kwanten, Neil Patchett*
- Australian Recreational Boating Safety Committee – *Steve Dunn*
- CEO Counter Terrorism Coordination Group – *Steve Dunn*
- Commercial Vessels Advisory Group – *Howard Glenn (Chair), Shankar Ramanathan, Chris Bolton*
- Government Licensing System Steering Committee – *Steve Dunn*
- Maritime Consultative Committee – *Brian Stanwell (Chair), Sue Ohanian, Ian Grey, Natasha Ianni, Victoria Cook, Leslie Brix-Nielsen, Peter Woolfenden, Richard Barnes (Australian Maritime Officer's Union), Christopher Friend (Australian Services Union), Paul McAleer (Maritime Union of Australia), Joe Fallone (Australian Institute of Marine and Power Engineers)*
- Maritime Advisory Council – *Steve Dunn*
- National Marine Safety Committee – *Steve Dunn*
- National Plan of Management Committee – *Tony Middleton*
- NSW National Plan Executive Committee – *Steve Dunn, Tony Middleton, Shayne Wilde*
- NSW Water Safety Advisory Council – *Ed Kwanten*
- Port Chief Executive Officers Meeting – *Steve Dunn, Tony Middleton*
- Recreational Vessels Advisory Group – *Howard Glenn (Chair), Ed Kwanten, Fran Rein (Secretary)*
- Sharing Sydney Harbour Access Program Grants Committee – *Howard Glenn, Terry Young*
- State Emergency Management Committee – *Shayne Wilde*

Internal:

- Audit & Risk Committee – *Dr Elizabeth Coombs (Chair), Howard Glenn (Non-independent), Melinda McCabe (Non-independent), Alex Smith (Independent), Ken Barker (Independent)*
- Better Boating Program Assessment Committee (including Regional and Sydney Harbour Boat Ramps) – *Howard Glenn (Chair), Terry Young, Lachlan Whetham, Lisa Anderson (Secretary)*
- Commercial Vessels Incident Review Committee – *Howard Glenn, Sean O'Dwyer, Shankar Ramanathan, Trevor Williams, Craig Purdon*
- Equity and Diversity Committee – *Brian Stanwell (Chair), Sue Ohanian, Nelly Felczynski, Judith Webster, Neil Patchett*
- Executive Management Committee – *Steve Dunn (Chair), Tony Middleton, Brian Stanwell, Michael Wright, Melinda McCabe, Howard Glenn, Bruce Green, Neil Patchett, Jill Saffron*
- IT Steering Committee – *Brian Stanwell (Chair), Steve Potter (Secretary), Kelly McFadyen, Rob Lea, Kumar Sundaram, Ann Waddington, Neil Patchett, Lindsay Phair*
- Project Management Group – *Michael Wright (Chair), Ben Gooley, Kelly McFadyen, Bruce Green, Peter Maunder, Anthony Dever, Neil Mudge, Bob Rimac*

Committees established

The Australian Recreational Boating Safety Committee was established during the year to ensure the valuable work in the area of recreational boating safety is continued at a national level, after the National Marine Safety Committee is wound up, particularly in relation to: national recreational boating incident data collection; analysis of data to identify risks to recreational boating safety; assessment of the causes and impact of marine safety incidents; development of effective national responses to identified risks and impacts; development of uniform approaches to standards, policies and procedures; development and implementation of targeted national safety campaigns.

Committees discontinued

- Port Botany Logistics Taskforce
- Transport Regulators Executive Committee
- Maritime Ministerial Advisory Council.



APPENDICES

8. MARITIME ADVISORY COUNCIL

The Maritime Advisory Council met for the first time on 15 June 2011. Membership of the Council includes:

- Darren Vaux, Chair
- Kay Cottee, Deputy Chair
- John Barbouttis
- Marcus Blackmore
- Michael Chapman
- Warwick Fairweather
- Douglas Olding
- Malcolm Poole
- Jan Thurgar
- Steve Dunn (ex officio), Chief Executive NSW Maritime

9. GRANTS TO NON-GOVERNMENT COMMUNITY ORGANISATIONS

Marine Rescue NSW

In recognition of the vital contribution of volunteers, the State Government provides funding support through an agreement between NSW Maritime and Marine Rescue NSW. The amount is adjusted by CPI each year and for 2010-2011 the total amount of funding allocated was \$1.4 million. Additionally, in 2010-2011 a loan of \$3 million was provided.

