

Part 21

Minister for Mines and Petroleum; Commerce and Industrial Relations; Electoral Affairs

Summary of Portfolio Appropriations

Agency	2016-17 Budget \$'000	2016-17 Estimated Actual '000	2017-18 Budget Estimate '000
Mines, Industry Regulation and Safety			
– Delivery of Services	134,455	131,888	128,435
– Administered Grants, Subsidies and Other Transfer Payments	37,082	31,814	49,853
– Capital Appropriation	2,250	7,250	350
Total	173,787	170,952	178,638
Registrar, Western Australian Industrial Relations Commission			
– Delivery of Services	12,456	12,456	11,704
– Capital Appropriation	1,286	2,077	-
Total	13,742	14,533	11,704
Western Australian Electoral Commission			
– Delivery of Services	30,348	31,148	7,872
Total	30,348	31,148	7,872
GRAND TOTAL			
– Delivery of Services	177,259	175,492	148,011
– Administered Grants, Subsidies and Other Transfer Payments	37,082	31,814	49,853
– Capital Appropriation	3,536	9,327	350
Total.....	217,877	216,633	198,214

Division 38 Mines, Industry Regulation and Safety

Part 21 Minister for Mines and Petroleum; Commerce and Industrial Relations; Electoral Affairs

Appropriations, Expenses and Cash Assets ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Service Appropriation							
Base Component	127,803	129,525	126,958	120,625	118,156	116,298	113,988
Services to Industry Component (Mining Tenement Rentals) ^(b)	-	2,770	2,770	5,650	5,730	5,910	5,910
Item 76 Net amount appropriated to deliver services ^(c)	127,803	132,295	129,728	126,275	123,886	122,208	119,898
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	2,229	2,160	2,160	2,160	2,160	2,160	2,160
Total appropriations provided to deliver services	130,032	134,455	131,888	128,435	126,046	124,368	122,058
ADMINISTERED TRANSACTIONS							
Item 77 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	41,206	37,037	31,393	49,801	18,576	20,672	16,261
Amount Authorised by Other Statutes - Petroleum (Submerged Lands) Act 1982 ..	1,293	45	421	52	93	71	56
CAPITAL							
Item 125 Capital Appropriation ^(d)	500	2,250	7,250	350	-	-	-
TOTAL APPROPRIATIONS	173,031	173,787	170,952	178,638	144,715	145,111	138,375
EXPENSES							
Total Cost of Services	279,250	295,767	291,328	298,755	295,592	283,051	283,447
Net Cost of Services ^(e)	121,463	118,950	138,811	129,961	122,837	106,859	110,074
CASH ASSETS ^(f)	265,866	259,340	265,715	273,420	285,801	301,037	317,154

(a) The 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to amalgamate the Department of Mines and Petroleum and the regulatory and labour relations functions of the Department of Commerce on 1 July 2017.

(b) The Department collects additional revenue for Mining Tenement Rentals (MTR). This revenue replaces fees that were expected to be introduced from the Reforming Environmental Regulation initiative and is in lieu of the introduction of new fees and charges. This increases the Government's service appropriation and will enable the Department to deliver services more effectively in response to industry needs. Further details on MTR appear in the table of 'Details of Administered Transactions'.

(c) The Department's net amount appropriated to deliver services from the 2016-17 Estimated Actual onwards includes the transfer of appropriation for staff reallocated from the Department of Finance to various agencies in response to changes to government procurement policy.

(d) The capital appropriation of \$7.3 million in the 2016-17 Estimated Actual includes \$5 million provided by Government as a working capital cash injection. It differs from the capital appropriation of \$2.3 million in the Asset Investment Program for the 2016-17 Estimated Expenditure by this amount.

(e) Represents Total Cost of Services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(f) As at 30 June each financial year.

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since the publication of the 2016-17 Pre-election Financial Projections Statement on 9 February 2017, are outlined below:

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Election Commitments					
Employment Law Centre ^(a)	-	330	330	330	-
Industrial Relations Act 1979 Review	-	300	-	-	-
Other					
2017-18 Tariffs, Fees and Charges	-	(1,371)	117	116	116
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(32)	(65)	(99)	(133)
Minerals Research Institute of Western Australia - Continuation of Funding	-	1,000	1,000	-	-
Mines Safety Levy Savings	(500)	(500)	(500)	(500)	(500)
Resolution of Native Title in the South West of Western Australia	-	127	-	-	-
Reversion to Indexation for Non-Salary Expenses	-	(563)	(1,116)	(1,607)	(2,068)
Western Australian Building and Construction Code Monitoring Unit Reduction in the 2016-17 Expenditure	(1,105)	-	-	-	-

(a) Existing agency spending has been reprioritised to meet some or all of the costs of this commitment.

Significant Issues Impacting the Agency

- The Department was established on 1 July 2017 to bring together the Department of Mines and Petroleum, and the regulatory and labour relations functions of the Department of Commerce, with a particular focus on safety.
- The Government approved development of a new Work Health and Safety Bill which, based on model Work Health and Safety laws, will modernise and consolidate primary workplace health and safety legislation for the resources sector and general industry. The Bill will be supported by regulations aimed at aligning and improving consistency between specific categories of industry at a State and national level.
- During the 2016-17 financial year, 11 work-related traumatic injury fatalities were recorded in Western Australia. The Government sees reducing the number of workplace fatalities as a key priority.
- WorkSafe will progress the increased penalties for offences under the *Occupational Safety and Health Act 1984* to provide consistency with model Work Health and Safety laws and to accommodate increases due to inflation.
- An independent assessment revealed the Resources Safety Division to be an effective regulator of safety for Western Australia's mining industry. It is focused on helping industry and improving safety performance while being more cost-effective than other safety jurisdictions within Australia.
- In 2017, 'Towards 2020' - a regulatory strategy that envisions a safe and healthy resources sector for Western Australian workers, was launched. The Department is encouraging industry to work proactively to prevent accidents and fatalities from occurring, and to promote a positive work culture. The strategy reflects the key goals of world-leading regulation, smarter systems, and a well-informed industry.
- The energy sector has significantly evolved over recent times due to advances in energy-generation and storage technology. The Minister has provided his consent for a review of the legislative framework administered by EnergySafety to be undertaken to ensure it reflects the reality of this sector. Review outcomes will inform the extent of legislative amendments required.
- Drafting of proposed amendments to the Electricity (Licensing) Regulations 1991 and Occupational Safety and Health Regulations 1996 is currently underway. The proposed changes will improve safety of electrical workers working on or near energised electrical equipment. They will also improve safety of all workers entering the ceiling space of domestic properties by requiring the electricity main switch to be turned off before any work is undertaken in the ceiling space. These initiatives will significantly improve the safety of Western Australian workers.
- The resources industry continues to be a very active sector and an important contributor to Western Australia's economy. The Department's innovative and responsible regulation of the resources industry is critical to recognising the benefits resources development brings to Western Australian communities.
- As of March 2017, Western Australia had an estimated \$101 billion worth of resources projects under construction or in the committed stage of development. A total of \$52 billion has been identified as planned or possible projects for the next 15 years.

- In 2016, the mineral and petroleum industry reported sales of \$92.1 billion, an increase of \$712 million from 2015. This improvement was largely a consequence of increases in the volume of iron ore, and the price of iron ore and gold, which are Western Australia's two largest mineral commodities. Iron ore is by far the most valuable commodity accounting for 72% of mineral sales and 57% of overall sales.
- Iron ore sales totalled \$54 billion in 2016, an increase of 8%. This increase was the result of a 3% increase in the quantity of iron ore sold, to reach over 762 million tonnes, and a 5% rise in the price of iron ore year-on-year.
- Western Australia's share of national mining investment has averaged around 59% for the last 10 years. In 2016, almost \$27 billion was invested in the State compared with \$51 billion in 2012.
- Exploration expenditure and drilling activity is another indicator of the health of the minerals and petroleum industry. In 2016, Western Australia accounted for 65% (\$925 million) of Australia's total mineral exploration expenditure (\$1.4 billion). This was up from 2015, which attracted \$844 million of mineral exploration expenditure.
- There is continuing community interest in resource projects, underlining the importance of effective community engagement. The Department significantly increased community engagement activities during 2016 and continued to publish its approval performance. During 2016, the Department received a total of 7,476 mining and petroleum applications, 97% of which were finalised within target timelines.
- In order to offer a more convenient way for Western Australians to apply for occupational licences, the Department initiated the Online Licences Project. The foundational components are now largely complete. Final testing and consultation with external business stakeholders will continue prior to the public launch of the online service.
- As a result of emerging business models for the operation of retirement villages, and specific criticism and concern about retirement village contracts, regulators across Australia are examining a range of contractual issues. Consumer Protection will continue to focus on the management and operation of retirement villages in 2017-18, with a focus on any identified unfair contract terms and the application of deferred facilities or management fees. Work on the second stage of amendments to retirement villages' legislation is also currently being progressed and will see the remaining recommendations from the statutory review addressed.
- The Government has announced that a mandatory code of practice will be developed to regulate prepaid funeral funds in Western Australia. Prepaid funeral products have become increasingly popular with consumers, who pay large sums of money upfront for funeral arrangements. Consumer Protection will develop a draft code of practice for public consultation. The code will be designed to ensure that organisations selling funeral plans are held to high standards of conduct and that prepaid funeral monies are appropriately invested and protected.
- The Government has announced that amendments to the *Residential Parks (Long-stay Tenants) Act 2006* will be made to implement recommendations from the statutory review of the Act. Key issues addressed by the recommendations relate to certainty of contract, cost transparency and balance to ensure the viability of the sector. An amendment Bill will be drafted for introduction into Parliament in 2017-18.
- Family and domestic violence is a key community issue that also impacts residential tenancy arrangements. At the end of January 2017 consultation closed on possible options to reform the *Residential Tenancies Act 1987* to deliver better outcomes for victims of family and domestic violence. Following analysis of submissions and further consultation where required, a report will be prepared for the Government making recommendations to amend the Act.
- During 2016-17, the national review of the operation of the Australian Consumer Law (ACL) was completed which resulted in a range of proposed legislative amendments and further policy development that will be considered by consumer affairs Ministers, and will be administered early in the new financial year. Western Australia is actively involved in developing the amendment proposals and policy.
- Consumer Protection will pursue a range of administrative initiatives and legislative amendments to the *Charitable Collections Act 1946*. In the current regulatory environment, where many licence holders already provide financial information to a variety of funding and regulatory agencies, there is often unnecessary and unreasonable duplication in regulatory requirements. The proposed legislative changes will ensure consistency with respect to investigative powers while administrative reforms are designed to allow the streamlining of financial reporting.
- The *Building Act 2011* ensures construction and maintenance of buildings are compliant with building standards. Improved online application and processing, effective private sector assessment, and improved local government monitoring and enforcement facilitate continuous improvement of building approval and certification processes. These processes provide the foundation for responsive action pending outcomes of national reviews and building standard-related incidents, including the London Grenfell Tower fire.

