



BUDGET PAPER NO.2



WESTERN AUSTRALIA
STATE BUDGET 2017-18

BUDGET STATEMENTS
VOLUME 2



2017-18 BUDGET

BUDGET STATEMENTS

Budget Paper No. 2

Volume 2

**PRESENTED TO THE LEGISLATIVE ASSEMBLY
ON 7 SEPTEMBER 2017**

2017-18 Budget Statements
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BUDGET STATEMENTS

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CHAPTER 3

AGENCY INFORMATION IN SUPPORT OF THE ESTIMATES

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Further information pertaining to the 2017-18 Budget Statements can be found in the associated Reader's Guide to the Budget Statements which can be accessed at the Western Australian State Budget website: <http://ourstatebudget.wa.gov.au>.

Part 13

Attorney General

Minister for Corrective Services

Summary of Portfolio Appropriations

Agency	2016-17 Budget \$'000	2016-17 Estimated Actual '000	2017-18 Budget Estimate '000
Justice			
– Delivery of Services	1,220,611	1,273,366	1,299,888
– Capital Appropriation	20,405	43,405	24,887
Total	1,241,016	1,316,771	1,324,775
GRAND TOTAL			
– Delivery of Services	1,220,611	1,273,366	1,299,888
– Capital Appropriation	20,405	43,405	24,887
Total.....	1,241,016	1,316,771	1,324,775

Division 21 Justice
Part 13 Attorney General
Minister for Corrective Services

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 31 Net amount appropriated to deliver services (b)	1,080,488	1,125,801	1,172,605	1,195,808	1,178,436	1,188,563	1,164,386
Amount Authorised by Other Statutes							
- Children's Court of Western Australia Act 1988.....	242	438	405	405	405	405	405
- Criminal Injuries Compensation Act 2003 ..	42,143	31,817	38,210	40,707	31,817	31,817	31,817
- District Court of Western Australia Act 1969 ...	11,560	12,122	12,209	12,602	13,098	13,098	13,098
- Judges' Salaries and Pensions Act 1950..	10,416	10,836	11,137	10,836	10,836	10,836	10,836
- Salaries and Allowances Act 1975.....	31,531	33,094	33,027	33,027	33,027	33,027	33,027
- Solicitor General Act 1969.....	655	594	647	594	594	594	594
- State Administrative Tribunal Act 2004	4,982	5,878	5,088	5,878	5,878	5,878	5,878
- Suitor's Fund Act 1964	36	31	38	31	31	31	31
Total appropriations provided to deliver services.....	1,182,053	1,220,611	1,273,366	1,299,888	1,274,122	1,284,249	1,260,072
CAPITAL							
Item 101 Capital Appropriation.....	28,428	20,405	43,405	24,887	13,209	13,684	17,604
TOTAL APPROPRIATIONS	1,210,481	1,241,016	1,316,771	1,324,775	1,287,331	1,297,933	1,277,676
EXPENSES							
Total Cost of Services.....	1,475,917	1,455,991	1,482,559	1,507,777	1,475,457	1,482,572	1,463,209
Net Cost of Services (c).....	1,310,735	1,283,696	1,318,716	1,339,937	1,311,219	1,318,086	1,296,775
CASH ASSETS (d)	43,420	33,869	48,071	47,394	48,661	51,360	54,142

- (a) The 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to amalgamate the Departments of the Attorney General and Corrective Services on 1 July 2017.
- (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					
Law Reform Initiatives - High Risk Violent Offenders Board.....	-	-	104	107	109
Methamphetamine Action Plan					
Drug Testing	-	329	329	329	329
Triage Unit	-	592	592	592	592
Other					
Community Safety Network.....	-	216	221	227	233
District Court Judicial Resources.....	-	1,446	2,897	2,945	2,994
Enhanced Driver Training.....	-	(1,224)	2,824	-	-
Ex-Gratia Payments.....	1,471	(a)	-	-	-
Family Court Temporary Judicial Resources	-	375	125	-	-
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(528)	(1,031)	(1,557)	(2,540)
Growth in Prisoner Population.....	9,881	49,769	40,700	43,453	55,067
Justice Pipeline Model	-	850	-	-	-
Legal Aid					
Kimberley Interpreting Services	-	200	-	-	-
Non-Government Human Services Sector Indexation Adjustment	-	(26)	(27)	(27)	(28)
Revision to Indexation for Non-Salary Expenses.....	-	(179)	(353)	(524)	(695)
State Indictable Matters.....	4,105	2,766	3,825	4,018	4,219
Non-Government Human Services Sector Indexation Adjustment.....	-	(248)	(253)	(259)	(266)
Recalculation of Savings Targets	-	3,251	10,059	14,397	26,411
Regional Workers Incentive Allowance Payments	-	(755)	(827)	(931)	2,098
Regional Youth Justice Services Strategy - Kimberley and Pilbara	-	5,500	-	-	-
Resolution of Native Title in the South West of Western Australia (Settlement)	-	188	-	-	-
Revision to Accommodation Expenses for the David Malcolm Justice Centre ...	(811)	(457)	(898)	(923)	204
Revision to Indexation for Non-Salary Expenses	-	(695)	(3,059)	(7,060)	(11,118)

(a) Not able to be disclosed, pending final outcomes.

Significant Issues Impacting the Agency

- The Department is working with the Department of Treasury, Office of the Director of Public Prosecutions, Western Australia Police and Legal Aid Western Australia (LAWA) in the development of a Justice Pipeline Model to simulate the flow of activities and costs in Western Australia's criminal justice system and to estimate the downstream impact of future policy and parameter changes.
- The Government's law reform agenda will strengthen the justice system's focus on victims of crime. This will involve a range of changes including: strengthening dangerous sex offender laws; removing limitation periods for civil actions by victims of child sexual abuse; introducing a High Risk Violent Offenders Board; introducing 'no body, no parole' laws and providing for the expungement of historical convictions related to consensual same sex activity.
- The Department continues to work on reducing the over representation of Aboriginal people within, or at risk of, entering the justice system. Specific projects are being further developed to address instances where Aboriginal persons are in custody due to driver's license offences or unpaid fines; the provision of victim support services for Aboriginal people in remote areas; and the introduction of a custody notification service.
- The Registry of Births, Deaths and Marriages is implementing legislative changes to the *Births, Deaths and Marriages Registration Act 1998* to improve change of name processes and to strengthen identification and enrolment processes to maximise its contribution to the national identity management and security agenda.
- The Office of the Public Advocate continues to experience increasing demand for statutory services to vulnerable adults with decision-making disabilities as a result of the ageing population and increasing numbers of people with an intellectual disability or mental illness who require a guardian.

- The rapid growth in the number of clients with little or no capacity to pay for services referred to the Public Trustee by the State Administrative Tribunal has further increased the proportion of Public Trustee clients whose fees are rebated under an operating subsidy.
- The unprecedented demand for legal aid assistance continues to place pressure on the court-based services provided by LAWA, in particular grants of legal aid.
- The high growth in the adult prisoner population has led to increased pressure on the custodial estate's existing assets and infrastructure. The Department has recruited additional custodial staff, and will work to better manage capacity by optimising the existing prison estate and is planning for future infrastructure needs.
- As part of the Government's Methamphetamine Action Plan, the first of two dedicated Alcohol and Other Drugs (AOD) rehabilitation prisons will be established at the Wandoo Facility. The prison will be operated with a therapeutic model of care incorporating good practice in AOD rehabilitation. The current Wandoo Facility contract is scheduled to expire during 2017-18. The Government has announced that the facility will be operated by the Department of Justice.
- New adult rehabilitation and reintegration service delivery specifications and service outcomes have been developed in consultation with the non-government sector and other key stakeholders. The new service outcomes promote a strong focus on the needs of offenders, in a more targeted, integrated and individualised approach.
- The Department will continue to progress measures which further improve safety and security at Banksia Hill Detention Centre through a range of initiatives including: emergency response training; strengthening security around management units; and tighter controls around decision-making and recording processes in relation to detainee management plans.

Resource Agreement

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

The relationship of Ministers to services is shown below:

Responsible Minister	Services
Attorney General	1. Court and Tribunal Services 2. Advocacy, Guardianship and Administration Services 3. Trustee Services 4. Births, Deaths and Marriages 5. Services to Government 6. Legal Aid Assistance
Minister for Corrective Services	7. Adult Corrective Services 8. Youth Justice Services

Outcomes, Services and Key Performance Information

The Outcomes, Services and Key Performance Information reflect the amalgamation of the Departments of the Attorney General and Corrective Services due to Machinery of Government changes on 1 July 2017. Where practical, the 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual has been recast for comparative purposes.

Relationship to Government Goals

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

Government Goal	Desired Outcomes	Services
Strong Communities: Safe communities and supported families.	An efficient, accessible court and tribunal system.	1. Court and Tribunal Services
	Trustee, Guardianship and Administration services are accessible to all Western Australians.	2. Advocacy, Guardianship and Administration Services 3. Trustee Services
	Western Australian birth, death and marriage certificates are accurate and accessible.	4. Births, Deaths and Marriages
	Government receives quality, timely legal and legislative drafting services.	5. Services to Government
	Equitable access to legal services and information.	6. Legal Aid Assistance
	A safe, secure and decent corrective services which contributes to community safety and reduces offenders' involvement in the justice system.	7. Adult Corrective Services 8. Youth Justice Services

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. Court and Tribunal Services	444,266	391,993	401,053	395,281	381,572	381,074	379,894
2. Advocacy, Guardianship and Administration Services	6,905	6,689	7,181	7,306	6,268	6,342	6,368
3. Trustee Services	23,553	22,316	22,222	22,899	23,305	22,885	24,218
4. Births, Deaths and Marriages	7,034	8,062	8,586	8,697	9,914	9,905	8,634
5. Services to Government	66,016	51,339	61,998	51,125	48,910	46,200	46,168
6. Legal Aid Assistance	41,888	39,356	43,461	41,708	41,837	41,632	41,820
7. Adult Corrective Services	783,514	822,677	837,032	879,463	867,595	878,025	859,096
8. Youth Justice Services	102,741	113,559	101,026	101,298	96,056	96,509	97,011
Total Cost of Services	1,475,917	1,455,991	1,482,559	1,507,777	1,475,457	1,482,572	1,463,209

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: An efficient, accessible court and tribunal system:					
Supreme Court - Criminal - Time to trial	36 weeks	28 weeks	33 weeks	28 weeks	1
Supreme Court - Civil - Time to finalise non-trial matters	18 weeks	19 weeks	18 weeks	19 weeks	
District Court - Criminal - Time to trial.....	32 weeks	32 weeks	34 weeks	32 weeks	
State Administrative Tribunal - Time to finalise	16 weeks	15 weeks	12 weeks	15 weeks	2
Family Court of Western Australia - Time to finalise non-trial matters.....	38 weeks	27 weeks	40 weeks	27 weeks	3
Magistrates Court - Criminal and Civil - Time to trial	23 weeks	19 weeks	25 weeks	19 weeks	4
Coroner's Court - Time to trial	164 weeks	128 weeks	165 weeks	128 weeks	5
Fines Enforcement Registry - Percentage of fines satisfied within 12 months - Fines and costs.....	39%	35%	35%	35%	
Fines Enforcement Registry - Percentage of fines satisfied within 12 months - Infringements.....	58%	57%	53%	57%	
Outcome: Trustee, Guardianship and Administration services are accessible to all Western Australians:					
Percentage of Guardians of last resort allocated in one day	98%	95%	95%	95%	
Percentage of Western Australian deceased estates administered by the Public Trustee.....	4.1%	6.5%	4.3%	4%	6
Percentage of clients who have services provided by the Public Trustee under an operating subsidy	53%	35%	54%	50%	7
Outcome: Western Australian birth, death and marriage certificates are accurate and accessible:					
Percentage of certificates of birth, death or marriage issued within two days.....	97%	90%	97%	90%	
Extent to which births, deaths and marriages source information is recorded error free	97%	97%	98%	97%	
Outcome: Government receives quality, timely legal and legislative drafting services:					
Extent to which government agencies are satisfied with legal services	100%	90%	100%	90%	
Extent to which legislation is drafted in a timely manner to effect the Government's legislative program.....	98%	90%	100%	95%	8
Outcome: Equitable access to legal services and information:					
Percentage of eligible applicants who receive a grant of legal aid.....	88%	87%	85%	85%	
Percentage of persons who are provided with a duty lawyer service.....	16%	17%	20%	20%	
Percentage of callers successfully accessing Infoline services	60%	67%	67%	67%	
Outcome: A safe, secure and decent corrective services which contributes to community safety and reduces offenders' involvement in the justice system:					
Number of escapes - adult	11	nil	3	nil	
Number of escapes - youth	nil	nil	nil	nil	
Rate of serious assault per 100 prisoners.....	1.01	<0.48	0.97	<0.48	9
Average out of cell hours.....	12.5	12	12.3	12	
Successful completion of community correction orders - adults ^(b)	61.4%	64%	61.3%	64%	
Successful completion of community-based orders - juveniles ^(b)	55.2%	68%	56.2%	68%	10
Rate of return - offender programs (adult)	42.7%	39%	39%	39%	
Rate of return to detention - juveniles	54.6%	47%	55%	50%	11

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

(b) Measures related to the completion of community orders are calculated by dividing the number of orders successfully completed by the total number of orders terminated, completed or expired either successfully or unsuccessfully.

Explanation of Significant Movements

(Notes)

1. The 2016-17 Estimated Actual exceeds the 2016-17 Budget due to an increased number of committals for trial and greater trial complexity.
2. The 2016-17 Estimated Actual is lower than the 2016-17 Budget as a result of the State Administrative Tribunal's continued active case management.
3. The 2016-17 Estimated Actual is higher than the 2016-17 Budget due to continued growth in the complexity and volume of final order parenting applications and court ordered finalisations and the reallocation of magistrates to trial work to help address the delay to trial, thereby reducing the Court's capacity to hear non-trial matters.
4. The 2016-17 Estimated Actual exceeds the 2015-16 Actual and the 2016-17 Budget due to growth in the number of criminal cases and charges per case lodged.
5. The 2016-17 Estimated Actual is higher than the 2015-16 Actual and the 2016-17 Budget as the Coroner's Court has prioritised older and more complex inquest cases (cases older than 128 weeks).
6. The percentage of deceased estates administered by the Public Trustee is lower in the 2016-17 Estimated Actual and the 2017-18 Budget Target, compared to the 2016-17 Budget, as a result of an increase in the number of beneficiaries opting to administer the estates themselves.
7. The increased percentage in the 2016-17 Estimated Actual and the 2017-18 Budget Target, compared to the 2016-17 Budget, is due to the continued high number of referrals from the State Administrative Tribunal where the Public Trustee provides services at subsidised cost to vulnerable clients.
8. The increased percentage in the 2016-17 Estimated Actual and the 2017-18 Budget Target, compared to the 2016-17 Budget, is due to the Parliamentary Counsel's Office being able to fully satisfy its commitments to meet expected timeframes.
9. Managing a prisoner cohort is complex and assaults may be attributed to several factors. Serious assault rates are highly variable due to the small numbers involved.
10. The decreased rate of successful order completions for the 2016-17 Estimated Actual, compared to the 2016-17 Budget, is due to an increased rate of young people failing to comply with the conditions of their order. When a young person does not comply with orders and poses a risk to the community, breach action is warranted to ensure community safety.
11. The 2016-17 Estimated Actual is higher than the 2016-17 Budget due to a greater decline in juveniles exiting detention relative to the number of juveniles returning to detention. The number of juveniles returning to detention continued to decline in 2016-17 (156 returning youths in 2014-15 compared to 110 in 2016-17).

Services and Key Efficiency Indicators

1. Court and Tribunal Services

A prime task of the justice system in serving the community is the determination of cases brought before a court or tribunal. This service relates to financing the cost of delivering court facilities, administrative support and judicial staff to enable these determinations to be made. Part of this function also involves the delivery of court counselling services and a range of civil and criminal enforcement services.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 444,266	\$'000 391,993	\$'000 401,053	\$'000 395,281	
Less Income.....	93,824	101,308	99,654	103,294	
Net Cost of Service.....	350,442	290,685	301,399	291,987	
Employees (Full Time Equivalents) ^(a)	1,149	1,271	1,272	1,280	
Efficiency Indicators ^{(b) (c)}					
Supreme Court					
Criminal - Cost per Case.....	\$37,688	\$38,258	\$49,467	\$43,844	
Civil - Cost per Case.....	\$13,381	\$12,096	\$11,609	\$10,118	
Court of Appeal - Cost per Case.....	\$35,851	\$24,659	\$25,483	\$20,696	
District Court					
Criminal - Cost per Case.....	\$21,395	\$18,405	\$19,865	\$19,788	
Civil - Cost per Case.....	\$6,798	\$6,160	\$4,518	\$4,204	
State Administrative Tribunal - Cost per Case.....	\$3,862	\$3,977	\$4,275	\$4,129	
Family Court - Cost per Case.....	\$1,905	\$2,096	\$2,213	\$2,095	
Magistrates Court					
Criminal - Cost per Case.....	\$918	\$933	\$670	\$635	
Civil - Cost per Case.....	\$354	\$372	\$598	\$571	
Coroner's Court - Cost per Case.....	\$5,252	\$5,530	\$5,753	\$5,492	
Children's Court					
Criminal - Cost per Case.....	\$1,024	\$996	\$588	\$537	
Civil - Cost per Case.....	\$768	\$763	\$2,232	\$1,963	
Fines Enforcement Registry - Cost per Enforcement.....	\$26	\$28	\$28	\$30	

(a) This includes judicial staff that are not employees of the Department.

(b) Cost per Case is calculated as the total gross cost divided by finalisations (with the exception of the Fines Enforcement Registry indicator which is based on lodgements). This measures the average cost per case for all matters finalised by the court (including matters finalised without trial and those finalised administratively). As such this is not a measure of the cost per trial. A trial matter itself could be expected to cost significantly in excess of the average cost figures outlined in this table.

(c) From the 2016-17 Estimated Actual, there has been a refinement to the cost allocation between civil and criminal jurisdictions.

2. Advocacy, Guardianship and Administration Services

Advocacy, guardianship and administration services protect and promote the financial interests and welfare of people with decision-making disabilities by providing:

- access to investigation and advocacy services;
- appropriate appointment of guardians and administrators and appropriate interventions in relation to Enduring Powers of Attorney and Enduring Powers of Guardianship;
- guardianship and administration community education services; and
- guardianship and administration services provided by the Public Advocate.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 6,905	\$'000 6,689	\$'000 7,181	\$'000 7,306	
Less Income.....	37	95	42	42	1
Net Cost of Service.....	6,868	6,594	7,139	7,264	
Employees (Full Time Equivalents).....	49	50	50	52	
Efficiency Indicator					
Average Cost of Providing Advocacy and Guardianship Services.....	\$1,744	\$1,550	\$1,747	\$1,670	2

Explanation of Significant Movements

(Notes)

1. The decrease in the 2016-17 Estimated Actual and 2017-18 Budget Target, compared to the 2016-17 Budget, results from a review in the allocation of corporate revenues.
2. The increase in the Average Cost of Providing Advocacy and Guardianship Services in the 2016-17 Estimated Actual, compared to the 2016-17 Budget, is due to higher costs following the relocation to new premises.

3. Trustee Services

The Public Trustee is a statutory authority within the provisions of the *Financial Management Act 2006*. It provides a funds management and investment service. It acts as trustee or financial administrator pursuant to the orders of courts or tribunals. It also administers the estates of people who die with or without a will, in accordance with the terms of the will or the relevant law and under the authority of the Supreme Court. The Public Trustee offers high quality, personalised trustee services to meet the needs of all sectors of the Western Australian community.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 23,553	\$'000 22,316	\$'000 22,222	\$'000 22,899	
Less Income.....	23,542	23,876	23,701	24,629	
Net Cost of Service.....	11	(1,560)	(1,479)	(1,730)	
Employees (Full Time Equivalents).....	154	170	170	170	
Efficiency Indicators					
Average Cost per Deceased Estate Administered.....	\$2,664	\$2,523	\$2,487	\$2,579	
Average Cost per Trust Managed.....	\$1,870	\$1,796	\$1,680	\$1,855	
Average Cost per Will Prepared.....	\$797	\$731	\$828	\$670	1

Explanation of Significant Movements

(Notes)

1. The increase in the Average Cost per Will Prepared in the 2016-17 Estimated Actual, compared to the 2016-17 Budget, is due to a lower number of wills prepared, with the 2017-18 Budget Target expected to be lower due to the implementation of cost efficiency measures.

4. Births, Deaths and Marriages

The purpose of the Registrar of Births, Deaths and Marriages is to create and permanently store birth, death and marriage records to enable the public to obtain documentary proof of key life events for legal, personal and historical purposes and also to enable approved organisations to obtain information for research and statistical purposes.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 7,034	\$'000 8,062	\$'000 8,586	\$'000 8,697	
Less Income.....	7,839	9,424	9,372	9,724	
Net Cost of Service.....	(805)	(1,362)	(786)	(1,027)	
Employees (Full Time Equivalents).....	49	54	54	54	
Efficiency Indicator					
Average Cost of Registration Services.....	\$1.76	\$1.97	\$2.11	\$2.09	

5. Services to Government ^(a)

Services directly provided by the Department to support the outcomes and activities of other Government agencies.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 66,016	\$'000 51,339	\$'000 61,998	\$'000 51,125	1
Less Income.....	8,094	7,009	9,191	8,260	
Net Cost of Service.....	57,922	44,330	52,807	42,865	
Employees (Full Time Equivalents).....	349	434	435	433	
Efficiency Indicators					
Average Cost per Legal Matter ^(b)	\$4,313	\$4,100	\$4,497	\$4,400	2
Average Cost per Page of Output ^(c)	\$190	\$220	\$277	\$232	

(a) This includes the cost of shared services provided to other agencies, including the Commissioner for Children and Young People, Law Reform Commission and Parliamentary Inspector of the Corruption and Crime Commission.

(b) This indicator is calculated by dividing the State Solicitor's Office Total Cost of Services by the number of recorded matters.

(c) This indicator is calculated by dividing the Parliamentary Counsel's Office total operating expenses by the number of new or changed pages of Bills, subsidiary legislation and reprinted texts produced each financial year.

Explanation of Significant Movements

(Notes)

1. The 2016-17 Estimated Actual is higher than the 2016-17 Budget mainly due to one-off funding to meet ex-gratia payments, which are not budgeted for.
2. The increase in the Average Cost per Page of Output in the 2016-17 Estimated Actual, compared to the 2016-17 Budget, is due to the lower number of legislation pages produced as a result of the break in Parliament during the caretaker period of the 2017 State election.

6. Legal Aid Assistance

The community and target groups require access to and the provision of quality legal services. This service responds to the demand for legal assistance through application of priority guidelines. This is achieved through the provision of eligibility and merit tests to enable legal representation to be provided to legally aided clients by grants of aid and assignment of cases to in-house or private practitioners. Legal advice, duty lawyer services and community legal education is provided to assist the wider community to access fair solutions to legal problems at the earliest opportunity.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 41,888	\$'000 39,356	\$'000 43,461	\$'000 41,708	
Less Income.....	-	-	-	-	
Net Cost of Service.....	41,888	39,356	43,461	41,708	
Employees (Full Time Equivalents).....	299	341	341	341	
Efficiency Indicators					
Average Cost per Legal Representation.....	\$3,654	\$3,725	\$3,813	\$3,813	
Average Cost per Legal Information Service.....	\$50	\$47	\$56	\$56	1
Average Cost per Legal Advice.....	\$220	\$221	\$224	\$224	
Average Cost per Application for a Grant of Legal Aid Processed.....	\$425	\$387	\$426	\$420	
Average Cost of Delivering Regional Initiatives for Legal Practice.....	\$204	\$247	\$198	\$200	2

Explanation of Significant Movements

(Notes)

1. The increase in the Average Cost per Legal Information Service in the 2016-17 Estimated Actual and the 2017-18 Budget Target, compared to the 2016-17 Budget, is due to increasing complexity across all law types that result in each information service taking longer to produce. Increases in reported family violence and in indictable and complex criminal matters have also impacted on the result.
2. The decrease in the Average Cost of Delivering Regional Initiatives for Legal Practice in the 2016-17 Estimated Actual, compared to the 2016-17 Budget, is mainly due to extra regional training being delivered to a large number of participants for the Blurred Borders project.

7. Adult Corrective Services

An Adult Offender System that:

- contributes to community confidence;
- provides timely offender services;
- ensures court sanctions are completed; and
- contributes to reducing the rate of re-offending and imprisonment.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 783,514	\$'000 822,677	\$'000 837,032	\$'000 879,463	
Less Income ^(a)	29,806	28,513	21,265	21,420	
Net Cost of Service.....	753,708	794,164	815,767	858,043	
Employees (Full Time Equivalents).....	3,639	3,942	3,836	3,962	
Efficiency Indicators					
Cost per Day of Keeping an Offender in Custody	\$310	\$357	\$297	\$293	1
Cost per Day of Managing an Offender through Community Supervision.....	\$45	\$44	\$42	\$41	

(a) From the 2016-17 Estimated Actual, income has been impacted by an accounting reclassification.

Explanation of Significant Movements

(Notes)

1. The decrease in the Cost per Day of Keeping an Offender in Custody in the 2016-17 Estimated Actual and the 2017-18 Budget Target, compared to the 2016-17 Budget, reflects the increase in the daily average prisoner population.

8. Youth Justice Services

An accessible and equitable Juvenile Offender System which:

- diverts juveniles and offenders at risk from offending;
- provides timely intervention and resolution of justice issues;
- ensures the statutory requirements of justice are met; and
- contributes to reducing the rate of re-offending and detention.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 102,741	\$'000 113,559	\$'000 101,026	\$'000 101,298	
Less Income ^(a)	2,040	2,070	618	471	
Net Cost of Service.....	100,701	111,489	100,408	100,827	
Employees (Full Time Equivalents).....	588	621	580	602	
Efficiency Indicators					
Cost per Day of Keeping a Juvenile in Detention.....	\$990	\$838	\$977	\$815	1
Cost per Day of Managing a Juvenile through Community Supervision.....	\$97	\$101	\$100	\$106	2

(a) From the 2016-17 Estimated Actual, income has been impacted by an accounting reclassification.

Explanation of Significant Movements

(Notes)

1. The increase in the Cost per Day of Keeping a Juvenile in Detention in the 2016-17 Estimated Actual, compared to the 2016-17 Budget and the 2017-18 Budget Target, reflects a lower than budgeted number of juveniles in detention.
2. The increase in the Cost per Day of Managing a Juvenile through Community Supervision in the 2017-18 Budget Target, compared to the 2016-17 Budget, is due to vacant positions being filled in community programs.

Asset Investment Program

To support the delivery of the Department's services, a total of \$61.4 million is budgeted to be spent on asset investment in 2017-18, which includes the following:

- \$9.6 million to establish the State's Alcohol and Other Drugs (AOD) rehabilitation prison at the Wandoo Facility, which will provide targeted drug and alcohol programs to help reduce reoffending, as part of the Government's Methamphetamine Action Plan;
- \$600,000 on drug detection assets at the State's AOD rehabilitation prison at the Wandoo Facility;
- \$25.6 million is allocated to the Custodial Infrastructure Program, including short and medium-term projects that increase prison capacity, upon Government approval;
- \$10.4 million for ongoing maintenance and infrastructure upgrades across all of the Department's owned and leased facilities;
- \$2.8 million for the Registry of Births, Deaths and Marriages to continue working towards the modernisation of the Western Australian Registry System;
- \$1.3 million to invest in audio-visual facilities in court locations across the metropolitan and regional areas, which are aimed at improving service delivery to regional sites, as well as reducing risks associated with transporting people in custody over long distances;
- \$3.7 million for other information and communication technology (ICT) projects;
- \$2.2 million for minor works to accommodate Victim Support Services and completion of security upgrades at the Broome and Karratha courthouses;
- \$2.1 million to remediate and upgrade the Acacia Prison Wastewater Treatment Plant; and
- \$927,000 for the continuation of the Cell Upgrade and Ligature Minimisation Program across the prison estate.

	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							
Administrative							
Information Projects							
Business Systems - Corporate Information							
Management Systems.....	11,740	9,146	585	600	642	676	676
Court Audio/Visual Maintenance and Enhancements	18,058	12,592	1,154	1,256	1,356	1,427	1,427
ICT Infrastructure Upgrade	29,071	24,375	1,953	1,073	1,167	1,228	1,228
Replacement of Western Australian Registration System.....							
	5,314	1,207	1,193	2,800	1,307	-	-
Upgrading of Alesco, Financial and Budgeting System....	4,224	2,673	-	1,551	-	-	-
Physical Infrastructure							
Carnarvon Police and Justice Complex.....	52,500	51,900	1,620	600	-	-	-
Court and Judicial Security	8,646	6,427	650	509	550	580	580
Kununurra, Broome and Karratha Courthouses ^(a)	40,931	38,726	6,126	2,205	-	-	-
Adult Custodial							
Building Infrastructure and Maintenance.....	37,956	27,275	2,476	2,548	2,619	2,757	2,757
Custodial Infrastructure Program - Administered Equity.....	151,237	125,677	5,123	25,560	-	-	-
Community and Youth Justice (CYJ)							
Building and Infrastructure and Maintenance.....	3,582	2,229	563	323	332	349	349
Office Accommodation North West Metro (Mirrabooka)....	958	40	20	918	-	-	-
Corporate - Physical Infrastructure							
Asset Replacement	3,836	1,635	779	525	540	568	568
Office Equipment Replacement	3,837	3,611	53	55	57	57	57
Prison Services							
Additional Prisoner Accommodation - Infrastructure and Systems Upgrade and Replacement Programs							
	76,313	63,088	3,067	3,154	3,243	3,414	3,414
Cell Upgrade and Ligature Minimisation Program.....	2,991	1,183	1,079	927	881	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COMPLETED WORKS							
Administrative - Physical Infrastructure							
Building Infrastructure and Maintenance							
2016-17 Program.....	1,144	1,144	1,144	-	-	-	-
Fitzroy Crossing Courthouse	5,026	5,026	175	-	-	-	-
Replacement Office Equipment							
2013-14 Program.....	2,483	2,483	1,482	-	-	-	-
2016-17 Program.....	1,607	1,607	1,607	-	-	-	-
Adult Custodial							
Community Safety Network.....	497	497	302	-	-	-	-
Female Prisons - Women's Custodial Estate	24,300	24,300	13,750	-	-	-	-
West Kimberley Regional Prison	121,783	121,783	1,770	-	-	-	-
CYJ - Community Justice Services (CJS) Office							
Establishment and Refurbishment - 2016-17 Program.....	751	751	751	-	-	-	-
Corporate							
Decommissioning Shared Corporate Services Project	2,960	2,960	599	-	-	-	-
System Management							
ICT Infrastructure Upgrade	20,604	20,604	2,027	-	-	-	-
Information Technology Systems							
Life Extension and Upgrades - Administered Equity....	5,850	5,850	281	-	-	-	-
Prison Services - Prison Industries - Mobile Plant							
2016-17 Program.....	1,221	1,221	1,221	-	-	-	-
NEW WORKS							
Administrative							
Information Projects - State Solicitor's Office							
Legal Practice Systems	500	-	-	500	-	-	-
Physical Infrastructure							
Building Infrastructure and Maintenance	4,878	-	-	1,099	1,217	1,281	1,281
Replacement Office Equipment.....	6,419	-	-	1,501	1,584	1,667	1,667
Adult Custodial							
Acacia Wastewater Treatment Plant.....	2,070	-	-	2,070	-	-	-
Election Commitment - Methamphetamine Action Plan							
Wandoo Facility.....	9,584	-	-	9,584	-	-	-
Drug Testing.....	600	-	-	600	-	-	-
CYJ - CJS Office Establishment and Refurbishment.....							
Prison Services - Prison Industries - Mobile Plant.....	2,710	-	-	651	663	698	698
Total Cost of Asset Investment Program.....	669,413	560,010	51,550	61,381	16,950	15,536	15,536
FUNDED BY							
Capital Appropriation			13,327	17,275	4,596	3,911	3,911
Drawdowns from the Holding Account.....			11,998	10,628	11,047	11,625	11,625
Funding Included in Department of Treasury							
Administered Item			4,008	25,560	-	-	-
Internal Funds and Balances.....			15,913	5,713	1,307	-	-
Drawdowns from Royalties for Regions Fund ^(b)			6,304	2,205	-	-	-
Total Funding.....			51,550	61,381	16,950	15,536	15,536

(a) Funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund.