	Grant
Total funding made available:	1,442,000
Marine Rescue NSW	
Administration	\$358,902
Staff cost	\$865,020
Uniforms and stores costs	\$218,078

Better Boating Program Grants to non-government community organisations

Under the Better Boating Program, grants totaling approximately \$5.5 million were approved for 70 projects to government and non-government organisations (NGO). Grants to NGO included the following:

Recipient	Project	Estimated Cost	BBP Grant (incl SSHAP)
Bailey's Marine Fuels Australia	Recreational Vessel Sewage Pumpout Facility at White Bay 6, Balmain	\$337,440	\$84,250*
Corowa Rowing Club	Rowers Park Public Launching Ramp and Foreshore Improvements, Corowa (Murray River)	\$36,925	\$14,800
Dobroyd Aquatic Club	Dobroyd Aquatic Club Replacement Pontoon, Rodd Point	\$78,600	\$39,300
Four Post Youth Camp Inc.	Four Post Boat Ramp Facility Upgrade, Four Post Youth Camp Reserve, Deniliquin	\$81,482	\$48,032
Hunters Hill Sailing Club	Hunters Hill Sailing Club Floating Pontoon, Woolwich	\$153,400	\$76,700
Royal Motor Yacht Club Broken Bay	RMYC Broken Bay Sewage Pump Out Facility, Newport	\$48,000	\$24,000
Sydney Women's Mlc Rowing Club	Sydney Women's MLC Rowing Club Pontoon, Abbotsford	\$139,500	\$10,000
Wentworth Angling Club	Fort Courage Pontoons & Boat Ramp Upgrade – Murray River, Wentworth (Additional Funding)	\$30,181	\$15,090

* The remaining cost of \$253,190 was funded by a special grant from NSW Maritime in lieu of a government commitment for a pumpout in Pyrmont which did not proceed.

10. GUARANTEE OF SERVICE

NSW Maritime sets internal customer service standards in relation to customer transactions, responses to client submission, and the quality of information and educational material provided. Through education, appropriate staffing and the review and re-engineering of business processes, NSW Maritime is continually reviewing areas of service for improvement.

11. ELECTRONIC SERVICE DELIVERY

Continual improvements were made to the Maritime website to keep it up-to-date and relevant. This often required updates to be made multiple times each day. The Maritime website attracted 3.8 million page views, with the average length of time on site of 8 minutes, 7 seconds. The top five pages viewed were: Home, Boating Quiz, How to Get a Boat Licence, Boat Registration and Boating Maps. The Maritime website's popularity peaked in January with 108,422 visits making it the 30th ranked State Government website out of 472 agency sites, placed between Sydney Ferries and NSW Legislation.

Maritime established the following during the year:

- The Ride Smart personal watercraft safety component of the Boat for Life website featuring multi world surfing champion Tom Carroll and multi world personal watercraft champion Kylie Ellmers
- An online media resource centre where a range of safety campaign materials are available for download
- A webcam at Lake Eucumbene to promote boating safety on this alpine waterway.

Maritime also continued to offer a range of other online services such as:

- Renewals for business transactions for boat driver licences, boat registration and mooring fees
- Boating Safety Course which is a requirement for obtaining a licence to drive a powerboat
- A Maritime Alert on adverse boating conditions
- Interactive navigation guide
- A facilities locator service to help trip planning
- The Boat for Life website with Safety Ambassadors that include Andrew 'ET' Ettingshausen, Pete Goss, and Justin Jones and James Castrission
- A network of webcams showing live video images online of locations of heightened risk for boating such as bar crossings and an alpine lake.

12. PRIVACY AND PERSONAL INFORMATION PROTECTION ACT 1998

In accordance with the requirements of the *Privacy and Personal Information Protection Act 1998* (the Privacy Act), NSW Maritime has prepared and implemented a Privacy Management Plan. This plan is currently undergoing review.

NSW Maritime takes its responsibilities under the Privacy Act seriously and makes every effort:

- to ensure that its customers and any other stakeholders from whom personal information is collected are made aware of the uses that will be made of the personal information collected, e.g. details on application forms, proof of identity documents or other documents
- to ensure that such personal information is only used or disclosed in accordance with the Privacy Act.



