

Part 5

Minister for Education and Training

Summary of Portfolio Appropriations

Agency	2016-17 Budget \$'000	2016-17 Estimated Actual '000	2017-18 Budget Estimate '000
Education			
– Delivery of Services	4,028,603	3,969,855	4,060,233
– Administered Grants, Subsidies and Other Transfer Payments	449,237	449,237	450,593
– Capital Appropriation	157,227	152,706	250,313
Total	4,635,067	4,571,798	4,761,139
Training and Workforce Development			
– Delivery of Services	353,472	352,290	353,551
– Capital Appropriation	12,216	12,216	237
Total	365,688	364,506	353,788
GRAND TOTAL			
– Delivery of Services	4,382,075	4,322,145	4,413,784
– Administered Grants, Subsidies and Other Transfer Payments	449,237	449,237	450,593
– Capital Appropriation	169,443	164,922	250,550
Total.....	5,000,755	4,936,304	5,114,927

Division 10 Education

Part 5 Minister for Education and Training

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							
Item 16 Net amount appropriated to deliver services ^(b)	3,915,861	4,026,758	3,968,010	4,058,388	4,109,163	4,118,012	4,201,656
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	1,807	1,845	1,845	1,845	1,845	1,845	1,845
Total appropriations provided to deliver services.....	3,917,668	4,028,603	3,969,855	4,060,233	4,111,008	4,119,857	4,203,501
ADMINISTERED TRANSACTIONS							
Item 17 Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....	439,446	449,237	449,237	450,593	461,526	474,026	474,026
CAPITAL							
Item 92 Capital Appropriation	167,175	157,227	152,706	250,313	193,381	163,304	89,230
TOTAL APPROPRIATIONS	4,524,289	4,635,067	4,571,798	4,761,139	4,765,915	4,757,187	4,766,757
EXPENSES							
Total Cost of Services.....	4,758,141	4,935,079	4,877,732	5,019,766	5,115,572	5,183,283	5,325,717
Net Cost of Services ^(c)	3,871,898	3,998,987	3,941,347	4,043,280	4,098,519	4,123,585	4,183,893
CASH ASSETS ^(d)	737,020	624,380	640,350	612,370	597,263	597,307	630,032

- (a) The 2015-16 Actual, 2016-17 Budget and the 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to the former Departments of Education and Education Services, School Curriculum and Standards Authority and Country High School Hostels Authority.
- (b) 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.
- (c) 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.
- (d) 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					
Aboriginal and Islander Education Officers	-	864	2,616	3,532	3,585
Expensed Capital of Asset Investment Program	-	88	281	663	1,580
Explicit Instruction in Schools and Centre of Excellence ^(a)	-	500	1,000	1,000	1,000
Improving Teacher Quality ^(a)	-	4,448	8,963	9,097	9,234
Independent Learning Co-ordinators	-	721	1,461	1,479	1,498
Local Projects Local Jobs	577	6,000	-	-	-
Mental Health ^(a)	-	1,853	3,734	3,791	3,848
Put Education Assistants Back in the Classroom ^(a)	-	3,141	9,517	16,084	19,561
Regional Learning Specialists	-	635	1,290	1,309	1,329
Science and Coding: Introduce a Coding Program in Western Australian Curriculum ^(a)	-	2,000	-	-	-
Science Programs in Primary Schools ^(a)	-	1,250	1,250	1,250	1,250
Other					
2017-18 Streamlined Budget Process Incentive Funding	-	310	-	-	-
2017-18 Tariffs, Fees and Charges	-	(185)	(187)	(3)	782
Adjustment to Commonwealth Grants - Universal Access	-	16,500	29,508	-	-
Adjustment to Other Commonwealth Grants	(8,371)	2,073	(421)	(1,570)	(1,725)
Boarding Away From Home Allowance Funding Extension	-	-	(400)	773	546
Clontarf Foundation Academies Funding Extension	-	1,479	1,651	1,524	1,546
Foodbank Funding Extension	-	-	226	226	226
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(28)	(56)	(84)	(113)
Revisions to Student Enrolment and Cost Growth Forecasts	3,661	9,193	(22,411)	(58,051)	(118,988)
Non-Government Human Services Sector Indexation Adjustment	-	(142)	(145)	(149)	(153)
Regional Workers Incentives Allowance Funding Change	-	(294)	(384)	(512)	3,190
Revision to Indexation for Non-Salary Expenses	-	(2,755)	(10,742)	(18,780)	(27,271)
School Curriculum and Standards Authority 2016-17 Estimated Outturn	(4,072)	-	-	-	-

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

Significant Issues Impacting the Agency

- Legislative amendments to the Commonwealth funding of schools have been agreed by the Commonwealth Parliament, to come into effect from 2018. Under the new legislation, funding for Western Australian public schools is proposed to progressively increase over six years. As a condition of receiving funding from the Commonwealth, States and Territories would be required to maintain their real level of per-student funding using the Commonwealth's prescribed rate of indexation and implement a range of national reforms.
- Success for every student, best possible teaching practice and effective leadership remain key priorities for public schools. The focus is on explicit teaching of literacy and numeracy (particularly writing in the secondary years), students' skills for emerging industries and technologies, and school improvement through effective leadership.
- Resilience, emotional regulation and behaviour of children and young people continue to be issues in the community and schools. Priorities for public schools include strengthening cooperation among agencies and developing cross-agency partnerships to better support students, piloting a full service school, and enhancing student mental health and wellbeing programs.
- While Western Australia has made some gains, outcomes for Aboriginal students remain disproportionately and unacceptably low in comparison with non-Aboriginal students. Priorities for public schools, embedded in the Aboriginal Cultural Standards Framework, include targeted support, research partnerships, an Elders in Residence initiative and KindiLink.
- Increasing the connection between schools and children's care services can reduce the pressure on everyday family life and help parents pursue or maintain employment. Preparation and planning are underway for outside school hours care and long day care services to be set up on school sites in response to community needs.

- There is continued growth in vocational education and training in schools, and associated support needs of schools and students. A work plan addressing the findings of the Auditor General's report and prioritising improved support for public schools is being implemented.
- Creating shared understanding in schools of the newly developed Western Australian standards of student achievement from Pre-primary to Year 12 is challenging. To ensure comparability of standards, moderation processes are being developed for Pre-primary to Year 10, and implemented for examinable and non-examinable courses in Years 11 and 12.
- The Departments of Education and Education Services amalgamated on 1 July 2017, and the resulting agency was designated the Department of Education with effect on and from 1 July 2017. The School Curriculum and Standards Authority (the Authority) continues as a statutory authority, however all staff were transferred to the new Department where they will continue to deliver the Authority's services. The focus is on continuing to deliver high quality services, and refining governance arrangements for public and non-government school services.
- The number of teachers with expertise in teaching science, technology, engineering and mathematics (STEM) and languages remains a challenge to meet current and future needs. Continuing strategies for public schools include training and developing teachers, and engagement with universities on teacher education.
- Some schools in Western Australia were scheduled to complete the National Assessment Program - Literacy and Numeracy (NAPLAN) online in May 2017 as part of a phased implementation, with all schools to be online by 2019. As Education Ministers agreed to delay this implementation, work continues to support schools for NAPLAN online in 2018.
- Long term Commonwealth funding remains an issue for additional kindergarten hours. The amount for 2018 is set to drop due to a new national allocation methodology.
- Planning is commencing for the review of the student-centred funding model for public schools in 2018. In the interim, adjustments are being made ahead of the review to ensure more equitable funding arrangements for small senior high schools.
- The next enterprise bargaining agreement for public school teachers is anticipated to be finalised in 2017-18. Separate logs of claims are expected from the Principals' Federation of Western Australia and State School Teachers' Union of Western Australia. Bargaining parameters are being developed based on the Public Sector Wages Policy and Statement 2017.

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 Machinery of Government changes to the former Departments of Education and Education Services, School Curriculum and Standards Authority and Country High Schools Hostels Authority. 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 to which 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 Outcomes	Services
Strong Communities: Safe communities and supported families.	Through a strong public school system, students across Western Australia have access to a high quality education.	1. Public Primary Education 2. Public Secondary Education
	Western Australian education and training providers, and teachers, comply with appropriate regulatory and policy requirements.	3. Regulation, Review, Funding, and Policy Advice
	Western Australian schools implement the Western Australian Curriculum and Assessment Outline (Pre-primary to Year 10); Western Australian Certificate of Education (Years 11 and 12); and quality assessment, moderation and certification procedures.	4. Curriculum Development, Evaluation and Support 5. Student Assessment and Certification
	Quality accommodation, care and services for isolated students who have to board away from home to attend school.	6. Establishment, Operation and Maintenance of Residential Colleges

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. Public Primary Education	2,794,048	2,877,539	2,862,636	2,948,509	2,990,379	3,022,601	3,099,966
2. Public Secondary Education.....	1,873,999	1,963,015	1,926,755	1,984,553	2,039,512	2,075,179	2,137,955
3. Regulation, Review, Funding, and Policy Advice	39,598	40,724	38,190	36,754	37,838	39,378	41,449
4. Curriculum Development, Evaluation and Support.....	8,842	9,533	8,590	8,712	8,251	7,828	7,877
5. Student Assessment and Certification	26,645	28,828	26,121	26,134	24,754	23,485	23,629
6. Establishment, Operation and Maintenance of Residential Colleges	15,009	15,440	15,440	15,104	14,838	14,812	14,841
Total Cost of Services	4,758,141	4,935,079	4,877,732	5,019,766	5,115,572	5,183,283	5,325,717

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome 1: Through a strong public school system, students across Western Australia have access to a high quality education:					
Participation rate (proportion of persons aged 15 to 17 years in some form of education)	96.8%	92%	96.9%	97%	1
Secondary graduation rate (proportion of Year 8 cohort achieving secondary graduation in Year 12).....	72.7%	81%	63.1%	73%	2,3
Apparent retention rate (proportion of Year 8 cohort studying in Year 12).....	80.4%	91%	77.7%	81%	2
Literacy and numeracy performance in national tests at Years 3, 5, 7 and 9:					
Year 3 students achieving national minimum standards:					
Reading.....	91.7%	92%	92.7%	93%	
Writing.....	93.6%	94%	95%	96%	
Numeracy.....	92.6%	93%	94.1%	95%	
Year 5 students achieving national minimum standards:					
Reading.....	90.1%	91%	89.4%	91%	
Writing.....	89.1%	90%	91.4%	92%	
Numeracy.....	93%	94%	91.8%	94%	
Year 7 students achieving national minimum standards:					
Reading.....	92.2%	93%	91%	93%	
Writing.....	80.5%	87%	85%	86%	
Numeracy.....	93.6%	94%	92.9%	94%	
Year 9 students achieving national minimum standards:					
Reading.....	90.1%	91%	91.2%	92%	
Writing.....	76.7%	81%	80.2%	81%	
Numeracy.....	94.7%	95%	93.9%	95%	
Outcome 2: Western Australian education and training providers, and teachers comply with appropriate regulatory and policy requirements:					
Percentage of non-government schools complying with registration requirements of the School Education Act 1999.....	95%	90%	88%	90%	4,5
Percentage of providers of education services to full fee international students complying with registration requirements of the Education Service Providers (Full Fee Overseas Students) Registration Act 1991 (WA) and the Education Services for Overseas Students Act 2000 (Commonwealth)....	100%	100%	100%	100%	4
Percentage of Registered Training Organisations compliant with the Australian Quality Training Framework Essential Standards for Registration	99%	100%	100%	100%	4
Percentage of reviewed Independent Public Schools that have met service and delivery requirements	100%	100%	100%	100%	4
Percentage of teachers compliant with the Teacher Registration Act 2012	100%	100%	100%	100%	4
Outcome 3: Western Australian schools implement the Western Australian Curriculum and Assessment Outline (Pre-primary to Year 10); Western Australian Certificate of Education (Years 11 and 12); and quality assessment, moderation and certification procedures:					
Engagement of and acceptance by stakeholders of responsive syllabuses, accreditation and review.....	4.2	4.2	4.1	4.1	4,6
Engagement of and acceptance by stakeholders of comprehensive and easily understood assessment policy and support	4.2	4.2	4.1	4.1	4,6
Engagement of and acceptance by stakeholders of valid and reliable external and school-based assessments	4.2	4.2	4.2	4.2	4,6
Outcome 4: Quality accommodation, care and services for isolated students who have to board away from home to attend school:					
Average residential college occupancy rate.....	68%	68%	62%	62%	4
Families rating accommodation, care and services as good or better.....	92%	92%	92%	92%	4

(a) Further information about the key effectiveness indicators is provided in the 2015-16 Annual Reports of the former Departments of Education and Education Services, School Curriculum and Standards Authority and Country High School Hostels Authority.