Financial Statements

The 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to amalgamate the Departments of the Attorney General and Corrective Services on 1 July 2017.

Income Statement

Expenses

The \$62.3 million (8.4%) increase in employee benefits between the 2016-17 Estimated Actual and the 2017-18 Budget Estimate primarily relates to an increase in officers required to manage a forecast increase in the adult prisoner population, funded from an increase in appropriation. The impact on the Total Cost of Services resulting from forecast growth in the adult prisoner population over the forward estimates period is offset by approved savings measures, including the Agency Expenditure Review savings targets, over the same period.

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)	786,895	776,897	741,519	803,829	787,401	790,848	774,619
Grants and subsidies ^(c)	102,290	85,187	103,609	98,722	89,670	89,931	89,925
Supplies and services.....	321,163	330,921	347,241	330,227	327,355	325,468	329,701
Accommodation.....	96,704	87,346	106,736	85,940	86,268	88,280	89,493
Depreciation and amortisation.....	64,481	55,534	59,049	62,226	61,608	61,608	58,678
Other expenses.....	104,384	120,106	124,405	126,833	123,155	126,437	120,793
TOTAL COST OF SERVICES	1,475,917	1,455,991	1,482,559	1,507,777	1,475,457	1,482,572	1,463,209
Income							
Sale of goods and services.....	35,549	39,020	38,168	40,789	39,675	39,714	39,740
Regulatory fees and fines.....	65,120	71,882	71,882	76,021	75,430	76,647	78,036
Grants and subsidies.....	14,516	14,548	15,048	14,755	14,937	14,937	14,937
Other revenue	45,506	42,268	34,168	31,698	29,619	28,611	29,071
Resources received free of charge							
Commonwealth	4,491	4,577	4,577	4,577	4,577	4,577	4,650
Total Income	165,182	172,295	163,843	167,840	164,238	164,486	166,434
NET COST OF SERVICES	1,310,735	1,283,696	1,318,716	1,339,937	1,311,219	1,318,086	1,296,775
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	1,182,053	1,220,611	1,273,366	1,299,888	1,274,122	1,284,249	1,260,072
Resources received free of charge.....	7,552	4,080	5,599	3,832	3,828	3,825	3,825
Liabilities assumed by the Treasurer	70,305	16,450	16,450	16,450	16,450	16,450	16,450
Royalties for Regions Fund:							
Regional Community Services Fund	19,064	12,838	8,314	9,038	5,143	2,325	2,331
Regional Infrastructure and Headworks							
Fund	949	106	106	-	-	-	-
Other appropriations.....	16,004	33,278	22,434	11,509	11,997	11,683	14,616
TOTAL INCOME FROM STATE GOVERNMENT	1,295,927	1,287,363	1,326,269	1,340,717	1,311,540	1,318,532	1,297,294
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(14,808)	3,667	7,553	780	321	446	519

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

(b) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 6,276, 6,738 and 6,894 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Accused Costs Payments	4,186	1,379	1,379	1,379	1,379	1,379	1,379
Criminal Injuries Compensation Payments	42,131	31,817	38,210	40,707	31,817	31,817	31,817
Ex-Gratia and Act of Grace Payments.....	1,850	-	7,471	-	-	-	-
Legal Aid Assistance Grant.....	41,888	39,356	43,461	41,708	41,837	41,632	41,820
Other Grants, Subsidies and Transfer Payments.....	2,750	1,832	1,832	2,737	1,690	1,832	1,832
Prisoner Gratuity Payments	9,485	10,803	11,256	12,191	12,947	13,271	13,077
TOTAL	102,290	85,187	103,609	98,722	89,670	89,931	89,925

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	16,864	28,714	33,786	34,407	36,491	38,575	40,732
Restricted cash	26,556	2,250	11,380	7,105	5,673	5,673	5,673
Holding account receivables	11,998	12,010	10,628	11,047	11,625	11,625	2,948
Receivables	19,358	14,504	19,358	19,358	19,358	19,358	19,358
Other	10,531	2,959	8,325	6,075	6,075	6,075	6,075
Assets held for sale	1,200	-	1,200	1,200	1,200	1,200	1,200
Total current assets	86,507	60,437	84,677	79,192	80,422	82,506	75,986
NON-CURRENT ASSETS							
Holding account receivables	308,610	354,534	355,916	409,495	461,878	511,861	568,057
Property, plant and equipment	2,165,643	2,427,724	2,372,829	2,345,105	2,305,258	2,263,170	2,225,075
Intangibles	13,389	18,405	15,476	13,044	10,134	7,831	7,631
Restricted cash	-	2,905	2,905	5,882	6,497	7,112	7,737
Other	39,097	28,536	33,257	56,050	54,149	52,468	47,621
Total non-current assets	2,526,739	2,832,104	2,780,383	2,829,576	2,837,916	2,842,442	2,856,121
TOTAL ASSETS	2,613,246	2,892,541	2,865,060	2,908,768	2,918,338	2,924,948	2,932,107
CURRENT LIABILITIES							
Employee provisions	137,641	136,008	127,941	127,941	127,941	127,941	127,941
Payables	63,477	55,303	64,948	66,586	68,224	69,862	71,500
Other	14,087	14,002	15,350	16,734	18,202	19,630	21,254
Total current liabilities	215,205	205,313	208,239	211,261	214,367	217,433	220,695
NON-CURRENT LIABILITIES							
Employee provisions	25,496	27,035	25,496	27,896	30,296	30,296	30,296
Borrowings	202,863	413,421	410,913	402,286	392,820	382,234	368,008
Other	1,505	1,422	1,505	1,505	1,505	1,505	1,505
Total non-current liabilities	229,864	441,878	437,914	431,687	424,621	414,035	399,809
TOTAL LIABILITIES	445,069	647,191	646,153	642,948	638,988	631,468	620,504
EQUITY							
Contributed equity	1,333,248	1,353,032	1,375,835	1,433,935	1,447,144	1,460,828	1,478,432
Accumulated surplus/(deficit) ^(b)	(2,104)	5,263	5,449	780	1,101	1,547	2,066
Reserves	837,033	887,055	837,623	831,105	831,105	831,105	831,105
Total equity	2,168,177	2,245,350	2,218,907	2,265,820	2,279,350	2,293,480	2,311,603
TOTAL LIABILITIES AND EQUITY	2,613,246	2,892,541	2,865,060	2,908,768	2,918,338	2,924,948	2,932,107

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

(b) The Accumulated surplus 2016-17 Estimated Actual of \$5.4 million is recognised as Contributed equity from 2017-18 onwards to acknowledge the transfer of functions to the new Department of Justice.

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.....	1,124,766	1,162,677	1,215,432	1,235,262	1,210,114	1,222,641	1,200,928
Capital appropriation.....	28,428	20,405	43,405	24,887	13,209	13,684	17,604
Holding account drawdowns.....	11,773	11,998	11,998	10,628	11,047	11,625	11,625
Royalties for Regions Fund:							
Regional Community Services Fund.....	19,064	12,838	8,314	9,038	5,143	2,325	2,331
Regional Infrastructure and Headworks Fund.....	3,830	6,105	6,410	2,205	-	-	-
Receipts paid into Consolidated Account.....	(3,208)	-	(1,388)	-	-	-	-
Administered appropriations.....	16,004	43,661	26,442	37,069	11,997	11,683	14,616
Net cash provided by State Government.....	1,200,657	1,257,684	1,310,613	1,319,089	1,251,510	1,261,958	1,247,104
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(738,378)	(759,315)	(733,637)	(783,833)	(767,439)	(773,310)	(757,013)
Grants and subsidies.....	(102,290)	(85,187)	(103,609)	(98,747)	(89,695)	(89,956)	(89,950)
Supplies and services.....	(305,209)	(325,984)	(343,147)	(326,372)	(323,388)	(321,428)	(325,818)
Accommodation.....	(96,704)	(82,501)	(99,529)	(80,543)	(80,969)	(83,011)	(84,024)
Other payments.....	(167,003)	(150,534)	(172,725)	(174,833)	(172,984)	(176,288)	(173,026)
Receipts ^(b)							
Regulatory fees and fines.....	65,120	71,882	71,882	76,021	75,430	76,647	78,036
Grants and subsidies.....	19,007	14,548	15,048	14,755	14,937	14,937	14,937
Sale of goods and services.....	35,549	39,020	38,168	40,789	39,675	39,714	39,740
GST receipts.....	62,634	53,359	53,359	53,359	53,359	53,359	53,359
Other receipts.....	44,572	42,268	34,168	31,698	29,619	28,611	29,071
Net cash from operating activities.....	(1,182,702)	(1,182,444)	(1,240,022)	(1,247,706)	(1,221,455)	(1,230,725)	(1,214,688)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(39,082)	(49,008)	(51,550)	(61,381)	(16,950)	(15,536)	(15,536)
Proceeds from sale of non-current assets.....	16	-	-	-	-	-	-
Net cash from investing activities.....	(39,066)	(49,008)	(51,550)	(61,381)	(16,950)	(15,536)	(15,536)
CASHFLOWS FROM FINANCING ACTIVITIES							
Other payments.....	(5,116)	(30,250)	(9,666)	(10,679)	(11,838)	(12,998)	(14,098)
Net cash from financing activities.....	(5,116)	(30,250)	(9,666)	(10,679)	(11,838)	(12,998)	(14,098)
NET INCREASE/(DECREASE) IN CASH HELD.....							
	(26,227)	(4,018)	9,375	(677)	1,267	2,699	2,782
Cash assets at the beginning of the reporting period.....	69,647	37,887	43,420	48,071	47,394	48,661	51,360
Net cash transferred to/from other agencies....	-	-	(4,724)	-	-	-	-
Cash assets at the end of the reporting period.....	43,420	33,869	48,071	47,394	48,661	51,360	54,142

(a) Full audited financial statements are published in the agencies' 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	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
Regulatory Fees and Fines							
District Court Fees.....	5,577	6,269	6,269	6,379	6,491	6,604	6,720
Family Court Fees.....	5,856	7,129	7,129	6,476	6,638	6,638	6,804
Fines Enforcement Registry Fees.....	35,728	39,087	39,087	43,009	41,710	42,440	43,183
Magistrates Court Fees.....	8,159	9,090	9,090	9,676	9,927	10,115	10,289
Sheriff's Office Fees.....	223	246	246	251	255	259	264
State Administrative Tribunal Fees.....	631	714	714	726	738	751	764
Supreme Court Fees.....	8,940	9,340	9,340	9,497	9,664	9,833	10,005
Jurors Infringement Fees.....	6	7	7	7	7	7	7
Grants and Subsidies							
Commonwealth Grants.....	18,480	14,074	14,574	14,276	14,458	14,458	14,458
Departmental.....	527	474	474	479	479	479	479
Sale of Goods and Services							
Other Receipts.....	124	863	11	1,207	200	201	201
Proceeds from Sale of Industry Goods.....	2,519	3,979	3,979	3,979	3,979	3,979	3,979
Public Trustee Contributions - Estate Fees and Other Revenue.....	18,260	18,629	18,629	19,612	19,371	19,406	19,432
Registry Births, Deaths and Marriages Fees...	7,800	9,362	9,362	9,714	9,848	9,851	9,851
State Solicitor Fees.....	6,846	6,187	6,187	6,277	6,277	6,277	6,277
GST Receipts							
GST Receipts on Sales.....	4,188	4,988	4,988	4,988	4,988	4,988	4,988
GST Receipts from the Australian Taxation Office.....	58,446	48,371	48,371	48,371	48,371	48,371	48,371
Other Receipts							
Recoup of Criminal Injury Awards.....	1,710	1,731	1,731	1,776	1,776	1,776	1,776
Recoup of Building Disputes Revenue.....	2,454	2,827	2,827	2,000	2,000	2,000	2,000
Recoup of Legal Costs.....	678	300	300	300	300	300	300
Recoup of Residential Tenancy Payments....	2,697	2,021	2,021	1,973	1,890	1,873	1,873
Proceeds from Prison Canteen Sales.....	11,820	10,845	10,845	12,445	11,543	11,094	11,094
Recoup of Prisoner Telephone Calls.....	3,765	3,648	3,894	3,894	3,894	3,894	3,894
Recoup of Other Costs.....	6,343	15,664	7,318	4,204	3,084	3,023	3,071
Recoup of Salary Costs.....	432	470	470	425	392	345	345
Recoup of Workers Compensation Payments.....	9,573	155	155	155	155	155	155
Public Trustee Contribution Common Account Surplus Interest.....	5,100	4,607	4,607	4,526	4,585	4,151	4,563
TOTAL.....	226,882	221,077	212,625	216,622	213,020	213,268	215,143

(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							
Confiscation of Assets	13,019	7,500	10,550	11,000	11,000	11,000	11,000
Fines and Penalties	43,806	34,950	34,950	34,950	34,950	34,950	34,950
Speed and Red Light Fines.....	19,883	17,755	20,818	23,513	22,898	21,783	21,607
Other Revenue	8,808	9,054	9,504	9,504	9,504	9,504	9,504
TOTAL ADMINISTERED INCOME	85,516	69,259	75,822	78,967	78,352	77,237	77,061
EXPENSES							
Grants to Charitable and Other Public Bodies							
Grants Paid from the Confiscation Proceeds Account.....	1,785	1,900	4,000	4,000	4,000	4,000	4,000
Other							
Confiscation Expenses Paid from the Confiscation Proceeds Account.....	7,479	5,600	6,550	7,000	7,000	7,000	7,000
Receipts Paid into the Consolidated Account.....	40,900	43,202	43,552	43,552	43,552	43,552	43,552
Payment to Road Trauma Trust Account ...	19,883	17,755	20,818	23,513	22,898	21,783	21,607
Other Expenses.....	738	802	902	902	902	902	902
TOTAL ADMINISTERED EXPENSES	70,785	69,259	75,822	78,967	78,352	77,237	77,061

Part 14

Minister for Local Government; Culture and the Arts

Minister for Sport and Recreation

Minister for Racing and Gaming; Citizenship and Multicultural Interests

Summary of Portfolio Appropriations

Agency	2016-17 Budget \$'000	2016-17 Estimated Actual '000	2017-18 Budget Estimate '000
Local Government, Sport and Cultural Industries			
– Delivery of Services	232,502	239,732	224,377
– Administered Grants, Subsidies and Other Transfer Payments	55,484	48,960	57,086
– Capital Appropriation	93,889	40,605	124,223
Total	381,875	329,297	405,686
GRAND TOTAL			
– Delivery of Services	232,502	239,732	224,377
– Administered Grants, Subsidies and Other Transfer Payments	55,484	48,960	57,086
– Capital Appropriation	93,889	40,605	124,223
Total.....	381,875	329,297	405,686

Division 22 Local Government, Sport and Cultural Industries

Part 14 Minister for Local Government; Culture and the Arts

Minister for Sport and Recreation

Minister for Racing and Gaming; Citizenship and Multicultural Interests

Appropriations, Expenses and Cash Assets ^(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
DELIVERY OF SERVICES							
Item 32 Net amount appropriated to deliver services ^(b)	104,338	106,758	119,405	101,281	94,251	88,878	86,093
Item 33 Art Gallery of Western Australia.....	9,645	9,284	9,199	8,881	8,900	8,910	8,899
Item 34 Contribution to Community Sporting and Recreation Facilities Fund...	20,000	20,000	18,000	15,119	19,000	12,000	12,000
Item 35 Library Board of Western Australia ..	29,121	29,222	29,739	32,460	32,835	32,862	32,731
Item 36 Perth Theatre Trust.....	11,802	9,009	9,090	9,297	9,093	8,944	8,678
Item 37 Western Australian Museum	24,955	22,531	22,531	22,303	22,601	25,186	37,368
Amount Authorised by Other Statutes							
- Lotteries Commission Act 1990.....	32,600	33,930	30,000	33,268	34,350	35,220	35,010
- Salaries and Allowances Act 1975	1,990	1,768	1,768	1,768	1,768	1,768	1,768
Total appropriations provided to deliver services.....	234,451	232,502	239,732	224,377	222,798	213,768	222,547
ADMINISTERED TRANSACTIONS							
Item 38 Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....	52,689	55,484	48,960	57,086	57,822	62,038	61,984
Amount Authorised by Other Statutes							
- Liquor Control Act 1988	725	-	-	-	-	-	-
CAPITAL							
Item 102 Capital Appropriation.....	28,508	93,596	40,312	113,930	166,658	55,428	4,388
Item 103 Art Gallery of Western Australia ^(c) ..	230	218	218	10,218	218	218	218
Item 104 Library Board of Western Australia ...	-	75	75	75	75	75	75
TOTAL APPROPRIATIONS	316,603	381,875	329,297	405,686	447,571	331,527	289,212
EXPENSES							
Total Cost of Services.....	295,343	282,736	292,837	293,603	276,931	255,673	272,324
Net Cost of Services ^(d)	248,677	250,906	253,285	255,532	243,036	222,223	231,053
CASH ASSETS ^(e)	121,739	62,520	87,434	70,908	69,883	70,117	70,906

(a) The 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to amalgamate the Departments of Culture and the Arts, Racing, Gaming and Liquor and Sport and Recreation on 1 July 2017, as well as Local Government and multicultural interests functions transferred from the Department of Local Government and Communities, and the Aboriginal History Research Unit and cultural functions from the Department of Aboriginal Affairs.

(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) The Art Gallery of Western Australia capital appropriation for the 2017-18 Budget Estimate includes \$10 million for the redevelopment of the Art Gallery of Western Australia rooftop as a regular cultural and commercial venue and a contribution toward the TomorrowFund.

(d) 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.

(e) 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					
Albany Artificial Surf Reef Business Case	-	-	250	-	-
Broome Multi-purpose Courts.....	-	-	-	1,940	-
Bunbury Artificial Surfing Reef Feasibility Study ^(a)	-	-	200	-	-
Bunbury Bowling Club - Wheelchair Access.....	-	200	-	-	-
Centennial Park Sporting and Event Precinct.....	-	3,000	3,922	-	-
Collie Mineworkers Memorial Pool	-	-	-	2,000	-
Entry Statement and Signage Bunbury.....	-	-	200	-	-
Great Southern Motorplex in Albany.....	-	250	-	-	5,500
Local Projects Local Jobs.....	3,557	8,741	1,076	-	-
Motoring South West - Marketing Campaign	-	-	100	-	-
Rapid Response Signs - Metropolitan and Regional.....	-	326	333	341	350
Redevelopment of Morley Sport and Recreation Centre ^(a)	-	2,000	-	-	-
Regional Exhibition Touring Boost.....	-	500	500	1,750	1,750
Regional Museum Grants.....	-	-	250	250	250
Upgrade Netball Courts at Gibson Park - Bicton ^(a)	-	1,800	-	-	-
Upgrade Surf Lifesaving Club - Dalyellup	-	-	300	-	-
Upgrade to Eaton Bowling Club	-	-	2,000	-	-
Upgrade to Robinson Reserve - Osborne Park ^(a)	-	1,500	-	-	-
Upgrade to the Kingsway Netball Facilities ^(a)	-	500	-	-	-
Upgrades to Hay Park - Bunbury.....	-	-	4,000	-	-
Water Playground in Kununurra	-	590	-	-	-
Other					
2017-18 Streamlined Budget Process Incentive Funding	-	396	-	-	-
2017-18 Streamlined Budget Process Incentive Funding - Perth Theatre Trust	-	58	-	-	-
2017-18 Streamlined Budget Process Incentive Funding - State Library of Western Australia.....	-	190	-	-	-
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(27)	(53)	(81)	(108)
Leave Liability Cap Adjustment - Perth Theatre Trust.....	494	97	97	97	97
New Museum Operating Costs.....	-	-	-	2,664	23,317
Office Accommodation Funding Reduction - Culture and the Arts (WA)	-	(369)	-	-	-
Removal of Screenwest from Forward Estimates	-	(13,914)	(13,083)	(12,903)	(9,847)
Revised Lotterywest Estimates	(2,754)	-	-	-	-
Revision to Indexation for Non-Salary Expenses.....	-	(252)	(1,122)	(1,495)	(1,903)
Revisions to Own Source Revenue Estimates.....	980	1,118	-	485	-
State Tennis Centre - Court Replacement	-	2,500	-	-	-

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

Significant Issues Impacting the Agency

Working Together with Local Government

- Local governments must take a strategic approach to planning for the future of their communities, whilst meeting high standards of governance, performance and accountability. Training, advice and support are provided across the sector, and a risk-based approach is used to identify those needing targeted intervention and assistance. New legislative amendments will transfer responsibility for local government auditing to the Auditor General, thereby facilitating higher levels of performance reporting and public oversight. A comprehensive review of the *Local Government Act 1995* (the Act) will be progressed to modernise the Act and ensure it meets the needs and expectations of both the sector and the wider community. New measures to suspend individual councillors will be put to Parliament this year. Work is also progressing on the Government's commitment to stop puppy farming.
- A strong partnership between the State Government and local governments is essential for appropriate and sustainable services to be delivered to local communities. A new partnership agreement between the sectors will provide the foundation for greater collaboration and more efficient, joined-up service delivery. Local governments will be supported to work closely with the community services sector in pursuing community development outcomes specific to local needs.

- Western Australia is home to people from more than 19 countries, speaking over 270 languages and identifying with more than 130 religious groups. With almost one-third of its population born overseas, the State faces a range of social and economic opportunities and challenges. The impact of overseas conflicts is increasingly posing risks to social cohesion. There is an ongoing need for strategies that encourage shared values and develop a sense of belonging across different cultural, linguistic and faith-based communities. Support is required for programs that improve access to resources and services, and greater participation in social, civic and political life. Programs are increasingly needed that support economic participation through employment and entrepreneurship, and effort is required to leverage the cultural assets of our diaspora communities to strengthen the position of Western Australia internationally.

Developing the Arts and Cultural Industries

- The State is currently working with the managing contractor of the New Museum Project (NMP), Multiplex, to ensure the final design of the NMP meets functional requirements and the agreed budget. Construction activity will increase in the second half of 2017, with commencement of earthworks, pilings for new buildings and reinforcement of the heritage buildings' foundations. Content for the New Museum will continue to be developed.
- Work has commenced on a Central Energy Plant (CEP) for the Perth Cultural Centre (PCC). The CEP will service the State Library of Western Australia (SLWA), the Art Gallery of Western Australia (AGWA), State Theatre Centre, Perth Institute of Contemporary Art, the New Museum and other cultural institutions in the precinct, and is expected to reduce energy use and carbon dioxide emissions by up to 40% following delivery of the New Museum in 2020.
- Planning for the redevelopment of the AGWA rooftop space will commence in 2018. The 1,800 square metre area will be converted to a cultural and commercial venue with a new sculpture as its centrepiece.
- In 2016, all Crown lots within the PCC precinct were amalgamated into a single reserve under the management of the Department. The Perth Theatre Trust (PTT) will assume responsibility for the management and activation of the PCC from 2018.
- The PTT ticketing contract with Ticketek expired on 31 August 2017. Following an extensive tender process, Tessitura has been engaged as the new provider of ticketing and customer relationship management services to the PTT venues. This has allowed for the creation of a consortium which includes the PTT resident companies.
- The SLWA is increasingly moving to a digital format for new and existing collections. There is a pressing need for a digital preservation and management system to adequately store and preserve digital documents for future generations. SLWA is collaborating with other State libraries in Australia to identify and investigate opportunities to develop a system that meets these requirements.
- On 17 July 2017, Screenwest completed its transition from a Government agency to an independent, not-for-profit entity. The State Government will continue to provide funding to Screenwest, as a grant instead of an appropriation.
- Reforms to the grants programs, including the transition to a digitised application and assessment process, have delivered efficiencies across a number of areas. In the 2016-17 financial year, 50% more applications were processed compared to the previous year. Applications are now open year round and waiting times for applicants have decreased by 40%, with turnaround times from submission to contracting being reduced from 42 to 25 business days.
- The annual event, Revealed - Emerging Aboriginal Artists from Western Australia, is delivered in partnership by the Commonwealth Government, State Government and local government. It is the State's major showcase for Aboriginal art and a significant source of income for Aboriginal art centres and artists across Western Australia, particularly those in remote areas. The 2017 event featured artwork from 75 new and emerging Aboriginal artists and achieved sales of \$438,000, an increase of 18% from the previous year.
- A decline in Lotterywest revenue will impact the funding available to recurrently-funded arts and cultural organisations.

Enhancing the Opportunities for the Hospitality Industry

- The Department will:
 - assist the Minister for Racing and Gaming in progressing amendments to the *Liquor Control Act 1988* through Parliament;
 - continue to expand the suite of applications available online for the liquor and gambling industries, particularly in relation to permanent liquor licensing applications;
 - identify and implement operational policy and process innovation to reduce regulatory burden and application processing times; and
 - assist communities in reducing harm and ill-health due to the use of liquor, through declaring areas of the State as restricted areas and private residences as liquor restricted premises.
- The weighing and balancing of evidence in determining liquor licensing applications continue to be a challenge for the licensing authority.

Promoting Sport and Active Recreation

- Sustained population growth over the previous decade increased the pressures on public open space and sport and recreation facilities, both in outer corridor greenfield development and through urban densification. The Department is working collaboratively with other State Government agencies to ensure public open space is identified early to facilitate planning and access to sport and recreation facilities across the state.
- The Perth Stadium is in its final year of the project delivery phase. Focus in 2017-18 will be on finalising construction and ensuring the venue is operationally ready in early 2018. The Perth Stadium is a critical State asset to drive event based tourism in Western Australia and the Department will work with key industry partners to maximise economic growth and jobs in conjunction with the Department of Jobs, Tourism, Science and Innovation and the Western Australian Sports Centre Trust (VenuesWest).
- Western Australia's landscapes naturally invite us into the outdoors and our trails connect people with these wonderful natural landscapes. Trails have the capacity to build regional jobs and the tourism economy as well as influence community development and wellbeing. Western Australia is lagging behind other states in building trails to attract interstate and international visitors and must continue to invest in projects in key regional areas.
- Volunteers make up the fabric of sport and recreation in Western Australia. Many of these volunteers dedicate hours every week to supporting a wide variety of sporting and recreational endeavours in their local community. The Department has key partnerships with State Sporting Associations and recreation organisations to train and support volunteers. The sport and recreation system in Western Australia will not exist without well trained and committed volunteers, many of whom use the skills learnt in volunteer sport and recreation roles to contribute to the Western Australian community in other areas.
- Sport and recreation provides a positive pathway for children and young people to enhance community safety and build resilience. The Department continues to provide funding to support programs for at-risk youth in order to foster equity and inclusiveness and support the Western Australian community. The KidSport program aims to help overcome the cost barrier of participating in sport, leading to better education, social and health outcomes for children and adolescents.
- Jurisdictions overseas are embracing novel methods to encourage participation in sport and recreation. Western Australia has moved into this space with programs such as 'Your Move' and 'ActiveSmart', which aim to enhance existing lifestyles through being more active. The Department is looking to enable the delivery of services and programs that respond to the changing interests of participants during different stages of their lives.
- The integrity of sport continues to be strongly challenged on multiple fronts including drug use, corruption, sports betting and child safety. The Department is working with stakeholders to respond to these concerns and further develop its Sport Integrity Strategy to protect the positive brand of sport and recreation and develop a thriving sport and recreation sector in Western Australia.
- The State makes significant commitments to elite and talented athlete development. Support to the Western Australian Institute of Sport is complemented by a range of programs for regional based athletes in the talent pathway.
- Community need for active recreation service delivery continues to drive demand for the Department's recreation camps. Compounding this is the attraction and retention of qualified instructors to deliver outdoor programs. Master planning is being undertaken to determine opportunities to better meet demand and ensure facilities continue to be affordable, safe and accessible.

Resource Agreement

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister for Local Government; Culture and the Arts, Minister for Sport and Recreation, Minister for Racing and Gaming; Citizenship and Multicultural Interests, the Accountable Authority and the Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

The relationship of Ministers to services is shown below.

Responsible Minister	Services
Minister for Local Government; Culture and the Arts	1. Regulation and Support of Local Government 3. Arts Industry Support 4. Research, Policy Development, Information and Support 5. Corporate and Asset and Infrastructure Support to the Culture and Arts Portfolio and Government 6. State Information Management and Archival Services 7. Cultural Heritage Management and Conservation 8. Cultural Heritage Access and Community Engagement and Education 9. Collection Services 10. Public Library Services 11. Library, Literacy and Community Engagement 12. Venue Management Services 13. Collections Management, Research and Conservation Services 14. Collections Effectively Documented and Digitised 15. Public Sites, Public Programs and Collections Accessed On-site 16. Online Access to Collections, Expertise and Programs 17. Museum Services to the Regions
Minister for Racing and Gaming; Citizenship and Multicultural Interests	2. Promotion and Support of Multiculturalism 18. Licensing - Evaluation and Determination of Applications 19. Compliance Audits and Inspections
Minister for Sport and Recreation	20. Industry Leadership and Infrastructure Development 21. Building Capacity and Participation 22. Recreation Camps Management

Outcomes, Services and Key Performance Information

The Outcomes, Services and Key Performance Information reflect the amalgamation of the Departments of Culture and the Arts, Racing, Gaming and Liquor and Sport and Recreation due to Machinery of Government changes on 1 July 2017, as well as Local Government and multicultural interests functions transferred from the Department of Local Government and Communities, and the Aboriginal History Research Unit and cultural functions from the Department of Aboriginal Affairs. Where practical, the 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual has been recast for comparative purposes.