- To protect homebuyers should their builder die, disappear or become insolvent, urgent reform of housing indemnity insurance (HII) is required. Currently, agreements between the Department and private insurers (Great Lakes Australia and QBE Insurance Group Limited) means the Department underwrites 100% of the risk. These agreements are due to expire in October 2017 and 2018 respectively. Review of consumer protection mechanisms will inform amendments to the *Home Building Contracts Act 1991* and consider the provision of insurance by the Government should private sector insurers leave the market.
- The Government has committed to improving security of payment for contractors, subcontractors and suppliers operating in the building and construction industries through a variety of legislative, contractual and educational reforms. These reforms will require the Department to consult widely regarding available options and to work with government agencies to facilitate delivery.
- The Government has commenced the first round of extensive reforms aimed at driving cultural change and creating cost savings across the public sector. An overhauled Public Sector Wages Policy commenced on 12 May 2017 and key industrial agreements covering approximately 80,000 public sector employees will be re-negotiated under the new Wages Policy setting in the 2017-18 financial year. The Department’s Public Sector Labour Relations directorate will provide strategic and operational industrial advice on the development and/or implementation of the reform.

Resource Agreement

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

Outcomes, Services and Key Performance Information

The Outcomes, Services and Key Performance Information reflect the amalgamation of the Department of Mines and Petroleum and the regulatory and labour relations functions of the Department of Commerce due to Machinery of Government changes on 1 July 2017. Where practical, the 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual has been recast for comparative purposes.

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency’s services and desired outcomes, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goals	Desired Outcomes	Services
Strong Communities: Safe communities and supported families.	A fair trading environment that protects consumers and traders in Western Australia.	1. Consumer Protection
	Community in which the use of electricity and gas is regulated and safe.	2. Energy Safety
	A workplace operated in a safe and healthy manner.	3. WorkSafe
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	Buildings and plumbing installations that are safe, sustainable and respond to community needs.	4. Building Commission
	Contribute to making Western Australia the destination of choice for responsible resource exploration, development and operations.	5. Providing Resource Sector Information and Advice to Industry, Community and Government 6. Managing Land Access for Resource-related Activity 7. Regulating Resource Sector Development for Health and Safety, Social Responsibility, Environment and Dangerous Goods
Future Jobs and Skills: Grow and diversify the economy, create jobs and support skills development.	Shape and influence industrial relations systems in Western Australia.	8. Labour Relations

Service Summary

Expense	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
1. Consumer Protection	51,672	52,416	52,568	54,903	55,258	55,185	55,419
2. Energy Safety	13,958	15,017	14,807	15,345	15,656	15,867	15,890
3. WorkSafe.....	25,741	26,454	25,939	26,017	26,719	26,744	26,852
4. Building Commission.....	25,538	30,399	30,807	32,106	30,567	30,143	30,213
5. Providing Resource Sector Information and Advice to Industry, Community and Government.....	30,871	35,675	34,890	34,068	32,693	23,343	28,740
6. Managing Land Access for Resource-related Activity	50,112	51,857	50,412	51,181	50,617	47,865	47,054
7. Regulating Resource Sector Development for Health and Safety, Social Responsibility, Environment and Dangerous Goods.....	73,559	76,134	73,758	74,434	73,752	73,658	69,110
8. Labour Relations.....	7,799	7,815	8,147	10,701	10,330	10,246	10,169
Total Cost of Services	279,250	295,767	291,328	298,755	295,592	283,051	283,447

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: A fair trading environment that protects consumers and traders in Western Australia:					
The extent to which traders comply with regulatory requirements	95%	95%	95%	95%	
Outcome: Community in which the use of electricity and gas is regulated and safe:					
The number of electricity-related serious injuries and fatalities per million population	3.05	nil	6.6	nil	1
The number of gas-related serious injuries and fatalities per million population	4.57	nil	1.55	nil	1
Outcome: A workplace operated in a safe and healthy manner:					
The extent to which workplaces meet occupational safety and health criteria in priority areas (to indicate that workplaces are operated in a safe and healthy manner)	73%	75%	72%	75%	
Outcome: Buildings and plumbing installations that are safe, sustainable and respond to community needs:					
The extent to which building service providers comply with regulatory requirements	78%	85%	77%	85%	
Outcome: Contribute to making Western Australia the destination of choice for responsible resource exploration, development and operations:					
Percentage of applications determined within agreed timeframes	n/a	92%	98%	95%	
Percentage of compliance with regulated resource exploration and development conditions.....	n/a	97%	96%	95%	
Percentage of compliance activities completed as planned.....	n/a	100%	105%	100%	2
Stakeholder satisfaction with effectiveness of the Department as regulator of the resource sector.....	n/a	75%	84%	85%	
Outcome: Shape and influence industrial relations systems in Western Australia:					
The extent to which employers comply with the requirements of labour relations laws	58%	75%	52%	65%	3

(a) Further detail in support of the key effectiveness indicators is provided in the agencies' Annual Reports.

Explanation of Significant Movements

(Notes)

1. The 2017-18 Budget Target is set at nil for these indicators as the desired outcome to be achieved is to have no serious injuries or fatalities.
2. Following the Government's Budget Framework Reform initiative, an extensive administrative review program was undertaken, resulting in a broader range of activities reported. A greater number of compliance activities were delivered in the resources sector, meeting increased industry demand.
3. The 23% variation between the 2016-17 Budget and 2016-17 Estimated Actual is largely due to the Labour Relations Division delaying implementation of its program for proactive inspections due to the higher number of complaints lodged during this period.

Services and Key Efficiency Indicators**1. Consumer Protection**

The provision of consumer protection advice, information, education and business regulation services to the Western Australian community.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	51,672	52,416	52,568	54,903	
Less Income.....	26,454	28,828	18,769	23,023	1
Net Cost of Service.....	25,218	23,588	33,799	31,880	
Employees (Full Time Equivalents).....	318	329	326	334	
Efficiency Indicators ^(a)					
Average Cost per Client Contact to Provide Information and Advice.....	\$1.55	\$1.47	\$1.51	\$1.51	
Average Cost per Policy Project.....	\$242,057	\$305,877	\$158,786	\$310,308	2
Average Cost per Inspection or Investigation.....	\$370.01	\$506.77	\$356.74	\$436.04	3
Average Cost per Registration or Licence.....	\$13.24	\$10.99	\$11.71	\$12.66	4

(a) The Efficiency Indicators exclude the cost of non-operational activities to improve the comparability of data across years.

Explanation of Significant Movements

(Notes)

1. The decrease in income between the 2016-17 Budget and 2016-17 Estimated Actual of \$10.1 million (35%) is largely due to a decrease in revenue received from interest earned on Real Estate and Settlement Agents trust accounts as a result of the decrease in interest rates and principal held within the trust accounts, and the Department not claiming a reimbursement of costs incurred in administering bonds from the Rental Accommodation Account (RAA) for 2016-17. Income is budgeted to increase in 2017-18 by \$4.3 million (23%) as the reimbursement from the RAA is expected to be made for 2017-18.
2. The Average Cost per Policy Project was expected to increase by \$63,820 (26%) between the 2015-16 Actual and 2016-17 Budget due to the limited capacity to conclude policy projects as a result of the 2017 State Election. However, more minor legislative and other policy projects were progressed during 2016-17, causing a \$147,091 (48%) decrease in the Average Cost per Policy Project between the 2016-17 Budget and 2016-17 Estimated Actual. A higher unit cost is expected during 2017-18 as policy activity returns to a more consistent level.
3. The Average Cost per Inspection or Investigation is expected to decrease by \$150.03 (30%) between the 2016-17 Budget and 2016-17 Estimated Actual. This is attributable to a 51% increase in the number of inspections and investigations undertaken during the reporting period, with a specific focus on additional compliance inspections arising from emerging product safety concerns. A higher unit cost is expected for the 2017-18 Budget Target as inspection activity returns to a more consistent level.
4. The Average Cost per Registration or Licence has decreased by \$2.25 (17%) between the 2015-16 Actual and 2016-17 Budget. This is primarily due to a reduction in the costs to administer tenancy bonds as a result of efficiencies gained through the implementation of the Bonds Electronic Transaction System.