APPENDICES

13. NUMBER OF EMPLOYEES BY CATEGORY AND COMPARISON TO THE PREVIOUS THREE YEARS

	June 2008	June 2009	June 2010	June 2011
SES	6 7 7 7			
Senior cer Offi	3 3 4 6			
Recreational Boating & Regional Services [@]	171.20	176.64	159.64	N/A
Maritime Operations ^{##}	N/A	N/A	N/A	211.4
Corporate ervices ^S	44.22	45	64.11	48.4
Commercial Vessels [#]	29.20	37.45	N/A	N/A
Policy Industry & Infrastructure ^{#@}	N/A	N/A	47.6	N/A
Policy, Risk and Governance [@]	N/A	N/A	N/A	41.80
Maritime roperty Pr	36.65	28.6	N/A	N/A
Property Planning & Governance ^{**@}	N/A	N/A	54.18	N/A
Maritime Property, Planning and Infrastructure [@]	N/A	N/A	N/A	49.00
Ports, Shipping & Strategic Development ^{##}	18.25	21.03	24.92	26.30
Policy & Strategy [*]	26	36.2	N/A	N/A
	334.53	354.92	361.45	389.9

* As a result of an organisational restructure late 2007, the Ministerial Unit/Office of the Chief Executive, the Legal Branch and the Corporate Planner became part of the Policy & Strategy Division. In early 2009, the Property Planning Branch also became part of the Policy and Strategy Division.

As a result of an organisational restructure in February 2010:

** The Legal Branch, the Policy and Strategy Division and the Corporate Planner became part of the Property, Planning & Governance Division;

The Infrastructure Branch became part of the Commercial Vessels Division and was retitled Policy, Industry & Infrastructure Division

The Maritime Property Strategic Development Unit was added to the Ports and Shipping Division, which was retitled Ports, Shipping and Strategic Development

@ As a result of an organisational restructure during 2010-2011:

- The Recreational Boating and Regional Services Division and the Commercial Vessels Branch, which had been a part of the Policy, Industry and Infrastructure Division, were amalgamated to form the Maritime Operations Division
- The Policy, Industry and Infrastructure Division and the Policy, Planning and Governance Division were abolished and two new divisions were created: Maritime Property, Planning and Infrastructure Division and Policy, Risk and Governance Division.

14. SENIOR EXECUTIVE SERVICE

Chief and Senior Executive Service Positions at each level	June 2009	June 2010	June 2011
6	1	1	1
5	0	0	0
4	1	1	1
3	3	3	3
2	2	2	2

15. CHIEF EXECUTIVE'S PERFORMANCE STATEMENTS

Name: Steve Dunn

Position: Chief Executive

Position Level: SES Level 6

Remuneration Package (including allowances): \$392,308.25 pa (increased from \$377,219.47 pa on 1 October 2010).

During the year, Mr Dunn has made a personal contribution to changes to the state's lifejacket wearing rules, finalisation of a funding model for the new amalgamated marine rescue organisation, finalisation of the Government's response to the Coroner's recommendations related to the *Pam Burridge/Merinda* incident, progression of the new single national jurisdiction for commercial vessels, finalisations of the Government Licensing Service, a review of Port Safety Operating Licenses, and progress to market for a number of significant maritime precinct development projects. A methodical low level review of various elements of organisational governance has been a focus over the last 12 months including the appointment of a majority-independent Audit and Risk Committee, and the implementation of a new procurement framework.

16. CREDIT CARD CERTIFICATION

As required by Treasurer's Direction 205.01, the Chief Executive of NSW Maritime certifies that credit card usage has been in accordance with the appropriate government policy, Premier's Memoranda and Treasurer's Directions.

17. COMMUNITY AFFAIRS – MULTICULTURAL POLICIES AND SERVICES PROGRAM

Action	Responsible Officer	Implementation Date	Performance Indicator
Use community language media to call for nominations for the Maritime Medal	Manager, Communications	December 2011	Calls for nominations advertised through community language media
Fund and administer a partnerships program to community groups in order to extend the reach of key safety messages	Manager, Communications	June 2012	Partnership arrangements in place with community group/s
Analyse the usage of interpreter and translation services and identify any changing customer needs	Manager, Human Resources	June 2012	Analysis completed and appropriate recommendations made regarding the service
Continue to use community language media, particularly for education and safety campaigns	Manager, Communications	June 2012	Community language media used to disseminate education and safety messages

18. EQUAL EMPLOYMENT OPPORTUNITY (EEO) STATISTICS

EEO Group	Benchmark or Target	2009	2010	2011
Women	50%	44.2%	42.6%	43.2%
Aboriginal people and Torres Strait Islanders	2.6%	0.3%	0.3%	0.6%
People whose first language was not English	19%	14.4%	15.1%	14.2%
People with a disability	NA	6.3%	6.0%	4.8%
People with a disability requiring work-related adjustment	1.5%	2.6%	2.6%	2.3%