Relationship to Government Goals

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

Government Goals	Desired Outcomes	Services
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	Local governments were capable and well-governed.	1. Regulation and Support of Local Government
Strong Communities: Safe communities and supported families.	Western Australia was recognised as a vibrant and effective multicultural society.	2. Promotion and Support of Multiculturalism
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	A sustainable arts and cultural sector that enhances social and economic wellbeing.	3. Arts Industry Support 4. Research, Policy Development, Information and Support
	Efficient and effective services to the Culture and Arts Portfolio and Government.	5. Corporate and Asset and Infrastructure Support to the Culture and Arts Portfolio and Government
	Government records and the State archives are appropriately managed and accessible.	6. State Information Management and Archival Services
	Western Australia's State Art Collection asset is developed, appropriately managed and preserved.	7. Cultural Heritage Management and Conservation
	Western Australia's State Art Collection and works of art on loan are accessible.	8. Cultural Heritage Access and Community Engagement and Education
	Western Australia's cultural and documentary collections are acquired, preserved and accessible.	9. Collection Services
	The Western Australian public library network is supported through access to library materials and services.	10. Public Library Services
	The Western Australian community benefits from engaging with the State Library's services.	11. Library, Literacy and Community Engagement
	Effectively managed performing arts venues attracting optimal utilisation.	12. Venue Management Services
	Sustainable care and development of the State's Museum collections for the benefit of present and future generations.	13. Collections Management, Research and Conservation Services 14. Collections Effectively Documented and Digitised
	Enhance cultural identity and understanding by promoting and ensuring the widest possible use of Museum content and collections.	15. Public Sites, Public Programs and Collections Accessed On-site 16. Online Access to Collections, Expertise and Programs 17. Museum Services to the Regions
	To promote, monitor and enforce responsible and lawful gambling and liquor services in accordance with the legislation.	18. Licensing - Evaluation and Determination of Applications 19. Compliance Audits and Inspections
	A strong and diverse sport and recreation system in Western Australia that is accessible, encourages maximum participation and develops talent.	20. Industry Leadership and Infrastructure Development 21. Building Capacity and Participation 22. Recreation Camps Management

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. Regulation and Support of Local Government	12,654	17,928	17,243	16,842	11,427	11,185	11,240
2. Promotion and Support of Multiculturalism	7,035	8,869	9,754	6,965	6,904	6,982	7,012
3. Arts Industry Support	22,146	21,496	19,452	19,749	19,126	17,582	17,457
4. Research, Policy Development, Information and Support	21,246	20,739	21,289	21,606	21,030	19,572	19,475
5. Corporate and Asset and Infrastructure Support to the Culture and Arts Portfolio and Government	19,215	16,669	15,302	18,044	14,961	15,192	13,556
6. State Information Management and Archival Services	2,394	3,049	2,841	2,204	2,093	2,079	2,087
7. Cultural Heritage Management and Conservation	1,265	1,085	997	1,021	965	1,003	932
8. Cultural Heritage Access and Community Engagement and Education	12,773	11,213	12,428	12,578	11,885	12,348	11,476
9. Collection Services	10,630	9,966	10,693	10,813	10,664	10,659	10,567
10. Public Library Services	14,478	14,158	14,584	14,748	14,544	14,539	14,412
11. Library, Literacy and Community Engagement	8,507	8,274	8,561	8,656	8,537	8,534	8,460
12. Venue Management Services	18,718	15,114	20,390	16,215	16,666	16,126	15,972
13. Collections Management, Research and Conservation Services	13,647	9,913	11,536	10,940	9,880	10,429	17,345
14. Collections Effectively Documented and Digitised	2,409	1,750	2,036	1,931	1,744	1,841	3,062
15. Public Sites, Public Programs and Collections Accessed On-site	12,682	9,919	11,266	12,725	11,491	12,130	20,174
16. Online Access to Collections, Expertise and Programs	427	647	507	627	567	598	995
17. Museum Services to the Regions	5,855	5,079	5,221	6,288	5,678	5,994	9,969
18. Licensing - Evaluation and Determination of Applications	8,354	7,552	8,288	7,332	7,264	7,265	7,357
19. Compliance Audits and Inspections	8,354	7,552	8,288	7,331	7,264	7,265	7,356
20. Industry Leadership and Infrastructure Development	43,949	43,244	42,894	49,978	46,413	25,684	26,079
21. Building Capacity and Participation	40,219	39,567	40,714	38,226	38,658	39,359	38,075
22. Recreation Camps Management	8,386	8,953	8,553	8,784	9,170	9,307	9,266
Total Cost of Services	295,343	282,736	292,837	293,603	276,931	255,673	272,324

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16	2016-17	2016-17	2017-18	Note
	Actual	Budget	Estimated Actual	Budget Target	
Outcome: Local governments were capable and well-governed:					
Percentage of local governments that did not have an action taken against them under the Department's compliance framework	54%	65%	51%	55%	1
Percentage of local governments with Integrated Planning and Reporting plans reviewed	100%	75%	96%	100%	2
Outcome: Western Australia was recognised as a vibrant and effective multicultural society:					
Percentage of organisations and individuals who report that the Office of Multicultural Interests had a positive impact on the promotion and support of multiculturalism	84%	80%	83%	80%	
Percentage of community grants for multicultural organisations that were acquitted against identified outcomes	73%	80%	84%	85%	

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: A sustainable arts and cultural sector that enhances social and economic wellbeing:					
Number of Department funded works presented and/or developed (annually)	12,513	11,566	11,461	11,461	
Number of paid attendances to funded organisations works	814,552	817,968	782,430	732,695	3
Ratio of Government funding to other income.....	1:5.98	1:5.39	1:4.14	1:3.96	4
Public value of the contribution of arts and culture to the State's identity and community ^(b)	68	66	69	67	
Outcome: Efficient and effective services to the Culture and Arts Portfolio and Government:					
Percentage of annual infrastructure maintenance budget expended on portfolio infrastructure maintenance requirements.....	92%	80%	99%	95%	5
Outcome: Government records and the State archives are appropriately managed and accessible:					
Percentage of compliance with State Records Commission Standards as implemented by government agencies.....	89%	93%	90%	90%	
Percentage of archival resources to which the State Records Office provides an information service	22%	21%	21%	20%	
Outcome: Western Australia's State Art Collection asset is developed, appropriately managed and preserved:					
Percentage of collection stored to the required standard	98%	97%	98%	97%	
Outcome: Western Australia's State Art Collection and works of art on loan are accessible:					
Number of people accessing the collection:					
Total number of visitors	284,677	350,000	307,761	325,000	6
Total number of online visitors to website	189,262	175,000	199,694	200,000	7
Percentage of visitors satisfied with visit overall.....	94%	93%	93%	93%	
Outcome: Western Australia's cultural and documentary collections are acquired, preserved and accessible:					
Percentage increase in items added to the collection ^(c)	-26.5%	16%	-10.6%	-19.4%	8
Proportion of heritage collections maintained within set standards.....	94%	98%	95.1%	98%	
Percentage increase in the usage of the collections on-site and online ^(d)	-17.9%	7%	-10.8%	-1.9%	9
Outcome: The Western Australian public library network is supported through access to library materials and services:					
The extent to which Western Australians are provided with access to library materials.....	0.78	0.74	0.86	0.86	10
Outcome: The Western Australian community benefits from engaging with the State Library's services:					
Percentage of clients satisfied with the State Library's collections and services	91%	91%	91%	92%	
Percentage of Western Australians who actively engage with the State Library's services	96%	93%	91%	93%	
Outcome: Effectively managed performing arts venues attracting optimal utilisation:					
Attendance rate across principal performance spaces.....	463,213	455,054	508,216	465,000	11
Average subsidy per attendee for Perth Theatre Trust funded programs	\$4	\$3	\$2	\$2	

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: Sustainable care and development of the State's Museum collections for the benefit of present and future generations:					
Percentage of collection stored to the required standard	99%	99%	99%	99%	
Percentage of the collection accessible online.....	15%	12%	16%	18%	12
Proportion of the State collection documented and digitised.....	23%	23%	26%	27%	13
Outcome: Enhance cultural identity and understanding by promoting and ensuring the widest possible use of Museum content and collections:					
Number of people engaging with and accessing Museum content and collections: ...	2,135,965	1,490,384	1,608,084	1,765,823	14
Total number of visitors	1,140,504	549,884	659,566	795,823	14
Total number of online visitors to website	995,461	940,500	948,518	970,000	14
Percentage of visitors to Museum sites satisfied with services.....	93%	96%	98%	98%	
Outcome: To promote, monitor and enforce responsible and lawful gambling and liquor services in accordance with the legislation:					
Licensees/service providers that comply with audit requirements and statutory criteria.....	94%	94%	94%	94%	
Outcome: A strong and diverse sport and recreation system in Western Australia that is accessible, encourages maximum participation and develops talent:					
Satisfaction rating of policy development and leadership provided by the Department	93%	85%	93%	85%	
Satisfaction rating of the Department's consultation advice to clients.....	88%	90%	88%	90%	
Satisfaction rating of the Department's grant's management	88%	85%	89%	85%	
Satisfaction rating of the Department's programs, initiatives and resources ...	93%	90%	92%	90%	
Western Australian participation in organised sport and active recreation ^(a)	56%	n/a	n/a	56%	
Satisfaction rating of recreation camps management and service delivery.....	95%	87%	94%	87%	

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

(b) There has been a change to the methodology for calculating the index score for this indicator. The methodology change has been adopted to reflect best practice so that the index score has a zero base. As a result, the index score more accurately reflects the range of survey responses from zero to 100. The 2015-16 Actual and the 2016-17 Budget has been recalculated to reflect this new methodology.

(c) The State Library of Western Australia aims to acquire a significant collection of the State's documentary heritage to tell the social, political, economic and cultural history of Western Australia for current and future generations. Items are acquired through donation, purchase and legal deposit, but the number of items acquired each year is dependent on publishing out-put and the availability of private collections for acquisition. Collections counted in this measure are books, magazines, maps, films, oral histories, sound recordings, microfilms and pictorial images. The negative percentage change represents fewer items being added to heritage collections when compared to the previous year. This measure does not take into account all new items added to heritage collections. For example, private archives are not included as they are measured by metres of material processed rather than individual item counts. In 2016-17, 79 metres of private archives will be processed for heritage collections representing a significant resourcing focus that is not reflected in this key performance indicator. It is expected that a similar amount of private archives will be processed for heritage collections in 2017-18.

(d) The purpose of collecting Western Australia's documentary heritage is to make it accessible for people to use. While much of the heritage collection is only available in a physical format from within the State Library, increasingly collections are being digitised to make them accessible online through the Library's database. Material that is born digital is also being collected. These figures do not include usage of digitised Western Australian newspapers made available through the National Library of Australia's Trove service as they would overwhelm other usage figures. The online use of images digitised in the Historical Records Rescue Consortium (HRRC) project (2005-08) continues to decrease as user's access newer digital images available. The rise in use of newer images is less than the decrease in use of older HRRC images potentially due to newer images not being available to be found via search engines; currently they must be searched for on the State Library catalogue. Negotiations are underway to have the catalogue opened to search engines that should drive usage of digital items, including images, in the collection.

(e) Participation data for Western Australian involvement in sport and active recreation for the 2016-17 reporting period will not be available until December 2017. The collection period for the new AusPlay survey is for the 12 month period from October to September annually.

Explanation of Significant Movements

(Notes)

1. The 2016-17 Estimated Actual is less than the 2016-17 Budget mainly due to a higher than expected number of local governments not complying with mandatory reporting requirements.
2. The 2016-17 Estimated Actual is greater than the 2016-17 Budget mainly due to more local governments being reviewed than was anticipated in the 2016-17 Budget as a result of the implementation of a streamlined process for reviewing Integrated Planning and Reporting plans.

3. The decrease in the number of paid attendances to funded organisations works in the 2016-17 Estimated Actual and the 2017-18 Budget Target is a reflection of conservative estimates and budgeting in the current climate from the organisations.
4. The decrease in the ratio between the 2016-17 Budget and the 2016-17 Estimated Actual is a result of a significant decrease in private sector support received by arts organisations funded by the Department.
5. The increase between the 2016-17 Budget and the 2016-17 Estimated Actual is due to an improved focus on utilising the funds from the infrastructure maintenance allocation and works being completed more efficiently.
6. The number of actual visitors is 12% lower than the 2016-17 Budget due to an over-estimate of attendance for a ticketed exhibition. However, attendance in 2016-17 is 8% higher than 2015-16.
7. The number of 2016-17 website visitors is 14% higher than the 2016-17 Budget due to access to online resources for exhibitions, such as the popular 'Rise of the Sneaker Culture' and the 25th anniversary of the 'Year 12 Perspectives'.
8. The decrease in the 2016-17 Estimated Actual and the 2017-18 Budget Target is due to an expected decrease in the number of items added to heritage collections. This is largely a result of the exclusion of digital items, which represent an increasing proportion of the items collected by the State Library.
9. While the number of people accessing new digital content online continues to increase, it is offset by a decrease in the number of people accessing older digital images online. Accordingly, the net impact is a decrease in the 2016-17 Estimated Actual and the 2017-18 Budget Target usage of collections.
10. The increase in the 2016-17 Estimated Actual compared to the 2016-17 Budget is due to a decrease in the number of materials supplied to public libraries, offset by continued growth in the use of e-resources by public library members.
11. The increase in attendance rate in the 2016-17 Estimated Actual was mainly due to a number of sold out performances at the State Theatre Centre and Albany Entertainment Centre, together with an increase in the number of performances across all of the venues.
12. The increased percentage in the 2016-17 Estimated Actual and the 2017-18 Budget Target is due to the increased priority and significant resources allocated to the program.
13. The increased percentage in the 2016-17 Estimated Actual and the 2017-18 Budget Target is due to the increased priority of the program.
14. An increase in visitation numbers in the 2016-17 Estimated Actual compared to the 2016-17 Budget is attributed to successful offsite activation programs. An increase in visitation is expected in 2017-18 due to planning of some major and popular exhibitions like Pompeii and Dinosaur Discovery.

Services and Key Efficiency Indicators

1. Regulation and Support of Local Government

Supporting local governments' to fulfil their statutory obligations and to improve capability in the sector.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	12,654	17,928	17,243	16,842	
Less Income.....	301	259	241	362	1
Net Cost of Service.....	12,353	17,669	17,002	16,480	
Employees (Full Time Equivalents).....	66	64	64	59	
Efficiency Indicator					
Average Cost per Local Government for Regulation and Support.....	\$84,198	\$117,249	\$111,569	\$94,290	2

Explanation of Significant Movements

(Notes)

1. The 2017-18 Budget Target is greater than the 2016-17 Estimated Actual mainly due to additional funding associated with the Rapid Response Signs election commitment.
2. The variations between the 2015-16 Actual, 2016-17 Budget, 2016-17 Estimated Actual and 2017-18 Budget Target relate to changes in expenditure associated with Royalties for Regions Country Local Government Fund initiatives.

2. Promotion and Support of Multiculturalism

Development and implementation of policies, programs and services that achieve the full potential of multiculturalism.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 7,035	\$'000 8,869	\$'000 9,754	\$'000 6,965	1
Less Income.....	15	10	10	11	
Net Cost of Service.....	7,020	8,859	9,744	6,954	
Employees (Full Time Equivalents).....	25	26	27	25	
Efficiency Indicators					
Average Cost per Project to Support and Promote Multiculturalism	\$127,788	\$141,477	\$135,602	\$117,200	2
Number of Grants and Service Agreements per Full Time Equivalent.....	27	29	33	25	3

Explanation of Significant Movements

(Notes)

- The 2017-18 Budget Target is less than the 2016-17 Estimated Actual mainly due to one-off expenditure in 2016-17 resulting from Local Projects Local Jobs and Chinese New Year Programs.
- The 2017-18 Budget Target is less than the 2016-17 Estimated Actual mainly due to one-off expenditure in 2016-17 associated with the Chinese New Year Program, together with implementation of Agency Workforce Renewal Savings Measures.
- The movement between 2016-17 Budget, 2016-17 Estimated Actual and 2017-18 Budget Target is mainly due to variations in the number of grants associated with the Local Projects Local Jobs and Chinese New Year Programs.

3. Arts Industry Support

Supporting the delivery of arts and culture activities across Western Australia through funding programs and partnerships.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service	\$'000 22,146	\$'000 21,496	\$'000 19,452	\$'000 19,749	1
Less Income.....	50	154	351	523	2
Net Cost of Service.....	22,096	21,342	19,101	19,226	
Employees (Full Time Equivalents).....	14	21	11	15	
Efficiency Indicator					
Grants Operations Expense as a Percentage of Direct Grants Approved.....	6.2%	6%	4.1%	5.7%	3

Explanation of Significant Movements

(Notes)

- The reduction in Total Cost of Service in the 2016-17 Estimated Actual compared to the 2016-17 Budget is mainly due to a reduction in Lotterywest funding.
- The increase in income in the 2016-17 Estimated Actual compared to the 2016-17 Budget is due to funding received for the Local Projects Local Jobs program and the increase in the 2017-18 Budget Target is related to grant funding for the Connecting to Country program.
- The decrease in the Grants Operations Expense as a Percentage of Direct Grants Approved in the 2016-17 Estimated Actual compared to 2016-17 Budget is due to a reduction in grants administration costs resulting from system improvements through the Online Grants Management System and efficiencies in processing times. The increase in the 2017-18 Budget Target is due to a change in the contract relationships with service providers from grants to supplies and services.

4. Research, Policy Development, Information and Support

Contributing to the development of the State by delivering strong evidence-based culture and the arts policy, research and planning in order to achieve State Government outcomes.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service ^(a)	\$'000 21,246	\$'000 20,739	\$'000 21,289	\$'000 21,606	
Less Income.....	161	251	458	622	1
Net Cost of Service.....	21,085	20,488	20,831	20,984	
Employees (Full Time Equivalents).....	27	30	25	29	
Efficiency Indicator Research, Policy Development, Information and Support Expense as a Percentage of Direct Grants Approved.....	5.3%	5%	3.9%	5.5%	2

Explanation of Significant Movements

(Notes)

- The increase in income in the 2016-17 Estimated Actual compared to the 2016-17 Budget is due to funding received for the Local Projects Local Jobs program. The increase in the 2017-18 Budget Target is related to grant funding for the Connecting to Country program.
- The decrease in the Research, Policy Development, Information and Support Expense as a Percentage of Direct Grants Approved in the 2016-17 Estimated Actual compared to the 2016-17 Budget is due to a reduction in grants administration costs resulting from system improvements through the Online Grants Management System and efficiencies in processing times. The increase in the 2017-18 Budget Target is due to a change in the contract relationships with service providers from grants to supplies and services.

5. Corporate and Asset and Infrastructure Support to the Culture and Arts Portfolio and Government

Managing cultural infrastructure on behalf of the Government and the provision of centralised services to the Culture and the Arts Portfolio and other agencies.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 19,215	\$'000 16,669	\$'000 15,302	\$'000 18,044	1
Less Income.....	539	442	381	1,016	2
Net Cost of Service.....	18,676	16,227	14,921	17,028	
Employees (Full Time Equivalents) ^(a)	119	86	95	103	
Efficiency Indicator Average Cost of Service per Full Time Equivalent ^(b)	\$18,629	\$17,841	\$19,138	\$16,985	3

(a) Full Time Equivalent (FTEs) for staff working on the New Museum Project are included in this service. The cost of the New Museum Project capitalised is not included in the Total Cost of Service.

(b) The Average Cost of Service per Full Time Equivalent incorporates the FTEs for the whole Culture and the Arts Portfolio.

Explanation of Significant Movements

(Notes)

- The increase in Total Cost of Service in the 2017-18 Budget Target compared to the 2016-17 Estimated Actual is mainly due to the reallocation of New Museum project expenditure from capital to recurrent and additional funding for maintenance of the State Library and Cultural Centre car parks.
- The increase in income between the 2016-17 Estimated Actual and the 2017-18 Budget Target is mainly due to additional funding for the maintenance of the State Library and Cultural Centre car parks.
- This decrease in Average Cost of Service per Full Time Equivalent in the 2017-18 Budget Target is due to increased Total Cost of Service from the reallocation of New Museum Project expenditure and additional funding for maintenance of the State Library and Cultural Centre car parks.

6. State Information Management and Archival Services

State Information Management and Archival Services consists of a regulatory/advisory component for all Government organisations, as well as management of and access to the State Archives Collection.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 2,394	\$'000 3,049	\$'000 2,841	\$'000 2,204	
Less Income.....	76	292	412	87	1
Net Cost of Service.....	2,318	2,757	2,429	2,117	
Employees (Full Time Equivalents).....	20	25	22	22	
Efficiency Indicator					
Cost per Access Service ^(a)	\$8	\$10	\$8	\$7	

(a) 50% of Cost per Access Service relates to Archival Services (not whole of office).

Explanation of Significant Movements

(Notes)

- The increase in income in the 2016-17 Estimated Actual and decrease in 2017-18 Budget Target is a result of one-off funding received to undertake a digitisation program in 2016-17.

7. Cultural Heritage Management and Conservation

Provides appropriate management, development and care of the State Art Collection under the *Art Gallery Act 1959*.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 1,265	\$'000 1,085	\$'000 997	\$'000 1,021	
Less Income.....	549	283	388	250	1
Net Cost of Service.....	716	802	609	771	
Employees (Full Time Equivalents).....	4	5	4	4	
Efficiency Indicator					
Average Cost of Managing the Collection per Art Gallery Object.....	\$72.53	\$61.65	\$56.25	\$57.68	2

Explanation of Significant Movements

(Notes)

- The increase in the 2016-17 Estimated Actual compared to the 2016-17 Budget Target is due to one-off sponsorship received for Art Gallery activities.
- The decrease in the Average Cost of Managing the Collection per Art Gallery Object in the 2016-17 Estimated Actual is due to increased artworks.

8. Cultural Heritage Access and Community Engagement and Education

Provides access and interpretation of the State Art Collection and works of art on loan through art gallery services that encourage community engagement with the visual arts in accordance with the *Art Gallery Act 1959*.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 12,773	\$'000 11,213	\$'000 12,428	\$'000 12,578	1
Less Income.....	5,503	2,787	3,737	3,527	2
Net Cost of Service.....	7,270	8,426	8,691	9,051	
Employees (Full Time Equivalents).....	50	50	51	51	
Efficiency Indicator					
Average Cost of Art Gallery Services per Art Gallery Access.....	\$26.95	\$21.36	\$25.16	\$23.96	3

Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service in the 2016-17 Estimated Actual compared to the 2016-17 Budget is due to increased supplies and services for Art Gallery functions and activities.
2. The increase in the 2016-17 Estimated Actual compared to the 2016-17 Budget is due to one-off sponsorship received for Art Gallery activities.
3. The increase in Average Cost of Art Gallery Services per Art Gallery Access in the 2016-17 Estimated Actual compared to the 2016-17 Budget is due to increased supplies and services and a lower level of access.

9. Collection Services

Ensuring Western Australia's documentary collections are acquired, preserved and made accessible for future generations.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 10,630	\$'000 9,966	\$'000 10,693	\$'000 10,813	
Less Income.....	705	683	626	616	
Net Cost of Service.....	9,925	9,283	10,067	10,197	
Employees (Full Time Equivalents).....	76	81	73	81	
Efficiency Indicator					
Cost per New Item Added to the Collection.....	\$328.38	\$242.66	\$369.30	\$463.12	1

Explanation of Significant Movements

(Notes)

1. The increase in Cost per New Item Added to the Collection in the 2016-17 Estimated Actual and the 2017-18 Budget Target is due to fewer new items being added to the collection.

10. Public Library Services

Supporting the public library network through facilitating access to library material and services.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 14,478	\$'000 14,158	\$'000 14,584	\$'000 14,748	
Less Income.....	620	517	551	541	
Net Cost of Service.....	13,858	13,641	14,033	14,207	
Employees (Full Time Equivalents).....	42	45	41	45	
Efficiency Indicator					
Average Cost of Administering Services to Public Libraries	\$62,405	\$61,026	\$63,134	\$63,569	

11. Library, Literacy and Community Engagement

Ensuring that the State Library acts as a community hub in delivering literacy and learning outcomes to the Western Australian community.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 8,507	\$'000 8,274	\$'000 8,561	\$'000 8,656	
Less Income.....	707	467	628	618	1
Net Cost of Service.....	7,800	7,807	7,933	8,038	
Employees (Full Time Equivalents).....	39	42	38	42	
Efficiency Indicator					
Cost per Engagement with State Library of Western Australia Services.....	\$3.42	\$3.39	\$3.60	\$3.55	

Explanation of Significant Movements

(Notes)

- The increase in the 2016-17 Estimated Actual compared to the 2016-17 Budget is due to additional other revenues (subsidies and recoups). Income in 2015-16 is higher due to bookshop sales. The bookshop has not been operated by the State Library since 1 July 2016.

12. Venue Management Services

Endeavour to improve attendances and venue activation and therefore financial returns for the Perth Theatre Trust (PTT), whilst ensuring that the buildings owned and leased by PTT are fit for purpose and managed appropriately.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 18,718	\$'000 15,114	\$'000 20,390	\$'000 16,215	1
Less Income.....	6,836	5,017	7,424	5,768	2
Net Cost of Service.....	11,882	10,097	12,966	10,447	
Employees (Full Time Equivalents).....	96	84	95	97	
Efficiency Indicator					
Average Cost per Attendee.....	\$40.41	\$33.21	\$40.12	\$34.87	3

Explanation of Significant Movements

(Notes)

1. The increase in the 2016-17 Estimated Actual compared to the 2016-17 Budget is mainly attributable to show expenditure linked to the increase in revenue and expenditure resulting from the implementation of a new ticketing system.
2. The increase in the 2016-17 Estimated Actual compared to the 2016-17 Budget is mainly due to an increase in show recoveries across all PTT venues and a significant increase in ticket sales for PTT programmed events resulting from sold out performances at the State Theatre Centre and Albany Entertainment Centre during 2016-17.
3. The increase in the 2016-17 Estimated Actual Average Cost per Attendee is due to an increase in show recoveries across all PTT venues and a significant increase in ticket sales for PTT programmed events resulting from sold out performances at the State Theatre Centre and Albany Entertainment Centre. The Average Cost per Attendee is expected to decrease in 2017-18 due to a lower estimated revenue target.

13. Collections Management, Research and Conservation Services

Sustainable care and development of the State's collections for the benefit of present and future generations by ensuring that the collections are actively managed, researched and conserved.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 13,647	\$'000 9,913	\$'000 11,536	\$'000 10,940	1
Less Income.....	4,393	1,210	2,736	2,111	2
Net Cost of Service.....	9,254	8,703	8,800	8,829	
Employees (Full Time Equivalents).....	69	78	73	74	
Efficiency Indicator					
Average Cost per Object of Managing the Museum Collection.....	\$1.70	\$1.17	\$1.42	\$1.34	

Explanation of Significant Movements

(Notes)

1. The increase in the 2016-17 Estimated Actual compared to the 2016-17 Budget is due to higher expenditure from externally funded grants projects.
2. The increase in income in the 2016-17 Estimated Actual and the 2017-18 Budget Target compared to the 2016-17 Budget relates to external grant income received for research projects.

14. Collections Effectively Documented and Digitised

Sustainable care and development of the State's collections for the benefit of present and future generations by ensuring that the collections are effectively documented and digitised.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 2,409	\$'000 1,750	\$'000 2,036	\$'000 1,931	1
Less Income.....	776	214	483	372	2
Net Cost of Service.....	1,633	1,536	1,553	1,559	
Employees (Full Time Equivalents).....	13	14	13	13	
Efficiency Indicator					
Average Cost Per Object of Documenting and Digitising the State Collection...	\$1.31	\$0.91	\$0.98	\$0.89	

Explanation of Significant Movements

(Notes)

1. The increase in the 2016-17 Estimated Actual compared to the 2016-17 Budget is due to higher expenditure in externally funded grant projects.
2. The increase in income in the 2016-17 Estimated Actual and the 2017-18 Budget Target compared to the 2016-17 Budget relates to external grant income received for research projects.

15. Public Sites, Public Programs and Collections Accessed On-site

Enhanced cultural identity and understanding by promoting and ensuring the widest possible use of and contribution to museum content and collections through public sites, public and educational programs.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	12,682	9,919	11,266	12,725	1
Less Income.....	3,615	1,994	2,164	4,585	2
Net Cost of Service.....	9,067	7,925	9,102	8,140	
Employees (Full Time Equivalents).....	72	69	63	65	
Efficiency Indicator					
Average Cost of Museum Services per Museum Access.....	\$19.95	\$40.37	\$26.10	\$22.92	3

Explanation of Significant Movements

(Notes)

1. The increase in the 2016-17 Estimated Actual compared to the 2016-17 Budget is due to higher expenditure on exhibitions and public programs. The 2017-18 Budget Target is expected to increase due to major exhibitions like Pompeii and Dinosaur Discovery.
2. The increase in the 2017-18 Budget Target relates to the ticketing revenue from major exhibitions planned in 2017-18.
3. The reduction in the Average Cost of Museum Services per Museum Access in the 2016-17 Estimated Actual and the 2017-18 Budget Target is due to the increase in visitations from offsite activation.

16. Online Access to Collections, Expertise and Programs

Enhanced cultural identity and understanding by promoting and ensuring the widest possible use of and contribution to museum content and collections delivered through online access to the collections, expertise and programs.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	427	647	507	627	1
Less Income.....	59	-	-	-	
Net Cost of Service.....	368	647	507	627	
Employees (Full Time Equivalents).....	4	6	5	6	
Efficiency Indicator					
Average Cost of Museum Services per Museum Access.....	\$0.28	\$0.41	\$0.34	\$0.38	

Explanation of Significant Movements

(Notes)

1. The decrease in the 2016-17 Estimated Actual is due to a vacant position which will be recruited in 2017-18.

17. Museum Services to the Regions

Enhanced cultural identity and understanding by promoting and ensuring the widest possible use of and contribution to museum content and collections through regional access to the collections, expertise and programs.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 5,855	\$'000 5,079	\$'000 5,221	\$'000 6,288	1
Less Income.....	1,369	850	908	869	
Net Cost of Service.....	4,486	4,229	4,313	5,419	
Employees (Full Time Equivalents).....	33	31	28	29	
Efficiency Indicator					
Average Cost per Access.....	\$11.60	\$16.70	\$14.37	\$19.89	2

Explanation of Significant Movements

(Notes)

- The increase in the 2017-18 Budget Target is due to one-off expenditure related to lift upgrade works in Kalgoorlie.
- The Average Cost per Access is lower in the 2016-17 Estimated Actual compared to the 2016-17 Budget due to the increase in visitations, while the increase in the 2017-18 Budget Target is due to one-off maintenance expenditure funded by the Department's Global Maintenance program.

18. Licensing - Evaluation and Determination of Applications

Receive, process and determine applications in accordance with the legislation.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 8,354	\$'000 7,552	\$'000 8,288	\$'000 7,332	1
Less Income.....	5,555	4,854	5,529	4,854	2
Net Cost of Service.....	2,799	2,698	2,759	2,478	
Employees (Full Time Equivalents).....	52	51	50	49	
Efficiency Indicator					
Average Cost of Determining Applications.....	\$554	\$472	\$518	\$458	3

Explanation of Significant Movements

(Notes)

- The Total Cost of Service in the 2016-17 Estimated Actual is higher than the 2016-17 Budget due to the once-off cost related to the relocation of the former Department in mid-November 2016, and increased amortisation expenses.
- The increase in the 2016-17 Estimated Actual income compared to the 2016-17 Budget is mainly due to increased revenue from regulatory fees.
- The Average Cost of Determining Applications in the 2016-17 Estimated Actual is higher than the 2016-17 Budget due to the once-off increase in the Total Cost of Service.