Explanation of Significant Movements

(Notes)

1. The participation rate for the 2015-16 Actual reported here is different from that reported in the agency's 2015-16 Annual Report because it incorporates the Australian Bureau of Statistics' revised estimated residential population as at 30 June 2015, released in June 2017. The final revised participation rate for 2015-16 will be reported in the agency's 2016-17 Final Report.
2. Changes to net interstate and overseas migration inflated performance on the apparent retention and secondary graduation rates in 2014-15, and therefore the targets for 2016-17.
3. The requirements for the Western Australian Certificate of Education have changed, making secondary graduation more difficult to achieve for Year 12 students from 2016. These changes include the requirement that students meet specified standards in reading, writing and numeracy in national tests in Year 9 or the Online Literacy and Numeracy Assessment to achieve secondary graduation.
4. The 2017-18 Budget Target is based on the 2016-17 Estimated Actual or previous Budget Target. The 2017-18 Budget Targets for all other indicators are based on the higher of their 2015-16 Actuals or 2016-17 Estimated Actuals, rounded up to the next integer. The 2017-18 Budget Target for the average residential college occupancy rate is less than the 2015-16 Actual due to a reduction in residential college occupants in 2017 and an increase in capacity.
5. The result for the 2016-17 Estimated Actual is deflated compared to previous years' results by a material change in process that led to the data from 2016-17 including quality improvement notice issuances and conditions or directions imposed at any time during the financial year, whereas the data previously only included conditions or directions that were in effect on 30 June in the relevant financial year.
6. Scale range is from 1 (low) to 5 (high).

Services and Key Efficiency Indicators**1. Public Primary Education**

Since 2015, this service provides access to education in public schools for persons aged generally from four years and six months to 11 years and six months.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	2,794,048	2,877,539	2,862,636	2,948,509	
Less Income.....	488,726	514,090	519,345	544,948	
Net Cost of Service.....	2,305,322	2,363,449	2,343,291	2,403,561	
Employees (Full Time Equivalents).....	22,588	23,318	23,613	23,856	
Efficiency Indicator					
Cost per Student Full Time Equivalents.....	\$15,268	\$15,502	\$15,399	\$15,640	

2. Public Secondary Education

Since 2015, this service provides access to education in public schools for persons aged generally from 11 years and six months.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	1,873,999	1,963,015	1,926,755	1,984,553	
Less Income.....	363,070	384,137	379,525	394,506	
Net Cost of Service.....	1,510,929	1,578,878	1,547,230	1,590,047	
Employees (Full Time Equivalents).....	13,816	14,157	14,685	14,806	
Efficiency Indicator					
Cost per Student Full Time Equivalents.....	\$18,345	\$19,092	\$18,656	\$18,944	

3. Regulation, Review, Funding, and Policy Advice

This service provides regulatory, review, funding and policy advisory services, as required by legislation or government policy, to support provision of quality services by registered and/or accredited education and training providers.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	39,598	40,724	38,190	36,754	
Less Income.....	23,025	25,333	24,983	24,430	
Net Cost of Service.....	16,573	15,391	13,207	12,324	
Employees (Full Time Equivalents).....	89	106	86	103	
Efficiency Indicators					
Cost of Regulatory Services per Registered Provider/Institution	\$17,295	\$16,670	\$18,908	\$17,659	1
Cost of Recurrent Funding Programs per Student	\$8	\$6	\$5	\$6	2
Cost of Loan Services per Loan Advance.....	\$916	\$706	\$947	\$709	1
Hourly Cost of Providing Policy Advice and Support	\$147	\$110	\$147	\$107	1
Cost of Review Services per School.....	\$22,981	\$15,146	\$18,211	\$15,798	1
Cost of Regulatory Services per Teacher.....	\$121	\$125	\$121	\$107	1

Explanation of Significant Movements

(Notes)

1. The decrease in the indicators for the 2017-18 Budget Target compared to the 2016-17 Estimated Actual reflects the reduced Total Cost of Service budgeted for 2017-18. The decrease is predominantly due to the transfer of the International Education program to the Department of Jobs, Tourism, Science and Innovation.
2. The increase in the indicator for the 2017-18 Budget Target compared to the 2016-17 Estimated Actual is due to a decrease in the total average number of students budgeted for 2017-18.

4. Curriculum Development, Evaluation and Support

This service involves curriculum development and accreditation for all courses to ensure high quality and standards of contemporary curriculum provision and formal course review based on stakeholder feedback and consultation for Pre-primary to Year 12.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	8,842	9,533	8,590	8,712	
Less Income.....	51	-	-	-	
Net Cost of Service.....	8,791	9,533	8,590	8,712	
Employees (Full Time Equivalents).....	51	44	46	46	
Efficiency Indicator					
Average Cost per Registered School for Syllabus Development and Review (Pre-primary – Year 12)	\$7,940	\$8,580	\$7,732	\$7,842	

5. Student Assessment and Certification

This service involves the provision of clear assessment policy and guidelines, provision of high quality external assessments and rigorous processes for standards setting and certification.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	26,645	28,828	26,121	26,134	
Less Income.....	2,683	2,467	2,467	2,498	
Net Cost of Service.....	23,962	26,361	23,654	23,636	
Employees (Full Time Equivalents).....	96	89	86	86	
Efficiency Indicators					
Average Cost per Enrolled Student for Moderation (Years 3-12).....	\$92	\$52	\$78	\$74	1
Average Cost per Enrolled Student for External Assessment (Years 11-12).....	\$205	\$120	\$218	\$209	1
Average Cost per Enrolled Year 12 Student for Certification.....	\$913	\$668	\$1,004	\$965	1
Average Cost per Enrolled Student for NAPLAN	\$50	\$51	\$36	\$39	

Explanation of Significant Movements

(Notes)

- In the 2016-17 Budget, it was assumed that all the students who enrolled for the Australian Tertiary Admission Rank courses and Externally Set Tasks (EST) would sit for examinations and testings. This assumption was reviewed when the new Western Australian Certificate of Education was implemented in 2016 for Year 12 students, with more accurate collection of data, especially for EST.

6. Establishment, Operation and Maintenance of Residential Colleges

This service provides quality accommodation, care and services for isolated students who have to board away from home to attend school.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 15,009	\$'000 15,440	\$'000 15,440	\$'000 15,104	
Less Income.....	8,688	10,065	10,065	10,104	
Net Cost of Service.....	6,321	5,375	5,375	5,000	
Employees (Full Time Equivalents).....	114	114	114	114	
Efficiency Indicator					
Cost (Efficiency) Average Cost per Student.....	\$26,282	\$24,903	\$24,903	\$25,600	1

Explanation of Significant Movements

(Notes)

- The increase in the indicator for the 2017-18 Budget Target compared to the 2016-17 Estimated Actual reflects the reduced student enrolments budgeted for 2017-18.

Asset Investment Program

The Department's planned Asset Investment Program in 2017-18 totals \$452.3 million and relates primarily to providing educational facilities to meet enrolment growth and improving infrastructure for public schools throughout the State.

Primary Schools

- The final stages of construction will continue on three new primary schools, at Wellard, Wandi (with a planning name of Honeywood Primary School) and Margaret River (with a planning name of Rapids Landing), which are scheduled to open for the start of the 2018 school year at an estimated total cost of \$46.6 million.
- A reallocation of \$146.8 million over the period 2017-18 to 2020-21 and a further \$8.6 million beyond 2020-21 from the existing annual primary school build program has been made to deliver 10 new primary schools in the following areas: Baldivis, Banksia Grove, Bletchley Park, Brabham, Burns Beach, Byford, Caversham South, Harrisdale/Piara Waters, Huntingdale, and Yanchep.
- Construction will commence on four new primary schools in Aveley North, Meadow Springs North, Forrestdale South West (an election commitment, previously announced Harrisdale/Piara Waters) and Southern River (an election commitment, previously announced as Bletchley Park) to open in 2019 at an estimated cost of \$83.2 million. Early childhood kindergarten - pre-primary facilities will open on all four of these sites in 2018 as precursors to the primary schools.
- Reconstruction of the Doubleview Primary School will continue at an estimated cost of \$15.4 million.
- Construction of two second storey additions will continue at the inner city primary schools of Inglewood, Wembley and West Leederville at an estimated cost of \$10.5 million.
- Construction is almost complete on the additional student accommodation at Highgate Primary School (\$5.5 million).
- Planning is being completed and construction will commence for the \$3.5 million additions at Mount Hawthorn Primary School.
- A new covered assembly area will be provided at Caversham Primary School at a cost of \$1 million.
- Construction will commence on a new \$1.5 million library at North Morley Primary School.
- An allocation of \$600,000 has been provided for minor upgrades at South Ballajura Primary School and Tapping Primary School.
- An allocation of \$12 million over four years has been provided to upgrade facilities for the 'Investing in Science Program' in primary schools.
- Construction and refurbishment of the primary school (Stage 2) component of Carnarvon College at an estimated cost of \$17.6 million will continue.
- An amount of \$1.5 million has been allocated for early childhood facilities at Glen Huon Primary School.

Secondary Schools

- Construction will continue on the new secondary school in Ellenbrook North due to open in 2018 and Lakelands (2019). Planning will continue for a new secondary school at Hammond Park (2020) and for a second stage at Harrisdale Senior High School (2020).
- Construction will continue for two new secondary schools at Yanchep (\$50.4 million) to open in 2018 and Baldivis South (\$48 million) to open in 2019.
- Planning will continue for a new secondary school at Butler North (\$52.4 million) to open in 2020.
- Planning has commenced for the new Inner City College on Kitchener Park in Subiaco at an initial cost of \$67.8 million with Stage 1 due to open in 2020.
- Construction for Byford Secondary College (Stage 3) will continue at a cost of \$15.9 million, due to be completed for 2018.

