

Profile

The NSW Government created the Waterways Authority as a statutory authority on 1 July 1995 under the *Ports Corporatisation and Waterways Management Act 1995*. The Authority reports, through its Chief Executive, to the Hon Carl Scully MP, Minister for Transport and Minister for Roads.

The Waterways Authority is responsible for the management of commercial and recreational vessels on the navigable waterways of New South Wales. It carries out this responsibility with a view to achieving the highest possible standards of safety for all people using these waters, protecting the marine and foreshore environment and providing essential marine infrastructure, including navigation aids. The Authority is also responsible for appropriate development and usage of wetland areas, particularly in Sydney Harbour, Botany Bay, Newcastle and Port Kembla.

Key activities are:

- promoting safety and environmental responsibility on the water and adjacent foreshores through education and enforcement
- working with other agencies to achieve the integrated management of NSW navigable waters
- licensing and managing recreational boaters and commercial operators
- ensuring that appropriate recreational and commercial vessels are registered and commercial vessels are surveyed
- managing private moorings and commercial mooring sites
- issuing aquatic licences, and undertaking on-water control and management of major aquatic events
- managing the leasing of marinas, jetties and wharves in Sydney Harbour, Botany Bay, Newcastle and Port Kembla
- consenting to and in some cases facilitating developments over the waters of Sydney Harbour, Botany Bay, Newcastle and Port Kembla
- managing the placement and maintenance of navigation aids and signs statewide
- developing and improving boating infrastructure through funding of the Waterways Asset Development and Management Program
- managing various maritime related property assets
- managing the regional trading ports of Eden and Yamba.

The following social programs of benefit to both the boating and general community are provided:

- a Sydney Harbour Cleaning Service
- financial support for on-water volunteer organisations and rescue groups
- public sewage pumpout facilities on Sydney Harbour and Myall Lakes
- a subsidised boating weather telephone information service
- concessional boat licence, registration and mooring fees.

A total of 292 staff in 33 offices and customer service centres around NSW carry out the activities and provide the programs listed above.

More information is available from

www.waterways.nsw.gov.au

ISSN 1327- 6700

Front cover: Boating Service Officer Tim Hayes explains the importance of lifejackets to primary school students Aleks Trkulja and Matthew Kulhan

Highlights

Conducted extensive boating safety campaigns with a major focus on issues such as lifejackets, alcohol, speed and hypothermia

Establishment of a coastal marine radio communications network for recreational and small commercial vessels in NSW

Appointment of the Authority as an Appropriate Regulatory Authority under the *Protection of the Environment Operations Act 1997*, thereby increasing its on-water environmental protection powers

Establishment of *Waterlines* – a quarterly on-line newsletter

Successful staging of the Volvo Round-the-World Ocean Race stopover

Construction commenced on a multi-purpose shipping wharf at Eden

Signing of contracts to enable the \$80M remediation of Homebush Bay east

Significant progress of maritime and foreshore initiatives under the *Sharing Sydney Harbour – Regional Action Plan*

Distribution to Government of \$32.75M

Our business

During 2001-2002 we managed:

- more than 445,000 recreational boat licences
- the registration of more than 184,000 recreational, almost 5,800 commercial and over 1,250 hire and drive vessels
- approximately 500 BoatSafe seminars throughout the State
- the leasing of more than 2,040 marinas, jetties and wharves in Sydney Harbour, Botany Bay, Newcastle and Port Kembla
- the issuing of 535 aquatic licences to organisations, covering almost 12,000 associated aquatic events
- a review of 72 development applications on Sydney Harbour
- over 817,000 tonnes of commodities through the ports of Eden and Yamba
- almost 78,000 calls to Info Line
- the removal of nearly 3,900 cubic metres of rubbish from Sydney Harbour and its foreshores



The leader in the 2001-2002 Volvo Round-the-World Ocean Race, the yacht *illbruck*, approaches the Sydney Harbour Bridge

Our vision

To be the lead agency in all aspects of waterways and maritime management in the State

Our mission

To exercise a stewardship role for all navigable waters in the State including the wetlands under our responsibility by:

- promoting safety on the waterways through education and enforcement
- participating in the protection and conservation of the marine environment
- ensuring appropriate development and usage of wetlands and associated maritime assets
- acting as advocate on behalf of recreational boat users and maritime industries.