B. Trends in the Distribution of EEO Groups

EEO Group	Benchmark or Target	2009	2010	2011
Women	100	79	82	80
Aboriginal people and Torres Strait Islanders	100	n/a	n/a	n/a
People whose first language was not English	100	101	103	102
People with a disability	100	98	93	n/a
People with a disability requiring work-related adjustment	100	n/a	n/a	n/a

Notes:

- Staff numbers are as at 30 June.
- Excludes casual staff

19. LAND REGISTER

NSW Maritime continues to reconcile its Property Register based on the information contained in the Government Property Register administered by the Land and Property Management Authority. The Property Assets Register was last valued at 1 July 2010 and forms part of the organisation's Asset Register as reported to NSW Treasury.



APPENDICES

20. DIVESTMENTS, DISPOSALS AND ACQUISITIONS

In addition to the recent transfer of the King Street (west) footpath, NSW Maritime is in the final stage of dedicating remaining roads in the King Street Wharf precinct to the City of Sydney Council for their ongoing responsibility, plus the transfer of various public access ways in this locality to Sydney Harbour Foreshore Authority.

The Department of Primary Industries (Lands) is acquiring NSW Maritime land at Horseshoe Beach, Newcastle for incorporation in the proposed Nobbys Headland Reserve as part of the Newcastle Coastline Revitalisation Strategy.

The completion of the expansion of the Port Botany Container Terminal, a state significant project, has triggered NSW Maritime's transfer to Sydney Ports Corporation of the footprint of the expanded terminal wharf area and access road bridge (about 66 hectares) and long term lease of adjoining Penrhyn Estuary and environs, including the new public boat ramp facilities.

A number of long term leases have been entered into including Pier 2/3 Walsh Bay to Communities NSW.

21. CAPITAL WORKS

Major works

Total capital works expenditure (excluding minor works) for the year totalled \$18.9 million, compared to a budget of \$18.8 million. Significant projects completed during the year include Milson's Point wharf upgrade (\$8.0 million), Rozelle Head Office Building upgrade (\$1.7 million) and Environmental and Harbour Cleaning Services Vessel replacement (\$0.9 million).

		Allocation 2010-11 \$M	Estimated Total cost \$M \$M	Actuals 2010-11	Completion Date
WORK-IN-PROGRESS					
Commuter Wharves Upgrade Program	Upgrade of Sydney Harbour Commuter Wharves	11.100	70.006	13.499	2014
Charter Vessel Wharves Upgrade Program	Upgrade of Sydney Harbour Charter Vessel Wharves	1.860	11.255	0.042	2015
Circular Quay Southern Promenade	Circular Quay Southern Promenade works	1.900	2.024	0.625	2011
Maritime Community Precinct Development	Community and Boating facilities	0.500	1.281	0.494	2014
Redevelopment of Balls Head Coal Loader		0.210	1.570	0.000	2012
Replace Environmental and Harbour Cleaning Services Vessel		0.860	1.738	0.863	2011
Rozelle Bay Office Building Works		0.400	1.006	1.729	2012
Rozelle Bay Precinct Works Relocation of Utilities		0.491	0.695	0.000	2011
Rozelle Bay Maritime Precinct Development	Includes commercial boat ramp	1.200	2.009	0.000	2012
Stockton Boat Harbour		0.250	1.370	0.000	2012
Other Projects		0.000	0.000	1.704	
Total		18.771	92.954	18.956	

Minor works

Expenditure on minor works totalled \$6.552 million. The main items of expenditure were:

- New signage that conforms to international standards as part of ongoing replacement program
- Upgrade/new installation of 60 piles, 142 lights and 292 buoys
- Replacement of three patrol vessels, three personal watercraft and four patrol vessels under construction for delivery in 2011-2012 financial year
- Refurbishment of five patrol vessels
- Purchase of 45 outboard engines
- Upgrade of network hardware and desktop computers
- Improvement of mooring facilities at Little Beach Head, Port Stephens, South West Rocks, Brisbane Waters and Sydney Harbour
- New wildlife response cleaning station
- Refurbishment of regional operational centres at Batemans Bay, Moama, South West Rocks, Ballina and Rozelle office
- Motor vehicle replacements.

22. ENERGY MANAGEMENT

NSW Maritime is committed to achieve savings in energy usage and sustained Energy Management principles. NSW Maritime has one large site, Rozelle Bay, that purchases electricity on the contestable market. This site purchases 6 per cent of its electricity from renewable sources. The purchase of electricity on the contestable market has lowered costs and achieved a reduction of greenhouse gas emissions by purchasing a percentage of green power.