- Construction will continue for Joseph Banks Secondary College (Stage 2) scheduled to be completed for the start of the 2018 school year, at a cost of \$21.1 million.
- Construction will continue for additional facilities at Churchlands Senior High School (\$34.6 million) and the creation of the new Fremantle College (amalgamation of South Fremantle Senior High School and Hamilton Senior High School) scheduled for completion in 2018 at a cost of \$30 million.
- In response to increased enrolments in the Western Suburbs, construction will continue for additional facilities at Shenton College, scheduled for completion in 2018 at a cost of \$49.5 million.
- Planning will continue for the \$18.8 million additions and upgrades at Carine Senior High School, due for completion in 2019.
- Planning will commence for the redevelopment of Balcatta Senior High School at a cost of \$50 million.
- Construction will commence on upgrades to the performing arts centre at Melville Senior High School at a cost of \$4.5 million.
- An amount of \$2 million has been provided for upgrades and improvements at Canning Vale College.
- Planning will commence for new and upgraded facilities at Southern River College at a cost of \$8.4 million.
- Planning will commence for the refurbishment and upgrade of facilities and expansion of permanent student accommodation at Broome Senior High School (\$20 million).
- Construction will continue on the redevelopment of Kalgoorlie-Boulder Community High School at a cost of \$45 million, ready for the 2018 school year.
- Planning for the completion of the amalgamation of the Carnarvon College is continuing, at a cost of \$38.5 million.
- Construction for new works and refurbishments will continue at secondary schools in Geraldton - \$5 million at Geraldton College and \$20 million at John Willcock College.
- Funding of \$5 million will enable planning to commence on the upgrade of facilities at Bunbury Senior High School.
- Planning will continue for Cape Naturaliste College Stage 2 at a cost of \$32.1 million.
- Planning will continue for additions to the Margaret River Senior High School at a cost of \$30 million, scheduled for completion for the start of the 2020 school year.
- Funding of \$7.5 million will enable planning for new facilities at Collie Senior High School to commence.

Residential Colleges

- Planning will continue for the \$6.4 million additions to the City Beach Residential College, due for completion in 2019.

Other School Facilities

- Provision of \$5.6 million has been made in 2017-18 for administration upgrades, library resource centres, toilet upgrades/replacements and covered assembly areas.
- Funding of \$3 million has been allocated to continue the playground equipment and shade structure 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
WORKS IN PROGRESS							
New Secondary Schools							
Butler North Senior High School.....	52,400	1,500	1,500	4,500	32,000	14,400	-
Harrisdale Senior High School.....	56,180	48,180	8,179	8,000	-	-	-
South Baldivis Senior High School.....	47,980	3,311	2,380	28,669	12,200	3,800	-
Willetton Senior High School - Replacement (Stage 1 and Stage 2).....	40,465	36,965	6,648	3,500	-	-	-
Yanchep Senior High School.....	50,408	21,094	16,500	25,796	3,518	-	-
Additional Stages at Secondary Schools							
Baldivis Secondary School (Stage 2).....	25,759	25,259	-	500	-	-	-
Byford Secondary College (Stage 2).....	43,000	40,700	1,286	2,300	-	-	-
Byford Secondary College (Stage 3).....	15,900	10,900	8,951	2,500	2,500	-	-
Joseph Banks Secondary College (Stage 2).....	21,075	16,000	14,389	5,075	-	-	-
Shenton College (Stage 2).....	49,500	1,500	1,500	30,500	17,500	-	-
Additions and Improvements to Secondary Schools							
Churchlands Senior High School - Additional Facilities	34,564	23,303	20,401	11,261	-	-	-
Fremantle College.....	30,000	19,100	16,550	10,900	-	-	-
Kalgoorlie-Boulder Community High School Redevelopment ^(a)	45,000	35,471	14,000	6,726	2,803	-	-
Revitalising Public Secondary Education in the Geraldton Area (part funded by Capital Appropriation)							
Geraldton Senior College ^(a)	5,000	1,050	1,027	3,950	-	-	-
John Willcock College ^(a)	20,000	1,375	1,266	10,400	8,225	-	-
New Primary Schools							
Doubleview Primary School - Rebuild.....	15,400	5,000	5,000	10,400	-	-	-
Interim Schools.....	1,845	600	600	300	315	315	315
Wandina Primary School (Stage 2).....	8,000	5,950	4,505	2,050	-	-	-
New Primary Schools for 2018							
Honeywood Primary School.....	15,300	4,850	4,265	10,450	-	-	-
Rapids Landing Primary School.....	16,000	5,050	4,690	9,950	1,000	-	-
Wellard Primary School.....	15,300	5,350	5,003	9,950	-	-	-
New Primary Schools for 2019							
Aveley North Primary School.....	15,600	-	-	9,000	6,600	-	-
Meadow Springs North Primary School.....	15,600	-	-	9,000	6,600	-	-
Site Works and Additional Accommodation Facilities for 2019 Primary Schools.....							
Remote Community Schools.....	20,782	3,175	3,175	17,182	425	-	-
	3,724	949	949	-	925	925	925
Additions and Improvements to Primary Schools							
Carnarvon Community College ^(a)	17,600	4,407	4,407	6,000	7,193	-	-
Expansion of School and Childcare Facilities							
Shire of Ashburton.....	3,000	1,000	1,000	2,000	-	-	-
Highgate Primary School.....	5,455	4,000	3,546	1,455	-	-	-
Inglewood Primary School.....	3,500	1,000	1,000	2,500	-	-	-
Wembley Primary School.....	3,500	1,000	1,000	2,500	-	-	-
Miscellaneous							
Air Conditioning Replacement Program.....	14,000	3,000	-	-	3,000	5,000	3,000
Fire Services Upgrade.....	1,800	400	400	400	400	600	-
Gas Heater Replacement Program.....	3,750	1,500	738	-	750	750	750
Infrastructure Power Upgrades Program.....	18,815	3,315	3,315	-	3,000	9,500	3,000
Land Acquisition							
Land Acquisition.....	75,912	42,358	6,000	28,454	-	-	-
Land for Primary Schools.....	45,739	17,739	10,739	7,000	7,000	7,000	7,000
Perimeter Security Fencing Program.....	3,600	2,000	987	-	-	1,600	-
Playground Equipment and Shade Structures.....	5,800	2,800	810	1,000	1,000	1,000	-
Power Supply Upgrade.....	2,975	1,286	500	250	313	813	313
Sewer Connections.....	2,961	1,161	410	-	600	600	600
Transportable Classrooms.....	25,830	7,491	4,500	4,500	4,613	4,613	4,613
Universal Access Program.....	40,916	31,826	6,500	9,090	-	-	-
Other School Facilities							
Administration Upgrade Program.....	9,264	3,039	3,039	2,000	175	2,025	2,025
Canteens Program.....	810	200	200	-	-	405	205
Covered Assembly Areas.....	9,189	2,000	2,000	1,000	2,063	2,063	2,063
Early Childhood Program.....	5,299	749	749	2,500	1,150	-	900
Ground Developments Program.....	1,524	300	300	300	308	308	308
Library Resources Centres.....	9,295	2,600	2,600	500	2,065	2,065	2,065
Student Services Improvements.....	13,399	7,000	7,000	1,300	1,033	3,033	1,033
Duncraig Secondary Education Support Centre							
Relocation to Warwick Senior High School.....	4,280	3,055	3,055	1,225	-	-	-
International School of Western Australia.....	21,600	500	500	9,200	11,900	-	-
Japanese School in Perth.....	7,050	400	400	4,350	2,300	-	-
Toilet Replacement Program.....	9,720	1,600	1,600	2,100	1,340	3,340	1,340
Maintenance Program - Residential Colleges.....	2,470	494	494	494	494	494	494

	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
Information Technology Upgrade and Replacement							
Education Services Information Technology Upgrade and Replacement Program	150	30	30	30	30	30	30
Teachers Registration Board Related Capital Expenditure	312	152	40	40	40	40	40
Student Information System	18,785	3,272	3,025	8,048	7,465	-	-
K-12 Student Records Management System	2,531	831	831	1,500	200	-	-
Small Asset Capital Purchases	285,192	103,772	73,664	44,614	45,602	45,602	45,602
Education Services Furniture and Fittings Program	25	5	5	5	5	5	5
Western Australian Schools Public Private Partnership Retained Costs.....	37,214	16,046	6,300	8,524	6,998	1,883	1,668
COMPLETED WORKS							
New Secondary Schools							
Joseph Banks Secondary College	36,674	36,674	500	-	-	-	-
New High School - Planning	1,000	1,000	1,000	-	-	-	-
Additional Stages at Secondary Schools							
Butler College (Stage 2)	29,181	29,181	1,800	-	-	-	-
Halls Head Community College (Stage 2).....	25,896	25,896	1,192	-	-	-	-
Additions and Improvements to Secondary Schools							
Armadale Senior High School.....	4,000	4,000	3,224	-	-	-	-
Cecil Andrews College	4,500	4,500	3,901	-	-	-	-
Kinross College - Specialist Facilities.....	4,500	4,500	4,500	-	-	-	-
Newman Senior High School - Fire Restoration	7,058	7,058	5,634	-	-	-	-
Perth Modern School.....	1,806	1,806	72	-	-	-	-
Relocation of Year 7's to Secondary Schools.....	180,989	180,989	1,866	-	-	-	-
New Primary Schools							
Alkimos Primary School.....	13,999	13,999	563	-	-	-	-
Broome North Primary School.....	19,012	19,012	50	-	-	-	-
Honeywood Primary School - Early Childhood Annex	1,400	1,400	1,400	-	-	-	-
Rivergums Primary School.....	18,088	18,088	1,000	-	-	-	-
Spring Hill Primary School	14,088	14,088	2,775	-	-	-	-
Treendale Primary School.....	12,878	12,878	100	-	-	-	-
Additions and Improvements to Primary Schools							
Child and Parent Centres (2016)	10,602	10,602	670	-	-	-	-
Condingup Primary School - Fire Damage.....	1,521	1,521	1,521	-	-	-	-
Trade Skills Centres.....	16,436	16,436	4,014	-	-	-	-
Miscellaneous							
Bore Replacement	1,500	1,500	750	-	-	-	-
Roof Replacement Program	7,971	7,971	7,971	-	-	-	-
Other School Facilities - Rural Integration Program	1,000	1,000	522	-	-	-	-
Redevelopment Programs - Residential Colleges							
Broome Residential College (Stage 2).....	11,500	11,500	5,665	-	-	-	-
Narrogin Residential College Upgrades	28	28	2	-	-	-	-
K-12 Student Records Management System.....	800	800	443	-	-	-	-
Online Curriculum Programming Tool for Kindergarten to Year 10	740	740	290	-	-	-	-
NEW WORKS							
New Secondary Schools - Election Commitment -							
Inner City College.....	67,800	-	-	2,000	36,000	29,800	-
Additions and Improvements to Secondary Schools							
Cape Naturaliste College (Stage 2) ^(a)	32,100	-	-	2,000	20,000	10,100	-
Carine Senior High School	18,770	-	-	870	12,100	5,800	-
Carnarvon Community College ^(a)	38,550	-	-	7,150	23,900	7,500	-
Margaret River Senior High School ^(a)	30,000	-	-	7,000	20,000	3,000	-
Election Commitments							
Balcatta Senior High School - Redevelopment	50,000	-	-	3,000	20,000	20,000	7,000
Ballajura Community College - Performing Arts Centre....	5,000	-	-	-	2,000	3,000	-
Belmont City College - Performing Arts Centre.....	5,000	-	-	-	-	2,000	3,000
Belridge Secondary College - Performing Arts Centre	5,000	-	-	-	-	2,000	3,000
Broome Senior High School - New Facilities ^(a)	20,000	-	-	-	10,000	5,000	5,000
Bunbury Senior High School - Upgrades ^(a)	5,000	-	-	5,000	-	-	-
Canning Vale College - Upgrades	2,000	-	-	2,000	-	-	-
Collie Senior High School - New Facilities ^(a)	7,500	-	-	2,500	5,000	-	-
Darling Range Sports College - New and Upgraded Facilities.....	10,000	-	-	-	1,000	8,000	1,000
Eaton Community College - New Facilities ^(a)	5,000	-	-	-	2,500	2,500	-
John Forrest Secondary College - Redevelopment	50,000	-	-	-	-	1,500	20,000
Kinross College - Upgrades	2,500	-	-	-	-	2,500	-
Lakelands Senior High School - Joint-Use Sport Facility ^(a)	2,500	-	-	2,500	-	-	-
Melville Senior High School - Performing Arts Centre.....	4,500	-	-	2,000	2,500	-	-
Morley Senior High School - Upgrades	1,500	-	-	-	1,500	-	-
Mount Lawley Senior High School - Specialist Facilities	4,000	-	-	-	-	4,000	-
Newton Moore Senior High School - STEM Centre ^(a) ...	3,000	-	-	-	1,500	1,500	-
Ocean Reef Senior High School - Performing Arts Centre.....	5,000	-	-	-	2,000	3,000	-
Southern River College - New and Upgraded Facilities....	8,400	-	-	500	5,000	2,900	-
Wanneroo Secondary College - Upgrades	5,000	-	-	-	-	2,000	3,000