Our goal

To employ the resources available to us to satisfy the expectations of our stakeholders for:

- safe, equitable and sustainable use of NSW waters
- appropriate development and usage of wetlands and associated maritime assets vested in the Authority
- efficient administrative services
- a safe and satisfying workplace.

Our strategic focus

To achieve this goal through:

- service model innovation
- business process innovation
- commercial orientation
- creativity and learning.

Our business programs

To promote safety on all navigable waters and minimise the impact of boaters on the marine environment (Program 1 – Marine Safety and Environment)

To ensure appropriate development and usage of wetlands and associated maritime assets (Program 2 – Maritime Property and Asset Management).

Our stakeholders

- the general public of NSW
- the NSW Government and the Minister for Transport
- employees of the Waterways Authority
- commercial users of the waterways eg vessel operators, wharf owners, maritime industries, aquatic licensees and marina operators
- bodies representing commercial operators on the waterways
- relevant Commonwealth, State and local government agencies, TransportNSW, the Port Corporations of Sydney, Newcastle and Port Kembla
- people using navigable waterways for recreation eg recreational vessel operators, non-commercial property lessees and private mooring licensees
- groups representing recreational boating activities
- emergency response groups eg State Emergency Services, Water Police and volunteer marine rescue organisations
- commercial property tenants
- State agencies with environmental and foreshore interests eg PlanningNSW, National Parks and Wildlife Service, Department of Land and Water Conservation, Environment Protection Authority and NSW Fisheries
- bodies with environmental and foreshore interests eg the Sydney Harbour Executive, NSW Coastal Council and local indigenous or environmental groups
- the media, unions representing staff, service providers, suppliers and contractors.

31 October 2002

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

Dear Minister

It is my pleasure to submit to you, for presentation to Parliament, the Annual Report of the Waterways Authority for the year ended 30 June 2002.

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

Yours sincerely



Matthew Taylor
Chief Executive

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Chief Executive's overview



Chief Executive
Matthew Taylor

I am pleased to present this overview of highlights and challenges from the past year.

Education and safety

A total of 497 BoatSafe seminars and 63 regional educational campaigns were conducted throughout the State. Major safety and public awareness campaigns were staged during the year, utilising a combination of print and television advertisements, the internet, brochures, media releases, articles and displays. Many of these campaigns were founded on operational efforts on the water aimed at raising awareness of safety and environment issues. This year the strategies concentrated on the carriage of safety equipment, licence requirements, safety while crossing bars, hypothermia and lifejackets. The Easter 2002 'Lifejacket Lifesaver' campaign contributed to that period being the safest on NSW waterways for 10 years. A commendation for this campaign was awarded to the Authority at the Austswim Water Safety Awards, the only government agency and non-swimming organisation to be so acknowledged.

Recreational boating continued to grow, with the number of boating licences increasing by 5.3 per cent and vessel registrations by 2.4 per cent during the year. The number of boating incidents and the number of serious injuries fell by 2 per cent and 6 per cent respectively. Unfortunately with two accidents involving multiple fatalities, the number of deaths increased from 19 to 21.

The Authority's report on ferry operations in Sydney Harbour was released in August 2001 and contained 61 key recommendations on safety, training and vessel maintenance. The Authority is actively involved in monitoring the subsequent performance of the ferries.

Other initiatives included coordinating the establishment of a coastal marine radio communications network for recreational and small commercial vessels in NSW. Also, in recognition of the valuable contribution made by marine volunteer rescue organisations, the

Authority increased grant funding to these important members of the boating community by \$250,000 to assist in meeting their operating costs.