19. Compliance Audits and Inspections

Perform audits and inspections to verify that the provision of gambling and liquor is conducted in a responsible and lawful manner.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 8,354	\$'000 7,552	\$'000 8,288	\$'000 7,331	1
Less Income.....	5,554	4,853	5,528	4,853	2
Net Cost of Service.....	2,800	2,699	2,760	2,478	
Employees (Full Time Equivalents).....	52	51	48	48	
Efficiency Indicator					
Average Cost of Conducting Inspections.....	\$995	\$981	\$1,069	\$952	3

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service in the 2016-17 Estimated Actual is higher than the 2016-17 Budget due to the once-off cost related to the relocation of the former Department in mid-November 2016, and increased amortisation expenses.
2. The increase in the 2016-17 Estimated Actual income compared to the 2016-17 Budget is mainly due to increased revenue from regulatory fees.
3. The Average Cost of Conducting Inspections in the 2016-17 Estimated Actual is higher than the 2016-17 Budget due to the once-off increase in the Total Cost of Service.

20. Industry Leadership and Infrastructure Development

Provide strategic leadership for the sport and recreation industry and support for infrastructure development through funding and advice to sport and recreation groups State-wide, including State and local governments.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 43,949	\$'000 43,244	\$'000 42,894	\$'000 49,978	1
Less Income.....	2,486	85	85	85	
Net Cost of Service.....	41,463	43,159	42,809	49,893	
Employees (Full Time Equivalents).....	50	49	48	50	
Efficiency Indicators					
Average Cost of Providing Consultancy (Policy, Advocacy and Infrastructure) to Organisations	\$10,083	\$10,930	\$10,874	\$11,241	
Average Cost of Providing the Contact Services (Policy, Advocacy and Infrastructure).....	\$526	\$732	\$740	\$882	2
Average Cost to Manage Infrastructure Grants.....	\$3,288	\$2,713	\$2,114	\$2,352	

Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service from the 2016-17 Estimated Actual to the 2017-18 Budget Target relates to operating payments for Perth Stadium that were previously budgeted for as part of the Asset Investment Program.
2. The increase in Average Cost of Providing the Contact Services (Policy, Advocacy and Infrastructure) from the 2016-17 Estimated Actual to the 2017-18 Budget Target is due to a reduced number of contacts.

21. Building Capacity and Participation

Provide support for organisations and personnel delivering sport and recreation State-wide from participation to the elite level through advice and funding support

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 40,219	\$'000 39,567	\$'000 40,714	\$'000 38,226	1
Less Income.....	2,257	1,696	2,400	1,721	
Net Cost of Service.....	37,962	37,871	38,314	36,505	
Employees (Full Time Equivalents).....	75	82	66	72	
Efficiency Indicators					
Average Cost of Providing Consultancy (Organisational Development and Participation) to Organisations.....	\$13,554	\$17,613	\$15,523	\$16,685	
Average Cost of Providing the Contact Services (Organisational Development and Participation).....	\$309	\$468	\$413	\$484	
Average Cost to Manage Sport and Recreation Development Grants.....	\$2,002	\$2,668	\$1,893	\$2,435	

Explanation of Significant Movements

(Notes)

- The reduction in Total Cost of Service in the 2017-18 Budget Target relative to the 2016-17 Estimated Actual mainly reflects one-off additional payments made to Western Australian Institute of Sport and KidSport grants in 2016-17.

22. Recreation Camps Management

Provide experiential outdoor activities to the community through the management of recreation camps.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 8,386	\$'000 8,953	\$'000 8,553	\$'000 8,784	
Less Income.....	4,540	4,912	4,512	4,680	
Net Cost of Service.....	3,846	4,041	4,041	4,104	
Employees (Full Time Equivalents).....	53	61	54	58	
Efficiency Indicators					
Average Cost per Bed Night.....	\$57	\$51	\$53	\$54	
Average Cost per Participation.....	\$24	\$27	\$24	\$27	

Asset Investment Program

Construction of the Perth Stadium and surrounding sport precinct will be completed in 2017-18. The focus for 2017-18 is the finalisation of construction and transfer of the asset to VenuesWest.

To support the delivery of the portfolio's services, asset investment in 2017-18 will also include the following:

- \$121.4 million to continue the delivery of the New Museum Project in 2017-18 at an estimated total cost of \$428.3 million;
- \$10.2 million for library materials for the Public and State Reference Library;
- \$1.2 million for the improvement of culture and the arts service delivery through the Fit-for-Purpose Infrastructure Program; and
- \$218,000 for ongoing funding for the Art Gallery Art Acquisition Fund.

	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							
Department							
Global Provision - Improvement of Culture and Arts							
Service Delivery Infrastructure - Fit-for-Purpose	3,718	2,548	1,069	1,170	-	-	-
New State Museum	424,146	76,234	41,322	121,438	166,658	55,428	4,388
New Perth Stadium							
Project Management							
Sport and Recreation	6,767	5,484	1,316	1,283	-	-	-
Strategic Projects	9,100	7,290	1,450	1,810	-	-	-
Sports Precinct	50,011	33,393	4,382	16,618	-	-	-
Stadium and Plaza	90,154	47,368	21,068	42,786	-	-	-
COMPLETED WORKS							
Art Gallery - Art Acquisition							
2013-14 Program	230	230	17	-	-	-	-
2014-15 Program	230	230	230	-	-	-	-
2015-16 Program	230	230	230	-	-	-	-
2016-17 Program	218	218	218	-	-	-	-
Camps Plant and Equipment Ongoing Replacement							
2015-16 Program	40	40	12	-	-	-	-
2016-17 Program	65	65	65	-	-	-	-
Computer Hardware and Software - 2016-17 Program	330	330	330	-	-	-	-
Library							
Information and Communications Technology (ICT)							
2016-17 Program	275	275	275	-	-	-	-
Public Library Materials - 2016-17 Program	8,015	8,015	8,015	-	-	-	-
State Reference Library Materials							
2012-13 Program	1,098	1,098	708	-	-	-	-
2015-16 Program	1,091	1,091	317	-	-	-	-
2016-17 Program	904	904	904	-	-	-	-
Office Equipment Replacement - 2016-17 Program	149	149	149	-	-	-	-
Perth Rectangular Stadium Development	94,243	94,243	1,463	-	-	-	-
Program Equipment							
2015-16 Program	10	10	10	-	-	-	-
2016-17 Program	95	95	95	-	-	-	-
State Netball Centre - Construction	24,115	24,115	521	-	-	-	-
Western Australian Institute of Sport - High Performance Service Centre	30,803	30,803	354	-	-	-	-
NEW WORKS							
Art Gallery - Art Acquisition							
2017-18 Program	218	-	-	218	-	-	-
2018-19 Program	218	-	-	-	218	-	-
2019-20 Program	218	-	-	-	-	218	-
2020-21 Program	218	-	-	-	-	-	218
Camps Plant and Equipment Ongoing Replacement							
2017-18 Program	65	-	-	65	-	-	-
2018-19 Program	65	-	-	-	65	-	-
2019-20 Program	65	-	-	-	-	65	-
2020-21 Program	65	-	-	-	-	-	65
Computer Hardware and Software							
2017-18 Program	580	-	-	580	-	-	-
2018-19 Program	480	-	-	-	480	-	-
2019-20 Program	430	-	-	-	-	430	-
2020-21 Program	580	-	-	-	-	-	580
Library							
ICT Program							
2017-18 Program	275	-	-	275	-	-	-
2018-19 Program	275	-	-	-	275	-	-
2019-20 Program	275	-	-	-	-	275	-
2020-21 Program	275	-	-	-	-	-	275
Public Library Materials							
2017-18 Program	9,207	-	-	9,207	-	-	-
2018-19 Program	9,173	-	-	-	9,173	-	-
2019-20 Program	9,173	-	-	-	-	9,173	-
2020-21 Program	8,996	-	-	-	-	-	8,996
State Reference Library Materials							
2017-18 Program	1,031	-	-	1,031	-	-	-
2018-19 Program	1,117	-	-	-	1,117	-	-
2019-20 Program	1,118	-	-	-	-	1,118	-
2020-21 Program	1,225	-	-	-	-	-	1,225
Office Equipment Replacement							
2017-18 Program	149	-	-	149	-	-	-
2018-19 Program	149	-	-	-	149	-	-
2019-20 Program	149	-	-	-	-	149	-
2020-21 Program	149	-	-	-	-	-	149

	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
Program Equipment							
2017-18 Program	95	-	-	95	-	-	-
2018-19 Program	95	-	-	-	95	-	-
2019-20 Program	95	-	-	-	-	95	-
2020-21 Program	95	-	-	-	-	-	95
Total Cost of Asset Investment Program.....	792,355	334,458	84,520	196,725	178,230	66,951	15,991
FUNDED BY							
Capital Appropriation			40,605	124,223	166,951	55,721	4,681
Drawdowns from the Holding Account.....			10,449	11,327	11,279	11,230	11,310
Internal Funds and Balances.....			8,438	(1,322)	-	-	-
Funding Included in Department of Treasury - New Perth Stadium Account.....			25,028	62,497	-	-	-
Total Funding			84,520	196,725	178,230	66,951	15,991

Financial Statements

The 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to amalgamate the Departments of Culture and the Arts, Racing, Gaming and Liquor and Sport and Recreation on 1 July 2017, as well as Local Government and multicultural interests functions transferred from the Department of Local Government and Communities, and the Aboriginal History Research Unit and cultural functions from the Department of Aboriginal Affairs.

Income Statement

Expenses

The Department's expenditure in the 2017-18 Budget Estimate maintains a relatively stable profile when compared to the 2016-17 Estimated Actual. In the 2018-19 Forward Estimate there is a significant reduction of approximately \$17 million which includes the completion of operating expenditure aspects associated with the Perth Stadium as well as reduced employee benefits expenditure as the Department continues to implement the Workforce Renewal Policy and Agency Expenditure Review (AER).

In 2019-20 there is a further reduction of \$21 million, which is attributed to finalisation of a number of grant programs and the reversion to base funding of \$12 million for the Community Sporting and Recreation Facilities Fund. The increases in 2020-21 are due to the increased operating costs associated with the New Museum.

Income

The increase in the 2020-21 Forward Estimate for Sale of Goods and Services is mainly due to increased income following the construction of the New Museum.

The decrease in service appropriations in the 2017-18 Budget Estimate compared to the 2016-17 Estimated Actual is mainly due to the reduced funding profile for the Local Projects Local Jobs election commitment.

There is a further reduction in the appropriation revenue in 2018-19 largely reflecting the full-year impact of AER employee benefits savings undertaken in 2017-18.

The Royalties for Regions revenue fluctuates between years depending on project approval and funding associated with those approvals.

The surplus in the 2016-17 Estimated Actual and deficit in the 2017-18 Budget Estimate is mainly due to funding received for the Local Projects Local Jobs election commitment in 2016-17 where a significant proportion of expenditure for these projects will occur in 2017-18.

Statement of Financial Position

The reduction in cash assets from the 2015-16 Actual and the 2016-17 Estimated Actual is mainly due to the expenditure profile associated with the Perth Stadium. The reduction in 2017-18 is also due to the drawdown of cash reserves to complete the Local Projects Local Jobs election commitment.

Restricted cash has increased in the 2017-18 Budget Estimate due to approved funding for the planned redevelopment of the Art Gallery rooftop space to commence in 2018.

The movement in the non-current asset base from the 2016-17 Estimated Actual and across the forward estimates period reflects the finalisation of the Perth Stadium project in 2017-18, which will be transferred to VenuesWest, and approved funding for the construction of the New Museum, which concludes in 2020.

Statement of Cashflows

Over the period to 2017-18, the Purchase of non-current assets includes funding for the Perth Stadium. In addition, the Purchase of non-current assets from the 2017-18 Budget Estimate and across the forward estimates period reflects the approved funding for the construction of the New Museum, which concludes in 2019-20.

The Perth Stadium Design, Build Finance and Maintain contract costs are displayed in the cashflows from Financing Activities. Upon completion, the control of the Perth Stadium is scheduled to be transferred to VenuesWest.

Supplies and services increase in 2017-18 due to operating expenditure for aspects of the Perth Stadium. These items were previously included as part of the Asset Investment Program funding.

Regulatory fees and fines of the 2016-17 Estimated Actual are higher than the 2017-18 Budget Estimate mainly due to the increases in the liquor fee revenue.

The reduction in cash balances from the 2015-16 Actual is mainly due to the utilisation of cash reserves in accordance with the expenditure profile of the Perth Stadium.

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)	108,728	107,875	108,726	102,822	99,568	102,677	105,696
Grants and subsidies ^(c)	104,639	102,183	101,990	102,417	103,134	79,777	78,637
Supplies and services	29,101	24,443	30,555	36,385	25,321	24,179	25,045
Accommodation	22,711	22,353	23,234	23,403	19,712	19,885	22,702
Depreciation and amortisation	20,465	18,847	19,503	20,062	20,828	20,688	31,450
Other expenses.....	9,699	7,035	8,829	8,514	8,368	8,467	8,794
TOTAL COST OF SERVICES	295,343	282,736	292,837	293,603	276,931	255,673	272,324
Income							
Sale of goods and services.....	20,479	18,691	20,603	22,545	20,446	20,225	28,038
Regulatory fees and fines.....	5,904	4,850	6,200	4,850	4,850	4,850	4,850
Grants and subsidies.....	5,805	2,922	4,552	3,244	1,257	1,036	1,040
Other revenue	14,478	5,367	8,197	7,432	7,342	7,339	7,343
Total Income.....	46,666	31,830	39,552	38,071	33,895	33,450	41,271
NET COST OF SERVICES	248,677	250,906	253,285	255,532	243,036	222,223	231,053
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	234,451	232,502	239,732	224,377	222,798	213,768	222,547
Resources received free of charge	1,541	1,542	1,542	1,558	1,574	1,590	1,590
Royalties for Regions Fund:							
Country Local Government Fund	1,598	5,123	3,673	3,134	-	-	-
Regional Community Services Fund	13,214	13,493	13,807	12,783	17,925	7,479	7,794
New Perth Stadium Account.....	-	-	-	8,275	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	250,804	252,660	258,754	250,127	242,297	222,837	231,931
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	2,127	1,754	5,469	(5,405)	(739)	614	878

(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 1,051, 994 and 1,037 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Arts Organisations, Projects and Programs	32,519	28,606	26,299	29,564	30,181	30,266	30,062
Chinese New Year Package	-	-	420	-	-	-	-
Commonwealth Grants	555	227	431	-	-	-	-
Community Sporting and Recreation							
Facilities Fund.....	19,463	19,340	17,340	14,459	18,340	11,340	11,340
Companion Animal Shelters.....	200	200	200	200	200	200	200
Country Local Government Fund.....	820	1,546	1,546	1,180	-	-	-
Creative Regions Program.....	4,508	7,330	6,963	4,750	4,185	-	-
Entry Statement and Signage Bunbury.....	-	-	-	-	200	-	-
Hong Kong Exchange	-	-	35	-	-	-	-
Local Government Scholarship Fund.....	15	-	-	-	-	-	-
Local Projects Local Jobs - Culture and the							
Arts (WA)	-	-	345	-	-	-	-
Local Projects Local Jobs Program	-	-	1,057	2,241	-	-	-
Office of Multicultural Interests							
Community Grants	553	1,060	560	560	560	560	560
Community Languages Program	860	1,158	1,113	1,113	1,113	1,113	1,113
Other Cultural Programs	1,326	1,193	1,617	1,349	1,345	1,363	1,363
Performing Arts Regional Tours Boost	438	250	198	-	-	-	-
Rapid Response Signs							
Metropolitan.....	-	-	-	122	125	128	131
Regional.....	-	-	-	204	208	213	219
Regional Exhibition Touring Boost.....	-	-	-	500	500	1,750	1,750
Regional Museum Grants.....	-	-	-	-	250	250	250
Sport and Recreation	5,780	4,244	4,925	5,540	11,572	4,940	5,500
Sports Financial Grants.....	21,954	20,906	24,783	24,843	18,022	10,886	9,486
Sports Lotteries Account	15,648	16,123	14,158	15,792	16,333	16,768	16,663
TOTAL	104,639	102,183	101,990	102,417	103,134	79,777	78,637

STATEMENT OF FINANCIAL POSITION ^(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
CURRENT ASSETS							
Cash assets	83,891	27,133	44,526	22,990	23,206	23,591	23,997
Restricted cash	32,458	29,656	37,195	41,970	40,497	40,100	40,246
Holding account receivables	11,088	11,327	11,327	11,209	11,160	11,310	11,210
Receivables	6,595	6,999	6,584	6,573	6,562	6,551	6,540
Other	3,237	4,066	3,237	3,237	3,237	3,237	3,237
Total current assets	137,269	79,181	102,869	85,979	84,662	84,789	85,230
NON-CURRENT ASSETS							
Holding account receivables	106,697	114,217	114,856	123,709	133,307	142,615	162,855
Property, plant and equipment	572,310	747,412	641,769	654,214	814,854	864,565	856,211
Intangibles	9,054	9,619	7,740	7,331	6,973	6,602	6,368
Restricted cash	-	341	327	558	790	1,036	1,273
Other	1,003,063	1,149,470	1,218,646	808,256	811,776	815,298	818,753
Total non-current assets	1,691,124	2,021,059	1,983,338	1,594,068	1,767,700	1,830,116	1,845,460
TOTAL ASSETS	1,828,393	2,100,240	2,086,207	1,680,047	1,852,362	1,914,905	1,930,690
CURRENT LIABILITIES							
Employee provisions	13,302	13,549	13,543	13,549	13,555	13,561	13,567
Payables	20,255	16,709	20,229	19,960	19,453	18,478	18,003
Other	6,272	7,276	6,681	6,275	6,336	6,816	7,086
Total current liabilities	39,829	37,534	40,453	39,784	39,344	38,855	38,656
NON-CURRENT LIABILITIES							
Employee provisions	6,237	6,431	6,500	6,597	6,694	6,791	6,888
Other	524	768	524	524	524	524	524
Total non-current liabilities	6,761	7,199	7,024	7,121	7,218	7,315	7,412
TOTAL LIABILITIES	46,590	44,733	47,477	46,905	46,562	46,170	46,068
EQUITY							
Contributed equity	736,128	1,066,365	979,314	905,625	1,072,634	1,128,364	1,133,096
Accumulated surplus/(deficit) ^{(b) (c)}	331,003	328,842	335,997	(5,880)	(7,094)	(6,955)	(6,552)
Reserves ^(b)	714,672	660,300	723,419	733,397	740,260	747,326	758,078
Total equity	1,781,803	2,055,507	2,038,730	1,633,142	1,805,800	1,868,735	1,884,622
TOTAL LIABILITIES AND EQUITY	1,828,393	2,100,240	2,086,207	1,680,047	1,852,362	1,914,905	1,930,690

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

(b) Accumulated surplus/(deficit) does not agree to the aggregate of surplus/(deficiency) for the period and surplus/(deficiency) as at the end of the previous reporting period due to bequests and donated works of art income being transferred to reserves in the Statement of Financial Position (\$475,000) in the years from 2016-17 to 2020-21. The amount transferred to reserves in 2015-16 was \$148,000.

(c) The Accumulated surplus 2016-17 Estimated Actual of \$336 million is recognised as Contributed equity from 2017-18 onwards to acknowledge the transfer of functions to the new Department of Local Government, Sport and Cultural Industries.

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.....	215,005	213,655	220,885	204,315	201,970	193,080	191,097
Capital appropriation.....	28,738	93,889	40,605	124,223	166,951	55,721	4,681
Holding account drawdowns.....	11,640	11,088	10,449	11,327	11,279	11,230	11,310
Royalties for Regions Fund:							
Country Local Government Fund.....	1,598	5,123	3,673	3,134	-	-	-
Regional Community Services Fund.....	13,214	13,493	13,807	12,783	17,925	7,479	7,794
New Perth Stadium Account.....	259,000	240,600	206,472	122,028	-	-	-
Net cash provided by State Government.....	529,195	577,848	495,891	477,810	398,125	267,510	214,882
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(111,937)	(107,953)	(107,797)	(102,543)	(99,286)	(101,976)	(105,205)
Grants and subsidies.....	(100,591)	(101,689)	(101,990)	(102,417)	(103,134)	(79,777)	(78,637)
Supplies and services.....	(27,866)	(23,166)	(27,981)	(36,050)	(23,228)	(22,613)	(22,994)
Accommodation.....	(22,216)	(22,201)	(23,082)	(23,246)	(19,555)	(19,728)	(22,545)
Other payments.....	(51,297)	(30,617)	(32,325)	(31,106)	(35,864)	(28,469)	(29,086)
Receipts ^(b)							
Regulatory fees and fines.....	5,925	4,850	6,200	4,850	4,850	4,850	4,850
Grants and subsidies.....	6,775	2,922	4,720	2,776	1,257	1,036	1,040
Sale of goods and services.....	19,502	18,644	20,565	22,507	20,408	20,187	28,000
GST receipts.....	40,973	22,470	22,470	21,333	26,252	18,788	19,094
Other receipts.....	9,330	4,727	8,169	7,470	7,380	7,377	7,381
Net cash from operating activities.....	(231,402)	(232,013)	(231,051)	(236,426)	(220,920)	(200,325)	(198,102)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(51,819)	(158,082)	(84,520)	(196,725)	(178,230)	(66,951)	(15,991)
Other payments.....	(163)	-	-	-	-	-	-
Other receipts.....	232	-	-	-	-	-	-
Net cash from investing activities.....	(51,750)	(158,082)	(84,520)	(196,725)	(178,230)	(66,951)	(15,991)
CASHFLOWS FROM FINANCING ACTIVITIES							
Other payments - Perth Stadium.....	(205,890)	(197,100)	(220,800)	(62,985)	-	-	-
Other proceeds - Perth Stadium Transport Infrastructure.....	5,600	6,000	6,175	1,800	-	-	-
Net cash from financing activities.....	(200,290)	(191,100)	(214,625)	(61,185)	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD.....	45,753	(3,347)	(34,305)	(16,526)	(1,025)	234	789
Cash assets at the beginning of the reporting period.....	75,986	65,867	121,739	87,434	70,908	69,883	70,117
Cash assets at the end of the reporting period.....	121,739	62,520	87,434	70,908	69,883	70,117	70,906

(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
Regulatory Fees and Fines							
Liquor Fees Revenue	5,925	4,850	6,200	4,850	4,850	4,850	4,850
Grants and Subsidies							
Provision of Services to the Commonwealth ..	375	256	464	256	256	256	256
Direct Grants and Subsidies Receipts.....	6,400	2,666	4,256	2,520	1,001	780	784
Sale of Goods and Services							
Provision of Services to the Racing and Gaming Industries	4,202	4,769	4,769	4,769	4,769	4,769	4,769
Revenue Received for the Provision of Accommodation and Recreation Programs..	4,646	4,912	4,512	4,680	4,930	4,930	4,930
Other.....	10,654	8,963	11,284	13,058	10,709	10,488	18,301
GST Receipts							
GST Input Credits	37,887	20,763	20,765	19,855	24,763	17,246	17,553
GST Receipts on Sales	3,086	1,707	1,705	1,478	1,489	1,542	1,541
Other Receipts							
Rental Income from King Street Art Centre...	267	235	274	221	223	225	227
Other Receipts	7,972	3,238	6,653	5,464	5,250	5,253	5,261
Interest Received.....	832	935	949	783	773	758	744
Other Rental Income	259	319	293	1,002	1,134	1,141	1,149
TOTAL	82,505	53,613	62,124	58,936	60,147	52,238	60,365

(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							
Taxation							
Casino Tax.....	64,863	68,000	55,444	62,000	71,000	71,000	71,000
Other							
Appropriation.....	52,628	54,670	48,146	56,247	56,974	61,185	61,124
Combat Sports Commission Appropriation...	786	814	814	839	848	853	860
TOTAL ADMINISTERED INCOME	118,277	123,484	104,404	119,086	128,822	133,038	132,984
EXPENSES							
Grants to Charitable and Other Public Bodies							
Grants to Individuals Problem Gambling	493	500	500	500	500	500	500
Statutory Authorities							
Grants to Racing and Wagering Western Australia.....	13,554	13,970	13,882	14,407	15,134	16,072	16,011
Subsidies And Concessions							
Subsidies to Gambling and Betting Agencies and Bookmakers	38,581	40,200	33,784	41,340	41,340	44,613	44,613
Other							
Receipts Paid into the Consolidated Account.....	62,764	68,000	60,739	62,000	71,000	71,000	71,000
Combat Sports Commission Expenditure...	786	814	814	839	848	853	860
TOTAL ADMINISTERED EXPENSES	116,178	123,484	109,719	119,086	128,822	133,038	132,984

Agency Special Purpose Account Details

LOCAL GOVERNMENT SCHOLARSHIP ACCOUNT

Account Purpose: To hold funds for the purpose of awarding scholarships to local government officers for attendance at managerial study courses.

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000
Opening Balance	8	8	18	18
Receipts:				
Appropriations.....	25	-	-	-
	33	8	18	18
Payments	15	-	-	-
CLOSING BALANCE	18	8	18	18

ARTS LOTTERIES SPECIAL PURPOSE ACCOUNT

Account Purpose: The purpose of the Account is to hold moneys received, pursuant to section 22(2)(d) and 22(5) of the *Lotteries Commission Act 1990*, to be applied in such proportions and among such bodies and persons engaged in the conduct of cultural activities in the State.

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000
Opening Balance	-	-	-	-
Receipts:				
Appropriations.....	16,300	16,965	15,000	16,634
Other	-	-	-	-
	16,300	16,965	15,000	16,634
Payments	16,300	16,965	15,000	16,634
CLOSING BALANCE	-	-	-	-

COMMUNITY SPORTING AND RECREATION FACILITIES SPECIAL PURPOSE ACCOUNT

Account Purpose: The Account holds moneys appropriated for the purpose of making grants for the development of public sporting and recreation facilities and for the management and administration of those grants.

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000
Opening Balance	385	385	264	81
Receipts:				
Appropriations.....	20,000	20,000	18,000	15,000
Other	2	-	145	-
	20,387	20,385	18,409	15,081
Payments	20,123	20,000	18,328	15,000
CLOSING BALANCE	264	385	81	81

SPORTS LOTTERIES SPECIAL PURPOSE ACCOUNT

Account Purpose: The purpose of the Account is to hold moneys received, pursuant to section 22(2)(c) and 22(4) of the *Lotteries Commission Act 1990*, to be applied in such proportions and among such bodies engaged in the conduct of sport in the State.

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000
Opening Balance	1,320	1,320	855	103
Receipts:				
Appropriations.....	16,300	16,965	15,000	16,634
Other	13	-	23	-
	17,633	18,285	15,878	16,737
Payments	16,778	16,965	15,775	16,634
CLOSING BALANCE	855	1,320	103	103

LOGUE BROOK RECREATION OFFSET TRUST ACCOUNT

Account Purpose: To fund the identification and re-establishment (and associated administration costs) of recreation amenities, where practical, within the localities of nearby dams and inland bodies, following cessation of recreational access to Logue Brook.

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000
Opening Balance	56	-	59	59
Receipts:				
Other	3	-	-	-
	59	-	59	59
Payments	-	-	-	-
CLOSING BALANCE	59	-	59	59

Part 15

Minister for Local Government; Heritage

Summary of Portfolio Appropriations

Agency	2016-17 Budget \$'000	2016-17 Estimated Actual '000	2017-18 Budget Estimate '000
Heritage Council of Western Australia			
– Delivery of Services	1,452	1,452	1,421
Total	1,452	1,452	1,421
National Trust of Australia (WA)			
– Delivery of Services	3,271	3,271	3,212
– Capital Appropriation	435	435	435
Total	3,706	3,706	3,647
GRAND TOTAL			
– Delivery of Services	4,723	4,723	4,633
– Capital Appropriation	435	435	435
Total.....	5,158	5,158	5,068

Metropolitan Cemeteries Board

Part 15

Minister for Local Government; Heritage

Asset Investment Program

The Asset Investment Program (AIP) supports the strategic direction of the Board and its long term viability. In 2017-18, the AIP totals \$9.7 million and will provide for the development and ongoing maintenance of all metropolitan cemeteries in line with community demands and expectations.

The AIP will also provide improved access to the State's metropolitan cemeteries including its amenities and the provision of related services on a fair basis for the benefit of the community, industry and government. Significant programs include new and upgraded mausoleums at Karrakatta and Fremantle and new cremators. Other important ongoing programs include the annual cemetery renewal program and business improvement projects involving the upgrade of information technology systems and equipment to acquire business efficiencies.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COMPLETED WORKS							
Building and Infrastructure - 2016-17 Program	4,758	4,758	4,758	-	-	-	-
Burials, Entombments and Memorials - 2016-17 Program.....	1,510	1,510	1,510	-	-	-	-
Cremators - 2016-17 Program.....	2,083	2,083	2,083	-	-	-	-
Fleet, Plant and Equipment - 2016-17 Program.....	2,940	2,940	2,940	-	-	-	-
NEW WORKS							
Building and Infrastructure							
2017-18 Program	7,280	-	-	7,280	-	-	-
2018-19 Program	4,938	-	-	-	4,938	-	-
2019-20 Program	2,557	-	-	-	-	2,557	-
2020-21 Program	2,475	-	-	-	-	-	2,475
Burials, Entombments and Memorials							
2017-18 Program	1,041	-	-	1,041	-	-	-
2018-19 Program	1,209	-	-	-	1,209	-	-
2019-20 Program	1,195	-	-	-	-	1,195	-
2020-21 Program	1,430	-	-	-	-	-	1,430
Cremators							
2017-18 Program	78	-	-	78	-	-	-
2018-19 Program	654	-	-	-	654	-	-
2019-20 Program	812	-	-	-	-	812	-
2020-21 Program	120	-	-	-	-	-	120
Fleet, Plant and Equipment							
2017-18 Program	1,293	-	-	1,293	-	-	-
2018-19 Program	1,112	-	-	-	1,112	-	-
2019-20 Program	985	-	-	-	-	985	-
2020-21 Program	1,280	-	-	-	-	-	1,280
Total Cost of Asset Investment Program.....	39,750	11,291	11,291	9,692	7,913	5,549	5,305
FUNDED BY							
Internal Funds and Balances.....			11,291	9,692	7,913	5,549	5,305
Total Funding.....			11,291	9,692	7,913	5,549	5,305

Division 23 Heritage Council of Western Australia

Part 15 Minister for Local Government; Heritage

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 39 Net amount appropriated to deliver services	1,461	1,452	1,452	1,421	1,376	1,376	1,377
Total appropriations provided to deliver services.....	1,461	1,452	1,452	1,421	1,376	1,376	1,377
CAPITAL							
Capital Appropriation	1,000	-	-	-	-	-	-
TOTAL APPROPRIATIONS	2,461	1,452	1,452	1,421	1,376	1,376	1,377
EXPENSES							
Total Cost of Services.....	1,377	1,452	1,452	1,421	1,376	1,376	1,377
Net Cost of Services (a)	986	(3,313)	(1,413)	(479)	1,376	1,376	1,377
CASH ASSETS (b)	3,121	8,003	5,416	8,616	8,616	8,616	8,616

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

(b) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
2017-18 Streamlined Budget Process Incentive Funding	-	14	-	-	-
Revision to Indexation for Non-Salary Expenses	-	-	(33)	(47)	(60)

Significant Issues Impacting the Agency

- The *Heritage of Western Australia Act 1990* has remained substantially unchanged since being proclaimed and is no longer fit-for-purpose. The Council is working with the Government on heritage legislation that will adopt national standards for assessing heritage places of State significance, protect heritage places and promote sustainable development and adaptive re-use, improve efficiency in processes and provide enhanced transparency and certainty of decision-making for custodians of heritage places.
- The Government is committed to the protection and enhancement of our historic heritage and supports the sustainability of heritage places in a number of ways including allocation of over \$1 million for the Heritage Grants Program and promoting the productive use of heritage assets throughout the State through informed conservation and recognition of their value as important economic, social and environmental assets.
- The Government has an ownership interest in more than a third of places listed in the State Register of Heritage Places. Many of these are well used, actively maintained and conserved, however others sit idle. Governance of the Heritage Revolving Fund known as Heritage Works remains an important priority as new projects to revitalise vacant Government owned assets are planned and executed.