Education - continued

	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
New Primary Schools							
New Primary Schools (Location to be Determined)	125,400	-	-	1,000	8,000	9,600	21,600
Election Commitments							
Forrestdale South West Primary School.....	15,600	-	-	7,000	8,600	-	-
Southern River South East Primary School.....	15,600	-	-	7,000	8,600	-	-
Byford (Lawrence Way) Primary School.....	15,600	-	-	-	7,000	8,600	-
Baldivis East (South) Primary School.....	15,600	-	-	-	7,000	8,600	-
Caversham South Primary School	15,600	-	-	-	7,000	8,600	-
Banksia Grove (East) Primary School.....	15,600	-	-	-	1,000	6,000	8,600
Brabham Primary School.....	15,600	-	-	-	1,000	6,000	8,600
Huntingdale (West) Primary School	15,600	-	-	-	-	7,000	8,600
Yanchep Primary Schools - Rebuild.....	15,000	-	-	-	-	7,000	8,000
Burns Beach Primary School	15,600	-	-	-	-	-	7,000
Additions and Improvements to Primary Schools							
Election Commitments							
Arbor Grove Primary School - Parent and Child Centre ...	1,750	-	-	-	-	750	1,000
Ballajura Primary School - Early Childhood.....	3,200	-	-	3,200	-	-	-
Beaumaris Primary School - Perimeter Fence.....	200	-	-	-	200	-	-
Camboon Primary School - Minor Upgrades	250	-	-	-	250	-	-
Caversham Primary School - Undercover Area.....	1,000	-	-	1,000	-	-	-
Currabine Primary School - Perimeter Fence	200	-	-	-	200	-	-
Eaton Primary School ^(a)	3,000	-	-	-	1,500	1,500	-
Flinders Park Primary School - Early Childhood (part funded by Capital Appropriation) ^(a)	2,500	-	-	-	-	2,500	-
Glen Huon Primary School ^(a)	1,500	-	-	1,500	-	-	-
Investing in Science.....	12,000	-	-	3,000	3,000	3,000	3,000
Kinross Primary School - Early Childhood.....	1,600	-	-	-	-	1,000	600
Mount Hawthorn Primary School.....	3,500	-	-	1,500	2,000	-	-
Mount Lockyer Primary School - Upgrades ^(a)	3,000	-	-	-	-	-	3,000
North Morley Primary School - Library.....	1,500	-	-	1,500	-	-	-
South Ballajura Primary School - Staff Toilet Upgrade.....	200	-	-	200	-	-	-
South Bunbury Primary School - Upgrades ^(a)	3,000	-	-	-	1,000	2,000	-
Tapping Primary School - Minor Upgrades.....	400	-	-	200	200	-	-
Weld Square Primary School - Administration.....	1,500	-	-	-	1,500	-	-
Yokine Primary School - Administration Upgrades	350	-	-	-	350	-	-
West Leederville Primary School	3,500	-	-	1,000	2,500	-	-
Other School Facilities							
City Beach College.....	500	-	-	500	-	-	-
Central Reserve Schools.....	615	-	-	-	-	615	-
Residential Colleges - City Beach Residential College.....	6,440	-	-	1,440	5,000	-	-
Total Cost of Asset Investment Program.....	2,525,836	1,016,127	345,873	452,298	436,548	301,074	190,294
Loan and Other Repayments.....			952	952	952	952	952
Total.....	2,525,836	1,016,127	346,825	453,250	437,500	302,026	191,246
FUNDED BY							
Capital Appropriation			152,252	249,067	191,181	159,855	85,075
Commonwealth Grants			3,055	8,225	-	-	-
Drawdowns from the Holding Account.....			40,470	28,290	18,529	18,529	18,529
Funding Included in Department of Treasury							
Administered Item			-	51,400	69,500	35,900	27,000
Internal Funds and Balances.....			70,589	17,428	9,067	7,040	7,040
Other			73,664	44,614	45,602	45,602	45,602
Drawdowns from Royalties for Regions Fund ^(b)			6,795	54,226	93,621	30,100	3,000
Funding Included in Royalties for Regions							
Administered Item			-	-	10,000	5,000	5,000
Total Funding.....			346,825	453,250	437,500	302,026	191,246

(a) Funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund.

Financial Statements

The 2015-16 Actual, 2016-17 Budget and the 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to the former Departments of Education and Education Services, School Curriculum and Standards Authority and Country High School Hostels Authority.

Income Statement

Expenses

The Total Cost of Services in 2017-18 of \$5 billion represents an increase of \$142 million or 2.9% compared to the 2016-17 Estimated Actual.

The additional funding is mainly attributable to:

- forecast student enrolment growth in 2017-18; and
- election commitments.

These increases are partially offset by savings including:

- revisions to forecast cost growth;
- lower rental charges for teacher housing in regional areas and reduced insurance premiums; and
- revisions to the depreciation calculation methodology.

Income

Total income from all sources is estimated to be \$5.1 billion for 2017-18, an increase of \$137.5 million or 2.8% compared to the 2016-17 Estimated Actual of \$4.9 billion. The increase is predominantly attributable to increased service appropriations and Quality Schools Commonwealth funding.

Statement of Financial Position

The Department's total equity is expected to increase by \$407.1 million (2.9%) between the 2016-17 Estimated Actual and the 2017-18 Budget Estimate. This reflects a projected increase in total assets of \$501.7 million (3.3%) which is partially offset by an increase in total liabilities of \$94.6 million (6.7%) over the same period.

The expected increase in assets is mainly attributable to continuing investment in school building works and increases to the Department's Holding Account for asset replacement.

The increase in liabilities is attributable to borrowings predominantly associated with the Western Australian Schools Public Private Partnership (\$64.9 million) to design, build and maintain public schools and also attributable to the increase to employee provisions for leave liabilities of \$14.6 million.

Statement of Cashflows

The 2017-18 closing cash assets balance of \$612.4 million represents a decrease of \$28 million (-4.4%) in comparison to the 2016-17 Estimated Actual of \$640.4 million. This is predominantly attributable to schools spending cash reserves in addition to their annual funding allocation.

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)	3,507,508	3,711,719	3,697,012	3,825,645	3,877,448	3,910,106	4,015,201
Supplies and services.....	990,235	899,996	903,310	921,006	965,910	984,152	1,016,374
Grants and subsidies ^(c)	38,938	48,352	48,432	41,305	32,573	31,234	29,126
Depreciation and amortisation.....	193,363	247,307	203,807	200,837	203,607	215,384	217,988
Finance costs.....	18,351	23,693	21,159	26,961	32,022	38,395	42,848
Other expenses.....	9,746	4,012	4,012	4,012	4,012	4,012	4,180
TOTAL COST OF SERVICES	4,758,141	4,935,079	4,877,732	5,019,766	5,115,572	5,183,283	5,325,717
Income							
User contributions, charges and fees.....	127,940	139,977	139,977	141,346	143,520	146,770	150,528
Grants and subsidies.....	647,771	686,792	687,435	724,651	761,124	798,530	879,152
Other revenue.....	88,808	84,167	84,167	85,406	86,435	87,678	84,391
Interest.....	21,724	25,156	24,806	25,083	25,974	26,720	27,753
Total Income	886,243	936,092	936,385	976,486	1,017,053	1,059,698	1,141,824
NET COST OF SERVICES	3,871,898	3,998,987	3,941,347	4,043,280	4,098,519	4,123,585	4,183,893
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	3,917,668	4,028,603	3,969,855	4,060,233	4,111,008	4,119,857	4,203,501
Grants from State Government agencies.....	6,921	4,046	4,079	5,629	3,563	3,563	3,563
Resources received free of charge.....	30,751	3,030	13,752	14,103	14,517	15,020	15,597
Royalties for Regions Fund:							
Regional Community Services Fund.....	6,072	7,022	6,578	12,769	18,792	22,193	23,700
Regional Infrastructure and Headworks Fund.....	3,265	-	1,052	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	3,964,677	4,042,701	3,995,316	4,092,734	4,147,880	4,160,633	4,246,361
SURPLUS/(DEFICIENCY) FOR THE PERIOD	92,779	43,714	53,969	49,454	49,361	37,048	62,468

(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 36,754, 38,630 and 39,011 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
Grants and Subsidies to Non-Government Schools and Other Organisations.....	38,757	48,302	48,382	41,255	32,521	31,180	29,072
Grants to Universities for Research Under the Australian Research Council Linkage Projects.....	30	-	-	-	-	-	-
Scholarships and Other Grants.....	151	50	50	50	52	54	54
TOTAL	38,938	48,352	48,432	41,305	32,573	31,234	29,126

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	646,822	557,476	575,785	543,517	516,463	502,872	521,495
Restricted cash	90,198	52,633	52,197	43,498	42,442	42,442	42,442
Holding account receivables	41,764	30,187	29,546	19,673	19,673	19,673	19,673
Receivables	52,566	47,028	52,665	52,764	52,863	52,962	53,061
Receivables - loans to schools	29,894	29,982	30,022	32,463	34,106	35,630	37,935
Other	9,699	20,410	9,699	9,699	9,699	9,699	9,699
Total Current Assets	870,943	737,716	749,914	701,614	675,246	663,278	684,305
NON-CURRENT ASSETS							
Holding account receivables	2,347,831	2,551,681	2,512,229	2,708,120	2,930,678	3,126,311	3,324,548
Property, plant and equipment	11,583,515	14,215,167	11,814,360	12,123,430	12,423,520	12,614,890	12,604,128
Intangibles	7,034	19,128	10,798	19,872	27,149	21,185	19,628
Restricted cash	-	14,271	12,368	25,355	38,358	51,993	66,095
Receivables - loans to schools	223,229	254,895	252,004	274,942	296,953	316,554	333,067
Total Non-Current Assets	14,161,609	17,055,142	14,601,759	15,151,719	15,716,658	16,130,933	16,347,466
TOTAL ASSETS	15,032,552	17,792,858	15,351,673	15,853,333	16,391,904	16,794,211	17,031,771
CURRENT LIABILITIES							
Provisions	624,904	585,178	601,287	601,781	625,877	625,877	625,877
Payables	130,382	92,635	138,867	142,005	142,323	167,433	184,686
Borrowings	45,431	45,069	45,554	45,236	46,879	48,403	50,708
Other	28,266	27,798	28,178	28,178	28,178	28,178	28,178
Total Current Liabilities	828,983	750,680	813,886	817,200	843,257	869,891	889,449
NON-CURRENT LIABILITIES							
Provisions	174,313	200,914	187,731	201,838	216,444	216,444	216,444
Borrowings	294,634	401,974	399,965	477,111	559,156	663,477	694,781
Other non-current liabilities	48	58	48	48	48	48	48
Total Non-Current Liabilities	468,995	602,946	587,744	678,997	775,648	879,969	911,273
TOTAL LIABILITIES	1,297,978	1,353,626	1,401,630	1,496,197	1,618,905	1,749,860	1,800,722
EQUITY							
Contributed equity	3,982,643	4,195,195	4,144,143	6,230,835	6,597,337	6,831,641	6,955,871
Accumulated surplus/(deficit) ^(b)	1,676,784	1,658,405	1,730,753	49,454	98,815	135,863	198,331
Reserves	8,075,147	10,585,632	8,075,147	8,076,847	8,076,847	8,076,847	8,076,847
Total Equity	13,734,574	16,439,232	13,950,043	14,357,136	14,772,999	15,044,351	15,231,049
TOTAL LIABILITIES AND EQUITY	15,032,552	17,792,858	15,351,673	15,853,333	16,391,904	16,794,211	17,031,771

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

(b) The Accumulated surplus 2016-17 Estimated Actual of \$1.7 billion is recognised as Contributed equity from 2017-18 onwards to acknowledge the transfer of functions to the new Department of Education.