Environmental protection of our waterways

A number of measures designed to benefit the environment in and around our waterways were implemented. These included:

- exhibition of a plan of management for moorings on Lake Macquarie
- further consultation with key stakeholders on the boating management plan for Port Hacking
- development of guidelines for the design and maintenance of riverbank structures subject to RiverCat and HarbourCat ferry wash
- development of a statewide strategy to better manage sewage pollution from vessels
- appointment as an Appropriate Regulatory Authority under the *Protection of the Environment Operations Act 1997* enabling Boating Service Officers (BSOs) to better achieve compliance with vessel waste discharge requirements
- tighter controls over the use of personal watercraft in NSW waters including the prohibition of their use on Sydney Harbour and the Parramatta River from 1 October 2001
- an environmental education campaign aimed at encouraging the boating community to adopt sensible environmental practices
- increased harbour cleaning activity and cooperation of local councils in the removal of rubbish from Sydney Harbour and its foreshores.

Boating activities

Approximately 12,000 aquatic events were held on NSW waterways throughout the year, including

major events such as the New Year's Eve celebrations on Sydney Harbour. A highlight was the successful management of the Sydney stopover for the Volvo Round-the-World Ocean Race during December 2001. The Authority was responsible for the safe entry of the fleet into the harbour, the establishment and management of the Stopover Village for the eight competing yachts and the fleet's departure as part of the Sydney to Hobart Yacht Race. The Authority also sponsored events such as the International Boat Show and the Clean Waters Expo and produced a new series of maps designed for offshore boating. Through its 24-hour Info Line, the Authority received 78,000 calls on boating safety, activities and regulatory requirements.

The demand by the boating community for infrastructure assistance remains high. During the year, approximately \$1.1 million grant funding was provided under the Waterways Asset Development and Management Program (WADAMP) for 31 new recreational boating facilities throughout the State.

Maritime assets

The objective of ensuring appropriate development and usage of wetland and associated maritime structures continued during the year. Activities included:

- completion of the \$5.5 million reconstruction of Blackwattle Bay wharf and the receipt of Expressions of Interest for maritime industry usage at Rozelle Bay
- continued private sector redevelopment of the Walsh Bay and King Street Wharf precincts
- signing of a Memorandum of Understanding with the Commonwealth Department of Defence as well as an Indigenous Land Use Agreement to enable the construction of a multi-purpose wharf at the Port of Eden
- the establishment of a competitive tendering process for charter vessel usage in Circular Quay
- a contract signed with Thiess Environmental Services in December 2001 for the removal of dioxins from the eastern side of Homebush Bay and part of the adjacent foreshore

- upgrading of the seaplane bases at Rose Bay and Newcastle
- significant advancement of the key projects involving the Waterways Authority under *Sharing Sydney Harbour – Regional Action Plan*
- contribution to other NSW Government initiatives such as the Catchment Management Blueprints
- providing advice on major planning and environmental matters involving wetlands at Botany Bay and Newcastle port.

Waterfront development and leases

Last year's downturn in both land owner's and development consents for the construction of waterside structures on Sydney Harbour and the Parramatta River continued with the number of applications being down 7 per cent and 47 per cent on last year's totals respectively. This was largely due to the reclassification of commercial marina developments as being of State significance. The Authority also began encouraging the development of shared use facilities for structures such as jetties, ramps and pontoons on foreshore properties. In November 2001 the Authority announced that purchasers of such properties must ensure existing structures comply with current development assessment criteria.

Business development and customer service

During the year a number of initiatives were completed to improve service to customers. These included the introduction of an after hours complaints service, on-line credit card payments and EFTPOS facilities at all service centres and a new hire and drive licence system for vessels under 6 metres in length. Internally, new systems were established for risk management, plant maintenance and office communications. More stringent risk management requirements for licensees applying to stage aquatic events were introduced including the prior briefing of all participants regarding potential hazards and the thorough inspection of all courses prior to staging an event.

A consortium named 'Superyachts Sydney' was established to attract more visits from these vessels to NSW, along with associated refit and maintenance work. The first project secured by this consortium, which includes the Waterways Authority, realised an economic benefit to NSW in excess of \$2.7 million.