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 service and desired outcome, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcome	Service
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	Conservation of cultural heritage places in Western Australia, for the benefit of present and future generations.	1. Cultural Heritage Conservation Services

Service Summary

Expense	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
1. Cultural Heritage Conservation Services	1,377	1,452	1,452	1,421	1,376	1,376	1,377
Total Cost of Services	1,377	1,452	1,452	1,421	1,376	1,376	1,377

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: Conservation of cultural heritage places in Western Australia, for the benefit of present and future generations:					
Extent to which heritage places identified as having potential State significance have been assessed	76.3%	76%	77%	76%	
Extent to which development approvals issued for registered places are consistent with the Council's advice to decision-making authorities.....	100%	100%	100%	100%	
Extent to which grant aid leverages additional investment in conservation projects.....	2:1	2:1	2.3:1	2:1	1

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

Explanation of Significant Movements

(Notes)

- The leveraging of heritage grant funds in 2016-17 has been more successful than anticipated due to a number of grant recipients contributing significantly more than the required matching contribution.

Services and Key Efficiency Indicators

1. Cultural Heritage Conservation Services

Establish and maintain a comprehensive Heritage Register; provide conservation advice on development referrals and other relevant matters; develop the role of public authorities in conserving and managing heritage places; provide financial assistance and other conservation incentives; provide publications, seminars and other promotional activities.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 1,377	\$'000 1,452	\$'000 1,452	\$'000 1,421	
Less Income.....	391	4,765	2,865	1,900	1
Net Cost of Service.....	986	(3,313)	(1,413)	(479)	
Efficiency Indicator Incidence of Preliminary Reviews Proceeding to Full-Assessment but Resulting in Decisions not to Recommend Interim Registration.....	6.5%	6.5%	6.7%	6.5%	

Explanation of Significant Movements

(Notes)

1. A portion of budgeted income from the sales of the Fremantle Warders' Cottages has been carried over into 2017-18 due to the delay of sales in 2016-17.

Financial Statements

Income Statement

Income

The significant increase in income in the 2016-17 Budget estimate was due to the expected proceeds from the sale of all the Fremantle Warders' Cottages.

The 2016-17 Estimated Actual is lower than budgeted due to the delay in the sale of some of the cottages, with the remainder of sales now expected in 2017-18.

Statement of Financial Position

The 2016-17 Budget had reduced other current assets compared to the 2016-17 Estimated Actual due to the expected sale of all the Fremantle Warders' Cottages which have been carried over into 2017-18.

The delay in selling some of the Fremantle Warders' Cottages in 2016-17 had a flow on effect on restricted cash, which reduced the 2016-17 Estimated Actual of proceeds from sale of non-current assets. The sales have now been repositioned to occur in 2017-18.

Statement of Cashflows

Proceeds from the sale of non-current assets have been repositioned to reflect that the sale of some of the Fremantle Warders' Cottages will now carry over into 2017-18.

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.....	24	22	22	22	24	33	33
Grants and subsidies ^(b)	1,191	1,273	1,273	1,222	1,222	1,221	1,221
Supplies and services	142	140	140	160	112	104	101
Other expenses.....	20	17	17	17	18	18	22
TOTAL COST OF SERVICES	1,377	1,452	1,452	1,421	1,376	1,376	1,377
Income							
Other revenue	391	4,765	2,865	1,900	-	-	-
Total Income.....	391	4,765	2,865	1,900	-	-	-
NET COST OF SERVICES	986	(3,313)	(1,413)	(479)	1,376	1,376	1,377
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	1,461	1,452	1,452	1,421	1,376	1,376	1,377
TOTAL INCOME FROM STATE GOVERNMENT	1,461	1,452	1,452	1,421	1,376	1,376	1,377
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	475	4,765	2,865	1,900	-	-	-

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

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Goldfields Earthquake Restoration Program....	(82)	-	-	-	-	-	-
Heritage Grants Program.....	1,273	1,273	1,273	1,222	1,222	1,221	1,221
TOTAL	1,191	1,273	1,273	1,222	1,222	1,221	1,221

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	233	281	233	233	233	233	233
Restricted cash	2,888	7,722	5,183	8,383	8,383	8,383	8,383
Receivables	99	47	99	99	99	99	99
Other.....	2,724	1	1,301	1	1	1	1
Total current assets	5,944	8,051	6,816	8,716	8,716	8,716	8,716
TOTAL ASSETS	5,944	8,051	6,816	8,716	8,716	8,716	8,716
CURRENT LIABILITIES							
Payables	2,308	2,127	2,315	2,315	2,315	2,315	2,315
Other.....	2	-	2	2	2	2	2
Total current liabilities	2,310	2,127	2,317	2,317	2,317	2,317	2,317
TOTAL LIABILITIES.....	2,310	2,127	2,317	2,317	2,317	2,317	2,317
EQUITY							
Contributed equity	(3,284)	(4,280)	(5,284)	(5,284)	(5,284)	(5,284)	(5,284)
Accumulated surplus/(deficit).....	6,918	10,204	9,783	11,683	11,683	11,683	11,683
Total equity	3,634	5,924	4,499	6,399	6,399	6,399	6,399
TOTAL LIABILITIES AND EQUITY	5,944	8,051	6,816	8,716	8,716	8,716	8,716

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	1,461	1,452	1,452	1,421	1,376	1,376	1,377
Capital appropriation.....	1,000	-	-	-	-	-	-
Receipts paid into Consolidated Account.....	-	(2,000)	(2,000)	-	-	-	-
Net cash provided by State Government.....	2,461	(548)	(548)	1,421	1,376	1,376	1,377
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(24)	(22)	(22)	(22)	(24)	(33)	(33)
Grants and subsidies.....	(1,049)	(1,273)	(1,273)	(1,222)	(1,222)	(1,221)	(1,221)
Supplies and services.....	(1,826)	(140)	(140)	(160)	(112)	(104)	(101)
Other payments.....	(262)	(362)	(362)	(17)	(18)	(18)	(22)
Receipts							
GST receipts.....	201	345	345	-	-	-	-
Other receipts.....	392	-	-	-	-	-	-
Net cash from operating activities.....	(2,568)	(1,452)	(1,452)	(1,421)	(1,376)	(1,376)	(1,377)
CASHFLOWS FROM INVESTING ACTIVITIES							
Other payments.....	-	(160)	(160)	-	-	-	-
Proceeds from sale of non-current assets.....	-	7,655	4,455	3,200	-	-	-
Net cash from investing activities.....	-	7,495	4,295	3,200	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD.....	(107)	5,495	2,295	3,200	-	-	-
Cash assets at the beginning of the reporting period.....	3,228	2,508	3,121	5,416	8,616	8,616	8,616
Cash assets at the end of the reporting period.....	3,121	8,003	5,416	8,616	8,616	8,616	8,616

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

Division 24 National Trust of Australia (WA)

Part 15 Minister for Local Government; Heritage

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 40 Net amount appropriated to deliver services	3,216	3,271	3,271	3,212	3,186	3,183	3,199
Total appropriations provided to deliver services.....	3,216	3,271	3,271	3,212	3,186	3,183	3,199
CAPITAL							
Item 105 Capital Appropriation.....	435	435	435	435	435	435	435
TOTAL APPROPRIATIONS	3,651	3,706	3,706	3,647	3,621	3,618	3,634
EXPENSES							
Total Cost of Services.....	7,310	7,962	8,712	7,903	7,877	7,874	7,857
Net Cost of Services ^(a)	629	3,304	3,304	3,245	3,219	3,216	3,199
CASH ASSETS ^(b)	6,697	5,489	6,458	6,219	5,980	5,741	5,741

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

(b) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
2016-17 Estimated Outturn	750	-	-	-	-
2017-18 Streamlined Budget Process Incentive Funding	-	25	-	-	-
Revision to Indexation for Non-Salary Expenses	-	-	(37)	(52)	(68)

Significant Issues Impacting the Agency

- The Trust will maintain its focus on the conservation, interpretation and adaptive re-use of heritage places.
- The Trust will continue to work on enhancing the value and awareness of heritage and community engagement through its formal and non-formal schools, public education programs and events.
- The Trust will continue to promote public investment in heritage through its community-based public tax deductible appeals, the work of its Aboriginal Foundations and its Natural Heritage Conservation programs.

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 Trust's Outcome Based Management (OBM) structure has been revised since the 2016-17 Budget. As a result, the 2015-16 Actual results have 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 outcome, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcome	Services
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	Engage community support for the conservation of our natural, Aboriginal and historic heritage for the present and the future.	1. Conservation and Management of Built Heritage 2. Heritage Services to the Community

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. Conservation and Management of Built Heritage.....	3,519	4,516	4,578	4,578	4,578	4,578	4,578
2. Heritage Services to the Community	3,791	3,446	4,134	3,325	3,299	3,296	3,279
Total Cost of Services	7,310	7,962	8,712	7,903	7,877	7,874	7,857

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16	2016-17	2016-17	2017-18	Note
	Actual	Budget	Estimated Actual	Budget Target	
Outcome: Engage community support for the conservation of our natural, Aboriginal and historic heritage for the present and the future:					
Percentage of planned conservation performed to enable community access to Trust places.....	2%	1.8%	1.1%	1%	1
Number of people accessing, engaging, attending Trust places and receiving heritage services.....	n/a	n/a	n/a	98,620	2

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

Explanation of Significant Movements

(Notes)

- The lower than forecast 2016-17 Estimated Actual percentage compared to the 2016-17 Budget percentage reflects less conservation work being carried out than forecast in 2016-17. The amount of conservation works carried out is dependent on the amount of funding the Trust can source during each year.
- This is a new effectiveness indicator that has come into effect from the start of the 2017-18 reporting period. The information required to measure this indicator was not collected in previous years. As a result, no comparative information is supplied for the 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual.

Services and Key Efficiency Indicators

1. Conservation and Management of Built Heritage

As a key service, the Trust has the role of providing conservation to government heritage properties and places including the operation of a major public Appeals program with a key focus on conservation works.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 3,519	\$'000 4,516	\$'000 4,578	\$'000 4,578	
Less Income.....	4,497	3,169	3,155	3,155	
Net Cost of Service.....	(978)	1,347	1,423	1,423	
Employees (Full Time Equivalents).....	14	14	14	14	
Efficiency Indicator					
Average Operating Cost per Place Managed.....	\$25,154	\$31,402	\$33,901	\$32,234	

2. Heritage Services to the Community

The interpretation-heritage awareness and education service includes programs targeted at the general public, schools, professional development and training and community service.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 3,791	\$'000 3,446	\$'000 4,134	\$'000 3,325	1
Less Income.....	2,184	1,489	2,253	1,503	2
Net Cost of Service.....	1,607	1,957	1,881	1,822	
Employees (Full Time Equivalents).....	16	16	16	16	
Efficiency Indicator					
Average Operating Cost per Person Accessing, Engaging, Attending Trust Places and Heritage Services Provided.....	n/a	n/a	n/a	34	3

Explanation of Significant Movements

(Notes)

- The increase in 2016-17 Estimated Actual Total Cost of Service compared to the 2016-17 Budget primarily relates to a one-off increase in Foundations expenditure, funded by additional own source revenue. The additional expenditure has been utilised for a number of different Heritage Services projects and activities. Total Cost of Service is expected to return to historical levels in 2017-18.
- The increase in 2016-17 Estimated Actual income compared to the 2016-17 Budget primarily relates to one-off additional own source revenue provided to enable the Trust to undertake additional work on various Heritage Service projects and activities. Other revenue is expected to return to historical levels in 2017-18.
- This is a new efficiency indicator that has come into effect from the start of the 2017-18 reporting period. The information required to measure this indicator was not collected in previous years. As a result, no comparative information is supplied for the 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual.

Asset Investment Program

The Trust's Asset Investment Program includes the continuation of conservation and interpretation works to heritage places for the long-term social, economic and environmental benefits of the Western Australian community. The Trust will also continue to maintain its information technology program, including the ongoing development of online facilities.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement - 2016-17 Program.....	50	50	50	-	-	-	-
Property Restoration - 2016-17 Program.....	650	650	650	-	-	-	-
NEW WORKS							
Asset Replacement							
2017-18 Program.....	50	-	-	50	-	-	-
2018-19 Program.....	50	-	-	-	50	-	-
2019-20 Program.....	50	-	-	-	-	50	-
2020-21 Program.....	50	-	-	-	-	-	50
Property Restoration							
2017-18 Program.....	650	-	-	650	-	-	-
2018-19 Program.....	650	-	-	-	650	-	-
2019-20 Program.....	650	-	-	-	-	650	-
2020-21 Program.....	650	-	-	-	-	-	650
Total Cost of Asset Investment Program.....	3,500	700	700	700	700	700	700
FUNDED BY							
Capital Appropriation			435	435	435	435	435
Drawdowns from the Holding Account.....			265	265	265	265	265
Total Funding.....			700	700	700	700	700

Financial Statements

Income Statement

Expenses

The increase in supplies and services in the 2016-17 Estimated Actual compared to the 2016-17 Budget primarily relates to a one-off increase in Foundations expenditure, funded by additional own source revenue. The additional expenditure has been utilised for a number of different projects and activities undertaken by the Trust. Supplies and services expenditure is expected to return to historical levels in 2017-18.

Income

The increase in the other revenue in the 2016-17 Estimated Actual compared to the 2016-17 Budget primarily relates to one-off additional own source revenue provided to enable the Trust to undertake additional work on various projects and activities. Other revenue is expected to return to historical levels in 2017-18.

Statement of Financial Position

The decrease in the assets held for sale in the 2016-17 Estimated Actual compared to the 2016-17 Budget reflects the transfer of the Royal George property available for sale to the former Department of Lands in 2015-16.

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)	3,055	3,019	3,019	3,015	3,003	3,001	3,017
Supplies and services	2,676	3,326	4,076	3,271	3,267	3,266	3,233
Accommodation	399	383	383	383	383	383	383
Depreciation and amortisation	653	650	650	650	650	650	650
Other expenses.....	527	584	584	584	574	574	574
TOTAL COST OF SERVICES	7,310	7,962	8,712	7,903	7,877	7,874	7,857
Income							
Sale of goods and services.....	1,210	1,273	1,273	1,273	1,273	1,273	1,273
Grants and subsidies.....	1,971	700	700	700	700	700	700
Other revenue	3,500	2,685	3,435	2,685	2,685	2,685	2,685
Total Income.....	6,681	4,658	5,408	4,658	4,658	4,658	4,658
NET COST OF SERVICES	629	3,304	3,304	3,245	3,219	3,216	3,199
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	3,216	3,271	3,271	3,212	3,186	3,183	3,199
TOTAL INCOME FROM STATE GOVERNMENT	3,216	3,271	3,271	3,212	3,186	3,183	3,199
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	2,587	(33)	(33)	(33)	(33)	(33)	-

(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 30, 30 and 30 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	1,979	1,329	1,993	1,924	1,885	1,885	1,885
Restricted cash	4,718	4,160	4,465	4,295	4,095	3,856	3,856
Holding account receivables	265	265	265	265	265	265	265
Receivables	779	800	735	735	941	941	941
Other	113	86	113	113	113	113	113
Assets held for sale	549	1,156	549	549	549	549	549
Total current assets	8,403	7,796	8,120	7,881	7,848	7,609	7,609
NON-CURRENT ASSETS							
Holding account receivables	1,538	1,923	1,923	2,308	2,693	3,078	3,463
Property, plant and equipment	96,166	99,226	93,326	93,376	93,426	93,476	93,526
Intangibles	122	151	122	122	122	122	122
Other	1,661	1,661	1,661	1,661	1,661	1,661	1,661
Total non-current assets	99,487	102,961	97,032	97,467	97,902	98,337	98,772
TOTAL ASSETS	107,890	110,757	105,152	105,348	105,750	105,946	106,381
CURRENT LIABILITIES							
Employee provisions	709	799	709	709	709	709	709
Payables	289	3	89	133	133	127	127
Other	2,071	1,987	2,021	1,771	1,771	1,571	1,571
Total current liabilities	3,069	2,789	2,819	2,613	2,613	2,407	2,407
NON-CURRENT LIABILITIES							
Employee provisions	39	5	39	39	39	39	39
Total non-current liabilities	39	5	39	39	39	39	39
TOTAL LIABILITIES	3,108	2,794	2,858	2,652	2,652	2,446	2,446
EQUITY							
Contributed equity	27,854	24,745	25,399	25,834	26,269	26,704	27,139
Accumulated surplus/(deficit)	55,461	53,808	55,428	55,395	55,362	55,329	55,329
Reserves	21,467	29,410	21,467	21,467	21,467	21,467	21,467
Total equity	104,782	107,963	102,294	102,696	103,098	103,500	103,935
TOTAL LIABILITIES AND EQUITY	107,890	110,757	105,152	105,348	105,750	105,946	106,381

(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.....	2,566	2,621	2,621	2,562	2,536	2,533	2,549
Capital appropriation.....	435	435	435	435	435	435	435
Holding account drawdowns.....	265	265	265	265	265	265	265
Net cash provided by State Government.....	3,266	3,321	3,321	3,262	3,236	3,233	3,249
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(3,206)	(3,020)	(3,020)	(3,016)	(3,004)	(3,002)	(3,018)
Supplies and services.....	(2,417)	(3,448)	(4,198)	(3,393)	(3,389)	(3,388)	(3,388)
Accommodation.....	(399)	(366)	(366)	(366)	(366)	(366)	(366)
Other payments.....	(1,493)	(774)	(774)	(774)	(764)	(764)	(764)
Receipts							
Grants and subsidies.....	1,981	700	700	700	700	700	700
Sale of goods and services.....	1,208	1,273	1,273	1,273	1,273	1,273	1,273
GST receipts.....	634	270	270	270	270	270	270
Other receipts.....	2,602	2,505	3,255	2,505	2,505	2,505	2,744
Net cash from operating activities.....	(1,090)	(2,860)	(2,860)	(2,801)	(2,775)	(2,772)	(2,549)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(2,469)	(700)	(700)	(700)	(700)	(700)	(700)
Proceeds from sale of non-current assets.....	23	-	-	-	-	-	-
Net cash from investing activities.....	(2,446)	(700)	(700)	(700)	(700)	(700)	(700)
NET INCREASE/(DECREASE) IN CASH HELD.....	(270)	(239)	(239)	(239)	(239)	(239)	-
Cash assets at the beginning of the reporting period.....	6,967	5,728	6,697	6,458	6,219	5,980	5,741
Cash assets at the end of the reporting period.....	6,697	5,489	6,458	6,219	5,980	5,741	5,741

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

Part 16

Minister for Planning; Lands

Minister for Heritage

Minister for Aboriginal Affairs

Summary of Portfolio Appropriations

Agency	2016-17 Budget \$'000	2016-17 Estimated Actual '000	2017-18 Budget Estimate '000
Planning, Lands and Heritage			
– Delivery of Services	123,928	119,119	115,311
– Administered Grants, Subsidies and Other Transfer Payments	90,704	90,204	-
– Capital Appropriation	5,283	5,283	2,391
Total	219,915	214,606	117,702
GRAND TOTAL			
– Delivery of Services	123,928	119,119	115,311
– Administered Grants, Subsidies and Other Transfer Payments	90,704	90,204	-
– Capital Appropriation	5,283	5,283	2,391
Total.....	219,915	214,606	117,702

Division 25 Planning, Lands and Heritage

Part 16 Minister for Planning; Lands

Minister for Heritage

Minister for Aboriginal Affairs

Appropriations, Expenses and Cash Assets ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 41 Net amount appropriated to deliver services ^(b)	115,051	122,936	117,891	114,083	99,102	97,273	97,332
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	985	992	1,228	1,228	1,228	1,228	1,228
Total appropriations provided to deliver services.....	116,036	123,928	119,119	115,311	100,330	98,501	98,560
ADMINISTERED TRANSACTIONS							
Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....	-	90,704	90,204	-	-	-	-
CAPITAL							
Item 106 Capital Appropriation.....	5,435	5,283	5,283	2,391	2,485	2,610	3,473
TOTAL APPROPRIATIONS	121,471	219,915	214,606	117,702	102,815	101,111	102,033
EXPENSES							
Total Cost of Services.....	191,858	189,350	177,430	201,529	173,855	171,546	167,325
Net Cost of Services ^(c)	139,755	134,547	123,557	143,483	118,637	115,717	111,163
CASH ASSETS ^{(d) (e)}	64,805	202,622	70,349	53,193	50,854	49,231	47,961

(a) The 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to amalgamate the Departments of Planning and Lands and the State Heritage Office on 1 July 2017, as well as the land and heritage functions from the Department of Aboriginal Affairs.

(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.

(e) Cash assets for the 2016-17 Budget included notional cash receipts from the sale of agency freehold land holdings amounting to \$182.4 million.

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					
Grants to the Kimberley Aboriginal Law and Cultural Centre.....	-	-	125	125	125
Swan Valley Development Package ^(a)	-	-	200	200	200

	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
Other					
2017-18 Streamlined Budget Process Incentive Funding.....	-	1,131	-	-	-
2017-18 Tariffs, Fees and Charges	-	(208)	(208)	(208)	(208)
Adjustments to Western Australian Planning Commission Service Delivery Agreement	-	(145)	(336)	(391)	(447)
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(18)	(37)	(56)	(75)
Funding and Management of the Aboriginal Affairs Planning Authority and the Aboriginal Lands Trust.....	-	1,080	-	-	-
Kariyarra Indigenous Land Use Agreement	-	4,514	674	482	442
Princess Margaret Hospital - Lot 17.....	(650)	-	-	-	-
Regional Workers Incentive Payments	(11)	(22)	(24)	(27)	(48)
Revised Depreciation and Amortisation Expenses.....	-	370	615	810	450
Revision to Indexation for Non-Salary Expenses	-	-	(670)	(1,015)	(1,324)
Resolution of Native Title in the South West of Western Australia.....	-	328	-	-	-
Strategic Assessment of the Perth and Peel Regions.....	-	1,617	-	-	-

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

Significant Issues Impacting the Agency

Aboriginal Land Trust

In 2017-18 the Government will continue to facilitate the transfer of Aboriginal Land Trust land and infrastructure assets to Aboriginal control in order to foster increased economic opportunities critical to the sustainability of Aboriginal communities in regional and remote Western Australia.

Heritage Revolving Fund

The Heritage Revolving Fund, known as Heritage Works, will build on the successful conservation and reactivation of the historic Warders' Cottages, in central Fremantle. The Coogee Hotel project will be completed in 2017-18 and other projects will be progressed.

Fremantle Prison

The Department manages, conserves and operates the World Heritage listed Fremantle Prison ensuring the economic sustainability of Western Australia's most recognised and important historic tourism and compatible use asset.

Land Asset Sales Program (LASP)

The LASP, coordinated by the Department's Land Asset Management Unit, manages the divestment of surplus or underutilised State property assets to achieve highest and best use. In 2017-18, the Department will continue to manage LASP to optimise the value of the State's land assets.

Northampton Townsite

Following the completion of Phase 1 of the Northampton Lead Tailings project in 2016-17, which identified 129 properties impacted by lead tailings, a budget of \$4.7 million has been allocated in 2017-18 to commence Phase 2 of the project, which involves removal, management and the safe disposal of the tailings.

Wittenoom Asbestos Management Area

The Department will continue its commitment to finalise the closure of the Wittenoom town site, providing a budget of \$4.1 million across 2017-18 and 2018-19 to acquire the remaining freehold properties and demolish all improvements.

Bushfire Risk Management Planning

In addition to managing risks on the land owned by the Western Australian Planning Commission (WAPC), the Department is also responsible for managing a range of risks over the 37% of the State that is unallocated Crown land or unmanaged reserves. One of the most serious risks faced in these areas is bushfire. The Department will continue to work closely with other State entities to manage and, to the extent possible within applicable constraints, mitigate these risks in accordance with the Bushfire Risk Management Planning regime.

METRONET Planning

The Department supports the METRONET taskforce and provides planning expertise and advice in relation to land use planning around the project's development and delivery.

Forrestfield-Airport Link (FAL)

The Department will continue to lead the station precinct planning for the FAL, on behalf of the WAPC. The FAL is one of the first key projects to be delivered as part of METRONET Stage 1 and includes new stations at Forrestfield, Airport Central and Belmont.

Strategic Assessment of the Perth and Peel Regions (SAPPR)

The SAPPR aims to streamline State and Commonwealth environmental approvals. Close cross-agency collaboration will continue in 2017-18 together with a cost benefit analysis of the project.

Development Assessment Panels (DAPs)

The Department continues to provide coordination and secretariat services to the DAPs. Established in 2011, DAPs have received 1,241 applications for development projects with an estimated value of \$35 billion (to June 2017). Ongoing monitoring of the system will continue.

Planning Reform

The Department is progressing proposed amendments to the *Planning and Development Act 2005* and the introduction of the new Region Planning Scheme Regulations.

ePlan and eLodgment Services

ePlan and eLodgment enables stakeholders to lodge and track a range of planning applications online including, subdivisions and amalgamations. The Department's online facilities will continue to be expanded to include additional services.

Urban Development

The Department continues to monitor and coordinate land supply and the timely delivery of residential, industrial and commercial land for the WAPC.

Demography and Indicators Program

The Department delivers an ongoing program of demography and applied urban research projects that enable government to understand population trends and plan for the efficient delivery of government services. This information is available to all State Government departments and is readily accessible in documents including WA Tomorrow and the Metropolitan Land Use Forecasting System. Lot data is critical to industry in matching demand and supply of lots.

Swan Valley Development Package

The Department is reviewing the Swan Valley Development Plan and the Swan Valley Protection Bill. The review will consider both social and economic priorities to balance the region's significance as a centre for cultural and viticultural tourism with the rights of local communities with an aim to strengthen the role of the Swan Valley Planning Committee.

Resource Agreement

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

The relationship of Ministers to services is shown below.

Responsible Minister	Services
Minister for Planning; Lands	1. Integrated Land and Infrastructure Policy Development 2. Land Accessibility Planning and Policy Development 3. Land Asset Management 4. Crown Land Administration 5. Native Title Administration 6. Preparation for Sale of State-owned Land Assets
Minister for Heritage	7. Cultural Heritage Conservation Services on Behalf of and Under the Direction of the Heritage Council of Western Australia 8. Community Engagement in Cultural Heritage
Minister for Aboriginal Affairs	9. Heritage Management 10. Land Management

Outcomes, Services and Key Performance Information

The Outcomes, Services and Key Performance Information reflect the amalgamation of the Departments of Planning and Lands and the State Heritage Office due to Machinery of Government changes on 1 July 2017, as well as land and heritage functions transferred from the Department of Aboriginal Affairs. Where practical, the 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual has been recast for comparative purposes.