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.....	3,673,904	3,791,159	3,775,911	3,844,669	3,868,777	3,904,551	3,985,591
Capital appropriation.....	167,175	157,227	152,706	250,313	193,381	163,304	89,230
Administered equity contributions.....	-	31,700	-	51,400	79,500	40,900	32,000
Holding account drawdowns.....	22,546	45,964	41,764	29,546	19,673	19,673	19,673
State Government grants.....	7,317	4,046	4,079	5,629	3,563	3,563	3,563
Royalties for Regions Fund:							
Regional Community Services Fund.....	6,072	7,022	6,578	12,769	18,792	22,193	23,700
Regional Infrastructure and Headworks							
Fund - recurrent.....	2,571	-	1,052	-	-	-	-
Regional Infrastructure and Headworks							
Fund - capital.....	36,335	18,000	6,795	54,226	93,621	30,100	3,000
Net cash provided by State Government.....	3,915,920	4,055,118	3,988,885	4,248,552	4,277,307	4,184,284	4,156,757
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(3,635,207)	(3,713,426)	(3,698,719)	(3,807,902)	(3,838,430)	(3,885,006)	(3,997,924)
Supplies and services.....	(930,361)	(895,400)	(887,992)	(905,117)	(949,738)	(967,418)	(999,082)
Grants and subsidies.....	(38,426)	(48,352)	(48,432)	(41,305)	(32,573)	(31,234)	(29,126)
GST payments.....	(85,568)	(109,833)	(109,833)	(109,796)	(109,824)	(109,875)	(109,874)
Finance costs.....	(10,941)	(16,945)	(15,431)	(20,784)	(25,477)	(31,421)	(35,530)
Receipts ^(b)							
User contributions, charges and fees.....	124,941	139,937	139,937	141,306	143,480	146,730	150,489
Grants and contributions.....	647,923	686,792	687,435	724,651	761,124	798,530	879,152
GST receipts.....	81,474	108,142	108,142	108,142	108,142	108,142	108,142
Interest receipts.....	15,850	17,156	17,302	18,215	18,999	19,961	20,831
Other receipts.....	117,001	84,067	84,067	85,306	86,335	87,578	84,291
Net cash from operating activities.....	(3,713,314)	(3,747,862)	(3,723,524)	(3,807,284)	(3,837,962)	(3,864,013)	(3,928,631)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(311,977)	(301,813)	(345,873)	(452,298)	(436,548)	(301,074)	(190,294)
Net cash from investing activities.....	(311,977)	(301,813)	(345,873)	(452,298)	(436,548)	(301,074)	(190,294)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(30,255)	(31,024)	(30,974)	(33,415)	(35,058)	(36,582)	(38,887)
Other payments.....	(69,883)	(72,306)	(72,306)	(73,098)	(74,052)	(75,301)	(61,255)
Proceeds from borrowings.....	55,700	57,100	57,100	57,100	57,100	57,100	57,100
Other Proceeds.....	28,352	29,982	30,022	32,463	34,106	35,630	37,935
Net cash from financing activities.....	(16,086)	(16,248)	(16,158)	(16,950)	(17,904)	(19,153)	(5,107)
NET INCREASE/(DECREASE) IN CASH HELD.....	(125,457)	(10,805)	(96,670)	(27,980)	(15,107)	44	32,725
Cash assets at the beginning of the reporting period.....	862,477	635,185	737,020	640,350	612,370	597,263	597,307
Cash assets at the end of the reporting period.....	737,020	624,380	640,350	612,370	597,263	597,307	630,032

(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	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
User Contributions, Charges and Fees							
Fees - Agricultural Colleges.....	3,986	4,097	3,505	3,583	3,607	3,655	3,705
Fees - Other.....	1,777	2,281	2,873	2,993	3,053	3,092	3,131
Fees - Swimming Classes.....	598	628	628	648	648	648	648
Physical Education Camp School Receipts...	2,231	2,285	2,285	2,273	2,251	2,293	2,337
Schools Charges and Fees.....	99,156	112,110	112,110	113,904	115,954	118,969	121,943
Receipts - Sale of Goods and Services.....	14,649	15,993	15,993	15,550	15,735	15,807	16,736
Regulatory Fees - Receipts.....	1,371	1,719	1,719	1,500	1,376	1,409	1,132
Grants and Contributions							
Commonwealth Grants - Recurrent.....	635,190	686,792	684,380	716,426	761,124	798,530	879,152
Commonwealth Grants - Capital.....	12,733	-	3,055	8,225	-	-	-
GST Receipts							
GST Input Credits.....	77,187	100,792	100,792	100,792	100,792	100,792	100,792
GST Receipts on Sales.....	3,094	6,990	6,990	6,990	6,990	6,990	6,990
Interest Receipts							
Interest Received.....	15,850	17,156	17,302	18,215	18,999	19,961	20,831
Other Receipts							
Farm School Receipts.....	1,507	1,332	1,332	1,332	1,332	1,332	1,332
Other Receipts.....	57,052	27,455	27,877	28,194	28,194	28,194	24,458
Developers Contribution.....	7,338	7,422	7,000	7,000	7,000	7,000	7,000
Schools - Donations.....	16,521	17,761	17,761	18,045	18,370	18,847	19,318
Schools - Other Receipts.....	33,009	28,454	28,454	29,092	29,796	30,562	31,317
TOTAL	983,250	1,033,267	1,034,056	1,074,762	1,115,221	1,158,081	1,240,822

(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	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
INCOME							
Other							
Interest Revenue.....	2	7	7	7	7	7	7
Service Appropriation.....	439,446	449,237	449,237	450,593	461,526	474,026	474,026
TOTAL ADMINISTERED INCOME	439,448	449,244	449,244	450,600	461,533	474,033	474,033
EXPENSES							
Grants to Charitable and Other Public Bodies							
Per Capita Grants to Non-Government Schools.....	394,121	409,304	409,304	408,702	421,715	433,101	433,101
Supplementation Grants to Special Education Schools.....	23,861	23,572	23,572	24,320	25,239	26,352	26,352
Psychology Services Grant.....	4,605	4,605	4,605	4,605	4,605	4,605	4,605
Australian Music Examinations Board.....	181	181	181	181	181	181	181
Teacher Training for Vocational Education and Training in Schools.....	666	-	-	-	-	-	-
Students at Risk.....	1,216	1,273	1,273	1,273	1,273	1,273	1,273
Funding for Western Australian Hospital Services and Western Australian Institute for Deaf Education in Non-Government Schools.....	5,887	6,327	6,327	4,862	4,862	4,862	4,862
Capital Grant to Catholic Education Western Australia.....	-	-	-	3,000	-	-	-
All Other Grants.....	173	156	156	157	158	159	159
Statutory Authorities							
Curtin University of Technology - Debt Charges.....	37	15	15	-	-	-	-
Other							
Superannuation - Higher Education Institutions.....	3,661	3,800	3,800	3,500	3,500	3,500	3,500
Finance Costs.....	2	11	11	-	-	-	-
TOTAL ADMINISTERED EXPENSES	434,410	449,244	449,244	450,600	461,533	474,033	474,033

Division 11 Training and Workforce Development

Part 5 Minister for Education and Training

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 18 Net amount appropriated to deliver services ^(a)	363,378	350,482	350,482	351,736	346,909	301,528	305,836
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	2,990	2,990	1,808	1,815	1,815	1,815	1,815
Total appropriations provided to deliver services.....	366,368	353,472	352,290	353,551	348,724	303,343	307,651
CAPITAL							
Item 93 Capital Appropriation	8,279	12,216	12,216	237	-	-	-
TOTAL APPROPRIATIONS	374,647	365,688	364,506	353,788	348,724	303,343	307,651
EXPENSES							
Total Cost of Services.....	609,804	611,368	548,386	582,906	555,761	552,452	559,382
Net Cost of Services ^(b)	354,330	338,213	286,731	367,578	334,979	328,916	333,646
CASH ASSETS ^(c)	124,057	99,516	157,832	116,005	114,046	118,761	123,654

- (a) 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.
- (b) 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.
- (c) 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					
Apprenticeships in Craft Industries ^(a)	-	963	1,945	1,983	2,023
Vocational Education and Training Fee Freeze	-	638	2,040	3,674	5,433
Other					
2016-17 Estimated Outturn	(61,000)	-	-	-	-
Adjustment to Commonwealth Grants	(887)	(554)	(709)	(559)	(539)
Adjustment to Training Delivery Forecast	-	26,900	-	-	-
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(27)	(55)	(83)	(111)
Increase to International Student Fees	-	-	354	708	708
Non-Government Human Services Sector Indexation Adjustment.....	-	(90)	(92)	(94)	(97)
Regional Workers Incentives Allowance	(771)	(830)	(887)	(973)	-
Revision to Indexation for Non-Salary Expenses	-	(1,101)	(2,162)	(3,223)	(4,306)
Revision to Own Source Revenue Estimates.....	-	(3,000)	-	-	-

- (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 will progress initiatives to support the Government's jobs growth and training priorities including:
 - revamping the State Training Board and Industry Training Councils to ensure their input provides a direct link between industry needs and government economic direction;
 - introducing a quality control system including an ongoing audit process for private registered training providers seeking to deliver government funded training places with an increase in onsite audits and a focus on outcomes;
 - progressing the expansion of the Priority Start Policy to all major State funded construction investment to create more jobs for apprentices and trainees;
 - ensuring the State Priority Occupation List is more responsive to the regions and also ensuring regional TAFEs deliver training that aligns with future job growth in the regions;
 - implementing a Vocational Education and Training (VET) Regional Partnerships Program to provide an opportunity for regional TAFEs to invest in new and innovative long-term partnerships to create training and job opportunities;
 - progressing the implementation of TAFE Industry Skills Centres to provide a single point of contact for industry, business and individual jobseekers around their career and training needs;
 - working with the TAFE sector to contribute to the Government's long-term international education strategy to increase Western Australia's market share of international students; and
 - providing craft industry apprenticeship training in Western Australia rather than through interstate providers.
- The National Partnership Agreement on Skills Reform expired on 30 June 2017, with a final payment of \$53.8 million in 2016-17. The Commonwealth Government has announced a new National Partnership on the Skilling Australians Fund targeting growth in apprentices and trainees. The details and terms of the agreement are currently being negotiated.
- The Government has announced that from 2018, VET course fees will be frozen over the forward estimates period to address affordability concerns for prospective students and employers following a protracted period of significant fee increases.