The Authority recorded a net surplus of \$45.4 million for the year, aided by income from the private sector redevelopment of King Street Wharf and from property rentals. This allowed a distribution to the NSW Government of \$32.75 million.

Outlook

Following a good year, highlighted by our involvement in a number of important projects, the Waterways Authority is well positioned to effectively manage its role and responsibilities for the coming year. The Authority's major highlights and challenges in 2002-2003 will be:

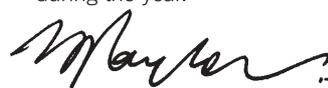
- with vessel numbers increasing, relevant safety and education campaigns will continue to be required to reduce the potential for conflict, incidents, injuries and deaths on NSW waters
- improving responsiveness to stakeholders, particularly by use of broader client access through the internet, electronic service delivery and partnerships
- implementation of a number of environmental initiatives including the establishment of a

management regime for sewage pollution from vessels, finalisation of waterways plans of management, preparation of an environmental impact statement for Towra Point and, subject to statutory approval, commencement of the remediation of Homebush Bay east

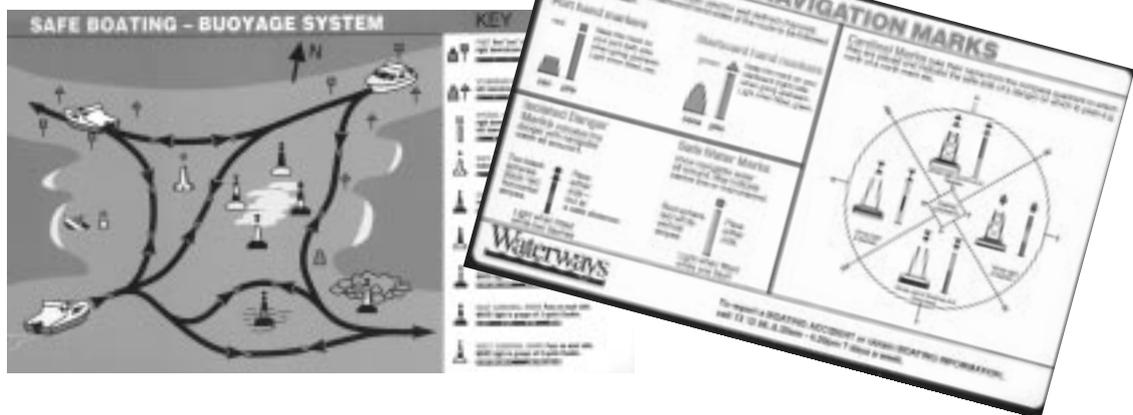
- continued facilitation of port development and maritime use of our assets particularly on Sydney Harbour, and maritime industry development of Rozelle Bay and other sites including master-planning of specific sites such as Homebush Bay west
- formulation of a marina policy with particular reference to Sydney Harbour in conjunction with PlanningNSW
- continued internal efficiency improvements such as expansion of the electronic self service project, implementation and training of risk management and safety principles throughout the organisation, and reviewing further business processes.

Acknowledgment

I wish to thank the Minister for Transport, Carl Scully, and his staff for their support and to commend my management team and staff for their dedication and the highly professional manner in which they discharged their duties during the year.



Matthew Taylor
Chief Executive



During the year, the Authority continued to issue boat owners with safe boating stickers

Current issues and challenges

Safety

High risk activities – Responsible accommodation of new high speed and unconventional craft while ensuring the safety of other people using the waterways

Boating incidents – Monitoring and analysis of causes and trends in boating incidents and fatalities while communicating important safety education messages to the boating community in relation to high-risk causes of accidents such as alcohol, capsizing and the crossing of ocean bars

Sustainability

Vessel impacts – Ensuring the protection of the waterways environment by managing issues such as sewage pollution from vessels and through regulatory powers under the *Protection of the Environment Operations Act 1997*, in a manner which provides an appropriate balance between the environment, public health, industry and the needs of recreational boat owners