2. Energy Safety

The provision of regulatory services to the Western Australian community through licensing and compliance activities in the area of energy safety.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 13,958	\$'000 15,017	\$'000 14,807	\$'000 15,345	
Less Income.....	14,200	13,931	13,950	14,152	
Net Cost of Service.....	(242)	1,086	857	1,193	
Employees (Full Time Equivalents).....	66	72	74	72	
Efficiency Indicators ^(a)					
Average Cost of Regulatory Services.....	\$3,922	\$6,283	\$2,085	\$2,663	1
Average Cost of Provision of Licensing Services.....	\$30.67	\$31.97	\$34.22	\$36.12	

(a) The Efficiency Indicators exclude the cost of non-operational activities to improve the comparability of data across years.

Explanation of Significant Movements

(Notes)

- The Average Cost of Regulatory Services decreased by \$4,198 (67%) between the 2016-17 Budget and 2016-17 Estimated Actual, due to a significant increase in the number of electrical compliance inspections. This resulted from EnergySafety engaging additional temporary inspectors to carry out remote inspections and the rearrangement of metropolitan work programs which led to an increase in inspections of residual current device compliance and electrical contractor advertising. The unit cost for the 2017-18 Budget Target is expected to increase due to a decrease in inspections following completion of temporary inspector contracts.

3. WorkSafe

The provision of advice, information, education, licencing and enforcement services to the Western Australian community in the area of occupational safety and health.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 25,741	\$'000 26,454	\$'000 25,939	\$'000 26,017	
Less Income.....	6,910	7,761	6,762	6,957	1
Net Cost of Service.....	18,831	18,693	19,177	19,060	
Employees (Full Time Equivalents).....	164	166	167	167	
Efficiency Indicators ^(a)					
Average Cost per Client Contact to Provide Information and Advice.....	\$3.37	\$3.58	\$3.14	\$3.05	
Average Cost per Inspection or Investigation ^(b)	\$1,808	\$1,895	\$2,124	\$1,929	2
Average Cost per Registration or Licence.....	\$87.16	\$76.88	\$90.06	\$82.29	3

(a) The Efficiency Indicators exclude the cost of non-operational activities to improve the comparability of data across years.

(b) Average Cost per Inspection or Investigation is not comparable to previously published Budget Papers or Annual Report due to a change in methodology.

Explanation of Significant Movements

(Notes)

1. Income for the 2016-17 Estimated Actual is \$1 million (13%) lower than the 2016-17 Budget. This is due to lower than expected regulatory revenue in 2016-17, caused by a downturn in economic activity as major resource projects shift from construction to production phase.
2. The Average Cost per Inspection or Investigation has increased by \$316 (17%) between the 2015-16 Actual and 2016-17 Estimated Actual due to the complexity and scope of serious injury and fatality investigations, particularly fatalities and investigations in the construction industry. This has reduced the number of available inspector resources to conduct other investigations and inspections.
3. The Average Cost per Registration or Licence has increased by \$13.18 (17%) between the 2016-17 Budget and 2016-17 Estimated Actual. This is due to the construction phase of major infrastructure projects drawing to a close and slow building construction activity, which impacted on the number of licences issued during the reporting period.

4. Building Commission

The provision of government administration, licensing, regulatory and dispute resolution services that enable the building and plumbing industries to efficiently deliver buildings and plumbing installations that are safe, sustainable, and respond to community needs.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 25,538	\$'000 30,399	\$'000 30,807	\$'000 32,106	1
Less Income.....	27,856	27,984	26,093	28,604	
Net Cost of Service.....	(2,318)	2,415	4,714	3,502	
Employees (Full Time Equivalents).....	150	153	173	169	
Efficiency Indicators ^(a)					
Average Cost per Inspection.....	\$716.89	\$644.63	\$862.17	\$854.63	2
Average Cost per Registration or Licence Administered.....	\$400.26	\$399.04	\$356.60	\$397.70	
Average Cost per Building Services and Home Building Work Contract Dispute Resolved.....	\$6,283	\$6,764	\$7,175	\$7,071	3
Average Cost per Policy Project Managed.....	\$127,733	\$128,546	\$155,678	\$164,816	4

(a) The Efficiency Indicators exclude the cost of non-operational activities to improve the comparability of data across years.

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service between the 2015-16 Actual and 2016-17 Estimated Actual of \$5.3 million (21%) largely relates to the Building Commission's reform activities and the filling of employee vacancies in 2016-17.
2. The Average Cost per Inspection is expected to increase between the 2016-17 Budget and 2016-17 Estimated Actual by \$217.54 (34%) due to the filling of employee vacancies and new and existing resources being diverted to major building audits which have arisen during the year.
3. The Average Cost per Building Services and Home Building Work Contract Dispute Resolved increased by \$892 (14%) between the 2015-16 Actual and 2016-17 Estimated Actual due to a decrease in the number of building services and home building work contract disputes received.
4. The Average Cost per Policy Project Managed is expected to increase between the 2015-16 Actual and 2016-17 Estimated Actual by \$27,945 (22%) due to an increase in employee and other costs in 2016-17 resulting from larger and more complex policy projects, such as the Security of Payments project. This is expected to continue in 2017-18.

5. Providing Resource Sector Information and Advice to Industry, Community and Government

The Department is responsible for ensuring the State's resources sector is developed and managed responsibly for the benefit of all Western Australians. The Department achieves this by providing information and advice to industry, community and government in a way that is consistent, transparent and timely. This service includes provision of accessible data and information, targeted stakeholder engagement, and inclusive, relevant and responsive customer service.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 30,871	\$'000 35,675	\$'000 34,890	\$'000 34,068	1
Less Income.....	2,090	1,889	1,666	1,925	
Net Cost of Service.....	28,781	33,786	33,224	32,143	
Employees (Full Time Equivalents).....	130	130	145	145	
Efficiency Indicator					
Average Weighted Cost of Information and Product Services ^(a)	n/a	\$13,559	\$1,096	\$914	2

(a) The Efficiency Indicator for 2015-16 Actual is not available for this service as it was established in 2016-17 as part of the Department's review of the Outcome Based Management (OBM) structure.

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service from the 2015-16 Actual to the 2016-17 Estimated Actual of \$4 million (13%) is due to increased community engagement as a result of continuing stakeholder and community interest in mining and petroleum activities.
2. Following an extensive review of the Department's OBM structure, a broader range of activities has been reported under the Average Weighted Cost of Information and Product Services indicator, resulting in the variance between the 2016-17 Budget and 2016-17 Estimated Actual. The indicator has further decreased by \$182 (17%) between the 2016-17 Estimated Actual and 2017-18 Budget Target due to an increase in the number of information and product services provided.

6. Managing Land Access for Resource-related Activity

The Department is charged with ensuring that all Western Australians benefit from the responsible development of the State's resources. The Department fulfils this responsibility through facilitating and managing access to mineral and energy deposits by providing a consistent, equitable and secure titles system. As the designated lead agency under the Lead Agency Framework, the Department is responsible for the management of application approvals within agreed timelines.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 50,112	\$'000 51,857	\$'000 50,412	\$'000 51,181	
Less Income.....	24,822	28,020	26,080	26,535	
Net Cost of Service.....	25,290	23,837	24,332	24,646	
Employees (Full Time Equivalents).....	286	286	268	268	
Efficiency Indicator					
Average Weighted Cost of Application Determination Services ^(a)	n/a	\$1,028	\$1,092	\$1,057	

(a) The Efficiency Indicator for 2015-16 Actual is not available for this service as it was established in 2016-17 as part of the Department's review of the OBM structure.

7. Regulating Resource Sector Development for Health and Safety, Social Responsibility, Environment and Dangerous Goods

The Department is committed to making Western Australia the destination of choice for responsible resource development. Through an adaptive, risk based approach to regulation and compliance, the Department ensures responsible resource exploration, development and rehabilitation activities throughout the life cycle of any development, whilst maximising economic return to the State.

The Department also manages the regulation of the manufacture, storage, handling, transport and use of dangerous goods, including the operation of major hazard facilities.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 73,559	\$'000 76,134	\$'000 73,758	\$'000 74,434	
Less Income.....	55,354	68,350	59,096	67,482	1
Net Cost of Service.....	18,205	7,784	14,662	6,952	
Employees (Full Time Equivalents).....	352	352	341	341	
Efficiency Indicator					
Average Weighted Cost of Regulatory and Compliance Services ^(a)	n/a	\$4,711	\$1,153	\$1,295	2

(a) The Efficiency Indicator for 2015-16 Actual is not available for this service as it was established in 2016-17 as part of the Department's review of the OBM structure.

Explanation of Significant Movements

(Notes)

- The decrease in Income of \$9.3 million (14%) from the 2016-17 Budget to the 2016-17 Estimated Actual is due to the Department's revenue streams reflecting the downturn experienced by the resources industry. The increase of \$8.4 million (14%) in the 2017-18 Budget Target compared to the 2016-17 Estimated Actual is reflecting increased revenue collections for Mines Safety Levy (MSL).
- Following an extensive review of the Department's OBM structure, a broader range of activities has been reported under the Average Weighted Cost of Regulatory and Compliance Services indicator, resulting in the variance between the 2016-17 Budget and 2016-17 Estimated Actual. The indicator has increased by \$142 (12%) between the 2016-17 Estimated Actual and 2017-18 Budget Target. This was largely due to an increase in the number of incidents necessitating inspections and investigation in 2016-17.