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 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 Goal	Desired Outcomes	Services
Future Jobs and Skills: Grow and diversify the economy, create jobs and support skills development.	A skilled workforce that meets the State's economic and community needs.	1. Workforce Planning and Development 2. Development of Vocational Education and Training Policy and Programs 3. Career and Workforce Development Services 4. Skilled Migration, including Overseas Qualification Assessment
	A flexible, responsive, innovative and quality training system.	5. Apprenticeship and Traineeship Administration and Regulation 6. Procurement of Training 7. Recruitment and Management of International Students 8. Infrastructure Management for TAFE Colleges 9. Support Services to TAFE Colleges

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. Workforce Planning and Development.....	10,777	12,357	9,006	10,232	10,267	10,302	10,336
2. Development of Vocational Education and Training Policy and Programs	6,850	8,370	6,686	8,381	8,426	8,471	8,516
3. Career and Workforce Development Services	13,157	14,459	12,451	14,861	14,906	14,950	14,994
4. Skilled Migration, including Overseas Qualification Assessment.....	1,726	2,062	1,710	1,991	2,003	2,015	2,028
5. Apprenticeship and Traineeship Administration and Regulation	9,091	10,180	8,827	10,005	10,071	10,137	10,203
6. Procurement of Training.....	483,782	476,863	426,004	452,123	424,507	420,726	427,184
7. Recruitment and Management of International Students.....	46,199	48,493	41,258	42,387	42,426	42,466	42,506
8. Infrastructure Management for TAFE Colleges	2,950	4,251	9,032	3,037	3,049	3,061	3,074
9. Support Services to TAFE Colleges	35,272	34,333	33,412	39,889	40,106	40,324	40,541
Total Cost of Services	609,804	611,368	548,386	582,906	555,761	552,452	559,382

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16	2016-17	2016-17	2017-18	
	Actual	Budget	Estimated Actual	Budget Target	Note
Outcome: A skilled workforce that meets the State's economic and community needs:					
Extent to which career and workforce development advice provided to clients results in employment or training outcomes	77.1%	60%	69.7%	70%	1
Proportion of State nominated skilled migrants employed in priority occupations after arrival	35%	40%	67.8%	70%	2
Outcome: A flexible, responsive, innovative and quality training system:					
Proportion of delivery in training aligned with State priority occupations.....	63.8%	65%	65.4%	65%	
Proportion of graduates satisfied with the overall quality of training.....	87.9%	89%	87.4%	90%	

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

Explanation of Significant Movements

(Notes)

- The 2016-17 Budget was set prior to the 2015-16 Actual and was understated due to a lack of historical data.
- The proportion of State nominated skilled migrants employed in priority occupations after arrival in the 2016-17 Estimated Actual and the 2017-18 Budget Target includes a proportional increase in the number of occupations requiring a full-time contract of employment on the Western Australian Skilled Migration Occupation List.

Services and Key Efficiency Indicators

1. Workforce Planning and Development ^(a)

The Department works closely with industry, the community and across government in gathering and analysing workforce data and intelligence to identify the State's workforce development and training priorities.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 10,777	\$'000 12,357	\$'000 9,006	\$'000 10,232	1
Less Income.....	58	43	106	316	
Net Cost of Service.....	10,719	12,314	8,900	9,916	
Employees (Full Time Equivalents) ^(b)	33	39	34	35	
Efficiency Indicator					
Average Cost per Industry and Stakeholder Contact.....	\$4,356	\$2,319	\$2,830	\$3,131	2,3

(a) The 2016-17 Estimated Actual and the 2017-18 Budget Target performance information reflects refinements to the calculation methodology relating to the allocation of overheads to Total Cost of Service, Income and Employees across the agency's services.

(b) The 2015-16 Actual and the 2016-17 Estimated Actual reflects paid Full Time Equivalents (FTEs) at the end of the period. The 2016-17 Budget and the 2017-18 Budget Target reflects the approved establishment.

Explanation of Significant Movements

(Notes)

- The Total Cost of Service has decreased between the 2016-17 Budget and the 2016-17 Estimated Actual largely due to lower than anticipated spend and the implementation of savings measures.
- The Average Cost per Industry and Stakeholder Contact in the 2015-16 Actual, the 2016-17 Estimated Actual and the 2017-18 Budget Target excludes grants for industry advisory arrangements. The 2016-17 Budget is based on assumptions which exclude a fixed percentage of the Total Cost of Service.
- The Average Cost per Industry and Stakeholder Contact has reduced between the 2015-16 Actual and the 2016-17 Estimated Actual largely as a result of an increase in industry and stakeholder contacts.

2. Development of Vocational Education and Training Policy and Programs ^(a)

The Department develops policies and programs that promote the effective and efficient operation of the State's VET system. Policy and program development is aligned to the Department's strategic direction for workforce development and training including higher education and the school sector.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 6,850	\$'000 8,370	\$'000 6,686	\$'000 8,381	
Less Income.....	74	55	128	411	
Net Cost of Service.....	6,776	8,315	6,558	7,970	
Employees (Full Time Equivalents) ^(b)	42	48	41	45	
Efficiency Indicator					
Average Cost of Meeting Major Policy Milestones.....	\$27,843	\$41,850	\$22,066	\$27,937	1

(a) The 2016-17 Estimated Actual and the 2017-18 Budget Target performance information reflects refinements to the calculation methodology relating to the allocation of overheads to Total Cost of Service, Income and Employees across the agency's services.

(b) The 2015-16 Actual and the 2016-17 Estimated Actual reflects paid FTEs at the end of the period. The 2016-17 Budget and the 2017-18 Budget Target reflects the approved establishment.

Explanation of Significant Movements

(Notes)

- The Average Cost of Meeting Major Policy Milestones has reduced between the 2016-17 Budget and the 2016-17 Estimated Actual largely as a result of one-off savings and an increase in briefings relating to research and policy development. The Average Cost of Meeting Major Policy Milestones is expected to increase between the 2016-17 Estimated Actual and the 2017-18 Budget Target largely due to the one-off savings in 2016-17.

3. Career and Workforce Development Services ^(a)

Career and Workforce Development Services provide education and training information, career guidance to the Western Australian community, as well as employment, training and mentoring services to Aboriginal people and communities.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 13,157	\$'000 14,459	\$'000 12,451	\$'000 14,861	
Less Income.....	69	54	107	405	
Net Cost of Service.....	13,088	14,405	12,344	14,456	
Employees (Full Time Equivalents) ^(b)	39	43	35	44	
Efficiency Indicator					
Average Cost per Career and Workforce Development Centre Client Contact.....	\$307	\$220	\$305	\$363	1,2

(a) The 2016-17 Estimated Actual and the 2017-18 Budget Target performance information reflects refinements to the calculation methodology relating to the allocation of overheads to Total Cost of Service, Income and Employees across the agency's services.

(b) The 2015-16 Actual and the 2016-17 Estimated Actual reflects paid FTEs at the end of the period. The 2016-17 Budget and the 2017-18 Budget Target reflects the approved establishment.

Explanation of Significant Movements

(Notes)

- The Average Cost per Career and Workforce Development Centre Client Contact reflects a change in the reporting of contracted services to ensure that the measure applies to the number of individual people serviced rather than the number of total occasions the services were provided. The 2015-16 Actual, 2016-17 Estimated Actual and the 2017-18 Budget Target are based on the individual contact only.
- The increase in the Average Cost per Career and Workforce Development Centre Client Contact between the 2016-17 Estimated Actual and the 2017-18 Budget Target is largely a result of lower than anticipated spend in 2016-17.

4. Skilled Migration, including Overseas Qualification Assessment ^(a)

Skilled Migration, including Overseas Qualification Assessment assesses applications from intending skilled migrants who wish to migrate to Western Australia, and assesses post-secondary qualifications gained overseas for Western Australian residents. The service aims to facilitate skilled migration to Western Australia to supplement the local workforce and enable overseas trained residents to access education, training and employment through recognition of overseas qualifications.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 1,726	\$'000 2,062	\$'000 1,710	\$'000 1,991	
Less Income.....	580	537	511	242	
Net Cost of Service.....	1,146	1,525	1,199	1,749	
Employees (Full Time Equivalents) ^(b)	12	15	12	12	
Efficiency Indicator					
Average Cost to Administer Migration Applications and Overseas Qualification Assessments.....	\$320	\$383	\$375	\$719	1

(a) The 2016-17 Estimated Actual and the 2017-18 Budget Target performance information reflects refinements to the calculation methodology relating to the allocation of overheads to Total Cost of Service, Income and Employees across the agency's services.

(b) The 2015-16 Actual and the 2016-17 Estimated Actual reflects paid FTEs at the end of the period. The 2016-17 Budget and the 2017-18 Budget Target reflects the approved establishment.

Explanation of Significant Movements

(Notes)

- The Average Cost to Administer Migration Applications and Overseas Qualification Assessments has increased between the 2016-17 Estimated Actual and the 2017-18 Budget Target largely as a result of a decrease in migration applications, in line with an overall reduction in the number of occupations on the Western Australian Skilled Migration Occupation List and the suspension of Perth from the Regional Skilled Migration Scheme.

5. Apprenticeship and Traineeship Administration and Regulation ^(a)

Apprenticeship and Traineeship Administration and Regulation includes registration of training contracts and administration of contract variations, educating participants on training contract and legislation requirements, dispute resolution and monitoring of legislative compliance.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 9,091	\$'000 10,180	\$'000 8,827	\$'000 10,005	1
Less Income.....	127	144	195	601	
Net Cost of Service.....	8,964	10,036	8,632	9,404	
Employees (Full Time Equivalents) ^(b)	60	74	63	66	
Efficiency Indicator					
Average Cost per Active Training Contract.....	\$225	\$236	\$246	\$250	

(a) The 2016-17 Estimated Actual and the 2017-18 Budget Target performance information reflects refinements to the calculation methodology relating to the allocation of overheads to Total Cost of Service, Income and Employees across the agency's services.

(b) The 2015-16 Actual and the 2016-17 Estimated Actual reflects paid FTEs at the end of the period. The 2016-17 Budget and the 2017-18 Budget Target reflects the approved establishment.

Explanation of Significant Movements

(Notes)

- The Total Cost of Service has decreased between the 2016-17 Budget and the 2016-17 Estimated Actual largely due to lower than anticipated apprenticeship and traineeship activity in 2016-17. The increase between the 2016-17 Estimated Actual and the 2017-18 Budget Target reflects a forecast increase in the level of activity resulting from policy changes targeting growth in apprentices and trainees.

6. Procurement of Training ^(a)

Procurement of Training comprises the purchasing of training delivery services from TAFE Colleges and private training providers in accordance with the State's priorities and the State Training Plan. The service is differentiated according to the major training funding categories.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 483,782	\$'000 476,863	\$'000 426,004	\$'000 452,123	1
Less Income.....	201,677	217,250	215,419	164,011	2
Net Cost of Service.....	282,105	259,613	210,585	288,112	
Employees (Full Time Equivalents) ^(b)	63	60	64	62	
Efficiency Indicators ^(c)					
Cost per Student Curriculum Hour:					3
Diploma and Above.....	\$10.71	\$10.33	\$9.24	\$9.32	
Apprenticeships and Traineeships (Certificate IV and Below).....	\$13.96	\$13.53	\$12.68	\$12.79	
Priority Industry Training (Certificate I to Certificate IV).....	\$12.72	\$12.27	\$12.13	\$12.23	
General Industry Training (Certificate I to Certificate IV).....	\$15.25	\$14.71	\$14.89	\$14.99	
Foundation Skills Courses.....	\$16.75	\$16.17	\$15.59	\$15.73	

(a) The 2016-17 Estimated Actual and the 2017-18 Budget Target performance information reflects refinements to the calculation methodology relating to the allocation of overheads to Total Cost of Service, Income and Employees across the agency's services.