Maritime infrastructure – Provision and maintenance, within budgetary constraints, of maritime infrastructure as identified in the Authority's Asset Acquisition Strategic Plan. Funding urgent remedial works such as beach nourishment and wharf repairs, particularly in response to damage by adverse weather or accidents

Foreshore improvement – Progress of foreshore development and ownership issues in accordance with statutory planning and environment regulations, while satisfying community expectations for foreshore access

Equity

User conflicts – Working with the maritime industry, the boating and broader community and all levels of government to minimise the potential for conflict between different stakeholder expectations

Recreational boating infrastructure – Ensuring that infrastructure for the boating community funded through the Waterways Asset Development and Management Program including jetties, boat ramps, sewage pump out facilities and dinghy storage is provided in a fair and equitable manner

Working harbour – Liaising closely with other government organisations and private industry to protect the maritime character of Sydney Harbour through continued representation in major planning forums involving harbour development and usage

Remediation – Ensuring that support and encouragement is given to all agencies and landowners on Sydney Harbour to control pollution and to remediate contaminated foreshores and wetland areas land prior to any redevelopment

Efficiency

Business services – Utilising new technology, particularly in IT systems and e-business and maintaining continued efficiency of operations in light of increased demands for the Authority's services

Business processes – To continually review business processes to ensure effective risk management and corruption prevention strategies

Work environment

Business practices and legislation – Ensuring staff development keeps abreast of new technologies, business processes and practices, and requirements for legislative compliance and that commensurate responsibilities are communicated, understood and adopted

Workplace safety and workers' compensation legislation – Ensuring new workplace safety laws and recent changes to workers' compensation legislation are integrated into risk management and business operating systems and that all staff and management are made aware of their respective responsibilities under the legislation.

Strategic performance

To meet the current issues and challenges listed, as well as the objectives of its two business programs, the Waterways Authority has four critical strategies. Performance for the year against these strategies has been as follows:

Strategy 1 – Service model innovation

To meet and exceed stakeholder expectations by providing quality services and innovative products

Performance for the year:

- Number of safety checks made on vessels (47,211) increased by 4.3 per cent – this was assisted by increasing the number of Boating Service Officers by 6 from 1 October 2001
- Number of complaints to Waterways Info Line on a variety of issues increased by 143 (53 per cent) partly due to the introduction of an after-hours message recording service
- Finalised negotiations with the three port corporations to provide a replacement coastal marine radio network for NSW waterways from 1 July 2002
- Established a unit to monitor the performance of ferries on Sydney Harbour
- Arranged to be appointed an Appropriate Regulatory Authority giving Boating Service Officers the power to better enforce environmental protection by investigating pollution incidents and issuing clean-up and prevention notices to vessels.

Strategy 2 – Business process innovation

To incorporate quality assurance and best practice initiatives in our business process, service delivery and client relationship

Performance for the year:

- Increased awareness of risk management principles in major business areas – for

example by placing new risk avoidance conditions on applicants prior to granting aquatic licences – and by commencing preparation of a framework document for the Authority

- Reformed and simplified the hire and drive licence system and introduced licence packages for seven different categories
- Improved our ability to collect and account for vessel sewage discharges at pump-out stations by increasing the number of monitored stations from five to 17 by having keypad entry fully integrated with the Authority's network
- Provided customers with greater choice by introducing EFTPOS and on-line credit card payments
- Continued a program to utilise dial-up networking which has eliminated the need for ISDN line rental requirements and reducing communications costs by \$100,000 a year.

Strategy 3 – Commercial orientation

To retain, diversify and increase revenue streams and optimise return on resources and assets for community benefit

Performance for the year:

- Assisted in the establishment of 'Superyachts Sydney' to attract more business from the superyacht fraternity
- Encouraged diversification in the charter vessel 'free and independent traveller' trade by seeking for the competitive use of Wharf 6 Circular Quay
- Signed contracts with Thiess Environmental Services for an \$80 million remediation project at Rhodes Peninsula and the adjacent waterway, with the NSW Government providing \$21 million towards the project

- Signed a Memorandum of Understanding with the Commonwealth Government to enable shared use of the new \$41 million Eden multi-purpose wharf at a cost to the NSW Government of \$5 million
- Called for Expressions of Interest for commercial use of the Rozelle Bay maritime industry sites and the Rose Bay and Newcastle seaplane bases. Both activities were continuing at year's end.