8. Labour Relations

To assist private and public sector workplaces to be economically sustainable and fair by providing our stakeholders and clients with expert labour relations advice, education and regulation.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 7,799	\$'000 7,815	\$'000 8,147	\$'000 10,701	1
Less Income.....	101	54	101	116	
Net Cost of Service.....	7,698	7,761	8,046	10,585	
Employees (Full Time Equivalents).....	51	49	55	56	
Efficiency Indicators ^(a)					
Average Cost per Hour of Policy Advice.....	\$182.38	\$199.07	\$227.02	\$351.71	2
Average Cost per Client Contact to Provide Information and Advice.....	\$2.69	\$2.61	\$2.78	\$2.71	
Average Cost per Inspection or Investigation.....	\$7,730	\$6,545	\$7,768	\$8,300	3

(a) The Efficiency Indicators exclude the cost of non-operational activities to improve the comparability of data across years.

Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service between the 2016-17 Estimated Actual and 2017-18 Budget Target of \$2.6 million (31%) is largely due to the formation of the Building and Construction Code Monitoring Unit and an increase in expected costs associated with the Public Sector Advisory Service.
2. The Average Cost per Hour of Policy Advice is expected to increase between the 2015-16 Actual and 2016-17 Estimated Actual by \$44.64 (24%) due to a temporary redirection of resources from policy advice to compliance and information services which resulted in a decrease in the number of hours of policy advice delivered. A further increase of \$124.69 (55%) is expected between the 2016-17 Estimated Actual and 2017-18 Budget Target due to a planned change in work priorities for the Public Sector Advisory Service to provide increased services related to policy advice.
3. The Average Cost per Inspection or Investigation decreased from the 2015-16 Actual to the 2016-17 Budget by \$1,185 (15%) due to an increase in expected investigations to be undertaken. This is offset by a comparative increase in costs associated with this service in the 2016-17 Estimated Actual, to bring the average cost back into line with the 2015-16 Actual levels.

Asset Investment Program

The 2017-18 Asset Investment Program (AIP) totals \$7.9 million. The Department relies heavily on information and communications technology (ICT), particularly in the delivery of its regulatory services. The Department is progressing with a range of initiatives to modernise its ICT, and improve online access to services and information, including online occupational licensing.

The 2017-18 AIP will see a continuation of the Building Commission division's technology upgrade program, with works underway to address regulatory reform in the industry, and enable efficiency improvements in collaboration with local government authorities and other State Government agencies.

Enhancements to the EnergySafety division's Compliance Management System (CMS) were commissioned in 2015-16 to replace components of the software. The enhanced CMS will improve productivity and efficiency by supporting a mobile inspection workforce, and aligning workflows across the gas and electricity directorates.

	Estimated Total Cost	Estimated Expenditure to 30-6-17	2016-17 Estimated Expenditure	2017-18 Budget Estimate	2018-19 Forward Estimate	2019-20 Forward Estimate	2020-21 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
WORKS IN PROGRESS							
Information Technology Infrastructure							
Building Commission - Regulation Reform							
ICT Infrastructure.....	3,441	1,107	691	1,984	350	-	-
EnergySafety CMS - Stage Two.....	2,304	604	604	1,200	500	-	-
Strategic Information Plan.....	17,058	8,516	4,160	3,783	2,096	2,663	-
COMPLETED WORKS							
Asset Replacement Program							
Computer Hardware and Software - 2016-17 Program	914	914	914	-	-	-	-
Expansion of Core Storage Area at Perth Core Library.....	4,486	4,486	2,323	-	-	-	-
Expansion of Viewing Area at Perth Core Library.....	2,336	2,336	1,193	-	-	-	-
Lift Upgrade.....	3,420	3,420	3,420	-	-	-	-
Mineral House Facade Remediation Works.....	1,900	1,900	1,900	-	-	-	-
NEW WORKS							
Asset Replacement Program							
Computer Hardware and Software							
2017-18 Program.....	914	-	-	914	-	-	-
2018-19 Program.....	914	-	-	-	914	-	-
2019-20 Program.....	914	-	-	-	-	914	-
2020-21 Program.....	914	-	-	-	-	-	914
Total Cost of Asset Investment Program.....	39,515	23,283	15,205	7,881	3,860	3,577	914
FUNDED BY							
Capital Appropriation.....			2,250	350	-	-	-
Drawdowns from the Holding Account.....			1,075	3,918	3,010	3,577	914
Internal Funds and Balances.....			11,880	3,613	850	-	-
Total Funding.....			15,205	7,881	3,860	3,577	914

Financial Statements

The 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to amalgamate the Department of Mines and Petroleum and the regulatory and labour relations functions of the Department of Commerce on 1 July 2017.

Income Statement

Expenses

The decrease in employee benefits from the 2016-17 Budget to the 2017-18 Budget Estimate (\$2.3 million) and 2018-19 Forward Estimate (\$4.9 million) is mainly due to the Public Sector Workforce Renewal savings measure.

The decrease in grants and subsidies of \$7.8 million in the 2019-20 and 2020-21 Forward Estimates is due to the conclusion of funding for the co-funded exploration drilling program.

The decrease in supplies and services of \$5.3 million from the 2016-17 Budget to the 2016-17 Estimated Actual is mainly due to Agency Expenditure Review savings, additional savings measures and expenditure reductions initiated by the Department to alleviate the impact of regulatory revenue shortfalls.

The increase in other expenses of \$7.1 million from the 2016-17 Budget to the 2016-17 Estimated Actual relates mainly to an accounting adjustment to reflect the decision for the Department to not claim reimbursement of bonds administration costs from the Rental Accommodation Account (RAA) for 2015-16.

The decrease in the Total Cost of Services of \$12.5 million between the 2018-19 and 2019-20 Forward Estimates is mainly due to the conclusion of Royalties for Regions funding for the Exploration Incentive Scheme.

Income

The decrease in regulatory fees and fines of \$20.7 million from the 2016-17 Budget to the 2016-17 Estimated Actual is due to the Department's revenue streams reflecting the downturn experienced by the Resources, Building and Construction industries. Collections for the MSL, Mineral Title fees, Petroleum Title fees, Dangerous Goods licensing fees, Building Services Levy and WorkSafe fees were all lower than expected.

The decrease in other revenue of \$3.9 million between the 2016-17 Budget and 2016-17 Estimated Actual is mainly due to the Department not claiming reimbursement of bonds administration costs from the RAA to improve the sustainability of the RAA in the forward estimates.

Statement of Financial Position

Restricted cash is expected to increase over the forward estimates from \$249.4 million in the 2016-17 Estimated Actual to \$290.7 million in the 2020-21 Forward Estimate as a result of an increase in the balance of the Mining Rehabilitation Fund.

Statement of Cashflows

The increase in capital appropriation from the 2016-17 Budget to the 2016-17 Estimated Actual was due to an approved \$5 million working capital cash injection. This was required to offset unexpected shortfalls in regulatory fees revenue.

INCOME STATEMENT ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	178,617	185,526	180,684	183,249	178,397	179,374	180,853
Grants and subsidies ^(c)	13,040	16,784	16,784	16,360	15,236	7,436	7,436
Supplies and services.....	45,791	53,672	48,356	56,481	59,116	52,834	51,285
Accommodation.....	17,470	16,629	16,629	18,832	19,415	19,655	19,655
Depreciation and amortisation.....	7,044	5,995	4,625	5,882	5,797	5,934	6,327
Other expenses.....	17,288	17,161	24,250	17,951	17,631	17,818	17,891
TOTAL COST OF SERVICES	279,250	295,767	291,328	298,755	295,592	283,051	283,447
Income							
Sale of goods and services.....	474	1,024	1,024	855	855	855	855
Regulatory fees and fines							
Mines Safety and Inspection Levy.....	25,036	31,117	24,000	32,000	33,600	35,200	32,000
Mining Rehabilitation Fund Levy.....	27,832	27,000	27,700	27,000	27,000	27,000	27,000
Other.....	87,461	103,976	89,699	95,048	97,291	98,553	98,985
Grants and subsidies.....	1,562	556	896	463	471	479	479
Other revenue.....	15,422	13,144	9,198	13,428	13,538	14,105	14,054
Total Income	157,787	176,817	152,517	168,794	172,755	176,192	173,373
NET COST OF SERVICES	121,463	118,950	138,811	129,961	122,837	106,859	110,074
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	130,032	134,455	131,888	128,435	126,046	124,368	122,058
Resources received free of charge.....	3,356	2,846	2,846	2,846	2,846	2,846	2,846
Royalties for Regions Fund:							
Regional Community Services Fund.....	218	94	76	10,225	10,227	229	231
TOTAL INCOME FROM STATE GOVERNMENT	133,606	137,395	134,810	141,506	139,119	127,443	125,135
SURPLUS/(DEFICIENCY) FOR THE PERIOD	12,143	18,445	(4,001)	11,545	16,282	20,584	15,061

(a) Full audited financial statements are published in the agencies' Annual Reports.