(b) The 2015-16 Actual and the 2016-17 Estimated Actual reflects paid FTEs at the end of the period. The 2016-17 Budget and the 2017-18 Budget Target reflects the approved establishment.

(c) The Cost per Student Curriculum Hour is derived using calendar year training delivery data.

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service has decreased between the 2016-17 Budget and the 2016-17 Estimated Actual largely due to lower levels of training demand. The increase between the 2016-17 Estimated Actual and the 2017-18 Budget Target is largely due to the utilisation of cash balances to fund training delivery.
2. Income has decreased between the 2016-17 Estimated Actual and the 2017-18 Budget Target largely due to the expiry of the Commonwealth National Partnership Agreement on Skills Reform on 30 June 2017.
3. The Cost per Student Curriculum Hour has increased between the 2016-17 Estimated Actual and the 2017-18 Budget Target largely as a result of indexation.

7. Recruitment and Management of International Students

Recruitment and Management of International Students involves the marketing of Western Australian TAFE Colleges and public schools offshore and onshore, and the management of admissions, compliance and the welfare of international students according to relevant legislation.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	46,199	48,493	41,258	42,387	1
Less Income.....	45,975	48,393	40,944	42,075	2
Net Cost of Service.....	224	100	314	312	
Employees (Full Time Equivalents) ^(a).....	45	40	46	40	
Efficiency Indicator					
Average Cost of Recruitment and Management per Full Time Equivalent International Student	\$1,445	\$1,802	\$1,397	\$1,501	3

(a) The 2015-16 Actual and the 2016-17 Estimated Actual reflects paid FTEs at the end of the period. The 2016-17 Budget and the 2017-18 Budget Target reflects the approved establishment.

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service has decreased between the 2016-17 Budget and the 2016-17 Estimated Actual largely due to lower than anticipated levels of training delivery grants and spend in TAFE International Western Australia.
2. Income has decreased between the 2016-17 Budget and the 2016-17 Estimated Actual largely due to lower than anticipated student tuition fee revenue.
3. The Average Cost of Recruitment and Management per Full Time Equivalent International Student has reduced between the 2016-17 Budget and the 2016-17 Estimated Actual largely as a result of lower than anticipated spend in TAFE International Western Australia.

8. Infrastructure Management for TAFE Colleges ^(a)

Infrastructure Management for TAFE Colleges includes the maintenance, administration and strategic development of land and buildings used to deliver publicly funded training in campuses across the State.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 2,950	\$'000 4,251	\$'000 9,032	\$'000 3,037	1
Less Income.....	1,979	6	43	112	
Net Cost of Service.....	971	4,245	8,989	2,925	
Employees (Full Time Equivalents) ^(b)	13	17	14	12	
Efficiency Indicator					
Average Cost to Administer Training Infrastructure per TAFE College	\$262,555	\$511,676	\$546,174	\$507,389	2,3

(a) The 2016-17 Estimated Actual and the 2017-18 Budget Target performance information reflects refinements to the calculation methodology relating to the allocation of overheads to Total Cost of Service, Income and Employees across the agency's services.

(b) The 2015-16 Actual and the 2016-17 Estimated Actual reflects paid FTEs at the end of the period. The 2016-17 Budget and the 2017-18 Budget Target reflects the approved establishment.

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service is higher in the 2016-17 Estimated Actual due to one-off grants to TAFE Colleges for critical equipment upgrades and replacement.
2. The 2016-17 Budget, the 2016-17 Estimated Actual and the 2017-18 Budget Target are based on the five new TAFE Colleges created on 11 April 2016. The 2015-16 Actual is based on the previous number of colleges in existence during the year.
3. The Average Cost to Administer Training Infrastructure per TAFE College has reduced between the 2016-17 Estimated Actual and the 2017-18 Budget Target largely as a result of higher than anticipated spend in 2016-17.

9. Support Services to TAFE Colleges ^(a)

Support Services to TAFE Colleges include the supply, management and maintenance of information communication technology, finance and human resource services.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 35,272	\$'000 34,333	\$'000 33,412	\$'000 39,889	
Less Income.....	4,935	6,673	4,202	7,155	
Net Cost of Service.....	30,337	27,660	29,210	32,734	
Employees (Full Time Equivalents) ^(b)	179	205	188	218	
Efficiency Indicator					
Average Cost to Administer Support Services per TAFE College.....	\$4,058,153	\$6,866,600	\$6,682,323	\$7,958,503	1,2

(a) The 2016-17 Estimated Actual and the 2017-18 Budget Target performance information reflects refinements to the calculation methodology relating to the allocation of overheads to Total Cost of Service, Income and Employees across the agency's services.

(b) The 2015-16 Actual and the 2016-17 Estimated Actual reflects paid FTEs at the end of the period. The 2016-17 Budget and the 2017-18 Budget Target reflects the approved establishment.

Explanation of Significant Movements

(Notes)

1. The 2016-17 Budget, the 2016-17 Estimated Actual and the 2017-18 Budget Target are based on the five new TAFE Colleges created on 11 April 2016. The 2015-16 Actual is based on the previous number of colleges in existence during the year.
2. The Average Cost to Administer Support Services per TAFE College has increased between the 2016-17 Estimated Actual and the 2017-18 Budget Target largely due to refinements to the overhead cost calculation methodology and lower than anticipated spend in 2016-17.

Asset Investment Program

Works that are expected to be completed in 2017-18 include the following projects:

- \$12.4 million Specialist Engineering Training Centre at South Metropolitan TAFE's Australian Centre for Energy Process Training campus in Munster;
- \$42 million multi-storey training centre for South Metropolitan TAFE's Murdoch campus;
- \$9.5 million Centre of Specialisation for Electrical Instrumentation at the North Regional TAFE's Karratha campus;
- \$12.1 million Health and Allied Services Training Centre at North Regional TAFE's Pundulmurra campus; and
- \$0.9 million Muresk Agricultural Skills Development Pathway Program.

Works with estimated expenditure continuing in 2017-18 include the following projects:

- \$13 million Information and Communications Technology Student Management System for the training sector; and
- \$69.8 million Remedial Works Program which will be used for a range of essential projects to upgrade ageing infrastructure and better equip TAFE Colleges so that students and industry have access to contemporary and industry relevant training infrastructure.

New works include the following:

- \$0.2 million election commitment for project planning and preparation of the business case for the major upgrade of South Regional TAFE's Collie campus; and
- \$17.9 million Esperance replacement campus at South Regional TAFE to provide industry relevant training facilities to support the training and workforce development needs of the Esperance region.

	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
WORKS IN PROGRESS							
ICT Student Management System for the Training Sector....	13,000	5,700	5,422	5,242	2,058	-	-
New Buildings and Additions at TAFE Colleges							
South Metropolitan TAFE							
Engineering Training Centre (Munster)	12,416	10,961	9,491	1,455	-	-	-
Murdoch Stage 4	41,969	33,009	22,591	8,960	-	-	-
Pilbara Education Partnership							
North Regional TAFE							
Electrical Instrumentation Centre of Specialisation (a)	9,500	9,300	4,425	200	-	-	-
Health and Allied Services Training Centre (a)	12,137	11,937	4,458	200	-	-	-
Regional Capital Works Initiative - Muresk Agricultural							
Skills Development (a)	850	407	225	443	-	-	-
Remedial Works Program	69,767	16,417	5,893	15,300	15,300	9,450	13,300
COMPLETED WORKS							
Regional Capital Works Initiative							
Central Regional TAFE - Student Services Interactive							
Hub (a)	2,755	2,755	2,563	-	-	-	-
Goldfields Art Centre (a)	5,000	5,000	15	-	-	-	-
Skills Training Initiative							
Muresk Institute (a)	4,707	4,707	1,002	-	-	-	-
North Regional TAFE - South Hedland and Karratha							
Campuses Upgrade and Expansion (a)	15,219	15,219	1,085	-	-	-	-
Training Record System and Quality Business System.....	6,300	6,300	1,021	-	-	-	-
NEW WORKS							
New Buildings and Additions at TAFE Colleges							
Election Commitment - Plan for Collie-Preston:							
Collie TAFE Major Upgrade (a)	200	-	-	200	-	-	-
South Regional TAFE Esperance New Replacement							
Campus (a)	17,850	-	-	-	-	5,850	12,000
Total Cost of Asset Investment Program.....	211,670	121,712	58,191	32,000	17,358	15,300	25,300
FUNDED BY							
Capital Appropriation			12,216	237	-	-	-
Internal Funds and Balances.....			24,265	15,420	2,058	-	-
Drawdowns from Royalties for Regions Fund (b)			6,710	1,043	-	-	10,000
Commonwealth Recurrent Funding for Capital Purposes....			15,000	15,300	15,300	15,300	15,300
Total Funding.....			58,191	32,000	17,358	15,300	25,300

(a) Funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund.

Financial Statements

Income Statement

Expenses

The \$63 million, or 10.3%, reduction in the Total Cost of Services between the 2016-17 Budget and the 2016-17 Estimated Actual is largely due to lower levels of training demand.

The forecast \$34.5 million, or 6.3%, increase in the Total Cost of Services between the 2016-17 Estimated Actual and the 2017-18 Budget Estimate is largely due to the utilisation of cash balances to fund training delivery.

Income

The forecast \$46.3 million, or 17.7%, reduction in total income between the 2016-17 Estimated Actual and the 2017-18 Budget Estimate is largely due to the expiry of the Commonwealth National Partnership Agreement on Skills Reform on 30 June 2017.

Statement of Financial Position

The \$57.6 million, or 57.5%, increase in total cash assets between the 2016-17 Budget and the 2016-17 Estimated Actual is largely due to the lower than anticipated Total Cost of Services, largely reflecting lower levels of training demand.

The forecast \$41.8 million, or 26.5%, decrease in total cash assets between the 2016-17 Estimated Actual and the 2017-18 Budget Estimate is largely due to the utilisation of cash balances to fund training delivery.

The forecast \$56.4 million, or 53.4%, decrease in property, plant and equipment between the 2016-17 Estimated Actual and the 2017-18 Budget Estimate is largely due to the transfer of completed capital works to the TAFE Colleges.

The \$86.8 million, or 45.2%, increase in total equity between the 2016-17 Budget and the 2016-17 Estimated Actual is largely due to the timing of transfers of completed capital works to the TAFE Colleges and the lower than anticipated Total Cost of Services.

The forecast \$91.9 million, or 33%, decrease in total equity between the 2016-17 Estimated Actual and the 2017-18 Budget Estimate is largely due to the timing of transfers of completed capital works to the TAFE Colleges and the utilisation of funds for training delivery.

Statement of Cashflows

The \$57.5 million, or 57.4%, increase in cash assets at the end of the reporting period between the 2016-17 Budget and the 2016-17 Estimated Actual is largely due to the lower than anticipated Total Cost of Services, largely reflecting lower levels of training demand.

The forecast \$41.8 million, or 26.5%, decrease in cash assets between the 2016-17 Estimated Actual and the 2017-18 Budget Estimate is largely due to the utilisation of cash balances to fund training delivery.