Relationship to Government Goals

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

Government Goals	Desired Outcomes	Services
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	An effective and efficient planning system that supports the sustainable development of well-planned communities in Western Australia.	1. Integrated Land and Infrastructure Policy Development 2. Land Accessibility Planning and Policy Development
	The State's land asset is managed responsibly.	3. Land Asset Management
	Security of land tenure.	4. Crown Land Administration 5. Native Title Administration
Sustainable Finances: Responsible financial management and better service delivery.	Optimise the value of the State's land assets.	6. Preparation for Sale of State-owned Land Assets

Government Goals	Desired Outcomes	Services
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	Quality advice and support to the Heritage Council of Western Australia and the Minister for Heritage to promote and deliver the conservation of cultural heritage places in Western Australia, for the benefit of present and future generations.	7. Cultural Heritage Conservation Services on Behalf of and Under the Direction of the Heritage Council of Western Australia
	Cultural heritage management for community education and appreciation.	8. Community Engagement in Cultural Heritage
	Achieving the right balance between development and protection to ensure economic opportunities are leveraged to the benefit of the whole community.	9. Heritage Management
	Better utilisation of the Aboriginal Lands Trust estate to achieve shared social and economic outcomes.	10. Land Management

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. Integrated Land and Infrastructure Policy Development	52,870	48,663	44,862	48,549	43,363	43,677	43,349
2. Land Accessibility Planning and Policy Development	45,347	45,951	44,798	48,220	43,069	43,382	43,055
3. Land Asset Management	13,251	13,709	9,910	18,830	12,854	9,739	5,694
4. Crown Land Administration	22,866	22,715	23,316	22,619	21,293	21,371	21,294
5. Native Title Administration.....	11,537	12,527	11,457	16,269	10,057	9,913	9,840
6. Preparation for Sale of State-owned Land Assets	12,228	11,998	11,603	12,095	11,386	11,427	11,387
7. Cultural Heritage Conservation Services on Behalf of and Under the Direction of the Heritage Council of Western Australia ...	8,032	8,141	8,341	7,931	7,490	7,490	7,410
8. Community Engagement in Cultural Heritage.....	6,410	5,425	5,425	5,672	5,357	5,357	5,495
9. Heritage Management.....	12,556	13,144	11,517	13,235	12,336	12,468	12,889
10. Land Management	6,761	7,077	6,201	8,109	6,650	6,722	6,912
Total Cost of Services	191,858	189,350	177,430	201,529	173,855	171,546	167,325

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: An effective and efficient planning system that supports the sustainable development of well-planned communities in Western Australia:					
The percentage of subdivision applications determined within the statutory timeframe.....	81%	80%	73%	80%	
The percentage of deposited and strata plans (excluding built strata plans) endorsed within the statutory timeframe	99%	99%	99%	99%	
The percentage of development applications determined within the statutory timeframe.....	77%	70%	65%	70%	
The percentage of finalised appeals (excluding DAP appeals) that are not upheld on review by the State Administrative Tribunal	99%	95%	96%	95%	
The percentage of Local Planning Scheme (LPS) amendments processed by the Department under delegated authority and submitted to the Minister within the statutory timeframe:					
Basic (42 days)	n/a	60%	51%	60%	1
Standard (60 days).....	n/a	60%	29%	60%	1
The percentage of DAP applications that are determined within the statutory timeframe.....	n/a	n/a	80%	70%	2
Outcome: The State's land asset is managed responsibly:					
Percentage of unmanaged Crown land in the State of Western Australia.....	n/a	n/a	38%	38%	3
Percentage of rent reviews implemented by the recent review date.....	n/a	n/a	50%	80%	4
Outcome: Security of land tenure:					
Percentage of all accepted enquiries progressed to completion or resolution....	n/a	n/a	46%	60%	5
Number of challenges to provision of tenure.....	nil	nil	nil	nil	
Percentage of new Crown land applications assessed for Native Title	n/a	n/a	100%	100%	
Outcome: Optimise the value of the State's land assets:					
Percentage of Crown land sales target achieved.....	n/a	n/a	79%	100%	6
Outcome: Quality advice and support to the Heritage Council of Western Australia and the Minister for Heritage to promote and deliver the conservation of cultural heritage places in Western Australia, for the benefit of present and future generations:					
The Minister for Heritage's satisfaction with the services provided by the Department	88%	85%	96%	85%	
The Heritage Council of Western Australia's satisfaction with the services provided by the Department	90%	85%	93%	85%	7
Outcome: Cultural heritage management for community education and appreciation:					
Visitors to Fremantle Prison's satisfaction with the services provided by the Department	97%	85%	97%	85%	8
Outcome: Achieving the right balance between development and protection to ensure economic opportunities are leveraged to the benefit of the whole community:					
Percentage of direct stakeholders satisfied with the services related to the management of Aboriginal heritage	72%	80%	81%	80%	9
Outcome: Better utilisation of the Aboriginal Lands Trust estate to achieve shared social and economic outcomes:					
Percentage of direct stakeholders satisfied with the services related to the management of the Aboriginal Lands Trust estate	77%	80%	67%	80%	10

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

Explanation of Significant Movements

(Notes)

1. In the 2015-16 Actual, this indicator aggregated basic, standard and complex amendments as the separate categories were introduced to the planning system in October 2015. The assessment of complex amendments is not a delegated function of the Department. Separate data is not available for basic or standard amendments for 2015-16.
2. This is a new key effectiveness indicator and data is not available for 2015-16. The 2017-18 Budget Target has been set at 70% to be consistent with other development applications. In 2016-17, 80% of DAP applications were determined within the statutory timeframes.
3. This is a new key effectiveness indicator and data is not available for 2015-16.
4. This is a new key effectiveness indicator therefore the 2015-16 Actual and the 2016-17 Budget figures are not available. The improvement in the forecast rent review rate in 2017-18 is attributed to improved internal processes and reporting capabilities which will assist with processing timeframes and deadline notifications.
5. This is a new key effectiveness indicator therefore the 2015-16 Actual and the 2016-17 Budget figures are not available. The increase in the forecast completed enquiries in 2017-18 is attributed to improved systems and monitoring capabilities.
6. This is a new key effectiveness indicator therefore the 2015-16 Actual and the 2016-17 Budget figures are not available. The 2016-17 Estimated Actual is 21% below the sales target due to the decision to reduce the saleable area of the former Shenton Park Hospital site to improve planning outcomes.
7. The Council member's satisfaction of the service delivered by the Department continued to exceed the target. The satisfaction target was increased from 75% to 85% in 2016 and will undergo further assessment in 2018.
8. The Fremantle Prison continues to improve its satisfaction levels to visitors at the site. This indicator will undergo assessment in 2018 and different methods of collecting surveys from customers will be implemented.
9. The increased target and result from the 2015-16 Actual to the 2016-17 Budget reflects an increased presence on the ground, better engagement with Aboriginal stakeholders and improved response times to matters relating to Aboriginal heritage across the State.
10. The decrease in percentage of direct stakeholders satisfied in the 2016-17 Estimated Actual, is linked to an increase in neutral (neither satisfied nor dissatisfied) survey respondents.

Services and Key Efficiency Indicators

1. Integrated Land and Infrastructure Policy Development

By shaping the pattern of development and influencing the location, scale, density, design and mix of land uses, integrated land use systems contribute to the Government's goal, 'Better Places' by:

- ensuring flexibility to meet the demands of a changing economy and market environments; and
- maximising the use of existing infrastructure rather than incurring the costs of greenfields infrastructure with its resulting impact on home affordability.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 52,870	\$'000 48,663	\$'000 42,862	\$'000 48,549	
Less Income.....	10,732	10,822	10,485	10,996	
Net Cost of Service.....	42,138	37,841	34,382	37,553	
Employees (Full Time Equivalents).....	234	235	222	239	
Efficiency Indicator					
Average Cost per Policy Hour for Integrated Land Policy Development	\$176.31	\$161.91	\$144.74	\$159.59	1

Explanation of Significant Movements

(Notes)

1. The decrease in Average Cost per Policy Hour for Integrated Land Policy Development in 2016-17 is due to the deferral of expenditure from 2016-17 to 2017-18.

2. Land Accessibility Planning and Policy Development

This service contributes to the Government's 'Better Places' goal through:

- ensuring that sufficient land is available for purchase for both residential and commercial, industrial/employment purposes;
- controlling lot sizes and therefore the costs of infrastructure required to service each lot;
- minimising land supply delays and the attendant costs by making accurate, timely decisions on redevelopment and subdivision proposals; and
- providing resources to the WAPC to enable:
 - the acquisition and management of properties reserved under Perth's Metropolitan Region Scheme for important urban roads, controlled access highways, parks and recreational reserves, special uses and major land redevelopment projects; and
 - other special planning projects undertaken within the Perth metropolitan area.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 45,347	\$'000 45,951	\$'000 44,798	\$'000 48,220	
Less Income.....	31,257	36,180	35,532	36,943	1
Net Cost of Service.....	14,090	9,771	9,266	11,277	
Employees (Full Time Equivalents).....	233	245	223	237	
Efficiency Indicator					
Average Cost per Statutory Application Processed.....	\$6,538	\$7,317	\$7,230	\$8,683	2

Explanation of Significant Movements

(Notes)

1. The \$4.9 million variance in income between the 2015-16 Actual and the 2016-17 Budget was due to underspends in the WAPC Service Delivery Agreement in 2015-16.
2. The increase in Average Cost per Statutory Application Processed is due to a higher budgeted Total Cost of Service as a result of the deferral of expenditure from 2016-17 to 2017-18 and a decline in the number of statutory applications budgeted to be processed by the Department.

3. Land Asset Management

The Department manages Crown land to ensure that land is being utilised at its full value and potential. This service is responsible for supporting the policies and strategies that unlock the land potential for the State, and manage the risk of Crown land including managed and unmanaged Crown land.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service	\$'000 13,251	\$'000 13,709	\$'000 9,910	\$'000 18,830	1
Less Income	4,243	2,878	2,878	2,878	
Net Cost of Service	9,008	10,831	7,032	15,952	
Employees (Full Time Equivalents).....	20	23	23	29	
Efficiency Indicators					
Percentage of Pastoral Leases Monitored	n/a	n/a	91%	90%	2
Average Cost per Square Kilometre to Manage Crown Land	n/a	n/a	\$2.20	\$2.40	2

Explanation of Significant Movements

(Notes)

1. The decrease in expenditure between the 2016-17 Budget and the 2016-17 Estimated Actual is due to the deferral of budget pertaining to Phase 2 of the Northampton Lead Tailings project (\$3.7 million) and the Wittenoom Townsite project (\$2.7 million).

The increase in expenditure between the 2016-17 Budget and the 2017-18 Budget Target is mostly attributed to the Royalty for Regions funded Mitigation of Extreme Bushfire and Other Risks on State Owned Land initiative budgeted at \$5 million.

The 2015-16 Actual includes a once-off budget of \$7.1 million for pastoral lease compensation for lawful improvements. This levels the 2015-16 Actual with the 2016-17 Budget as the Northampton Lead Tailings and the Wittenoom Townsite projects did not commence until 2016-17.

2. New efficiency indicators and additional services have been developed and adopted in 2016-17 following updates to the Outcome Based Management Framework. Therefore the 2015-16 Actual and the 2016-17 Budget figures are not available. The 2016-17 Estimated Actual has been provided for comparability purposes.

4. Crown Land Administration

The Department administers and manages Crown land to support the needs of the community of Western Australia and to deliver primary land tenure for strategic infrastructure projects.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	22,866	22,715	23,316	22,619	
Less Income.....	1,413	90	90	1,092	1
Net Cost of Service.....	21,453	22,625	23,226	21,527	
Employees (Full Time Equivalents).....	109	128	130	134	
Efficiency Indicators					
Operational Cost per Crown Land Action	n/a	n/a	\$7,288	\$7,069	2
Average Number of Days to Progress an Inquiry from Assessment to Acceptance	n/a	n/a	13 working days	12 working days	2

Explanation of Significant Movements

(Notes)

1. An increase in regulatory fees and fines driven by an increase in Crown land licence fees is reflected in the 2017-18 Budget Estimate through to the forward estimates. Increased collection of Crown land licence fees is also responsible for the 2015-16 Actual being considerably higher than the 2016-17 Budget.
2. New efficiency indicators and additional services have been developed and adopted in 2016-17 following updates to the Outcome Based Management Framework. Therefore the 2015-16 Actual and the 2016-17 Budget figures are not available. A 2016-17 Estimated Actual has been provided for comparability purposes.

5. Native Title Administration

The Department ensures that in the case of land subject to Native Title rights and interests, security of land tenure is provided by dealing with native title appropriately depending on the use and type of tenure proposed.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	11,537	12,527	11,457	16,269	1
Less Income.....	-	-	-	-	
Net Cost of Service.....	11,537	12,527	11,457	16,269	
Employees (Full Time Equivalents).....	39	46	47	46	
Efficiency Indicator					
Average Operational Cost per Native Title Action Taken	n/a	n/a	\$94,225	\$88,938	2

Explanation of Significant Movements

(Notes)

1. The reduction in expenditure between the 2016-17 Budget and the 2016-17 Estimated Actual is predominantly due to the deferral of expenses relating to the resolution of Native Title claims in the South West of \$2.8 million, offset by an increase in expenditure for the Newman Letter Indigenous Land Use Agreement (\$1.2 million).

The increase in expenditure between the 2016-17 Estimated Actual and the 2017-18 Budget Target is due to the commencement of the Kariyarra Indigenous Land Use Agreement, which has a budget of \$4.5 million in 2017-18.

2. The Average Operational Cost per Native Title Action Taken is projected to reduce in the 2017-18 Budget Target due to an increase in the number of actions along with operating cost efficiencies to be achieved. New efficiency indicators and additional services have been developed and adopted in 2016-17 following updates to the Outcome Based Management Framework. Therefore the 2015-16 Actual and the 2016-17 Budget figures are not available. The 2016-17 Estimated Actual has been provided for comparability purposes.

6. Preparation for Sale of State-owned Land Assets

The Department administers the Government's Land Asset Sales Program, whereby surplus or underutilised Crown land assets are identified and prepared for sale. Sale of land enables the assets to be used for a higher and/or better use in a way that unlocks the full potential of the assets for the betterment of Western Australia.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 12,228	\$'000 11,998	\$'000 11,603	\$'000 12,095	
Less Income.....	-	-	-	-	
Net Cost of Service.....	12,228	11,998	11,603	12,095	
Employees (Full Time Equivalents).....	19	22	22	23	
Efficiency Indicator					
Percentage of Divestment Fund Spent to Unlock Crown Land Assets.....	74%	n/a	75%	100%	1

Explanation of Significant Movements

(Notes)

1. New services have been adopted in 2016-17 following updates to the Outcome Based Management Framework. The Department has been unable to provide the 2016-17 Budget figures. The 2015-16 Actual and 2016-17 Estimated Actual figures have been calculated for comparability purposes.

7. Cultural Heritage Conservation Services on Behalf of and Under the Direction of the Heritage Council of Western Australia

Provide quality advice and support to the Heritage Council to establish and maintain a comprehensive Heritage Register; provide conservation advice on development referrals and other relevant matters; develop the role of public authorities in conserving and managing heritage places; provide financial assistance and other conservation incentives; and provide publications, seminars and other promotional activities.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 8,032	\$'000 8,141	\$'000 8,341	\$'000 7,931	
Less Income.....	41	25	25	1,087	1
Net Cost of Service.....	7,991	8,116	8,316	6,844	
Employees (Full Time Equivalents).....	31	31	31	31	
Efficiency Indicators					
Average Cost per Place of Maintaining the Heritage Register.....	\$59	\$60	\$61	\$60	
Average Cost of Development Referrals.....	\$1,100	\$900	\$1,072	\$900	2
Average Cost of Administering Grants (per Grant Dollar).....	\$0.17	\$0.10	\$0.10	\$0.10	

Explanation of Significant Movements

(Notes)

1. The increase in income from the 2016-17 Budget and 2016-17 Estimated Actual to the 2017-18 Budget Target is due to income expected to be received from the sale of the Coogee Hotel.
2. The higher than budgeted Average Cost of Development Referrals relates to the number of complex and State significant projects managed throughout the year including the New Museum Perth, Raine Square, St Andrew's Church, Perth General Post Office and Elizabeth Quay projects.

8. Community Engagement in Cultural Heritage

Conserve and interpret the applicable world, national, State and local heritage values of places under management (Fremantle Prison); promote a sustainable future for places under management through an integrated development framework, compatible uses and delivery of visitor standards consistent with being Western Australia's premier heritage sites; promote heritage success stories and engagement with the State's heritage through media, publications, tourism and interpretation.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 6,410	\$'000 5,425	\$'000 5,425	\$'000 5,672	
Less Income.....	4,164	4,668	4,668	4,910	
Net Cost of Service.....	2,246	757	757	762	
Employees (Full Time Equivalents).....	32	32	32	32	
Efficiency Indicator					
Average Cost per Visitor to the Fremantle Prison.....	\$34.10	\$40	\$30.08	\$40	1

Explanation of Significant Movements

(Notes)

1. This efficiency indicator was introduced in 2015-16 with a target of \$40 set for 2016-17. A combination of an increase in visitor numbers, and decrease in expense largely due to changes in café management structure, has resulted in a lower Average Cost per Visitor to the Fremantle Prison in 2016-17 of \$30.08. This target will be reviewed for 2017-18.

9. Heritage Management

Involves the provision of secretariat and policy support for the Aboriginal Cultural Material Committee; provision of advice on matters relating to Aboriginal heritage; processing of statutory approvals administration of the heritage sites register; family history research; and heritage compliance activities.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 12,556	\$'000 13,144	\$'000 11,517	\$'000 13,235	1
Less Income.....	162	94	130	100	
Net Cost of Service.....	12,394	13,050	11,387	13,135	
Employees (Full Time Equivalents).....	56	55	61	61	
Efficiency Indicators					
Average Processing Time per Statutory Approval.....	106 days	70 days	83 days	70 days	
Average Time to Update Register.....	30 days	12 days	22 days	12 days	
Average Time to Complete Initial Assessment.....	7 days	7 days	3 days	3 days	

Explanation of Significant Movements

(Notes)

1. There are limitations to the comparability of financial information across years due to differing cost allocation methodologies required to reflect Machinery of Government changes. That considered, business reviews in heritage management and corporate support functions delivered one-off savings in 2016-17.

10. Land Management

Involves the provision of secretariat and policy support to the Aboriginal Lands Trust, Aboriginal people, the Minister for Aboriginal Affairs, Government and key stakeholders in relation to management of the Aboriginal Lands Trust estate; processing of land access approvals; assisting with the operational management and development of land; management of strategic initiatives in accordance with the Aboriginal Lands Trust strategic plan; and facilitation of the transfer of land to Aboriginal people.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 6,761	\$'000 7,077	\$'000 6,201	\$'000 8,109	1,2
Less Income.....	91	46	65	40	
Net Cost of Service.....	6,670	7,031	6,136	8,069	
Employees (Full Time Equivalents).....	31	31	31	33	
Efficiency Indicator					
Average Processing Time per Land Transaction	4 days	6 days	3 days	3 days	

Explanation of Significant Movements

(Notes)

1. There are limitations to the comparability of financial information across years due to differing cost allocation methodologies required to reflect Machinery of Government changes. That considered, business reviews in heritage management and corporate support functions delivered one-off savings in 2016-17.
2. The 2017-18 Budget Target includes a one-off \$1.7 million grant to the Aboriginal Affairs Planning Authority to meet the costs of maintaining the Aboriginal Lands Trust Estate.

Asset Investment Program

The Department's Asset Investment Program for 2017-18 is \$9.4 million, comprised of accommodation, minor works and information and communication technology (ICT) asset replacement and the following major projects.

ICT Infrastructure Projects

The Department has approved funding for the following process improvements:

- Digitisation Project - The Department will continue to digitise State land records in 2017-18 with a budget of \$1.6 million. This project commenced in 2015-16 with a total budget of \$2.5 million. The digitisation of the open and active operational files will reduce process timeframes on determinations and land actions, streamline business processes, ensure business continuity, enable integration with the Integrated Workflow Management System (iWMS) and address risks associated with the reliance on paper-based files.
- iWMS Project - Implementation of a Workflow Management System will continue in 2017-18 with a budget of \$3.2 million. The iWMS will promote a cloud-based environment and allow the Department to digitally connect with customers, transform the way Crown land is managed, provide management with the tools to manage workflow, and deliver consistent and timely services to customers.
- Finance System Implementation - The formation of the new Department will increase the scope and complexity of finance functions. A more integrated and efficient cloud-based solution will be delivered to facilitate the amalgamation of the Departments.
- The Department will continue to develop back office corporate systems that support the WAPC in its determination of land use applications and to reduce application processing delays.

	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							
Accommodation Refurbishment and Sustainability							
Initiatives.....	7,083	3,970	234	246	258	271	352
Asset Replacement - ICT	23,786	14,461	1,549	1,125	1,062	1,087	1,778
ICT Projects							
Digitisation of State Land Records.....	2,515	900	900	1,615	-	-	-
ICT Infrastructure	38,668	19,127	1,535	3,245	1,727	1,814	1,905
Workflow Management System	3,458	300	300	3,158	-	-	-
COMPLETED WORKS							
ICT Projects - Shared ICT Framework.....	388	388	350	-	-	-	-
Other - Purchase of Land.....	1,850	1,850	1,850	-	-	-	-
Strategic and Statutory Planning - Location Information Strategy	1,599	1,599	1,096	-	-	-	-
Total Cost of Asset Investment Program.....	79,347	42,595	7,814	9,389	3,047	3,172	4,035
FUNDED BY							
Capital Appropriation			5,283	2,391	2,485	2,610	3,473
Drawdowns from the Holding Account.....			591	625	562	562	562
Internal Funds and Balances.....			-	6,373	-	-	-
Other			1,940	-	-	-	-
Total Funding.....			7,814	9,389	3,047	3,172	4,035

Financial Statements

The 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to amalgamate the Departments of Planning and Lands, the State Heritage Office and the land and heritage functions of the Department of Aboriginal Affairs on 1 July 2017.

Income Statement

Expenses

Total Cost of Services has decreased by \$11.9 million from the 2016-17 Budget to the 2016-17 Estimated Actual. The decrease is due to the deferral of expenditure relating to Phase 2 of the Northampton Lead Tailings project (\$3.8 million), finalising the Wittenoom Townsite closure project (\$2.7 million), a voluntary severance scheme (\$2.5 million), Strategic Planning Projects (\$1.3 million), and Finance Systems Implementation (\$2 million).

The Total Cost of Services increased by \$24.1 million from the 2016-17 Estimated Actual to the 2017-18 Budget Estimate. The increase is due to the deferral of \$10.5 million of recurrent expenditure to 2017-18 (as above) and key budget initiatives including the Kariyarra Indigenous Land Use Agreement (\$4.5 million) and the Mitigation of Extreme Bushfire and Other Risks on State Owned Land (\$5 million), which is funded through Royalties for Regions.

Income

The \$4.2 million increase in total income from the 2016-17 Estimated Actual to the 2017-18 Budget Estimate was largely due to an increase in Crown land licence fees associated with resource projects in the north of Western Australia (\$1 million). An adjustment was made to the budget to reflect this increase in fees collected in the 2017-18 Budget Estimate and the forward estimates. Revenue of \$1.3 million from the WAPC Service Delivery Agreement was deferred from the 2016-17 Estimated Actual to the 2017-18 Budget Estimate to fund the Strategic Planning Projects that were also deferred.

Statement of Financial Position

Cash assets decreased by \$131.7 million from the 2016-17 Budget to the 2016-17 Estimated Actual due to derecognition of \$159 million of notional revenue from the sale of agency (whole-of-government) land in the 2016-17 Estimated Actual. This was offset by an increase of cash assets due to the deferral of 2016-17 expenditure to 2017-18.

The \$15.8 million decrease in cash assets from the 2016-17 Estimated Actual to the 2017-18 Budget Estimate is due to the deferral of expenditure to 2017-18.

Property, plant and equipment movement of \$114 million between the 2015-16 Actual and the 2016-17 Budget, and \$118 million between the 2016-17 Budget and the 2016-17 Estimated Actual is linked to the derecognition of notional revenue noted above and the sale of agency land.

Statement of Cashflows

A \$9.9 million decrease in net cash from operating activities from the 2016-17 Budget to the 2016-17 Estimated Actual was due to the deferral of budgeted payments to 2017-18.

The increase in net cash from operating activities of \$17.3 million is due to the deferral of the 2016-17 Estimated Actual payments to the 2017-18 Budget Estimate and increased payments due to key budget initiatives (see Income Statement expenses).

**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)	97,436	101,455	96,554	100,729	91,860	93,732	94,188
Grants and subsidies ^(c)	14,569	8,028	7,936	12,909	5,351	4,875	4,875
Supplies and services.....	34,892	49,171	39,811	56,771	45,474	42,047	37,290
Accommodation.....	15,236	14,626	14,626	14,785	14,672	14,823	15,386
Depreciation and amortisation.....	5,654	3,502	3,771	4,806	4,889	4,684	4,299
Other expenses.....	24,071	12,568	15,034	11,529	11,609	11,385	11,287
TOTAL COST OF SERVICES	191,858	189,350	177,430	201,529	173,855	171,546	167,325
Income							
Sale of goods and services.....	6,287	4,986	4,986	4,794	4,880	4,880	4,880
Regulatory fees and fines.....	-	90	90	1,092	1,056	1,080	1,080
Grants and subsidies.....	1,813	531	871	677	126	126	126
Other revenue.....	44,003	49,196	47,926	51,483	49,156	49,743	50,076
Total Income	52,103	54,803	53,873	58,046	55,218	55,829	56,162
NET COST OF SERVICES	139,755	134,547	123,557	143,483	118,637	115,717	111,163
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	116,036	123,928	119,119	115,311	100,330	98,501	98,560
Resources received free of charge.....	9,470	9,112	9,112	9,245	9,245	9,245	9,245
Royalties for Regions Fund:							
Regional Community Services Fund.....	1,523	2,179	2,314	6,807	5,294	4,554	294
Regional Infrastructure and Headworks Fund.....	3,946	1,169	964	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	130,975	136,388	131,589	131,363	114,869	112,300	108,099
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(8,780)	1,841	8,032	(12,120)	(3,768)	(3,417)	(3,064)

(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 804, 822 and 865 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
Aboriginal Lands Trust Estate	-	-	-	1,700	-	-	-
Anketell Port and Strategic Industrial Area							
Compensation for Lands Acquisition.....	1,868	1,818	1,818	1,818	1,818	1,818	1,818
Araluen Park.....	-	1,000	1,000	1,000	1,000	1,000	1,000
Area Assistance Schemes	132	-	-	-	-	-	-
Coastal Zone Management.....	687	728	914	907	952	952	952
Cossack Townsite.....	120	120	120	120	120	120	120
Finalising Closure of Wittenoom Townsite.....	-	3,010	560	1,974	476	-	-
Fire Risk Management Contribution	450	450	450	450	450	450	450
Heritage Grants	257	250	530	250	250	250	250
Kariyarra Indigenous Land Use Agreement	-	-	-	3,918	100	100	100
Local Government and Tourism	44	60	44	60	60	60	60
Local Projects Local Jobs.....	-	-	250	100	-	-	-
Northern Towns Development Fund.....	2,937	-	44	-	-	-	-
Oakajee Narnagulu Infrastructure Corridor.....	540	-	-	-	-	-	-
Other	397	279	206	612	125	125	125
Pastoral Lease Renewal Program							
Compensation for Lawful Improvements.....	7,137	313	-	-	-	-	-
Tamala Conservation Park Dual-use Path.....	-	-	2,000	-	-	-	-
TOTAL	14,569	8,028	7,936	12,909	5,351	4,875	4,875

STATEMENT OF FINANCIAL POSITION ^(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
CURRENT ASSETS							
Cash assets	57,178	195,357	63,683	47,886	45,254	43,335	41,820
Restricted cash	7,627	6,204	6,361	4,701	4,701	4,701	4,701
Holding account receivables	577	625	625	562	562	682	682
Receivables	6,881	11,485	6,885	6,889	6,896	6,903	6,910
Other	1,932	1,963	3,244	3,344	3,344	3,344	3,344
Total current assets	74,195	215,634	80,798	63,382	60,757	58,965	57,457
NON-CURRENT ASSETS							
Holding account receivables	20,251	25,373	25,342	28,871	32,498	35,800	38,837
Property, plant and equipment	134,551	20,370	138,297	139,583	140,047	140,501	140,574
Intangibles	8,813	15,519	9,285	12,612	10,577	9,208	9,159
Restricted cash	-	1,061	305	606	899	1,195	1,440
Other	-	351	350	584	584	584	584
Total non-current assets	163,615	62,674	173,579	182,256	184,605	187,288	190,594
TOTAL ASSETS	237,810	278,308	254,377	245,638	245,362	246,253	248,051
CURRENT LIABILITIES							
Employee provisions	17,654	16,380	17,640	17,640	17,640	17,640	17,640
Payables	2,186	2,776	2,186	2,186	2,186	2,186	2,186
Other	14,805	4,622	15,053	15,299	15,532	16,130	16,736
Total current liabilities	34,645	23,778	34,879	35,125	35,358	35,956	36,562
NON-CURRENT LIABILITIES							
Employee provisions	4,282	5,677	4,748	5,228	5,723	6,218	6,713
Other	19	25	19	19	19	19	19
Total non-current liabilities	4,301	5,702	4,767	5,247	5,742	6,237	6,732
TOTAL LIABILITIES	38,946	29,480	39,646	40,372	41,100	42,193	43,294
EQUITY							
Contributed equity	281,745	320,960	289,580	573,045	575,809	579,024	582,785
Accumulated surplus/(deficit) ^(b)	272,778	278,088	280,810	(12,120)	(15,888)	(19,305)	(22,369)
Reserves	252	5,691	252	252	252	252	252
Other	(355,911)	(355,911)	(355,911)	(355,911)	(355,911)	(355,911)	(355,911)
Total equity	198,864	248,828	214,731	205,266	204,262	204,060	204,757
TOTAL LIABILITIES AND EQUITY	237,810	278,308	254,377	245,638	245,362	246,253	248,051

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

(b) The Accumulated surplus 2016-17 Estimated Actual of \$280.8 million is recognised as Contributed equity from 2017-18 onwards to acknowledge the transfer of functions to the new Department of Planning, Lands and Heritage.

**STATEMENT OF CASHFLOWS ^(a)
(Controlled)**

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	113,684	118,198	113,389	111,220	96,141	94,517	94,961
Capital appropriation.....	5,435	5,283	5,283	2,391	2,485	2,610	3,473
Holding account drawdowns.....	646	591	591	625	562	562	562
Royalties for Regions Fund:							
Regional Community Services Fund.....	1,523	2,179	2,324	6,807	5,294	4,554	294
Regional Infrastructure and Headworks Fund.....	3,946	1,169	964	-	-	-	-
Net cash provided by State Government.....	125,234	127,420	122,551	121,043	104,482	102,243	99,290
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(98,606)	(100,828)	(95,648)	(100,082)	(91,197)	(92,704)	(93,160)
Grants and subsidies.....	(8,659)	(8,028)	(8,249)	(12,909)	(5,351)	(4,875)	(4,875)
Supplies and services.....	(21,610)	(41,049)	(34,412)	(48,182)	(36,802)	(33,260)	(28,498)
Accommodation.....	(14,886)	(14,056)	(14,162)	(14,280)	(14,177)	(14,338)	(14,901)
Other payments.....	(22,860)	(18,969)	(19,673)	(18,172)	(17,706)	(17,587)	(17,494)
Receipts ^(b)							
Regulatory fees and fines.....	2,275	90	90	1,092	1,056	1,080	1,080
Grants and subsidies.....	1,813	531	871	677	126	126	126
Sale of goods and services.....	4,798	5,798	5,798	5,626	5,733	5,733	5,733
GST receipts.....	5,359	6,732	6,732	6,761	6,233	6,233	6,233
Other receipts.....	48,079	48,392	47,164	50,659	48,311	48,898	49,231
Net cash from operating activities.....	(104,297)	(121,387)	(111,489)	(128,810)	(103,774)	(100,694)	(96,525)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(3,866)	(8,602)	(7,814)	(9,389)	(3,047)	(3,172)	(4,035)
Proceeds from sale of non-current assets.....	-	62,562	-	-	-	-	-
Net cash from investing activities.....	(3,866)	53,960	(7,814)	(9,389)	(3,047)	(3,172)	(4,035)
NET INCREASE/(DECREASE) IN CASH HELD							
.....	17,071	59,993	3,248	(17,156)	(2,339)	(1,623)	(1,270)
Cash assets at the beginning of the reporting period.....	47,639	141,533	64,805	70,349	53,193	50,854	49,231
Net cash transferred to/from other agencies.....	95	1,096	2,296	-	-	-	-
Cash assets at the end of the reporting period.....	64,805	202,622	70,349	53,193	50,854	49,231	47,961

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

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

NET APPROPRIATION DETERMINATION ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Regulatory Fees and Fines							
Regulatory Fees and Fines.....	2,275	90	90	1,092	1,056	1,080	1,080
Grants and Subsidies							
Grants and Subsidies.....	1,813	531	871	677	126	126	126
Sale of Goods and Services							
Development Application Panel Fees.....	1,243	1,604	1,604	1,219	1,219	1,219	1,219
Sale of Goods and Services.....	3,555	4,194	4,194	4,407	4,514	4,514	4,514
GST Receipts							
GST Receipts.....	5,359	6,732	6,732	6,761	6,233	6,233	6,233
Other Receipts							
Receipts from Service Delivery Agreement...	38,773	44,777	43,517	46,019	44,637	45,222	45,553
Other Receipts.....	6,013	759	791	1,784	818	820	822
Pastoral Leases.....	3,293	2,756	2,756	2,756	2,756	2,756	2,756
Proceeds from Rental Properties.....	-	100	100	100	100	100	100
TOTAL	62,324	61,543	60,655	64,815	61,459	62,070	62,403

(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							
Sale of Land.....	25,959	44,960	35,350	39,797	26,526	45,000	58,000
Interest Revenue.....	23	40	40	-	-	-	-
Other Revenue.....	81,171	1,569	6,587	1,569	1,569	1,569	1,569
Rent Revenue.....	26,496	13,792	15,544	17,296	17,734	18,172	18,609
Administered Grants and Transfer Payments.....	-	90,704	90,204	-	-	-	-
TOTAL ADMINISTERED INCOME	133,649	151,065	147,725	58,662	45,829	64,741	78,178
EXPENSES							
Grants to Charitable and Other Public Bodies							
Recurrent Grants and Subsidies.....	-	23,200	23,200	-	-	-	-
Other							
Payments to Consolidated Account.....	64,268	70,247	62,389	68,588	42,359	61,271	74,737
Employee Expenses.....	885	923	923	937	951	965	965
Other Expenses.....	59,707	8,125	3,292	9,340	6,619	4,411	4,356
Net Assets Transferred Out.....	27,364	-	5,018	-	-	-	-
Interest Expense.....	948	438	438	-	-	-	-
Impairment Losses.....	467,818	-	-	-	-	-	-
TOTAL ADMINISTERED EXPENSES	620,990	102,933	95,260	78,865	49,929	66,647	80,058

Agency Special Purpose Account Details

DAMPIER TO BUNBURY NATURAL GAS PIPELINE CORRIDOR SPECIAL PURPOSE ACCOUNT

Account Purpose: The Dampier to Bunbury Natural Gas Pipeline Corridor Special Purpose Account provides funds for the widening of the original corridor through the purchase of land and easement over land.