(b) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 1,517, 1,549 and 1,552 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

(c) Refer to the Details of Controlled Grants and Subsidies table below for further information.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Building Commission							
Australian Building Codes Board.....	580	580	580	580	580	580	580
Curtin Sustainable Built Environment.....	100	100	100	100	100	100	100
Consumer Protection							
Consumer Affairs Australia New Zealand.....	29	50	50	50	50	50	50
Motor Vehicle Repairers Industry.....	6	18	18	18	18	18	18
Property Industry.....	5,863	6,668	6,668	6,594	6,470	6,470	6,470
Seniors Housing Information Service.....	309	-	-	-	-	-	-
Government Co-funded Exploration Drilling.....	3,757	5,800	5,800	5,800	5,800	-	-
Resources Sector Research.....	2,226	3,398	3,398	3,048	2,048	48	48
WorkSafe							
Asbestos Disease Society.....	100	100	100	100	100	100	100
Farmsafe Western Australia Alliance.....	70	70	70	70	70	70	70
TOTAL	13,040	16,784	16,784	16,360	15,236	7,436	7,436

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	24,840	16,995	16,353	21,043	22,720	24,519	26,437
Restricted cash	241,026	242,345	249,362	252,377	263,081	276,518	290,717
Holding account receivables	1,015	4,302	3,936	3,058	3,625	1,400	1,400
Receivables	12,803	11,719	12,886	12,886	12,886	12,886	12,976
Other	11,180	8,309	13,128	11,392	11,392	11,392	11,392
Total current assets	290,864	283,670	295,665	300,756	313,704	326,715	342,922
NON-CURRENT ASSETS							
Holding account receivables	25,746	29,411	27,045	29,365	30,685	34,367	36,217
Property, plant and equipment	133,453	141,559	134,444	134,144	133,990	134,390	133,748
Intangibles	10,174	18,615	11,481	14,827	13,871	11,943	7,951
Other	4,493	8,537	9,687	8,330	7,353	6,466	5,539
Total non-current assets	173,866	198,122	182,657	186,666	185,899	187,166	183,455
TOTAL ASSETS	464,730	481,792	478,322	487,422	499,603	513,881	526,377
CURRENT LIABILITIES							
Employee provisions	36,335	35,256	35,417	34,767	34,117	33,467	32,817
Payables	6,496	7,986	7,584	7,637	7,690	7,833	7,976
Other	20,614	28,749	29,246	30,130	27,237	21,989	20,441
Total current liabilities	63,445	71,991	72,247	72,534	69,044	63,289	61,234
NON-CURRENT LIABILITIES							
Employee provisions	7,934	7,719	8,085	8,235	8,385	8,535	8,685
Other	8,709	7,765	8,709	8,709	8,709	8,709	8,709
Total non-current liabilities	16,643	15,484	16,794	16,944	17,094	17,244	17,394
TOTAL LIABILITIES	80,088	87,475	89,041	89,478	86,138	80,533	78,628
EQUITY							
Contributed equity	79,931	81,954	88,571	272,362	271,601	270,900	270,240
Accumulated surplus/(deficit) ^(b)	190,674	196,083	186,673	11,545	27,827	48,411	63,472
Reserves	114,037	116,280	114,037	114,037	114,037	114,037	114,037
Total equity	384,642	394,317	389,281	397,944	413,465	433,348	447,749
TOTAL LIABILITIES AND EQUITY	464,730	481,792	478,322	487,422	499,603	513,881	526,377

(a) Full audited financial statements are published in the agencies' Annual Reports.

(b) The Accumulated surplus 2016-17 Estimated Actual of \$186.7 million is recognised as Contributed equity from 2017-18 onwards to acknowledge the transfer of functions to the new Department of Mines, Industry Regulation and Safety.

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	125,677	128,509	126,593	123,075	121,149	119,334	119,294
Capital appropriation.....	500	2,250	7,250	350	-	-	-
Holding account drawdowns.....	3,762	1,015	1,075	3,918	3,010	3,577	914
Royalties for Regions Fund:							
Regional Community Services Fund.....	218	94	76	10,225	10,227	229	231
Net cash provided by State Government.....	130,157	131,868	134,994	137,568	134,386	123,140	120,439
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(184,469)	(185,990)	(182,749)	(183,497)	(178,645)	(179,622)	(181,101)
Grants and subsidies.....	(12,573)	(14,238)	(14,248)	(16,360)	(15,236)	(7,436)	(7,436)
Supplies and services.....	(48,530)	(53,427)	(48,834)	(55,497)	(57,781)	(50,689)	(49,140)
Accommodation.....	(17,887)	(15,158)	(16,482)	(16,259)	(16,488)	(17,130)	(17,130)
Other payments.....	(24,232)	(26,021)	(27,706)	(26,676)	(26,501)	(27,096)	(27,169)
Receipts ^(b)							
Regulatory fees and fines							
Mines Safety and Inspection Levy.....	18,859	31,117	24,000	32,000	33,600	35,200	32,000
Mining Rehabilitation Fund Levy.....	22,744	27,000	27,700	27,000	27,000	27,000	27,000
Other.....	99,267	103,976	90,599	95,048	97,291	98,553	98,985
Grants and subsidies.....	1,662	556	896	463	471	479	479
Sale of goods and services.....	729	3,993	889	4,064	3,997	3,927	3,929
GST receipts.....	12,962	7,507	7,507	7,507	7,507	7,507	7,507
Other receipts.....	10,255	9,544	7,802	9,593	9,785	10,480	10,468
Net cash from operating activities.....	(121,213)	(111,141)	(130,626)	(122,614)	(115,000)	(98,827)	(101,608)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(10,041)	(16,269)	(15,205)	(7,881)	(3,860)	(3,577)	(914)
Proceeds from sale of non-current assets.....	28	-	-	-	-	-	-
Net cash from investing activities.....	(10,013)	(16,269)	(15,205)	(7,881)	(3,860)	(3,577)	(914)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	-	-	-	(1,500)	(3,145)	(5,500)	(1,800)
Proceeds from borrowings.....	800	5,080	8,380	2,132	-	-	-
Net cash from financing activities.....	800	5,080	8,380	632	(3,145)	(5,500)	(1,800)
NET INCREASE/(DECREASE) IN CASH HELD.....	(269)	9,538	(2,457)	7,705	12,381	15,236	16,117
Cash assets at the beginning of the reporting period.....	266,135	249,802	265,866	265,715	273,420	285,801	301,037
Net cash transferred to/from other agencies....	-	-	2,306	-	-	-	-
Cash assets at the end of the reporting period.....	265,866	259,340	265,715	273,420	285,801	301,037	317,154

(a) Full audited financial statements are published in the agencies' Annual Reports.

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

NET APPROPRIATION DETERMINATION ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Regulatory Fees and Fines							
Licences and Other Regulatory Fees.....	21,035	18,415	16,941	18,607	18,544	18,175	18,175
Proceeds from Prospecting, Exploration and Other Mining Licences	5,731	8,476	6,976	5,568	5,466	5,466	5,466
Proceeds from Petroleum Permits and Licences.....	6,541	8,428	6,402	8,194	8,196	8,196	8,196
Regulatory Fees and Fines.....	65,960	68,657	60,280	62,679	65,085	66,716	67,148
Grants and Subsidies							
Grants and Subsidies.....	1,662	556	896	463	471	479	479
Sale of Goods and Services							
Proceeds from Departmental Fees and Charges	539	560	560	560	560	560	560
Sale of Goods and Services	190	3,433	329	3,504	3,437	3,367	3,369
GST Receipts							
GST Input Credits	12,962	7,507	7,507	7,507	7,507	7,507	7,507
Other Receipts							
Other Industry Regulation Receipts	5,735	5,381	3,639	5,680	5,172	5,167	5,155
Other Resources Sector Receipts.....	4,520	4,163	4,163	3,913	4,613	5,313	5,313
TOTAL	124,875	125,576	107,693	116,675	119,051	120,946	121,368

(a) The moneys received and retained are to be applied to the Department's services as specified in the Budget Statements.

DETAILS OF ADMINISTERED TRANSACTIONS

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
INCOME							
Royalties							
Petroleum - State.....	4,674	416	1,813	3,952	5,024	4,577	4,202
Iron Ore.....	3,600,301	3,295,969	4,705,913	4,583,577	4,173,656	3,907,716	4,091,279
Alumina	80,806	76,323	85,370	89,636	89,417	89,623	90,839
Diamonds	17,382	24,358	12,887	16,366	16,685	14,925	14,238
Mineral Sands	16,626	15,563	13,154	11,823	13,805	11,470	4,485
Nickel.....	45,906	52,675	50,692	60,876	62,300	65,396	72,711
Gold	250,055	250,611	262,921	302,951	358,423	329,147	279,292
Other.....	109,896	126,507	127,183	142,021	141,146	120,530	123,482
Fines							
Regulatory Fines	174	254	254	254	254	254	254
Other							
Appropriations ^(a)	42,499	37,082	31,814	49,853	18,669	20,743	16,317
Home Indemnity Insurance ^(b)	25,411	22,932	25,667	26,754	23,082	5,929	2,966
Mining Tenement Rentals							
Base Component	91,644	90,381	94,323	92,601	90,611	88,561	88,561
Services to Industry Component ^(c)	-	2,770	2,770	5,650	5,730	5,910	5,910
Other Revenue	1,074	403	403	368	331	331	331
Regulatory Fees.....	2,218	-	-	-	-	-	-
Rental Accommodation Account	8,701	6,965	7,458	6,353	6,362	6,436	6,571
Repeal of Travel Agents Act	1,675	-	-	-	-	-	-
TOTAL ADMINISTERED INCOME	4,299,042	4,003,209	5,422,622	5,393,035	5,005,495	4,671,548	4,801,438