NSW Maritime continued to maintain solar powered navigational aids with over 1000 solar powered lights and beacons throughout New South Wales.

A program to replace the air conditioning control units has been continued from 2007 to increase the efficiency of the air conditioning system. New, more efficient air conditioning has also been installed in the newly renovated office space on the ground floor.

Energy consumption at the Rozelle Bay offices and workshops increased by 5.9 per cent compared to the 2009-2010 financial year. This is due to the construction of increased office space in the building in 2010.

Maritime Trade Towers has a National Australian Built Environment Rating System (NABERS) rating of four stars, achieved without the need to purchase green power. A NABERS Water rating will be considered in 2012.

24. WASTE REDUCTION AND PURCHASING PLAN/RECYCLING

Further revisions were carried out to the NSW Maritime Waste Reduction and Purchasing Plan. NSW Maritime offices recycle waste paper, cardboard, toner cartridges and commingles wherever a recycling system is available.

The Rozelle Bay Head Office continued to provide a high percentage of NSW Maritime's office paper and cardboard waste sent for recycling. During the year, 7.2 tonnes of paper and 9.2 tonnes of cardboard were collected from Rozelle Bay along with 2.4 tonnes of commingles.

A total of 161.45kg of toner cartridges and associated products were recycled at Rozelle Bay.

Recycling initiatives include the continued operation of a worm farm to recycle food waste from the canteen at the Rozelle Bay office.

25. PESTICIDE USE NOTIFICATION PLAN

NSW Maritime has a Pesticide Use Notification Plan. Pesticides used are primarily to control vegetation on road verges, boundary fences, lawns, garden beds, paved areas, rodents such as rats and mice along waterfront areas and termite infestation in timber wharves and jetties.

Appropriate signage is displayed warning the public of pesticide use and to date no complaints have been received.

26. CONTRACTING AND MARKET TESTING POLICY

NSW Maritime's procurement framework is in place to ensure all contracts for the engagement of external contractors and/or consultants are undertaken in accordance with the NSW Government Procurement Guidelines titled "Tendering Guidelines". In accordance with Section 2.3 of the "Tendering Guidelines", the framework specifies the minimum number of quotes and tenders required.

In accordance with government guidelines the framework requires:

- One written proposal for assignments costing less than \$30,000
- Three written proposals for assignments greater than \$30,000 and less than \$250,000
- An open tender process for assignments costing greater than \$250,000.

In addition, for purposes of supplementary labour hire, NSW Maritime observes the new State Government Contingent Workforce C100 Contract. This contract has nine categories of temporary staff to which 18 primary recruitment agencies have been awarded. Recruitment agencies can only provide temporary staff for the categories to which they have been awarded.

Temporary Fixed Term Contracts are also used where specific situations arise, not covered by C100, or where the placement is long enough for there to be a cost saving over C100.



APPENDICES

27. ACCOUNT PAYMENT PERFORMANCE

Schedule of Accounts Payable	Sept 2010	%	Dec 2010	%	Mar 2011	%	June 2011	%	Total	%
within 30 days from invoice date	4,240	88	4,380	85	4,022	83	4,438	84	17,080	85
31 – 60 days	451	9	565	11	527	11	473	9	2,016	10
61 – 90 days	72	2	121	2	152	3	245	5	590	3
> 90 days	43	1	97	2	133	3	109	2	382	2
Total payable	4,806		5,163		4,834		5,265		20,068	

On 11 July 2011, the NSW Government introduced a strict payment regime on agencies that obliges them to pay small business creditors within 30 days. Payments not made within 30 days will require agencies to pay penalty interest on the outstanding debt. Agencies are required to report their payment performance to the Department of Finance and Services.

28. INVESTMENT PERFORMANCE

NSW Maritime placed funds in four NSW Treasury Corporation Hour-Glass investment facilities – Cash Facility, Strategic Cash Facility, Medium Term Growth Facility and Long Term Growth Facility.