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000
Opening Balance	26,848	23,079	25,947	25,793
Receipts:				
Other	1,631	1,556	1,705	1,556
	28,479	24,635	27,652	27,349
Payments	2,532	5,403	1,859	5,925
CLOSING BALANCE	25,947	19,232	25,793	21,424

PERRY LAKES SPECIAL PURPOSE ACCOUNT

Account Purpose: The Perry Lakes Special Purpose Account was established under section 41 of the *Perry Lakes Redevelopment Act 2005* (the Act) and constituted under section 16 of the *Financial Management Act 2006*. The purpose of this account is to manage the financial provisions of the Act for the redevelopment of Perry Lakes for housing and the development of sporting facilities for athletics, basketball and rugby on the AK Reserve land. The sporting facilities were completed and transferred to VenuesWest, and remaining lands were transferred to the Town of Cambridge in July 2015. 'Completion Day' was proclaimed as 25 November 2016. Upon this declaration the final compensation payment to the Town of Vincent was paid and borrowings repaid to the Treasurer.

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000
Opening Balance	1,095	1,128	1,014	-
Receipts:				
Appropriations.....	-	88,704	88,704	-
Other	39	40	40	-
	1,134	89,872	89,758	-
Payments	120	89,872	89,758	-
CLOSING BALANCE	1,014	-	-	-

Part 17

Attorney General

Summary of Portfolio Appropriations

Agency	2016-17 Budget \$'000	2016-17 Estimated Actual '000	2017-18 Budget Estimate '000
Corruption and Crime Commission			
– Delivery of Services	30,114	30,114	29,883
Total	30,114	30,114	29,883
Commissioner for Equal Opportunity			
– Delivery of Services	3,831	3,894	3,809
Total	3,831	3,894	3,809
Office of the Director of Public Prosecutions			
– Delivery of Services	35,057	35,057	37,269
Total	35,057	35,057	37,269
Commissioner for Children and Young People			
– Delivery of Services	3,133	3,133	3,077
Total	3,133	3,133	3,077
Office of the Information Commissioner			
– Delivery of Services	2,336	2,336	2,317
Total	2,336	2,336	2,317
Parliamentary Inspector of the Corruption and Crime Commission			
– Delivery of Services	726	746	732
Total	726	746	732
GRAND TOTAL			
– Delivery of Services	75,197	75,280	77,087
Total.....	75,197	75,280	77,087

Division 26 Corruption and Crime Commission

Part 17 Attorney General

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 42 Net amount appropriated to deliver services	28,515	29,612	29,612	29,381	27,498	27,874	28,147
Amount Authorised by Other Statutes - Corruption and Crime Commission Act 2003.....	502	502	502	502	502	502	502
Total appropriations provided to deliver services.....	29,017	30,114	30,114	29,883	28,000	28,376	28,649
TOTAL APPROPRIATIONS	29,017	30,114	30,114	29,883	28,000	28,376	28,649
EXPENSES							
Total Cost of Services.....	27,416	29,992	30,492	30,173	28,290	28,666	28,939
Net Cost of Services (a)	27,289	29,952	30,452	30,133	28,250	28,626	28,899
CASH ASSETS (b)	10,874	8,888	9,315	3,771	3,591	3,413	3,235

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

(b) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
2017-18 Streamlined Budget Process Incentive Funding	-	276	-	-	-
Australian Public Sector Anti-Corruption Conference.....	-	(950)	-	-	-
Office Accommodation	-	996	(783)	(813)	(801)
Revision to Indexation for Non-Salary Expenses	-	-	(209)	(296)	(384)

Significant Issues Impacting the Agency

- Legislation has been introduced to amend the *Criminal Property Confiscation Act 2000* and the *Corruption, Crime and Misconduct Act 2003* to grant the Commission powers to investigate, initiate and conduct civil confiscation proceedings relating to unexplained wealth.
- The Commission's head office is scheduled to move into its new office premises located in Northbridge in early 2018.

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
Strong Communities: Safe communities and supported families.	The integrity of the Public Sector continuously improves and the incidence of misconduct is reduced.	1. Building Public Sector Agency Integrity and Capacity to Deal with Misconduct
	Reduced incidence of organised crime.	2. Organised Crime Function

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. Building Public Sector Agency Integrity and Capacity to Deal with Misconduct.....	27,416	29,992	30,492	30,173	28,290	28,666	28,939
2. Organised Crime Function.....	-	-	-	-	-	-	-
Total Cost of Services	27,416	29,992	30,492	30,173	28,290	28,666	28,939

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16	2016-17	2016-17	2017-18	Note
	Actual	Budget	Estimated Actual	Budget Target	
Outcome: The integrity of the Public Sector continuously improves and the incidence of misconduct is reduced:					
Number of allegations received.....	4,024	3,800	4,939	4,800	1
Number of reports published in accordance with the Act.....	9	6	8	6	
Outcome: Reduced incidence of organised crime:					
Number of applications for exceptional powers findings or fortification warning notices received within the financial year.....	nil	nil	nil	nil	2
Number of applications for exceptional powers findings or fortification warning notices dealt with within the financial year	nil	nil	nil	nil	
Average lapsed time taken to deal with applications for exceptional powers findings or fortification warning notices	0 days	0 days	0 days	0 days	

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

Explanation of Significant Movements

(Notes)

- The increase in the number of allegations received is largely due to an increased public profile, including media attention around the Commission's activities in particular sectors; increased engagement with Government agencies and increased auditing within agencies in relation to specific issues.
- The Commissioner of Police can apply to the Commission for authority to use exceptional powers to facilitate a police investigation into organised crime pursuant to section 46 of the *Corruption, Crime and Misconduct Act 2003* (the Act). The Commission does not expect to receive any applications during 2017-18 due to limitations of the Act that are acknowledged by the Joint Standing Committee. Western Australia Police can access similar powers in limited circumstances through the Australian Criminal Intelligence Commission.

Services and Key Efficiency Indicators

1. Building public sector agency integrity and capacity to deal with misconduct

To assist public authorities to build their capacity to prevent, identify and deal with misconduct and all associated risks through research, education, analysis and investigation.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 27,416	\$'000 29,992	\$'000 30,492	\$'000 30,173	
Less Income.....	127	40	40	40	
Net Cost of Service.....	27,289	29,952	30,452	30,133	
Employees (Full Time Equivalents).....	129	129	129	129	
Efficiency Indicator Average Cost of Service per Full Time Equivalent (FTE) Employed within Public Authorities Under the Commission's Jurisdiction	\$177	\$193	\$198	\$196	

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

2. Organised Crime Function

To facilitate investigations into organised crime by dealing with applications received from the Western Australia Police for exceptional powers findings and fortification warning notices; to support, monitor and review the use of such powers; and, where required, to participate in the processes of considering charges, prosecutions and appeals.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 -	\$'000 -	\$'000 -	\$'000 -	1
Less Income.....	-	-	-	-	
Net Cost of Service.....	-	-	-	-	
Efficiency Indicator Average Cost per Matter Involving the Use of Exceptional Power and Fortification Warning Notices Over the Financial Year	-	-	-	-	

Explanation of Significant Movements

(Notes)

- The Commissioner of Police can apply to the Commission for authority to use exceptional powers to facilitate a police investigation into organised crime pursuant to section 46 of the *Corruption, Crime and Misconduct Act 2003* (the Act). The Commission does not expect to receive any applications during 2017-18 due to limitations of the Act that are acknowledged by the Joint Standing Committee. Western Australia Police can access similar powers in limited circumstances through the Australian Criminal Intelligence Commission.

Asset Investment Program

The Asset Investment Program for 2017-18 includes funding for the Commission's new office premises in Northbridge.

	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							
Buildings and Operational Security							
Office Accommodation Fit-out.....	16,805	507	507	16,298	-	-	-
COMPLETED WORKS							
Business Support Systems - 2016-17 Program	453	453	453	-	-	-	-
Information Technology Systems - 2016-17 Program	175	175	175	-	-	-	-
Office Equipment and Replacement - 2016-17 Program.....	15	15	15	-	-	-	-
Operations Support Equipment - 2016-17 Program	878	878	878	-	-	-	-
NEW WORKS							
Buildings and Operational Security							
2017-18 Program	400	-	-	400	-	-	-
2018-19 Program	641	-	-	-	641	-	-
2020-21 Program	400	-	-	-	-	-	400
Business Support Systems							
2017-18 Program	330	-	-	330	-	-	-
2018-19 Program	479	-	-	-	479	-	-
2019-20 Program	480	-	-	-	-	480	-
2020-21 Program	690	-	-	-	-	-	690
Information Technology Systems							
2017-18 Program	695	-	-	695	-	-	-
2018-19 Program	425	-	-	-	425	-	-
2019-20 Program	325	-	-	-	-	325	-
2020-21 Program	810	-	-	-	-	-	810
Office Equipment and Replacement							
2017-18 Program	15	-	-	15	-	-	-
2018-19 Program	15	-	-	-	15	-	-
2019-20 Program	40	-	-	-	-	40	-
Operations Support Equipment							
2017-18 Program	540	-	-	540	-	-	-
2018-19 Program	640	-	-	-	640	-	-
2019-20 Program	1,355	-	-	-	-	1,355	-
2020-21 Program	300	-	-	-	-	-	300
Total Cost of Asset Investment Program.....	26,906	2,028	2,028	18,278	2,200	2,200	2,200
FUNDED BY							
Drawdowns from the Holding Account			1,977	3,127	2,200	2,200	2,200
Internal Funds and Balances.....			51	15,151	-	-	-
Total Funding.....			2,028	18,278	2,200	2,200	2,200

Financial Statements

Income Statement

Expenses

The decrease in the Total Cost of Services in the 2017-18 Budget Estimate and across the forward estimates is mainly due to the implementation of various savings measures, including the Workforce Renewal Policy, Agency Expenditure Review, transfer of minor misconduct functions to the Public Sector Commission and reduced accommodation costs associated with the new office premises located in Northbridge.

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)	18,159	19,979	20,479	19,150	18,880	19,165	19,443
Supplies and services	2,993	2,592	2,592	2,366	2,317	2,146	2,179
Accommodation	4,472	4,787	4,787	5,945	3,132	3,229	3,241
Depreciation and amortisation	1,195	1,490	1,490	1,539	2,858	2,993	2,993
Other expenses	597	1,144	1,144	1,173	1,103	1,133	1,083
TOTAL COST OF SERVICES	27,416	29,992	30,492	30,173	28,290	28,666	28,939
Income							
Other revenue	127	40	40	40	40	40	40
Total Income	127	40	40	40	40	40	40
NET COST OF SERVICES	27,289	29,952	30,452	30,133	28,250	28,626	28,899
INCOME FROM STATE GOVERNMENT							
Service appropriations	29,017	30,114	30,114	29,883	28,000	28,376	28,649
Resources received free of charge	14	8	8	8	8	8	8
TOTAL INCOME FROM STATE GOVERNMENT	29,031	30,122	30,122	29,891	28,008	28,384	28,657
SURPLUS/(DEFICIENCY) FOR THE PERIOD	1,742	170	(330)	(242)	(242)	(242)	(242)

(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 129, 129 and 129 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16	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
CURRENT ASSETS							
Cash assets	10,874	8,808	9,235	3,606	3,346	3,088	2,910
Holding account receivables	1,977	-	3,127	2,200	2,200	2,200	2,200
Receivables	323	211	310	313	311	307	307
Other	411	607	411	411	411	411	347
Total current assets	13,585	9,626	13,083	6,530	6,268	6,006	5,764
NON-CURRENT ASSETS							
Holding account receivables	16,220	18,367	14,733	14,072	14,730	15,523	16,316
Property, plant and equipment	2,534	2,720	2,801	19,466	18,650	17,779	16,698
Intangibles	120	936	391	465	623	701	989
Restricted cash	-	80	80	165	245	325	325
Other	135	135	135	135	135	135	135
Total non-current assets	19,009	22,238	18,140	34,303	34,383	34,463	34,463
TOTAL ASSETS	32,594	31,864	31,223	40,833	40,651	40,469	40,227
CURRENT LIABILITIES							
Employee provisions	3,201	3,524	3,201	3,201	3,201	3,201	3,201
Payables	61	195	60	60	60	60	60
Other	58	285	118	178	238	298	298
Total current liabilities	3,320	4,004	3,379	3,439	3,499	3,559	3,559
NON-CURRENT LIABILITIES							
Employee provisions	816	946	816	816	816	816	816
Other	-	-	-	9,792	9,792	9,792	9,792
Total non-current liabilities	816	946	816	10,608	10,608	10,608	10,608
TOTAL LIABILITIES	4,136	4,950	4,195	14,047	14,107	14,167	14,167
EQUITY							
Contributed equity	19,483	19,483	18,383	18,383	18,383	18,383	18,383
Accumulated surplus/(deficit)	8,975	7,431	8,645	8,403	8,161	7,919	7,677
Total equity	28,458	26,914	27,028	26,786	26,544	26,302	26,060
TOTAL LIABILITIES AND EQUITY	32,594	31,864	31,223	40,833	40,651	40,469	40,227

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	27,752	28,474	28,474	28,344	25,142	25,383	25,656
Holding account drawdowns.....	2,427	1,470	1,977	3,127	2,200	2,200	2,200
Receipts paid into Consolidated Account.....	-	-	(1,100)	-	-	-	-
Net cash provided by State Government.....	30,179	29,944	29,351	31,471	27,342	27,583	27,856
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(19,284)	(19,919)	(20,420)	(19,090)	(18,820)	(19,105)	(19,383)
Supplies and services.....	(2,939)	(2,592)	(2,592)	(2,366)	(2,317)	(2,146)	(2,179)
Accommodation.....	(4,277)	(4,781)	(4,781)	(5,939)	(3,126)	(3,223)	(3,235)
Other payments.....	(1,584)	(2,121)	(2,121)	(2,241)	(2,191)	(2,243)	(2,193)
Receipts							
GST receipts.....	1,027	992	992	1,067	1,092	1,116	1,116
Other receipts.....	97	40	40	40	40	40	40
Net cash from operating activities.....	(26,960)	(28,381)	(28,882)	(28,529)	(25,322)	(25,561)	(25,834)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(1,397)	(1,521)	(2,028)	(18,278)	(2,200)	(2,200)	(2,200)
Proceeds from sale of non-current assets.....	42	-	-	-	-	-	-
Other receipts.....	-	-	-	9,792	-	-	-
Net cash from investing activities.....	(1,355)	(1,521)	(2,028)	(8,486)	(2,200)	(2,200)	(2,200)
NET INCREASE/(DECREASE) IN CASH HELD.....	1,864	42	(1,559)	(5,544)	(180)	(178)	(178)
Cash assets at the beginning of the reporting period.....	9,005	8,846	10,874	9,315	3,771	3,591	3,413
Net cash transferred to/from other agencies.....	5	-	-	-	-	-	-
Cash assets at the end of the reporting period.....	10,874	8,888	9,315	3,771	3,591	3,413	3,235

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

Division 27 Commissioner for Equal Opportunity

Part 17 Attorney General

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 43 Net amount appropriated to deliver services	4,546	3,538	3,847	3,694	3,506	3,483	3,536
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	285	293	47	115	300	300	300
Total appropriations provided to deliver services.....	4,831	3,831	3,894	3,809	3,806	3,783	3,836
TOTAL APPROPRIATIONS	4,831	3,831	3,894	3,809	3,806	3,783	3,836
EXPENSES							
Total Cost of Services.....	4,712	4,028	4,170	4,012	4,011	3,991	4,047
Net Cost of Services ^(a)	4,572	3,839	3,981	3,817	3,814	3,791	3,844
CASH ASSETS ^(b)	279	264	200	200	200	200	200

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

(b) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
2017-18 Tariffs, Fees and Charges	-	3	1	4	7
2017-18 Streamlined Budget Process Incentive Funding	-	34	-	-	-
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(4)	(9)	(13)	(18)
Revision to Indexation for Non-Salary Expenses	-	-	(28)	(40)	(51)

Significant Issues Impacting the Agency

- The number of complaints of unlawful discrimination investigated by the Commission has stabilised after a period of decline over the past four years. However, the number of complaints from people with complex needs has increased, leading to an increase in time taken to finalise complaints.
- The information management system which manages the complaint handling processes is outdated and cannot be upgraded. The system will be replaced to be compatible with new Information Technology infrastructure and software.
- Delivery of organisation-based fee for service training has increased slightly after a period of decline, due in part to budget constraints in public and private sector organisations. However, enrolments in public fee courses have declined. The content, relevance and marketing of these courses are scheduled for a biennial review in 2017 as per recommendation of internal audit.
- The launch of a Facebook site in 2016 has provided an additional and cost-effective platform for disseminating information on human rights and equal opportunity in Western Australia, and raising awareness about the means of redress for complaints of unlawful discrimination.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcome	Services
Strong Communities: Safe communities and supported families.	The people of Western Australia are provided with information and advice about equal opportunity and human rights issues and have accessible avenues of redress under relevant legislation.	1. Provision of Information and Advice Regarding Equal Opportunity and Human Rights 2. Avenue of Redress for Unlawful Discrimination and Unreasonable Treatment

Service Summary

Expense	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
1. Provision of Information and Advice Regarding Equal Opportunity and Human Rights.....	2,471	2,105	2,136	2,048	2,048	2,036	2,064
2. Avenue of Redress for Unlawful Discrimination and Unreasonable Treatment.....	2,241	1,923	2,034	1,964	1,963	1,955	1,983
Total Cost of Services	4,712	4,028	4,170	4,012	4,011	3,991	4,047

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: The people of Western Australia are provided with information and advice about equal opportunity and human rights issues and have accessible avenues of redress under relevant legislation:					
Community awareness of the <i>Equal Opportunity Act 1984</i> (the Act) and belief it is of benefit.....	76.5%	76.5%	76.5%	76.5%	
Percentage of complaints finalised within:					
6 months	97.5%	95%	89.6%	90%	1
12 months	100%	99%	99.7%	95%	1

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

Explanation of Significant Movements

(Notes)

- The marginal decrease in the 2017-18 Budget Target relative to the 2016-17 Budget reflects the increasing complexity of complaints and time required to finalise issues.

Services and Key Efficiency Indicators

1. Provision of Information and Advice Regarding Equal Opportunity and Human Rights

Dissemination of relevant and appropriate information on the Act, other relevant laws and human rights issues generally, provision of accurate advice on equal opportunity matters and the identification of discriminatory policies and practices.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 2,471	\$'000 2,105	\$'000 2,136	\$'000 2,048	
Less Income	74	99	99	102	
Net Cost of Service.....	2,397	2,006	2,037	1,946	
Employees (Full Time Equivalents).....	11	11	11	11	
Efficiency Indicator					
Average Hourly Cost of Development and Delivery of Training Courses.....	\$1,113	\$1,533	\$1,083	\$1,033	1

Explanation of Significant Movements

(Notes)

- Due to a revision in the costing methodology, the 2016-17 Estimated Actual Average Hourly Cost of Development and Delivery of Training Courses is lower than the 2016-17 Budget. The 2017-18 Budget Target reflects the revised costing methodology, which includes the travel and co-trainer times, and assumes no change in the number of fee for service training hours.

2. Avenue of Redress for Unlawful Discrimination and Unreasonable Treatment

Investigating and attempting to conciliate complaints that fall within the jurisdiction of the Act and other legislation administered by the Commissioner and providing assistance to complainants referred to the State Administrative Tribunal.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 2,241	\$'000 1,923	\$'000 2,034	\$'000 1,964	
Less Income.....	66	90	90	93	
Net Cost of Service.....	2,175	1,833	1,944	1,871	
Employees (Full Time Equivalents).....	9	9	9	9	
Efficiency Indicator					
Average Cost per Complaint	\$3,251	\$2,260	\$2,960	\$2,723	1

Explanation of Significant Movements

(Notes)

- The 2016-17 Estimated Actual Average Cost per Complaint is higher than the 2016-17 Budget due to the number of complaints received being lower than projected. The 2017-18 Budget Target is slightly lower than the 2016-17 Estimated Actual due to a slight reduction in the Total Cost of Service reflecting corrective measures, and a nominal increase of 5% in the number of complaints expected to be received in the 2017-18 financial year.

Asset Investment Program

The Commission's Asset Investment Program provides for the replacement of office equipment 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
NEW WORKS							
Computer Hardware and Software							
2017-18 Program.....	42	-	-	42	-	-	-
2020-21 Program.....	79	-	-	-	-	-	79
Minor Works and Office Equipment							
2018-19 Program.....	28	-	-	-	28	-	-
2019-20 Program.....	33	-	-	-	-	33	-
Total Cost of Asset Investment Program.....	182	-	-	42	28	33	79
FUNDED BY							
Drawdowns from the Holding Account.....			-	42	28	33	79
Total Funding.....			-	42	28	33	79

Financial Statements

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)	2,960	2,824	2,824	2,829	2,855	2,882	2,919
Supplies and services	639	285	443	301	275	246	202
Accommodation	892	686	686	695	704	714	714
Depreciation and amortisation	78	102	86	72	63	16	79
Other expenses	143	131	131	115	114	133	133
TOTAL COST OF SERVICES	4,712	4,028	4,170	4,012	4,011	3,991	4,047
Income							
Sale of goods and services	112	154	154	160	162	165	168
Grants and subsidies	14	35	35	35	35	35	35
Other revenue	14	-	-	-	-	-	-
Total Income	140	189	189	195	197	200	203
NET COST OF SERVICES	4,572	3,839	3,981	3,817	3,814	3,791	3,844
INCOME FROM STATE GOVERNMENT							
Service appropriations	4,831	3,831	3,894	3,809	3,806	3,783	3,836
Resources received free of charge	175	8	8	8	8	8	8
TOTAL INCOME FROM STATE GOVERNMENT	5,006	3,839	3,902	3,817	3,814	3,791	3,844
SURPLUS/(DEFICIENCY) FOR THE PERIOD	434	-	(79)	-	-	-	-

(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 20, 20 and 20 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	279	247	200	200	200	200	200
Restricted cash	-	17	-	-	-	-	-
Holding account receivables	79	79	46	46	46	46	46
Receivables	43	73	43	43	43	43	43
Other	16	74	16	16	16	16	16
Total current assets	417	490	305	305	305	305	305
NON-CURRENT ASSETS							
Holding account receivables	271	294	390	420	455	438	438
Property, plant and equipment	128	183	65	35	-	17	17
Intangibles	31	8	8	8	8	8	8
Total non-current assets	430	485	463	463	463	463	463
TOTAL ASSETS	847	975	768	768	768	768	768
CURRENT LIABILITIES							
Employee provisions	497	588	497	497	497	497	497
Payables	8	46	8	8	8	8	8
Other	153	118	153	153	153	153	153
Total current liabilities	658	752	658	658	658	658	658
NON-CURRENT LIABILITIES							
Employee provisions	41	77	41	41	41	41	41
Total non-current liabilities	41	77	41	41	41	41	41
TOTAL LIABILITIES	699	829	699	699	699	699	699
EQUITY							
Contributed equity	604	604	604	604	604	604	604
Accumulated surplus/(deficit)	(456)	(458)	(535)	(535)	(535)	(535)	(535)
Total equity	148	146	69	69	69	69	69
TOTAL LIABILITIES AND EQUITY	847	975	768	768	768	768	768

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

**STATEMENT OF CASHFLOWS ^(a)
(Controlled)**

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	4,729	3,729	3,808	3,737	3,743	3,767	3,757
Holding account drawdowns.....	79	79	-	42	28	33	79
Net cash provided by State Government.....	4,808	3,808	3,808	3,779	3,771	3,800	3,836
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(3,165)	(2,859)	(2,859)	(2,864)	(2,890)	(2,917)	(2,954)
Supplies and services.....	(395)	(248)	(406)	(264)	(238)	(209)	(165)
Accommodation.....	(892)	(686)	(686)	(695)	(704)	(714)	(714)
Other payments.....	(322)	(224)	(224)	(208)	(207)	(226)	(226)
Receipts ^(b)							
Grants and subsidies.....	14	35	35	35	35	35	35
Sale of goods and services.....	124	154	154	160	162	165	168
GST receipts.....	175	78	78	78	78	78	78
Other receipts.....	14	21	21	21	21	21	21
Net cash from operating activities.....	(4,447)	(3,729)	(3,887)	(3,737)	(3,743)	(3,767)	(3,757)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	-	(79)	-	(42)	(28)	(33)	(79)
Net cash from investing activities.....	-	(79)	-	(42)	(28)	(33)	(79)
NET INCREASE/(DECREASE) IN CASH HELD.....	361	-	(79)	-	-	-	-
Cash assets at the beginning of the reporting period.....	(82)	264	279	200	200	200	200
Cash assets at the end of the reporting period.....	279	264	200	200	200	200	200

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

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

NET APPROPRIATION DETERMINATION ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Grants and Subsidies							
Proceeds from the Provision of Services to the Indian Ocean Territories.....	14	35	35	35	35	35	35
Sale of Goods and Services							
Services Rendered.....	124	154	154	160	162	165	168
GST Receipts							
GST Input Credits.....	162	61	61	61	61	61	61
GST Receipts on Sale.....	13	17	17	17	17	17	17
Other Receipts							
Other Receipts.....	14	21	21	21	21	21	21
TOTAL.....	327	288	288	294	296	299	302

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

Division 28 Office of the Director of Public Prosecutions

Part 17 Attorney General

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 44 Net amount appropriated to deliver services	31,478	31,342	31,342	33,554	31,119	31,380	31,729
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	3,585	3,715	3,715	3,715	3,715	3,715	3,715
Total appropriations provided to deliver services.....	35,063	35,057	35,057	37,269	34,834	35,095	35,444
TOTAL APPROPRIATIONS	35,063	35,057	35,057	37,269	34,834	35,095	35,444
EXPENSES							
Total Cost of Services.....	40,144	39,151	40,411	42,914	40,467	40,728	41,077
Net Cost of Services ^(a)	35,037	35,501	36,111	37,564	35,117	35,378	35,727
CASH ASSETS ^(b)	2,742	2,905	2,969	3,287	3,597	3,826	4,055

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

(b) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Delay to Agency Expenditure Review.....	-	1,015	-	-	-
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(56)	(112)	(170)	(228)
Increased Grants from the Confiscation Proceeds Account	-	1,050	1,050	1,050	1,050
Revision to Indexation for Non-Salary Expenses	-	(152)	(305)	(369)	(433)
Revision to Public Sector Workforce Renewal Policy Calculation.....	-	1,599	1,909	1,909	1,909
Special Prosecution Division.....	-	1,477	-	-	-

Significant Issues Impacting the Agency

- The Office continues to fulfil its responsibility to prosecute the most serious offences committed against the State's criminal laws.
- During 2016-17, the Office conducted an extensive legal practice that included a significant number of high profile, resource intensive, murder and drug-related prosecutions. Workload increases were experienced in 2016-17 with the number of new indictable cases committed for trial or sentence received by the Office increasing by 5.7% to 3,155 new cases. This followed a 5.9% increase in the previous year and a 16.9% increase in 2014-15. This growth is expected to continue in 2017-18.
- There has also been a corresponding increase in the number of resource intensive, criminal trials proceeding in the Supreme and District Courts. In 2016-17, 483 cases prosecuted by the Office proceeded to trial in these courts, an increase of 23 trials (5%) over the previous financial year. The Office also prosecuted 46 trials in the Children's Court. This high number of cases proceeding to trial is likely to be maintained in 2017-18.
- Notwithstanding the increases in core workloads, the Office continues to record an overall conviction rate of 93%, achieved through early and effective case management, the appropriate exercise of prosecutorial discretion and by thoroughly preparing matters for trial.
- The Office continues to manage a busy appellate practice with 264 new High Court, Court of Appeal and Single Judge Appeals managed in 2016-17. This level of work is likely to be maintained over the forward estimates period.
- The Office's involvement in the *Dangerous Sexual Offenders Act 2006* (the Act) matters continues to grow cumulatively. As at 30 June 2017, 52 offenders were either detained in custody under a continuing detention order or had been released into the community under strict supervisory conditions. This compares to just three offenders subject to orders in 2006-07, which was the first year of operation of the Act.
- The Office has taken over responsibility for the prosecution of Bradley Robert Edwards, who is alleged to have committed a number of offences related to the Western Australia Police's Taskforce Macro operation. The Office has been provided with additional funding of \$1.5 million in 2017-18 to prosecute the case, with any future funding requirements to be addressed as the case progresses.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcome	Services
Strong Communities: Safe communities and supported families.	That the people of Western Australia are provided with a fair and just criminal prosecution service.	1. Criminal Prosecutions 2. Confiscation of Assets

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. Criminal Prosecutions	37,100	36,151	37,211	39,714	37,267	37,528	37,877
2. Confiscation of Assets.....	3,044	3,000	3,200	3,200	3,200	3,200	3,200
Total Cost of Services	40,144	39,151	40,411	42,914	40,467	40,728	41,077

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16	2016-17	2016-17	2017-18	Note
	Actual	Budget	Estimated Actual	Budget Target	
Outcome: That the people of Western Australia are provided with a fair and just criminal prosecution service:					
Early advice to Court on charges:					
Indictment filed within three months of committal	72%	85%	69%	85%	1
Establishing a case to answer.....	100%	98%	99%	98%	
Convictions after trial.....	64%	50%	66%	50%	2
Application for a Declaration of Confiscations filed within four months of the Drug Trafficker Declaration.....	32%	60%	28%	60%	3

(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 Estimated Actual was below the 2016-17 Budget due to significant increases in the number of new criminal cases being referred to the Office for prosecution. This is illustrated by a 5.7% increase in new indictable cases in 2016-17.
- Although the 2017-18 Budget Target of 50% is generally consistent with comparable jurisdictions, the Office has in recent years achieved a conviction rate after trial of over 60%. This reflects the competence of the Office in terms of case management, trial preparation and advocacy.
- The 2016-17 Estimated Actual was below the 2016-17 Budget due to the progress of Western Australia Police investigations to establish the ownership of property; the tracking of associated criminal charges and assets; the resolution of issues with third parties who may claim an interest in seized property; and fewer staff in the Office's confiscations practice, compared to the 2016-17 Budget target.