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES							
Other							
Aboriginal Lands Trust - Remuneration for Mining on Aboriginal Lands	291	373	373	382	392	402	406
Coal Industry Development	51	-	700	-	-	-	-
Ex-Gratia Expenditure	-	-	2,000	-	-	-	-
Home Indemnity Insurance ^(b)	12,556	18,459	29,584	29,467	19,919	3,628	1,882
Magnetite Financial Assistance Program ...	12,762	17,319	42,200	37,700	-	-	-
Minerals Research Institute of Western Australia	723	741	741	759	778	797	805
Mining Tenement Refunds	5,672	9,000	4,500	9,000	9,000	9,000	9,000
Other Administered Expenses	91	-	-	-	-	-	-
Petroleum (Submerged Lands) Act 1982 ...	1,293	45	421	52	93	71	56
Receipts Paid into the Consolidated Account ^(d)	4,122,774	4,056,160	5,197,545	5,313,059	5,045,451	4,717,185	4,741,888
Rental Accommodation Account	12,530	9,069	5,834	9,872	9,737	9,093	9,111
Repeal of Travel Agents Act	1,675	-	-	-	-	-	-
Refunds of Previous Years Revenues	2,050	1,960	460	1,960	1,960	1,960	1,960
South West Hub	7,618	-	1,110	1,448	-	-	-
TOTAL ADMINISTERED EXPENSES	4,180,086	4,113,126	5,285,468	5,403,699	5,087,330	4,742,136	4,765,108

- (a) Appropriations include \$19.2 million in the 2015-16 Actual for Iron Ore Financial Assistance.
- (b) The current Home Indemnity Insurance (HII) arrangements are only in place until 31 October 2018. As the HII policies cover a six-year period after completion of the home, the associated revenues and expenses are accounted for on an accrual basis over the life of the policy. This results in diminishing revenues and expenses from 2019-20.
- (c) The Department collects additional revenue for Mining Tenement Rentals. This revenue replaces fees that were expected to be introduced from the Reforming Environmental Regulation initiative and is in lieu of the introduction of new fees and charges. This increases the Government's service appropriation and will enable the Department to deliver services more effectively in response to industry needs.
- (d) Receipts paid into the Consolidated Account include the following amounts for the repayments of Iron Ore Financial Assistance: \$8.7 million in the 2015-16 Actual, \$21.5 million in the 2016-17 Budget and 2016-17 Estimated Actual and \$5.4 million in the 2017-18 Budget Estimate.

Agency Special Purpose Account Details

MINING REHABILITATION FUND

Account Purpose: The Mining Rehabilitation Fund (MRF) is a pooled fund contributed to by Western Australian mining operators. Funds can be used to undertake rehabilitation activities where a tenement operator fails to meet rehabilitation obligations. Interest earnings are used to fund administration of the MRF and for rehabilitation works on abandoned mine sites.

	2015-16	2016-17	2016-17	2017-18
	Actual	Budget	Estimated	Budget
	\$'000	\$'000	Actual	Estimate
			\$'000	\$'000
Opening Balance	35,000	61,570	63,000	91,010
Receipts:				
Other	29,000	29,310	30,010	30,100
	64,000	90,880	93,010	121,110
Payments	1,000	2,000	2,000	2,000
CLOSING BALANCE	63,000	88,880	91,010	119,110

Division 39 Registrar, Western Australian Industrial Relations Commission

Part 21 Minister for Mines and Petroleum; Commerce and Industrial Relations; Electoral Affairs

Appropriations, Expenses and Cash Assets

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 78 Net amount appropriated to deliver services	10,229	10,015	10,015	9,263	9,381	9,596	9,670
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	2,377	2,441	2,441	2,441	2,441	2,441	2,441
Total appropriations provided to deliver services.....	12,606	12,456	12,456	11,704	11,822	12,037	12,111
CAPITAL							
Capital Appropriation	-	1,286	2,077	-	-	-	-
TOTAL APPROPRIATIONS	12,606	13,742	14,533	11,704	11,822	12,037	12,111
EXPENSES							
Total Cost of Services.....	11,083	12,823	12,823	12,371	12,189	12,404	12,478
Net Cost of Services ^(a)	10,956	12,743	12,743	12,291	12,109	12,324	12,398
CASH ASSETS ^(b)	6,462	4,939	6,249	5,832	5,715	5,598	5,481

(a) Represents Total Cost of Services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(b) As at 30 June each financial year.

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since the publication of the 2016-17 Pre-election Financial Projections Statement on 9 February 2017, are outlined below:

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
2017-18 Streamlined Budget Process Incentive Funding	-	90	-	-	-
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(37)	(74)	(112)	(149)
Revision to Indexation for Non-Salary Expenses	-	-	(100)	(143)	(186)

Resource Agreement

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

Outcomes, Services and Key Performance Information

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's services and desired outcome, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcome	Services
Sustainable Finances: Responsible financial management and better service delivery.	The prevention and resolution of industrial relations matters.	1. Support to the Western Australian Industrial Relations Commission and Industrial Magistrates Court 2. Conciliation and Arbitration by the Western Australian Industrial Relations Commission

Service Summary

Expense	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
1. Support to the Western Australian Industrial Relations Commission and Industrial Magistrates Court	4,687	5,591	5,591	5,272	5,192	5,271	5,286
2. Conciliation and Arbitration by the Western Australian Industrial Relations Commission.....	6,396	7,232	7,232	7,099	6,997	7,133	7,192
Total Cost of Services	11,083	12,823	12,823	12,371	12,189	12,404	12,478

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16	2016-17	2016-17	2017-18	Note
	Actual	Budget	Estimated Actual	Budget Target	
Outcome: The prevention and resolution of industrial relations matters:					
Percentage of employee, employers, representatives and Commission members satisfied with the service provided by the Department of the Registrar in relation to:					
Timeliness.....	97%	90%	96%	90%	
Accuracy and relevance of information	98%	90%	95%	90%	

(a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual Report.

Services and Key Efficiency Indicators

1. Support to the Western Australian Industrial Relations Commission and Industrial Magistrates Court

To provide effective and efficient support to the Commission, allowing the tribunal to provide the community with an efficient means of preventing or resolving industrial relations matters. This output includes the provision of services and support to the Industrial Magistrates Court.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 4,687	\$'000 5,591	\$'000 5,591	\$'000 5,272	
Less Income.....	100	80	80	80	
Net Cost of Service.....	4,587	5,511	5,511	5,192	
Employees (Full Time Equivalents).....	27	32	32	32	
Efficiency Indicator					
Average Cost per Application Registered and Recorded	\$4,668	\$5,083	\$5,083	\$5,352	

2. Conciliation and Arbitration by the Western Australian Industrial Relations Commission

This output relates to the activities of the Commission. The Commission provides processes for dealing with the prevention and resolution of conflict in respect of industrial matters. The Commission relies on the Department of the Registrar (the Department) to manage its financial affairs but is not subject to any form of operational control by the Department and acts independently.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 6,396	\$'000 7,232	\$'000 7,232	\$'000 7,099	
Less Income.....	27	-	-	-	
Net Cost of Service.....	6,369	7,232	7,232	7,099	
Employees (Full Time Equivalents).....	15	19	19	19	

Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement - Information Technology							
2016-17 Program.....	256	256	256	-	-	-	-
Office Refurbishment	2,077	2,077	2,077	-	-	-	-
NEW WORKS							
Asset Replacement - Information Technology							
2017-18 Program.....	160	-	-	160	-	-	-
2018-19 Program.....	160	-	-	-	160	-	-
2019-20 Program.....	160	-	-	-	-	160	-
2020-21 Program.....	160	-	-	-	-	-	160
Total Cost of Asset Investment Program.....	2,973	2,333	2,333	160	160	160	160
FUNDED BY							
Capital Appropriation			2,077	-	-	-	-
Drawdowns from the Holding Account.....			160	160	160	160	160
Internal Funds and Balances.....			96	-	-	-	-
Total Funding.....			2,333	160	160	160	160

INCOME STATEMENT ^(a) (Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	6,071	6,746	6,746	6,701	6,719	6,785	6,854
Supplies and services	994	1,473	1,473	1,353	1,093	1,115	1,089
Accommodation	3,353	3,541	3,541	3,311	3,443	3,580	3,616
Depreciation and amortisation.....	258	449	449	559	497	497	497
Other expenses.....	407	614	614	447	437	427	422
TOTAL COST OF SERVICES	11,083	12,823	12,823	12,371	12,189	12,404	12,478
Income							
Sale of goods and services.....	30	80	80	80	80	80	80
Other revenue	97	-	-	-	-	-	-
Total Income.....	127	80	80	80	80	80	80
NET COST OF SERVICES	10,956	12,743	12,743	12,291	12,109	12,324	12,398
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	12,606	12,456	12,456	11,704	11,822	12,037	12,111
Resources received free of charge	13	50	50	50	50	50	50
TOTAL INCOME FROM STATE GOVERNMENT	12,619	12,506	12,506	11,754	11,872	12,087	12,161
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	1,663	(237)	(237)	(537)	(237)	(237)	(237)

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 42, 51 and 51 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	6,462	4,909	6,219	5,772	5,625	5,478	5,331
Holding account receivables	160	160	160	160	160	160	160
Receivables	76	51	71	71	71	71	71
Other	100	57	100	80	80	80	80
Total current assets	6,798	5,177	6,550	6,083	5,936	5,789	5,642
NON-CURRENT ASSETS							
Holding account receivables	1,404	1,693	1,693	2,092	2,429	2,766	3,103
Property, plant and equipment	243	175	300	315	308	241	276
Intangibles	10	13	6	3	-	34	38
Restricted cash	-	30	30	60	90	120	150
Other	532	2,311	2,363	1,952	1,625	1,321	945
Total non-current assets	2,189	4,222	4,392	4,422	4,452	4,482	4,512
TOTAL ASSETS	8,987	9,399	10,942	10,505	10,388	10,271	10,154
CURRENT LIABILITIES							
Employee provisions	1,706	1,942	1,706	1,706	1,706	1,706	1,706
Payables	41	132	49	85	128	158	218
Other	191	320	298	362	439	529	589
Total current liabilities	1,938	2,394	2,053	2,153	2,273	2,393	2,513
NON-CURRENT LIABILITIES							
Employee provisions	194	210	194	194	194	194	194
Other	1	1	1	1	1	1	1
Total non-current liabilities	195	211	195	195	195	195	195
TOTAL LIABILITIES	2,133	2,605	2,248	2,348	2,468	2,588	2,708
EQUITY							
Contributed equity	495	2,572	2,572	2,572	2,572	2,572	2,572
Accumulated surplus/(deficit)	6,359	4,207	6,122	5,585	5,348	5,111	4,874
Reserves	-	15	-	-	-	-	-
Total equity	6,854	6,794	8,694	8,157	7,920	7,683	7,446
TOTAL LIABILITIES AND EQUITY	8,987	9,399	10,942	10,505	10,388	10,271	10,154

(a) Full audited financial statements are published in the agency's Annual Report.