NSW Maritime retains funds for the following purposes:

- Payment of operating distribution to NSW Treasury (1 August and 1 December each year)
- Progress payment on major projects
- Cash backing for employee entitlements (annual leave, long service leave)
- Bonds against completion of certain stages of major projects
- Sundry security deposits from developers, lessees and clients
- Progress payments for the Better Boating Program
- Cash backing for the pre-30 June 1995 workers' compensation and dust and diseases provisions
- Boating fees received in advance (second and third year of three year licences)

Returns from the individual Hour-Glass investment facilities were:

	2010 %	2011 %
Cash facility	4.5	5.4
Strategic cash facility	n/a	5.6
Medium term growth facility	8.7	7.1
Long term growth facility	11.3	8.5

29. DEBT MANAGEMENT PERFORMANCE

NSW Maritime's major external debt is for the sub-lease of the Maritime Trade Towers, 207 Kent Street, Sydney, which is being repaid over 25 years. The 2010-2011 principal payment of \$1.7 million was repaid in March 2011 and the outstanding balance is \$3.1 million.

30. BUDGETS

	2010/11 Budget	2010/11 Actual	2011/12 Budget
Income Statement			
Revenue			
Rendering of services:			
Port management	1,199	1,208	1,166
Channel fees	7,650	11,354	11,189
Drivers licences	18,354	18,932	18,872
Boat registrations	20,006	20,522	21,482
Moorings	7,716	7,697	8,088
Commercial vessel charges	2,976	3,041	3,155
Rental income:			
Rentals	36,528	38,538	38,394
Investment income:			
Interest on investments	4,153	5,089	4,212
Other income:			
Other (*)	5,234	15,484	27,684
Grants and contributions	–	259	2,000
Total revenue	103,815	122,124	136,242
Expenses			
Employee related expenses	39,486	40,739	43,096
Contract service expenses	18,390	23,600	25,019
Fuel, protective clothing and other materials	1,289	1,111	1,287
Utilities and communications	3,219	3,272	4,486
Administration	7,904	8,589	8,450
Depreciation and amortisation	10,710	14,391	14,906
Grants and subsidies	2,372	2,373	2,958
Better Boating Program	5,000	4,652	5,000
Finance expenses (*)	7,522	8,137	24,922
Audit fees – audit of financial report	205	188	223
Loss on disposal of assets and assets written off	(1,433)	3,381	(1,689)
Total expenses	94,664	110,433	128,658
Surplus for the year	9,151	11,691	7,584

Line items with (*) indicate a change in accounting treatment.

31. MINISTERIALS

1293 ministerial items were managed between 1 July 2010 and 30 June 2011 in the Office of the Chief Executive.

This number includes 42 parliamentary questions and the 2010-2011 Better Boating Program mail out of 152 letters to NSW local councils.

A total of 574 ministerial responses were provided.



APPENDICES

32. MEDIA ACTIONS

The Communications branch handled more than 850 (900 the previous year) media actions which included responses on issues and delivering information through the media to promote a culture of safe, responsible and enjoyable boating in NSW.

33. RESEARCH AND DEVELOPMENT

In 2010-2011, the National Marine Safety Committee provided NSW Maritime with the final report and the raw data from the National Boating Usage Study. The Study, conducted between October 2008 and March 2010, was designed to collect a wide spectrum of information about recreational boating usage and safety behaviours. NSW Maritime will be analysing the data to obtain insights into boating activity and behaviour that can be used to develop boating policy, communication and compliance programs.

34. GLOSSARY AND ACRONYMS

Bar ('bar', 'river bar' and 'coastal bar') – a ridge or lip of sand, gravel or rock that extends across the mouth of a river or bay and forms an obstacle in terms of reduced water depth and/or breaking waves that impede safe navigation.

Commercial vessel – any vessel used in connection with any business or commercial activity, principally for carrying passengers or cargo for hire or reward, or providing service to vessels for reward.

Hire and Drive – a business involving the temporary hiring out of a vessel through a hiring agreement or transaction which involves the use of a vessel by the public on specific terms.

Irregular riding – driving a PWC in a circle or pattern, weaving or diverting, or purposefully surfing down or jumping over or across any swell wave or wash, but does not include any necessary turns and diversions.

Marine Ministerial Holding Corporation (MMHC) – entity established under the then *Ports Corporatisation and Waterways Management Act 1995* as the legal owner of the assets and liabilities of the former Maritime Services Board of NSW that had not been transferred to either the Newcastle, Port Kembla or Sydney Ports Corporations or the Waterways Authority, for example the harbour beds of those ports. During 1999-2000 all MMHC assets and liabilities were transferred to the Waterways Authority and on 29 June 2000 the MMHC was dissolved.

Navigable waters – all waters that are from time to time capable of navigation and are open or used by the public for navigation, whether upon payment of a fee or otherwise.

Personal watercraft (PWC) – a power-driven vessel that has a fully enclosed hull, does not retain water taken on if it capsizes and is designed to be operated by a person standing, sitting astride or kneeling but not seated within the vessel.