Strategy 4 – Workplace development

To build an equitable, quality focused organisation fostering learning and growth

Performance for the year:

- Successfully trialed an Employee Self Service system which enables staff to electronically determine pay details and apply for leave,

thus reducing paperwork

- Finalised new Enterprise Agreement with staff which featured innovations such as assistance with child care fees, an Individual Performance Management System and a new Job Evaluation System
- Learning and development courses accounted for 1.5 per cent of salaries and wages and featured diverse further education in fields such as compliance legislation, performance management and business improvement
- Average time per employee lost due to sick leave improved and was down 4 per cent to 5.83 days
- Placed all major policies and procedures on the intranet to enable staff to have an understanding as well as a reference point for their duties when interacting with stakeholders.

Summary of financial results

	2000-2001	2001-2002
Revenue from ordinary activities	\$115.5M	\$121.7M
Net surplus/(deficit)	(\$2.2M)	\$45.4M
Asset acquisitions	\$12.2M	\$9.1M

The increase in revenue from ordinary activities was mainly due to the receipt of a higher value of cash and assets than last year from the development of King Street Wharf. In addition, income from recreational boating licences and registrations increased by 11 per cent.

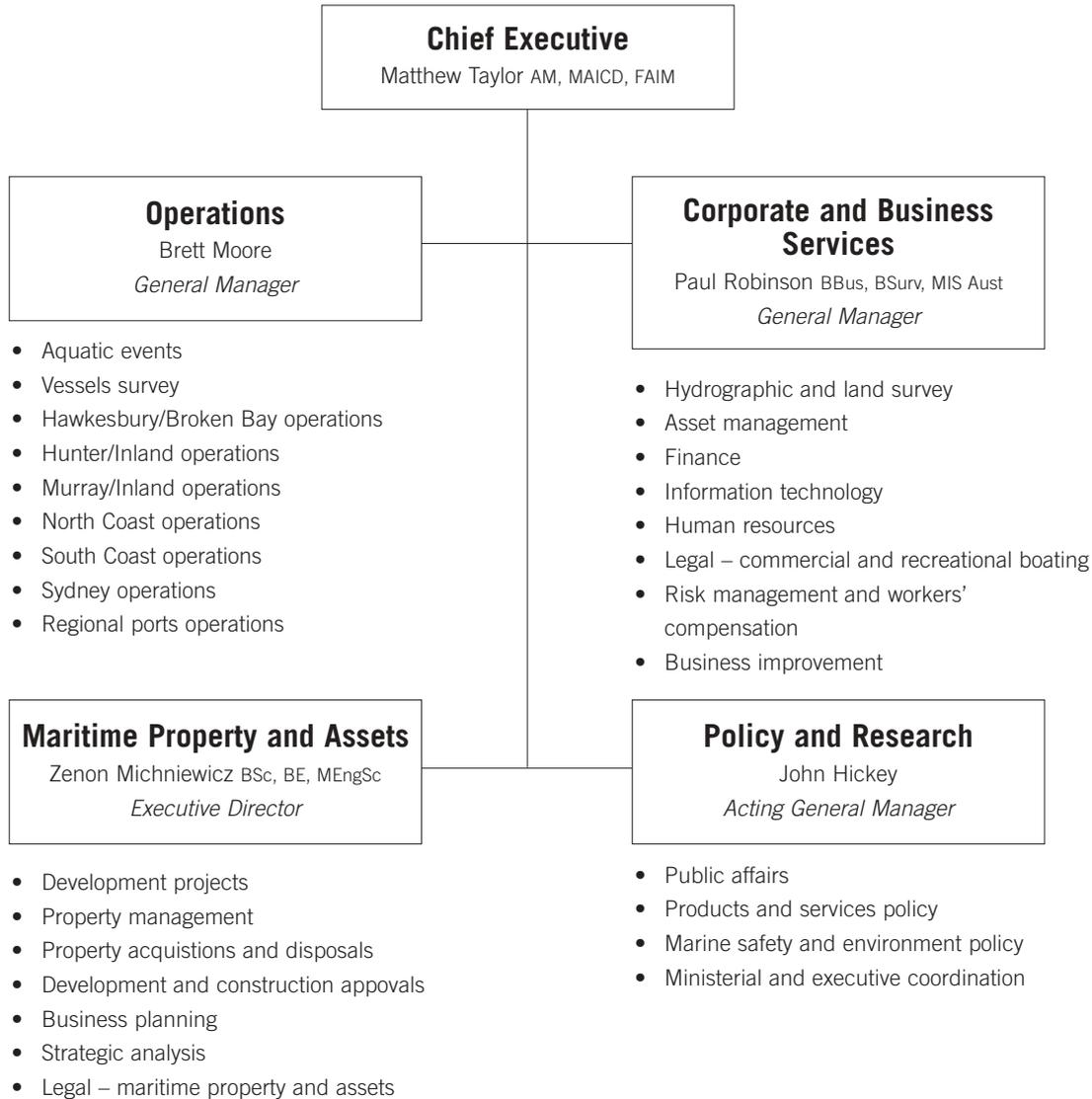
The net surplus reflects not having the write down in asset value. Such an exercise had a 'paper' effect of reducing the surplus in 2000-2001.