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	12,287	12,007	12,007	11,145	11,325	11,540	11,614
Capital appropriation.....	-	1,286	2,077	-	-	-	-
Holding account drawdowns.....	160	160	160	160	160	160	160
Net cash provided by State Government.....	12,447	13,453	14,244	11,305	11,485	11,700	11,774
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(6,397)	(6,614)	(6,614)	(6,594)	(6,612)	(6,678)	(6,747)
Supplies and services.....	(995)	(1,347)	(1,347)	(1,227)	(967)	(989)	(963)
Accommodation.....	(3,324)	(3,618)	(3,618)	(3,388)	(3,520)	(3,657)	(3,693)
Other payments.....	(905)	(1,128)	(1,128)	(936)	(926)	(916)	(911)
Receipts ^(b)							
Sale of goods and services.....	28	80	80	80	80	80	80
GST receipts.....	508	503	503	503	503	503	503
Other receipts.....	97	-	-	-	-	-	-
Net cash from operating activities.....	(10,988)	(12,124)	(12,124)	(11,562)	(11,442)	(11,657)	(11,731)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(195)	(1,446)	(2,333)	(160)	(160)	(160)	(160)
Net cash from investing activities.....	(195)	(1,446)	(2,333)	(160)	(160)	(160)	(160)
NET INCREASE/(DECREASE) IN CASH HELD							
.....	1,264	(117)	(213)	(417)	(117)	(117)	(117)
Cash assets at the beginning of the reporting period.....	5,198	5,056	6,462	6,249	5,832	5,715	5,598
Cash assets at the end of the reporting period.....	6,462	4,939	6,249	5,832	5,715	5,598	5,481

(a) Full audited financial statements are published in the agency's Annual Report.

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

NET APPROPRIATION DETERMINATION ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Sale of Goods and Services							
Sale of Goods and Services.....	28	80	80	80	80	80	80
GST Receipts							
GST Receipts on Sales.....	16	3	3	3	3	3	3
GST Receipts from the Australian Taxation Office.....	492	500	500	500	500	500	500
Other Receipts							
Other Receipts.....	97	-	-	-	-	-	-
TOTAL.....	633	583	583	583	583	583	583

(a) The moneys received and retained are to be applied to the Department's services as specified in the Budget Statements.

WorkCover WA Authority

Part 21 Minister for Mines and Petroleum; Commerce and Industrial Relations; Electoral Affairs

Asset Investment Program

The Authority's total approved Asset Investment Program for 2017-18 is \$828,000. The approved projects that are planned include:

- Building Maintenance/Asset Replacement - ongoing repairs and general maintenance of the Authority's premises;
- Computer Hardware and Software - ongoing replacement and upgrade of core business systems and infrastructure; and
- Other Equipment - ongoing replacement of fleet vehicles and upgrade of office equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COMPLETED WORKS							
Building Maintenance/Asset Replacement							
2016-17 Program	145	145	145	-	-	-	-
Computer Hardware and Software - 2016-17 Program	435	435	435	-	-	-	-
Other Equipment - 2016-17 Program	85	85	85	-	-	-	-
NEW WORKS							
Building Maintenance/Asset Replacement							
2017-18 Program	298	-	-	298	-	-	-
2018-19 Program	288	-	-	-	288	-	-
2019-20 Program	266	-	-	-	-	266	-
2020-21 Program	773	-	-	-	-	-	773
Computer Hardware and Software							
2017-18 Program	460	-	-	460	-	-	-
2018-19 Program	465	-	-	-	465	-	-
2019-20 Program	470	-	-	-	-	470	-
2020-21 Program	476	-	-	-	-	-	476
Other Equipment							
2017-18 Program	70	-	-	70	-	-	-
2018-19 Program	89	-	-	-	89	-	-
2019-20 Program	74	-	-	-	-	74	-
2020-21 Program	91	-	-	-	-	-	91
Total Cost of Asset Investment Program	4,485	665	665	828	842	810	1,340
FUNDED BY							
Internal Funds and Balances			665	828	842	810	1,340
Total Funding			665	828	842	810	1,340

Division 40 Western Australian Electoral Commission

Part 21 Minister for Mines and Petroleum; Commerce and Industrial Relations; Electoral Affairs

Appropriations, Expenses and Cash Assets

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 79 Net amount appropriated to deliver services	7,144	25,803	25,803	7,127	6,437	6,885	25,567
Amount Authorised by Other Statutes							
- Electoral Act 1907	800	4,000	4,800	200	600	1,600	4,800
- Industrial Relations Act 1979	116	116	116	116	116	116	116
- Salaries and Allowances Act 1975	418	429	429	429	429	429	429
Total appropriations provided to deliver services.....	8,478	30,348	31,148	7,872	7,582	9,030	30,912
TOTAL APPROPRIATIONS	8,478	30,348	31,148	7,872	7,582	9,030	30,912
EXPENSES							
Total Cost of Services.....	12,319	30,568	29,776	11,881	8,010	11,464	31,050
Net Cost of Services ^(a)	7,494	30,464	29,672	9,381	7,575	8,964	30,946
CASH ASSETS ^(b)	1,441	608	3,033	1,441	1,441	1,541	1,541

(a) Represents Total Cost of Services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(b) As at 30 June each financial year.

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since the publication of the 2016-17 Pre-election Financial Projections Statement on 9 February 2017, are outlined below:

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
2017-18 Streamlined Budget Process Incentive Funding	-	69	-	-	-
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(6)	(13)	(20)	(26)
Revision to Indexation for Non-Salary Expenses	-	-	(78)	(124)	(261)

Significant Issues Impacting the Agency

- The Office of the Electoral Distribution Commissioners is supported by the Commission for the next distribution of electoral boundaries. This project will run for the period 2017-18 to 2019-20 at a total cost of \$2.4 million. The funding will be used for the set up of infrastructure for the public consultation process and the resulting review of electoral boundaries ahead of the next State General Election in March 2021.
- The Commission will also conduct Local Government Elections on 21 October 2017.

Outcomes, Services and Key Performance Information

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's service and desired outcome, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcome	Service
Sustainable Finances: Responsible financial management and better service delivery.	Western Australian electors participate in independent and impartial elections or referenda conducted by the Commission as part of democratic processes.	1. Provision of Independent, Impartial and Efficient Electoral Services to Electors for Parliament and other Electoral Clients

Service Summary

Expense	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
1. Provision of Independent, Impartial and Efficient Electoral Services to Electors for Parliament and other Electoral Clients	12,319	30,568	29,776	11,881	8,010	11,464	31,050
Total Cost of Services	12,319	30,568	29,776	11,881	8,010	11,464	31,050

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: Western Australian electors participate in independent and impartial elections or referenda conducted by the Commission as part of democratic processes:					
The number of relevant breaches of 'Declaration by Officer' (Forms 1) upheld by a Court of Disputed Returns ^(b)	nil	nil	nil	nil	
Percentage of eligible Western Australian electors on the State Electoral Roll ^(c) ...	88.6%	91%	92.7%	93%	
Percentage of enrolled electors voting in State general elections (or by-elections) or referenda	n/a	91%	86.6%	n/a	1
Average percentage of enrolled electors voting in local government ordinary (or extraordinary) postal elections or referenda conducted by the Commission ^(d)	27.4%	n/a	30.7%	27.3%	

(a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual Report.

(b) The number of relevant breaches of 'Declaration by Officer' forms is an indicator which reflects the Commission's objective of conducting independent elections.

(c) The percentage of eligible electors on the State Electoral Roll is an indicator that provides a link to the Commission's objective of enabling electors to participate in the electoral process. It is estimated that there will be 1,626,813 enrolled electors out of an estimated eligible population of 1,749,591 people as at 30 June 2018.

(d) The rates provide a key indicator of the Commission's effectiveness in enabling electors to participate in the local government electoral process. Local government biennial elections are mainly conducted by postal voting.