Recreational vessel – a vessel which is not used for, or in connection with, a commercial purpose.

Safety compliance – the level of safe navigation compliance achieved by the recreational and commercial boating public. The compliance rate is calculated as:

- number of vessels not issued with infringements and formal warnings divided by number of vessels checked.
- One vessel check could result in multiple infringements or formal warnings issued.

Wetland – all land and seabed located below a defined level called the Mean High Water Mark which is 1.48 metres above zero on the Fort Denison Tide Gauge.

Acronyms

BBP	Better Boating Program
BSO	Boating Safety Officer
CPI	Consumer Price Index
CSO	Customer Service Officer
GIS	Geographic Information System
GLS	Government Licensing Service
GPS	Global Positioning System
IGLS	Integrated Graphical Licensing System
MIP	Maritime Infrastructure Program
MAC	Maritime Advisory Council
MRB	Marine Radio Base
MSB	Maritime Services Board of NSW
NMSC	National Marine Safety Committee
PWC	Personal watercraft
RIB	Rigid Inflatable Boat
SARcc	Search and Rescue coordination centre
SEDA	Sustainable Energy Development Authority
SMOC	State Marine Operations Centre
SREP	State Regional Environmental Plan
TAM	Total Asset Management
WALROS	Waterways Authority Licensing and Registration Online System

35. ANNUAL REPORT AVAILABILITY AND COSTS

The Annual Report is available online at www.maritime.nsw.gov.au. The cost of design and printing of the Annual Report was \$21,930. The online design and delivery was \$9000.

CONTACT INFORMATION

Office	Address	Phone/Fax	Opening Times
Sydney Region			
Rozelle Bay	Rozelle Bay James Craig Road Rozelle Bay NSW 2039 Locked Bay 5100 Camperdown NSW 1450	Ph: (02) 9563 8511 Fx: (02) 9563 8522	Monday – Friday 8.30am – 4.30pm
Sydney	Foyer (Level 6) 207 Kent Street Sydney NSW 2000 Locked Bag 5100 Camperdown NSW 1450	Ph: (02) 9241 6307 Fx: (02) 9241 3663	Monday – Friday 8.30am – 4.30pm
Hawkesbury/Broken Bay Region			
Hornsby	4 Bridge Road Hornsby NSW 2077 PO Box 797 Hornsby NSW 1630	Ph: (02) 9477 6600 Fx: (02) 9477 3418	Monday – Friday 8.30am – 4.30pm
North Coast Region			
Coffs Harbour	Lot 2, 16 Isles Drive Coffs Harbour NSW 2450 PO Box 4259 Coffs Harbour Jetty NSW 2450	Ph: (02) 6691 9555 Fx: (02) 6691 9599	Monday – Friday 8.30am – 4.30pm 8:30am – 12 pm First Saturday of the month
Hunter/Inland Region			
Newcastle	8 Cowper Street South Carrington NSW 2294 PO Box 653 Newcastle NSW 2300	Service centre Ph: (02) 4962 8500 Fx: (02) 4962 8528 Regional office Fx: (02) 4962 8588	Monday – Friday 8.30am – 4.30pm
South Coast Region			
Port Kembla	91 Foreshore Road Port Kembla NSW 2505 PO Box 1441 Wollongong NSW 2500	Fx: (02) 4274 8017 Ph: (02) 4274 7914	Monday – Friday 8.30am – 4.30pm
Murray/Inland Region			
Albury	440 Swift Street Albury NSW 2640	Ph: (02) 6021 7188 Fx: (02) 6041 2668	Monday – Friday 8.30am – 4.30pm
Regional Ports			
Port staff are available 7 days per week/24 hours per day for shipping movements into and out of the Ports. The office is opened as required.			
Port of Eden	Main Jetty Snug Cove Eden NSW 2551 PO Box 137 Eden NSW 2551	Ph: (02) 6496 1719 Fx: (02) 6496 3024	
Port of Yamba	Pilot Street Yamba NSW 2464 PO Box 143 Yamba NSW 2464	Ph: (02) 6646 2002 Fx: (02) 6646 1596	