Expenditure on asset acquisitions (excluding King Street Wharf) was down due to less expenditure on the major projects being progressed compared with the previous year.

Key performance indicators

Indicator	2000-2001	2001-2002	Trend/Comment
Financial			
Total assets (\$M)	515.1	534.1	up due to level of investment funds and asset grants from the redevelopment of King St Wharf
Net surplus (\$M)	(2.2)	45.4	last year's result reflected a loss due to asset revaluation
Distribution to State Government (\$M)	21.5	32.75	up due to proposed increased operating distribution, greater distribution from property sales and from King St Wharf
Average revenue per employee (\$000)	405	424	up due to increased revenue
Outputs			
Boating licences	422,680	445,251	increased growth in line with long-established trends
Registered recreational vessels	179,835	184,225	modest growth
Educational seminars presented	447	497	concentration this year on lifejackets, hypothermia and the marine environment
Solar navigation aids installed	1,020	1,064	97% of lit navigation aids are now solar powered
Volume of waste recovered from Sydney Harbour (cubic metres)	3,508	3,898	reflects increased clean-up campaigns in partnership with local government
Number of sewage discharge pump-out points monitored in Sydney Harbour	5	17	new pump-out points commissioned at King St Wharf and Blackwattle Bay
Foreshore development applications processed	78	42	down due to more stringent application of land owner's consent by Authority
Projects offered WADAMP grant funds	25	31	greater number of applications received
Outcomes			
Fatalities per 100,000 recreational vessel registrations	7.5	11.5	included incidents involving multiple fatalities
Fatalities per 1,000 commercial vessel registrations	0.8	0.0	no commercial vessel fatalities recorded
Safety compliance rate:			
– recreational vessels (%)	92.7	94.0	increases reflect greater safety awareness and higher enforcement levels
– commercial vessels (%)	92.6	94.5	
Complaints received on Waterways Info Line (%)	0.3	0.5	up due to introduction of after hours complaints service
Major foreshore redevelopments opened	3	1	Blackwattle Bay
Trade through Eden and Yamba (000 tonnes)	805	817	increased woodchip exports
Residual workers' compensation exposure (\$M)	1.84	1.42	number of claims remaining open reduced by 4%
Staff			
Full time equivalent staff at 30 June	282	292	increased number of on-water staff
Hours lost due to industrial disputes	0	0	no disputes

Management and structure



The Authority's management team:
(left to right) Zenon Michniewicz,
Brett Moore, Matthew Taylor,
John Hickey, Paul Robinson