Explanation of Significant Movements

(Notes)

1. There are no planned State Government elections, by-elections or referenda to be held in 2017-18.

Services and Key Efficiency Indicators

1. Provision of Independent, Impartial and Efficient Electoral Services to Electors for Parliament and other Electoral Clients

Provision of an impartial, independent and efficient electoral service to Parliamentary and non-Parliamentary electoral customers.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 12,319	\$'000 30,568	\$'000 29,776	\$'000 11,881	1
Less Income.....	4,825	104	104	2,500	
Net Cost of Service.....	7,494	30,464	29,672	9,381	
Employees (Full Time Equivalents).....	50	50	43	46	
Efficiency Indicators					
Average Cost per Elector of Providing Electoral Services (Enrolment and Election Management).....	\$5.32	\$5.08	\$5.83	\$4.66	2
Average Cost per Elector of Conducting State General Elections (or By-elections) or Referenda Events.....	n/a	\$11.74	\$11.01	n/a	3
Average Cost per Elector of Conducting Local Government Ordinary (or Extraordinary) Elections Conducted by the Commission.....	\$2.51	n/a	\$1.56	\$2.46	4

Explanation of Significant Movements

(Notes)

1. The 2016-17 Estimated Actual is significantly higher than the 2017-18 Budget Target and the 2015-16 Actual due to costs associated with the 2017 State General Election, which was held on 11 March 2017.
2. The indicator reflects the fixed cost of maintaining readiness for any State and local government elections. Lower average cost is predicted for the 2017-18 Budget Target compared to the 2016-17 Estimated Actual and the 2015-16 Actual because no major management and structural changes are expected in 2017-18.
3. There are no planned State Government elections, by-elections or referenda to be held in 2017-18.
4. The indicator reflects actual expenditure incurred while conducting local government elections. In comparison with the 2016-17 Estimated Actual, the estimated average cost of \$2.46 for the 2017-18 Budget Target is based on planned local government biennial elections against an unplanned extraordinary election in the 2016-17 Estimated Actual.

Asset Investment Program

The Asset Investment Program in 2017-18 continues to implement the Commission's Strategic Asset Plan with \$117,000 funded from the Holding Account.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement - 2016-17 Program.....	50	50	50	-	-	-	-
Information Technology (IT) System Upgrade - 2016-17 Program.....	67	67	67	-	-	-	-
NEW WORKS							
Asset Replacement							
2017-18 Program.....	50	-	-	50	-	-	-
2018-19 Program.....	50	-	-	-	50	-	-
2019-20 Program.....	50	-	-	-	-	50	-
2020-21 Program.....	50	-	-	-	-	-	50
IT System Upgrade							
2017-18 Program.....	67	-	-	67	-	-	-
2018-19 Program.....	67	-	-	-	67	-	-
2019-20 Program.....	67	-	-	-	-	67	-
2020-21 Program.....	67	-	-	-	-	-	67
Total Cost of Asset Investment Program.....	585	117	117	117	117	117	117
FUNDED BY							
Drawdowns from the Holding Account.....			117	117	117	117	117
Total Funding.....			117	117	117	117	117

Financial Statements

Income Statement

Expenses

The decrease in grants and subsidies from the 2016-17 Estimated Actual to the 2017-18 Budget Estimate is due to the political funding reimbursement of electoral expenditure being mainly incurred in 2016-17, as a result of the 2017 State General Election. The reimbursement only applies to candidates who receive a minimum of 4% of formal first preferences votes.

The overall decrease in Total Cost of Services between the 2016-17 Estimated Actual and the 2017-18 Budget Estimate is mainly due to costs associated with the 2017 State General Election, which was held on 11 March 2017.

Income

The increase in income from sale of goods and services from the 2016-17 Estimated Actual to the 2017-18 Budget Estimate is mainly due to the recoup of costs associated with the biennial local government elections.

The decrease in service appropriations from the 2016-17 Estimated Actual to the 2017-18 Budget Estimate is due to the completion of the 2017 State General Election.

Statement of Cashflows

The decrease in cash balances of \$1.6 million between the 2016-17 Estimated Actual and the 2017-18 Budget Estimate is due to the carryover of expenditure for post-election compliance and acquittal activities associated with the 2017 State General Election.

INCOME STATEMENT ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	6,065	15,762	15,877	4,455	4,203	4,504	15,575
Grants and subsidies ^(c)	-	4,000	4,277	523	-	-	4,800
Supplies and services.....	3,457	4,532	4,688	4,013	1,368	3,553	5,321
Accommodation.....	1,743	2,456	2,747	2,045	1,944	2,308	3,171
Depreciation and amortisation.....	254	117	117	117	117	117	117
Other expenses.....	800	3,701	2,070	728	378	982	2,066
TOTAL COST OF SERVICES	12,319	30,568	29,776	11,881	8,010	11,464	31,050
Income							
Sale of goods and services.....	4,825	104	104	2,500	435	2,500	104
Total Income	4,825	104	104	2,500	435	2,500	104
NET COST OF SERVICES	7,494	30,464	29,672	9,381	7,575	8,964	30,946
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	8,478	30,348	31,148	7,872	7,582	9,030	30,912
Resources received free of charge.....	39	100	100	34	60	34	34
TOTAL INCOME FROM STATE GOVERNMENT	8,517	30,448	31,248	7,906	7,642	9,064	30,946
SURPLUS/(DEFICIENCY) FOR THE PERIOD	1,023	(16)	1,576	(1,475)	67	100	-

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 50, 43 and 46 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

(c) Refer to the Details of Controlled Grants and Subsidies table below for further information.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Public Funding of Political Parties and Candidates in State Elections.....	-	4,000	4,277	523	-	-	4,800
TOTAL	-	4,000	4,277	523	-	-	4,800

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	1,441	574	3,024	1,423	1,414	1,505	1,495
Holding account receivables	117	117	117	117	117	117	117
Receivables	141	302	373	440	507	507	507
Other	-	-	20	20	20	20	20
Total current assets	1,699	993	3,534	2,000	2,058	2,149	2,139
NON-CURRENT ASSETS							
Holding account receivables	491	391	458	458	458	458	458
Property, plant and equipment	218	257	235	302	369	369	369
Intangibles	1,741	1,772	1,674	1,607	1,540	1,540	1,540
Restricted cash	-	34	9	18	27	36	46
Other	-	-	15	15	15	15	15
Total non-current assets	2,450	2,454	2,391	2,400	2,409	2,418	2,428
TOTAL ASSETS	4,149	3,447	5,925	4,400	4,467	4,567	4,567
CURRENT LIABILITIES							
Employee provisions	857	803	739	739	739	739	739
Payables	-	276	258	233	233	233	233
Other	63	219	90	65	65	65	65
Total current liabilities	920	1,298	1,087	1,037	1,037	1,037	1,037
NON-CURRENT LIABILITIES							
Employee provisions	149	108	182	182	182	182	182
Other	2	2	2	2	2	2	2
Total non-current liabilities	151	110	184	184	184	184	184
TOTAL LIABILITIES	1,071	1,408	1,271	1,221	1,221	1,221	1,221
EQUITY							
Contributed equity	876	876	876	876	876	876	876
Accumulated surplus/(deficit)	2,202	1,163	3,778	2,303	2,370	2,470	2,470
Total equity	3,078	2,039	4,654	3,179	3,246	3,346	3,346
TOTAL LIABILITIES AND EQUITY	4,149	3,447	5,925	4,400	4,467	4,567	4,567

(a) Full audited financial statements are published in the agency's Annual Report.

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	8,361	30,264	31,064	7,755	7,465	8,913	30,795
Holding account drawdowns.....	117	117	117	117	117	117	117
Net cash provided by State Government.....	8,478	30,381	31,181	7,872	7,582	9,030	30,912
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(6,353)	(15,762)	(15,783)	(4,469)	(4,204)	(4,504)	(15,576)
Grants and subsidies.....	-	(4,000)	(4,277)	(523)	-	-	(4,800)
Supplies and services.....	(3,518)	(4,236)	(4,752)	(4,081)	(1,335)	(3,540)	(5,321)
Accommodation.....	(1,725)	(2,456)	(2,421)	(2,075)	(1,894)	(2,308)	(3,171)
Other payments.....	(1,361)	(3,980)	(3,394)	(1,314)	(822)	(1,576)	(2,811)
Receipts ^(b)							
Sale of goods and services.....	4,827	-	-	2,500	295	2,500	104
GST receipts.....	619	170	1,155	615	495	615	780
Net cash from operating activities.....	(7,511)	(30,264)	(29,472)	(9,347)	(7,465)	(8,813)	(30,795)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(134)	(117)	(117)	(117)	(117)	(117)	(117)
Net cash from investing activities.....	(134)	(117)	(117)	(117)	(117)	(117)	(117)
NET INCREASE/(DECREASE) IN CASH HELD.....	833	-	1,592	(1,592)	-	100	-
Cash assets at the beginning of the reporting period.....	608	608	1,441	3,033	1,441	1,441	1,541
Cash assets at the end of the reporting period.....	1,441	608	3,033	1,441	1,441	1,541	1,541

(a) Full audited financial statements are published in the agency's Annual Report.

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Commission. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

NET APPROPRIATION DETERMINATION ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Sale of Goods and Services							
Local Government Recoups.....	4,380	-	-	2,500	-	2,500	-
Extraneous Election.....	428	-	-	-	-	-	-
Other.....	19	-	-	-	295	-	104
GST Receipts							
GST Receipts on Sales.....	486	170	25	480	375	480	550
GST Receipts from Australian Taxation Office....	133	-	1,130	135	120	135	230
TOTAL.....	5,446	170	1,155	3,115	790	3,115	884

(a) The moneys received and retained are to be applied to the Commission's services as specified in the Budget Statements.