INDEX

Aids to navigation (AtoN)	32	Marine Rescue NSW	05, 13
Alcohol and drug testing	23	Maritime alerts	17
Appendices	126	Maritime Medal	44
Aquatic events stakeholder engagement – case study	42	Maritime Advisory Council	39
Audit and Risk Committee – case study	61	Maritime Trade Towers	28
Auditor-General - significant issue GLS	60	Maritime/port security	35
Australian Maritime Group	36	MSB workers compensation liability	64
Australian Recreational Boating Safety Committee (ARBSC)	04,41	Multicultural policies and services program	139
Balls Head maritime precinct	25	Multicultural relations	47
Berrys Bay maritime precinct	25	Murray River Boating Safety Review	13
Better Boating Program	05, 32	National Coastal Radio Network (NCRN)	16
Better Boating Program supports Merimbula public jetty – case study	31	National Marine Safety Committee	36
Blackwattle Bay maritime precinct	26	National maritime safety reform	14
Boat For Life campaign	15	National Plan Management & Executive Committees	37
Boating safety compliance	13	Occupational health and safety	63
Boating safety education	19	Oil and chemical spill response	51
Budgets	143	Organisational effectiveness profile	63
Charter wharf upgrade and maintenance	28	Partnerships – ANZSBEG and ARBSC – case study	41
Chief Executive's overview	04	Partnerships – Boating Industry Association of NSW – case study	15
Clean, safe wharf initiative	43	Partnerships – Marine Teachers – case study	22
Commercial leasing	30	Partnerships – PaddleNSW – case study	18
Commercial vessels consultation groups	39	Partnerships – Safety – case study	21
Commercial vessels safety regulation	13	Partnerships – Yachting NSW – case study	21
Community leasing	30	Partnerships program	44
Commuter wharves	28	Passenger Cruise Terminal Steering Committee	37
Commuter wharf upgrade program – case study	29	Personal watercraft	16, 47
Contact information	146	Port Botany landside improvement strategy	36
Coroner's recommendations from Merinda incident	23	Port Macquarie and Bass Point safety reviews	36
Customer response – Info Line	43	Port of Eden trade report	35
Development of our organisation	60	Port of Yamba trade report	35
Disability Action Plan	47	Port safety operating licences and standards	35
Domestic leasing	30	Privacy Management Plan	58
Eden and Yamba stakeholder meetings	40	Procurement guidelines	58
Education and compliance campaigns	19	Recreational Vessel Advisory Group (RVAG)	39
Electronic service delivery – case study	45	Red tape reduction initiatives	40
Emergency response in Queensland floods – case study	46	Risk management and insurance	57
Emergency management	51	Rozelle Bay maritime precinct	25
Environmental education	49	Sharing Sydney Harbour Access Program (SSHAP)	32
Environmental services	49	Shipping incidents	51
Environmental Services – case study	50	Statutory framework	56
Equal employment opportunity (EEO)	64	Stockton Boat Harbour	27
Ethical behaviour and corruption prevention	56	Superyachts	36
Financial statements	66	Survey and spatial information	30
Financial summary	08, 09	Sydney Cove Infrastructure, Usage and Public Improvement Plan	33
Fishing Industry Group	39	Sydney Harbour Speed Review	16
Glossary and acronyms	144	Sydney International Boat Show – 2010	15, 44
Government Licensing System (GLS)	60	Ten year customer trends	10, 11
Grey-water legislation	49	Total Asset Management strategy	30
Homebush Bay remediation	26	Transport Regulators Executive Committee	17
Hunter South Arm dredging	26	Vessel incident investigations	20
ICAC inquiry	58	Vessel waste recovery	49
Incident and fatality summary	23	Walsh Bay Pier 2/3 heritage assessment – case study	27
International Institute of Marine Surveying Crystal Award	05	Weather information	17
Key performance indicators	06, 07	Webcams	14
Leases – commercial, community, domestic	30	Wentworth Point maritime precinct	26
Lifjacket rule changes	04, 14	Wharf safety audit	28
Management and structure	53-56	Yeend Street wharf day berthing facility	26
Marine pilotage legislation review	35		

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Annual Report Team

Nicola Wass, Neil Patchett and Vanessa Dudley

Design

DesignDavey

Photography (Unless otherwise indicated)

Carlo Borlenghi/Rolex

David Clare

Vanessa Dudley

Andrea Francolini

Ethan Rohloff Photography

City of Sydney

NSW Maritime

Right: A Boating Safety Officer provides some local knowledge to a person seeking extra safe navigation advice prior to a day out on the water.





NSW | **Maritime**
GOVERNMENT

Contact Details

James Craig Road
Rozelle Bay NSW 2039

Locked Bag 5100
Camperdown
NSW 1450

Phone: 02 9563 8511

Fax: 02 9563 8530

Email: enquiries@maritime.nsw.gov.au

www.maritime.nsw.gov.au