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)	53,193	63,765	55,484	59,794	59,078	58,031	58,083
Grants and subsidies ^(c)	464,856	471,328	422,100	445,596	416,009	413,620	420,092
Supplies and services.....	32,498	30,262	25,208	28,715	29,232	29,043	30,015
Accommodation.....	6,266	7,048	7,048	7,418	8,133	8,309	8,309
Depreciation and amortisation.....	2,118	1,857	1,857	3,100	3,100	3,100	3,100
Other expenses.....	50,873	37,108	36,689	38,283	40,209	40,349	39,783
TOTAL COST OF SERVICES	609,804	611,368	548,386	582,906	555,761	552,452	559,382
Income							
Sale of goods and services.....	1,923	5,679	1,161	1,654	1,604	1,604	1,604
Grants and subsidies.....	198,824	216,792	213,449	161,800	163,900	166,300	168,500
Other revenue.....	54,727	50,684	47,045	51,874	55,278	55,632	55,632
Total Income	255,474	273,155	261,655	215,328	220,782	223,536	225,736
NET COST OF SERVICES	354,330	338,213	286,731	367,578	334,979	328,916	333,646
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	366,368	353,472	352,290	353,551	348,724	303,343	307,651
Resources received free of charge.....	1,092	294	294	294	294	294	294
Royalties for Regions Fund:							
Regional Community Services Fund.....	7,853	3,999	3,643	2,588	1,269	45,116	45,716
Regional Infrastructure and Headworks Fund.....	329	1,002	887	1,076	1,125	-	-
TOTAL INCOME FROM STATE GOVERNMENT	375,642	358,767	357,114	357,509	351,412	348,753	353,661
SURPLUS/(DEFICIENCY) FOR THE PERIOD	21,312	20,554	70,383	(10,069)	16,433	19,837	20,015

(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 486, 497 and 534 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 ^(a)

	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
Contracts and Agreements for the Delivery of Training and Employment Services by TAFE Colleges, Private Training Providers and the Western Australian Academy of Performing Arts at Edith Cowan University. ...	460,861	463,958	417,277	440,657	410,990	408,926	415,398
Other Grants and Subsidies.....	3,995	7,370	4,823	4,939	5,019	4,694	4,694
TOTAL	464,856	471,328	422,100	445,596	416,009	413,620	420,092

(a) Controlled Grants and Subsidies differs from the Department's 2015-16 Annual Report due to differences in the calculation methodology applied.

**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	59,324	18,342	83,457	55,011	51,591	50,130	49,143
Restricted cash	64,733	81,844	74,375	60,994	62,455	68,631	74,511
Receivables	4,730	7,797	4,730	4,730	4,730	4,730	4,730
Other.....	4,635	3,418	4,635	4,635	4,635	4,635	4,635
Total current assets	133,422	110,731	167,197	125,370	123,411	128,126	133,019
NON-CURRENT ASSETS							
Holding account receivables.....	37,017	38,874	38,874	41,381	43,888	46,395	48,902
Property, plant and equipment.....	74,991	77,258	105,546	49,196	49,196	54,989	61,782
Intangibles	4,911	10,148	7,961	11,903	12,661	11,361	10,061
Other.....	819	847	819	819	819	819	819
Total non-current assets	117,738	127,127	153,200	103,299	106,564	113,564	121,564
TOTAL ASSETS	251,160	237,858	320,397	228,669	229,975	241,690	254,583
CURRENT LIABILITIES							
Employee provisions	9,887	9,569	9,887	9,887	9,887	9,887	9,887
Payables	1,827	1,441	1,827	1,827	1,827	1,827	1,827
Other.....	26,793	32,785	26,958	27,127	27,300	27,478	27,656
Total current liabilities	38,507	43,795	38,672	38,841	39,014	39,192	39,370
NON-CURRENT LIABILITIES							
Employee provisions	2,973	2,880	2,973	2,973	2,973	2,973	2,973
Other.....	13	35	13	13	13	13	13
Total non-current liabilities	2,986	2,915	2,986	2,986	2,986	2,986	2,986
TOTAL LIABILITIES.....	41,493	46,710	41,658	41,827	42,000	42,178	42,356
EQUITY							
Contributed equity	88,791	49,604	87,480	5,652	(9,648)	(17,948)	(25,248)
Accumulated surplus/(deficit).....	120,675	140,560	191,057	180,988	197,421	217,258	237,273
Reserves.....	201	984	202	202	202	202	202
Total equity	209,667	191,148	278,739	186,842	187,975	199,512	212,227
TOTAL LIABILITIES AND EQUITY	251,160	237,858	320,397	228,669	229,975	241,690	254,583

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

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.....	365,161	351,615	350,433	351,044	346,217	300,836	305,144
Capital appropriation.....	8,279	12,216	12,216	237	-	-	-
Royalties for Regions Fund:							
Regional Community Services Fund.....	8,253	4,224	3,671	3,031	1,269	45,116	45,716
Regional Infrastructure and Headworks Fund.....	19,604	8,084	7,569	1,676	1,125	-	10,000
Receipts paid into Consolidated Account.....	(1,290)	-	-	-	-	-	-
Net cash provided by State Government.....	400,007	376,139	373,889	355,988	348,611	345,952	360,860
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(57,189)	(63,600)	(55,319)	(59,625)	(58,905)	(57,853)	(57,905)
Grants and subsidies.....	(466,917)	(471,328)	(422,100)	(445,596)	(416,009)	(413,620)	(420,092)
Supplies and services.....	(32,916)	(28,211)	(24,657)	(28,138)	(28,595)	(28,406)	(29,378)
Accommodation.....	(6,358)	(7,048)	(7,323)	(7,693)	(8,408)	(8,584)	(8,584)
Other payments.....	(68,988)	(56,811)	(56,617)	(60,912)	(62,898)	(61,831)	(61,265)
Receipts ^(b)							
Grants and subsidies.....	200,876	216,792	213,449	161,800	163,900	166,300	168,500
Sale of goods and services.....	1,942	2,915	397	1,654	1,604	1,604	1,604
GST receipts.....	18,009	20,821	20,821	20,821	20,821	20,821	20,821
Other receipts.....	54,916	50,573	46,934	51,874	55,278	55,632	55,632
Net cash from operating activities.....	(356,625)	(335,897)	(284,415)	(365,815)	(333,212)	(325,937)	(330,667)
CASHFLOWS FROM INVESTING ACTIVITIES							
Payments							
Purchase of non-current assets.....	(38,017)	(59,489)	(58,191)	(32,000)	(17,358)	(15,300)	(25,300)
Receipts							
Proceeds from sale of non-current assets.....	1,308	-	-	-	-	-	-
Net cash from investing activities.....	(36,709)	(59,489)	(58,191)	(32,000)	(17,358)	(15,300)	(25,300)
NET INCREASE/(DECREASE) IN CASH HELD.....							
	6,673	(19,247)	31,283	(41,827)	(1,959)	4,715	4,893
Cash assets at the beginning of the reporting period.....	114,781	118,008	124,057	157,832	116,005	114,046	118,761
Net cash transferred to/from other agencies.....	2,603	755	2,492	-	-	-	-
Cash assets at the end of the reporting period.....	124,057	99,516	157,832	116,005	114,046	118,761	123,654

(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
Grants and Subsidies							
Commonwealth Capital	14,710	15,000	15,000	15,300	15,300	15,300	15,300
Commonwealth Recurrent	186,166	201,792	198,449	146,500	148,600	151,000	153,200
Sale of Goods and Services							
Sale of Goods and Services	1,942	2,915	397	1,654	1,604	1,604	1,604
GST Receipts							
GST Receipts	18,009	20,821	20,821	20,821	20,821	20,821	20,821
Other Receipts							
International Student Delivery	44,954	42,974	38,974	40,999	44,403	44,757	44,757
Interest Receipts	1,568	1,408	1,285	1,408	1,408	1,408	1,408
Other Receipts	8,394	6,191	6,675	9,467	9,467	9,467	9,467
TOTAL	275,743	291,101	281,601	236,149	241,603	244,357	246,557

(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							
Other							
Temporary Worker (Skilled) Visa Holder (Subclass 457) Child School Fee	5,979	5,360	5,360	5,360	5,360	5,360	5,360
TOTAL ADMINISTERED INCOME	5,979	5,360	5,360	5,360	5,360	5,360	5,360
EXPENSES							
Other							
Payments to the Consolidated Account	6,107	5,360	5,360	5,360	5,360	5,360	5,360
TOTAL ADMINISTERED EXPENSES	6,107	5,360	5,360	5,360	5,360	5,360	5,360

TAFE Colleges

Part 5 Minister for Education and Training

Asset Investment Program

The five TAFE Colleges are undertaking Asset Investment Programs in 2017-18 comprising various refurbishments and improvements to accommodation and infrastructure, as well as the replacement of equipment for training and minor works.

	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
CENTRAL REGIONAL TAFE							
WORKS IN PROGRESS							
Asset Replacement Program.....	14,654	8,854	1,618	1,450	1,450	1,450	1,450
Total Cost of Asset Investment Program.....	14,654	8,854	1,618	1,450	1,450	1,450	1,450
NORTH METROPOLITAN TAFE							
WORKS IN PROGRESS							
Asset Replacement Program.....	26,778	20,198	2,679	2,630	1,250	1,350	1,350
Critical Remedial Works and Refurbishment Aberdeen Street and Leederville Campuses.....	2,950	-	-	1,950	500	500	-
COMPLETED WORKS							
McLarty Campus Remedial Works.....	2,577	2,577	1,314	-	-	-	-
NEW WORKS							
Accommodation and Infrastructure - Building Renewal and Improvements	3,300	-	-	-	1,100	1,100	1,100
Total Cost of Asset Investment Program.....	35,605	22,775	3,993	4,580	2,850	2,950	2,450
NORTH REGIONAL TAFE							
WORKS IN PROGRESS							
Asset Replacement Program.....	4,872	1,772	369	900	900	650	650
Total Cost of Asset Investment Program.....	4,872	1,772	369	900	900	650	650
SOUTH METROPOLITAN TAFE							
WORKS IN PROGRESS							
Asset Replacement Program.....	30,170	19,698	2,458	2,587	2,625	2,630	2,630
COMPLETED WORKS							
Critical Remedial Works.....	2,101	2,101	506	-	-	-	-
Total Cost of Asset Investment Program.....	32,271	21,799	2,964	2,587	2,625	2,630	2,630
SOUTH REGIONAL TAFE							
WORKS IN PROGRESS							
Asset Replacement Program	6,050	1,925	566	1,126	1,054	984	961
Total Cost of Asset Investment Program.....	6,050	1,925	566	1,126	1,054	984	961
Total Cost of TAFE Colleges Asset Investment Program	93,452	57,125	9,510	10,643	8,879	8,664	8,141
FUNDED BY							
Internal Funds and Balances.....			9,510	10,643	8,879	8,664	8,141
Total Funding.....			9,510	10,643	8,879	8,664	8,141

Building and Construction Industry Training Board

Part 5 Minister for Education and Training

Asset Investment Program

The Asset Investment Program (AIP) for 2017-18 comprises the completion of construction of the Career Information Centre (CIC) and office accommodation project.

The CIC project will be a school excursion venue incorporating interactive displays of building techniques and processes, plant simulators, and try-a-trade activities, as well as lecture space. The CIC will support the Board's career information and promotion functions to aid students' decision making on school-based vocational education and training and subsequent training and employment pathways.

The AIP is fully funded by the Board's internal cash balances.

	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
WORKS IN PROGRESS							
Career Information Centre.....	11,964	8,964	4,267	3,000	-	-	-
Total Cost of Asset Investment Program.....	11,964	8,964	4,267	3,000	-	-	-
FUNDED BY							
Internal Funds and Balances.....			4,267	3,000	-	-	-
Total Funding.....			4,267	3,000	-	-	-