Services and Key Efficiency Indicators

1. Criminal Prosecutions

The Office conducts prosecutions against people accused of serious breaches of the State's criminal laws. These prosecutions are principally conducted on indictment in the Supreme and District Courts sitting at Perth and also in major regional locations. Prosecutions are conducted on behalf of the State, independently of external influences and in accordance with the law and a published statement of the Office's Statement of Prosecution Policy and Guidelines 2005.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 37,100	\$'000 36,151	\$'000 37,211	\$'000 39,714	
Less Income.....	1,907	1,050	1,300	2,150	
Net Cost of Service.....	35,193	35,101	35,911	37,564	
Employees (Full Time Equivalents).....	212	211	211	221	
Efficiency Indicator					
Cost per Prosecution.....	\$12,429	\$15,000	\$12,035	\$15,000	

2. Confiscation of Assets

The Office institutes and conducts proceedings in a fair and just manner to confiscate property acquired as a result of criminal activity, property used for criminal activity and property of declared drug traffickers. The cost to operate the Office's Confiscations team and manage confiscations legal work is generally recouped from the Confiscation Proceeds Account established under the *Criminal Property Confiscation Act 2000*.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 3,044	\$'000 3,000	\$'000 3,200	\$'000 3,200	
Less Income.....	3,200	2,600	3,000	3,200	
Net Cost of Service.....	(156)	400	200	-	
Employees (Full Time Equivalents).....	14	17	15	16	
Efficiency Indicator					
Ratio of Cost to Return.....	23%	25%	23.5%	25%	

Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
WORKS IN PROGRESS							
Asset Replacement Program.....	606	406	50	50	50	50	50
Computer and Office Equipment - Replacement of Computers, Servers, Telephony, and Photocopiers	3,267	905	50	550	550	631	631
NEW WORKS							
Information Technology and Records Systems Upgrade Replacement of Legal Practice Management, Training and Certification Systems	500	-	-	-	500	-	-
Total Cost of Asset Investment Program.....	4,373	1,311	100	600	1,100	681	681
FUNDED BY							
Drawdowns from the Holding Account.....			100	600	1,100	600	600
Internal Funds and Balances.....			-	-	-	81	81
Total Funding.....			100	600	1,100	681	681

Financial Statements

Income Statement

Expenses

The Total Cost of Services for the 2017-18 Budget Estimate is higher than the 2016-17 Estimated Actual due to unavoidable costs incurred in meeting increased criminal caseloads.

Income

Service appropriations have increased from the 2016-17 Estimated Actual to the 2017-18 Budget Estimate due to a revision to the Office's Public Sector Workforce Renewal Policy savings measure and additional funding for the prosecution of Bradley Robert Edwards.

Grants and subsidies income has increased by \$1 million from the 2016-17 Estimated Actual to the 2017-18 Budget Estimate due to additional funding provided from the Confiscations Proceeds Account.

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)	30,423	29,266	30,086	32,471	31,475	31,740	32,069
Supplies and services	3,881	3,500	4,022	3,424	3,243	3,231	3,234
Accommodation	2,827	3,106	3,115	3,244	3,065	3,091	3,115
Depreciation and amortisation	647	811	630	720	728	728	728
Agency Expenditure Review ^(c)	-	-	-	-	(1,021)	(1,046)	(1,046)
Other expenses.....	2,366	2,468	2,558	3,055	2,977	2,984	2,977
TOTAL COST OF SERVICES	40,144	39,151	40,411	42,914	40,467	40,728	41,077
Income							
Grants and subsidies.....	5,000	3,600	4,250	5,300	5,300	5,300	5,300
Other revenue	107	50	50	50	50	50	50
Total Income.....	5,107	3,650	4,300	5,350	5,350	5,350	5,350
NET COST OF SERVICES	35,037	35,501	36,111	37,564	35,117	35,378	35,727
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	35,063	35,057	35,057	37,269	34,834	35,095	35,444
Resources received free of charge	1,134	525	1,135	525	525	525	525
TOTAL INCOME FROM STATE GOVERNMENT	36,197	35,582	36,192	37,794	35,359	35,620	35,969
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	1,160	81	81	230	242	242	242

(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 226, 226 and 237 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) The Office has been requested to report back as part of the 2018-19 Budget process with options for meeting their Agency Expenditure Review savings target from 2018-19.

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	2,742	2,839	2,903	3,221	3,531	3,760	3,989
Holding account receivables	100	600	600	1,100	600	600	600
Receivables	132	132	132	132	132	132	132
Other	277	-	277	277	277	277	277
Total current assets	3,251	3,571	3,912	4,730	4,540	4,769	4,998
NON-CURRENT ASSETS							
Holding account receivables	4,571	4,282	4,782	4,402	4,530	4,658	4,786
Property, plant and equipment	617	539	85	53	788	458	769
Intangibles	53	20	20	12	12	12	12
Restricted cash	-	66	66	66	66	66	66
Other	1,491	1,337	1,345	1,265	902	504	146
Total non-current assets	6,732	6,244	6,298	5,798	6,298	5,698	5,779
TOTAL ASSETS	9,983	9,815	10,210	10,528	10,838	10,467	10,777
CURRENT LIABILITIES							
Employee provisions	6,335	5,876	6,335	6,335	6,335	6,335	6,335
Payables	460	593	460	460	460	460	528
Other	83	213	83	83	83	83	83
Total current liabilities	6,878	6,682	6,878	6,878	6,878	6,878	6,946
NON-CURRENT LIABILITIES							
Employee provisions	1,926	1,944	1,926	1,926	1,926	1,926	1,926
Other	4	4	4	4	4	4	4
Total non-current liabilities	1,930	1,948	1,930	1,930	1,930	1,930	1,930
TOTAL LIABILITIES	8,808	8,630	8,808	8,808	8,808	8,808	8,876
EQUITY							
Contributed equity	7,138	7,346	7,284	7,372	7,440	6,827	6,827
Accumulated surplus/(deficit)	(5,963)	(6,161)	(5,882)	(5,652)	(5,410)	(5,168)	(4,926)
Total equity	1,175	1,185	1,402	1,720	2,030	1,659	1,901
TOTAL LIABILITIES AND EQUITY	9,983	9,815	10,210	10,528	10,838	10,467	10,777

(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.....	34,278	34,246	34,246	36,549	34,106	34,367	34,716
Holding account drawdowns.....	305	600	100	600	1,100	600	600
Net cash provided by State Government.....	34,583	34,846	34,346	37,149	35,206	34,967	35,316
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(31,096)	(29,266)	(30,033)	(32,471)	(31,475)	(31,740)	(32,069)
Supplies and services.....	(2,359)	(2,423)	(2,234)	(2,358)	(2,213)	(2,195)	(2,193)
Accommodation.....	(3,105)	(3,106)	(3,115)	(3,243)	(3,065)	(3,089)	(3,113)
Agency Expenditure Review.....	-	-	-	-	1,021	1,046	1,046
Other payments.....	(3,878)	(3,503)	(3,566)	(4,143)	(4,048)	(4,063)	(4,061)
Receipts ^(b)							
Grants and subsidies.....	5,000	3,600	4,250	5,300	5,300	5,300	5,300
GST receipts.....	849	629	629	634	634	634	634
Other receipts.....	172	50	50	50	50	50	50
Net cash from operating activities.....	(34,417)	(34,019)	(34,019)	(36,231)	(33,796)	(34,057)	(34,406)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(353)	(600)	(100)	(600)	(1,100)	(681)	(681)
Net cash from investing activities.....	(353)	(600)	(100)	(600)	(1,100)	(681)	(681)
NET INCREASE/(DECREASE) IN CASH HELD.....							
	(187)	227	227	318	310	229	229
Cash assets at the beginning of the reporting period.....	2,929	2,678	2,742	2,969	3,287	3,597	3,826
Cash assets at the end of the reporting period.....	2,742	2,905	2,969	3,287	3,597	3,826	4,055

(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 Office. 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
Grants and Subsidies							
Contribution from the Confiscation Proceeds Account.....	5,000	3,600	4,250	5,300	5,300	5,300	5,300
GST Receipts							
GST Input Credits.....	843	627	627	632	632	632	632
GST Receipts on Sales.....	6	2	2	2	2	2	2
Other Receipts							
Employee Contributions to Employee Vehicle Scheme.....	54	50	50	50	50	50	50
Other Receipts.....	118	-	-	-	-	-	-
TOTAL.....	6,021	4,279	4,929	5,984	5,984	5,984	5,984

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

Division 29 Commissioner for Children and Young People
Part 17 Attorney General

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 45 Net amount appropriated to deliver services	2,827	2,878	2,878	2,822	2,816	2,841	2,870
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	255	255	255	255	255	255	255
Total appropriations provided to deliver services.....	3,082	3,133	3,133	3,077	3,071	3,096	3,125
TOTAL APPROPRIATIONS	3,082	3,133	3,133	3,077	3,071	3,096	3,125
EXPENSES							
Total Cost of Services.....	3,163	3,285	3,353	3,239	3,233	3,258	3,287
Net Cost of Services ^(a)	3,162	3,285	3,292	3,236	3,230	3,255	3,284
CASH ASSETS ^(b)	762	731	762	762	762	762	762

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

(b) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
2017-18 Streamlined Budget Process Incentive Funding.....	-	28	-	-	-
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(4)	(8)	(12)	(16)
Revision to Indexation for Non-Salary Expenses	-	-	(23)	(33)	(43)

Significant Issues Impacting the Agency

- The 2016-20 Strategic Plan for the Commission outlines three key areas of work:
 - promoting the rights, voices and contributions of children and young people;
 - monitoring and advocacy to strengthen the wellbeing of all Western Australian children and young people; and
 - prioritising the needs of children and young people who are our most disadvantaged and vulnerable.

- Based on this strategic direction, the Commission will focus on the following key areas for the 2017-18 financial year:
 - completion of a report of the engagement in education consultation with children and young people in late 2017;
 - both the Royal Commission into Institutional Responses to Child Sex Abuse and the Royal Commission into the Don Dale Detention Centre will hand down findings this financial year that highlight the actions required to address the risk of harm to some of our most vulnerable children and young people. The Commissioner will undertake a range of initiatives to enhance its continuing work in leading the development of child safe organisation principles in Western Australia and build on the findings of these important Inquiries including supporting development of effective responses for children displaying harmful sexual behaviours towards other children and development of an Oversight Mapping Report to analyse current oversight of key services for children and young people and identify areas for improvement; and
 - while most children and young people are faring well in Western Australia a significant cohort continue to experience poorer outcomes across a range of areas leading to the need for expensive interventions and loss of productivity. The Commissioner will use the volume of work it has gathered over 10 years to develop a report to Parliament on how vulnerable children and young people are supported within Western Australia. This report will be enhanced with the inclusion of the voice of children and young people with lived experience of vulnerability.

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 service and desired outcome, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcome	Service
Strong Communities: Safe communities and supported families.	The views and issues of children and young people are heard and acted upon.	1. Consultation, Research and Promotion of the Wellbeing of Children and Young People

Service Summary

Expense	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
1. Consultation, Research and Promotion of the Wellbeing of Children and Young People.....	3,163	3,285	3,353	3,239	3,233	3,258	3,287
Total Cost of Services	3,163	3,285	3,353	3,239	3,233	3,258	3,287

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: The views and issues of children and young people are heard and acted upon:					
The extent to which children and young people in various regions of the State are consulted ^{(b) (c)}	n/a	n/a	n/a	1,500	
The extent to which issues impacting upon children and young people are researched, advocated and promoted ^{(b) (c)}	n/a	n/a	n/a	200	
The extent to which public awareness is engaged on issues impacting upon the wellbeing of children and young people ^{(b) (c)}	n/a	n/a	n/a	2,100	

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

(b) New Key Performance Indicators have been introduced for the 2017-18 financial year that will capture the contemporary work of the Commission in line with its core functions and objectives. The revised Key Performance Indicators will report on the number of children and young people consulted, a broader range of representations and the public awareness raising activities undertaken by the Commission. This will be consistent with the Government Goal to build strong communities by increasing the role children and young people have in decision-making and advocating for families to be supported.

(c) There is no comparative information available for the 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual as a result of the implementation of the revised Key Performance Indicator methodology.

Services and Key Efficiency Indicators**1. Consultation, Research and Promotion of the Wellbeing of Children and Young People**

Consultation, research and the promotion of the wellbeing of children and young people are a responsibility of the Commissioner and the scope and goals for this are prescribed in the *Commissioner for Children and Young People Act 2006*.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 3,163	\$'000 3,285	\$'000 3,353	\$'000 3,239	
Less Income	1	-	61	3	
Net Cost of Service.....	3,162	3,285	3,292	3,236	
Employees (Full Time Equivalents).....	16	16	16	16	
Efficiency Indicators					
Unit Cost per Child.....	-	-	-	\$507	
Unit Cost per Representation.....	-	-	-	\$12,395	

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

Financial Statements

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)	2,127	2,315	2,322	2,266	2,294	2,320	2,352
Supplies and services	460	447	456	470	434	437	425
Accommodation	271	315	313	320	330	331	332
Depreciation and amortisation	16	16	16	16	16	16	16
Other expenses.....	289	192	246	167	159	154	162
TOTAL COST OF SERVICES	3,163	3,285	3,353	3,239	3,233	3,258	3,287
Income							
Grants and subsidies.....	-	-	58	-	-	-	-
Other revenue	1	-	3	3	3	3	3
Total Income.....	1	-	61	3	3	3	3
NET COST OF SERVICES	3,162	3,285	3,292	3,236	3,230	3,255	3,284
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	3,082	3,133	3,133	3,077	3,071	3,096	3,125
Resources received free of charge	159	152	159	159	159	159	159
TOTAL INCOME FROM STATE GOVERNMENT	3,241	3,285	3,292	3,236	3,230	3,255	3,284
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	79	-	-	-	-	-	-

(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 16, 16 and 16 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	762	667	762	762	762	762	762
Receivables	39	20	39	39	39	39	39
Total current assets	801	687	801	801	801	801	801
NON-CURRENT ASSETS							
Holding account receivables	434	466	450	466	482	498	514
Property, plant and equipment	82	60	66	50	34	18	2
Restricted cash	-	64	-	-	-	-	-
Total non-current assets	516	590	516	516	516	516	516
TOTAL ASSETS	1,317	1,277	1,317	1,317	1,317	1,317	1,317
CURRENT LIABILITIES							
Employee provisions	178	184	178	178	178	178	178
Payables	32	-	32	32	32	32	32
Other	58	120	58	58	58	58	58
Total current liabilities	268	304	268	268	268	268	268
NON-CURRENT LIABILITIES							
Employee provisions	87	90	87	87	87	87	87
Total non-current liabilities	87	90	87	87	87	87	87
TOTAL LIABILITIES	355	394	355	355	355	355	355
EQUITY							
Contributed equity	420	420	420	420	420	420	420
Accumulated surplus/(deficit)	542	463	542	542	542	542	542
Reserves	-	-	-	-	-	-	-
Total equity	962	883	962	962	962	962	962
TOTAL LIABILITIES AND EQUITY	1,317	1,277	1,317	1,317	1,317	1,317	1,317

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	3,082	3,117	3,117	3,061	3,055	3,080	3,109
Net cash provided by State Government.....	3,082	3,117	3,117	3,061	3,055	3,080	3,109
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(2,199)	(2,315)	(2,322)	(2,266)	(2,294)	(2,320)	(2,352)
Supplies and services	(305)	(313)	(297)	(311)	(275)	(278)	(266)
Accommodation	(271)	(314)	(312)	(320)	(330)	(331)	(332)
Other payments.....	(289)	(205)	(332)	(252)	(244)	(239)	(247)
Receipts ^(b)							
Grants and subsidies.....	-	-	58	-	-	-	-
GST receipts.....	13	30	88	88	88	88	88
Net cash from operating activities	(3,051)	(3,117)	(3,117)	(3,061)	(3,055)	(3,080)	(3,109)
NET INCREASE/(DECREASE) IN CASH HELD	31	-	-	-	-	-	-
Cash assets at the beginning of the reporting period	731	731	762	762	762	762	762
Cash assets at the end of the reporting period	762	731	762	762	762	762	762

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

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

NET APPROPRIATION DETERMINATION ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Grants and Subsidies							
Contribution from Sponsors for Thinker in Residence Event	-	-	58	-	-	-	-
GST Receipts							
Receipts on Sales	13	30	88	88	88	88	88
TOTAL	13	30	146	88	88	88	88

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

Division 30 Office of the Information Commissioner

Part 17 Attorney General

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 46 Net amount appropriated to deliver services	2,113	2,058	2,058	2,039	2,031	2,046	2,067
Amount Authorised by Other Statutes							
- Freedom of Information Act 1992.....	278	278	278	278	278	278	278
Total appropriations provided to deliver services.....	2,391	2,336	2,336	2,317	2,309	2,324	2,345
TOTAL APPROPRIATIONS	2,391	2,336	2,336	2,317	2,309	2,324	2,345
EXPENSES							
Total Cost of Services.....	2,268	2,458	2,458	2,439	2,431	2,446	2,467
Net Cost of Services ^(a)	2,268	2,454	2,454	2,435	2,427	2,442	2,463
CASH ASSETS ^(b)	472	301	464	456	448	440	432

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

(b) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
2017-18 Streamlined Budget Process Incentive Funding.....	-	20	-	-	-
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(4)	(8)	(13)	(17)
Revision to Indexation for Non-Salary Expenses	-	-	(18)	(25)	(32)

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcome	Services
Strong Communities: Safe communities and supported families.	Access to documents and observance of processes in accordance with the <i>Freedom of Information Act 1992</i> .	1. Resolution of Complaints 2. Advice and Awareness

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. Resolution of Complaints	1,588	1,721	1,721	1,707	1,701	1,712	1,727
2. Advice and Awareness.....	680	737	737	732	730	734	740
Total Cost of Services	2,268	2,458	2,458	2,439	2,431	2,446	2,467

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16	2016-17	2016-17	2017-18	Note
	Actual	Budget	Estimated Actual	Budget Target	
Outcome: Access to documents and observance of processes in accordance with the Freedom of Information Act 1992:					
Participants satisfied with complaint resolution and external review processes adopted by the Information Commissioner.....	86%	85%	88%	85%	
Agencies satisfied with the advice and guidance provided by the Information Commissioner.....	99%	98%	98%	98%	
Applications for external review resolved by conciliation.....	70%	60%	69%	60%	

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

Services and Key Efficiency Indicators

1. Resolution of Complaints

Provides an independent review and complaint resolution process, which resolves cases in a timely manner and balances the competing needs and expectations of applicants, agencies and Parliament within legislative requirements prescribed by the *Freedom of Information Act 1992*.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 1,588	\$'000 1,721	\$'000 1,721	\$'000 1,707	
Less Income.....	-	3	3	3	
Net Cost of Service.....	1,588	1,718	1,718	1,704	
Employees (Full Time Equivalents).....	9	9	10	10	
Efficiency Indicator					
Average Cost per Complaint and External Review Finalised.....	\$7,751	\$8,067	\$9,353	\$9,190	1

Explanation of Significant Movements

(Notes)

- The increase in the 2016-17 Estimated Actual compared to the 2016-17 Budget is due to the number of external review applications finalised being less than was originally estimated. The main contributing factor for this decrease is the number of larger and more complex external review applications that were dealt with by the review and complaints team. These types of external review applications inevitably need more time to finalise as they raise complex issues and often deal with many documents in dispute.

2. Advice and Awareness

Provide objective advice and information to members of the public and agencies to assist in the proper lodgement and processing of applications under the *Freedom of Information Act 1992*. Propose initiatives to enhance efficiency in agency administration when dealing with applications received and conduct briefings and training sessions for agency staff.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 680	\$'000 737	\$'000 737	\$'000 732	
Less Income.....	-	1	1	1	
Net Cost of Service.....	680	736	736	731	
Employees (Full Time Equivalents).....	2	2	2	2	
Efficiency Indicator					
Average Cost of Service per Application Lodged ^(a)	\$262	\$268	\$242	\$240	

- (a) Applications lodged encompasses the total number of direct advisory services that were provided (telephone calls where advice is given, email advice, counter enquiries, recipients of training and briefings and other matters).

Financial Statements

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)	1,614	1,728	1,723	1,691	1,686	1,700	1,723
Supplies and services	294	383	350	353	350	348	344
Accommodation	277	284	284	292	296	297	297
Depreciation and amortisation	5	-	6	6	6	6	6
Other expenses	78	63	95	97	93	95	97
TOTAL COST OF SERVICES	2,268	2,458	2,458	2,439	2,431	2,446	2,467
Income							
Other revenue	-	4	4	4	4	4	4
Total Income	-	4	4	4	4	4	4
NET COST OF SERVICES	2,268	2,454	2,454	2,435	2,427	2,442	2,463
INCOME FROM STATE GOVERNMENT							
Service appropriations	2,391	2,336	2,336	2,317	2,309	2,324	2,345
Resources received free of charge	111	110	110	110	110	110	110
TOTAL INCOME FROM STATE GOVERNMENT	2,502	2,446	2,446	2,427	2,419	2,434	2,455
SURPLUS/(DEFICIENCY) FOR THE PERIOD	234	(8)	(8)	(8)	(8)	(8)	(8)

(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 11, 12 and 12 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	472	248	464	456	448	440	432
Receivables	14	17	14	14	14	14	14
Other.....	40	38	40	40	40	40	40
Total current assets	526	303	518	510	502	494	486
NON-CURRENT ASSETS							
Holding account receivables.....	36	36	36	36	36	36	36
Property, plant and equipment.....	19	10	19	19	19	19	19
Restricted cash	-	53	-	-	-	-	-
Total non-current assets	55	99	55	55	55	55	55
TOTAL ASSETS	581	402	573	565	557	549	541
CURRENT LIABILITIES							
Employee provisions	183	231	183	183	183	183	183
Payables	23	-	23	23	23	23	23
Other.....	-	57	-	-	-	-	-
Total current liabilities	206	288	206	206	206	206	206
NON-CURRENT LIABILITIES							
Employee provisions	81	70	81	81	81	81	81
Total non-current liabilities	81	70	81	81	81	81	81
TOTAL LIABILITIES.....	287	358	287	287	287	287	287
EQUITY							
Contributed equity	37	37	37	37	37	37	37
Accumulated surplus/(deficit).....	257	7	249	241	233	225	217
Total equity	294	44	286	278	270	262	254
TOTAL LIABILITIES AND EQUITY	581	402	573	565	557	549	541

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	2,391	2,336	2,336	2,317	2,309	2,324	2,345
Net cash provided by State Government.....	2,391	2,336	2,336	2,317	2,309	2,324	2,345
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(1,682)	(1,728)	(1,723)	(1,691)	(1,686)	(1,700)	(1,723)
Supplies and services	(172)	(274)	(308)	(312)	(311)	(311)	(307)
Accommodation	(278)	(233)	(231)	(237)	(239)	(238)	(238)
Other payments.....	(150)	(161)	(134)	(137)	(133)	(135)	(137)
Receipts ^(b)							
GST receipts.....	60	48	48	48	48	48	48
Other receipts	-	4	4	4	4	4	4
Net cash from operating activities	(2,222)	(2,344)	(2,344)	(2,325)	(2,317)	(2,332)	(2,353)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(14)	-	-	-	-	-	-
Net cash from investing activities.....	(14)	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	155	(8)	(8)	(8)	(8)	(8)	(8)
Cash assets at the beginning of the reporting period	317	309	472	464	456	448	440
Cash assets at the end of the reporting period	472	301	464	456	448	440	432

(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 Office. 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
GST Receipts							
GST Input Credits	60	48	48	48	48	48	48
Other Receipts							
Other Receipts	-	4	4	4	4	4	4
TOTAL	60	52	52	52	52	52	52

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

Division 31 Parliamentary Inspector of the Corruption and Crime Commission

Part 17 Attorney General

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 47 Net amount appropriated to deliver services	538	547	547	553	541	547	553
Amount Authorised by Other Statutes - Corruption and Crime Commission Act 2003	175	179	199	179	179	179	179
Total appropriations provided to deliver services.....	713	726	746	732	720	726	732
TOTAL APPROPRIATIONS	713	726	746	732	720	726	732
EXPENSES							
Total Cost of Services.....	868	864	884	872	862	868	874
Net Cost of Services (a)	868	864	884	872	862	868	874
CASH ASSETS (b)	227	26	-	-	-	-	-

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

(b) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
2016-17 Backdated Salary Payment to the Acting Parliamentary Inspector ...	20	-	-	-	-
2017-18 Streamlined Budget Process Incentive Funding	-	5	-	-	-
Freeze Salaries and Allowances Tribunal Determined Salaries	-	-	-	-	(2)

Significant Issues Impacting the Agency

- The Hon Michael Murray AM QC's five-year term as Parliamentary Inspector of the Corruption and Crime Commission ends on 31 December 2017. A formal recruitment process has been initiated with the Attorney General to engage a new Parliamentary Inspector under Section 189 of the *Corruption, Crime and Misconduct Act 2003 (WA)*.

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcome	Service
Sustainable Finances: Responsible financial management and better service delivery.	An informed Parliament on the integrity of the Corruption and Crime Commission.	1. Evaluation of the Effectiveness and Appropriateness of Corruption and Crime Commission Operations

Service Summary

Expense	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
1. Evaluation of the Effectiveness and Appropriateness of Corruption and Crime Commission Operations.....	868	864	884	872	862	868	874
Total Cost of Services	868	864	884	872	862	868	874

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: An informed Parliament on the integrity of the Corruption and Crime Commission:					
Number of reports completed and tabled in Parliament within target timeframes	1	1	1	1	

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

Services and Key Efficiency Indicators

1. Evaluation of the Effectiveness and Appropriateness of Corruption and Crime Commission Operations

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 868	\$'000 864	\$'000 884	\$'000 872	
<i>Less Income</i>	-	-	-	-	
Net Cost of Service.....	868	864	884	872	
Employees (Full Time Equivalents).....	2	2	2	2	
Efficiency Indicators					
Average Cost per Investigation/Case	\$5,028	\$7,311	\$5,076	\$5,328	1
Cost of Audit Function as a Percentage of Total Cost of Operations	45%	45%	42%	45%	

Explanation of Significant Movements

(Notes)

- The 2016-17 Estimated Actual Average Cost per Investigation/Case undertaken and finalised is lower than the 2016-17 Budget due to 55% more investigations being undertaken and finalised in 2016-17 than was predicted.

The 2017-18 Budget Target Average Cost per Investigation/Case is slightly higher than the 2016-17 Estimated Actual due to a revision in the number of investigations expected to be undertaken in 2017-18.

Financial Statements

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)	505	465	485	471	475	481	486
Supplies and services	163	165	165	169	168	167	167
Accommodation	142	144	144	138	127	127	127
Depreciation and amortisation	26	55	55	55	55	55	55
Other expenses.....	32	35	35	39	37	38	39
TOTAL COST OF SERVICES	868	864	884	872	862	868	874
NET COST OF SERVICES	868	864	884	872	862	868	874
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	713	726	746	732	720	726	732
Resources received free of charge	145	138	138	140	142	142	142
TOTAL INCOME FROM STATE GOVERNMENT	858	864	884	872	862	868	874
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	(10)	-	-	-	-	-	-

(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 2, 2 and 2 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	227	26	-	-	-	-	-
Receivables	29	16	29	29	29	29	29
Other.....	1	-	1	1	1	1	1
Total current assets	257	42	30	30	30	30	30
NON-CURRENT ASSETS							
Holding account receivables.....	108	163	163	218	273	328	383
Property, plant and equipment.....	7	-	7	7	7	7	7
Other.....	280	219	225	170	115	60	5
Total non-current assets	395	382	395	395	395	395	395
TOTAL ASSETS	652	424	425	425	425	425	425
CURRENT LIABILITIES							
Employee provisions	281	78	92	92	92	92	92
Payables	4	2	4	4	4	4	4
Other.....	40	12	3	3	3	3	3
Total current liabilities	325	92	99	99	99	99	99
NON-CURRENT LIABILITIES							
Employee provisions	9	4	8	8	8	8	8
Total non-current liabilities	9	4	8	8	8	8	8
TOTAL LIABILITIES.....	334	96	107	107	107	107	107
EQUITY							
Contributed equity	160	160	160	160	160	160	160
Accumulated surplus/(deficit).....	158	168	158	158	158	158	158
Total equity	318	328	318	318	318	318	318
TOTAL LIABILITIES AND EQUITY	652	424	425	425	425	425	425

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	658	671	691	677	665	671	677
Net cash provided by State Government.....	658	671	691	677	665	671	677
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(428)	(465)	(712)	(471)	(475)	(481)	(486)
Supplies and services	(18)	(27)	(27)	(29)	(26)	(26)	(26)
Accommodation	(142)	(144)	(144)	(138)	(127)	(127)	(127)
Other payments.....	(82)	(35)	(35)	(39)	(37)	(37)	(38)
Receipts ^(b)							
GST receipts.....	50	-	-	-	-	-	-
Net cash from operating activities	(620)	(671)	(918)	(677)	(665)	(671)	(677)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(194)	-	-	-	-	-	-
Net cash from investing activities.....	(194)	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(156)	-	(227)	-	-	-	-
Cash assets at the beginning of the reporting period	383	26	227	-	-	-	-
Cash assets at the end of the reporting period	227	26	-	-	-	-	-

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

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

NET APPROPRIATION DETERMINATION ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
GST Receipts							
GST Receipts.....	50	-	-	-	-	-	-
TOTAL	50	-	-	-	-	-	-

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

Legal Aid Commission of Western Australia

Part 17

Attorney General

Asset Investment Program

The Commission's Asset Investment Program (AIP) for 2017-18 is estimated at \$1.9 million, primarily comprising of a computer hardware and software replacement program. The AIP will be funded from 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							
Computer Hardware and Software Replacement Program.....	10,012	5,224	925	1,444	1,344	1,000	1,000
Office Refurbishment and Fit-outs.....	3,125	2,127	-	500	-	249	249
Total Cost of Asset Investment Program.....	13,137	7,351	925	1,944	1,344	1,249	1,249
FUNDED BY							
Internal Funds and Balances.....			925	1,944	1,344	1,249	1,249
Total Funding.....			925	1,944	1,344	1,249	1,249

Part 18

Minister for Sport and Recreation

Summary of Portfolio Appropriations

Agency	2016-17 Budget \$'000	2016-17 Estimated Actual '000	2017-18 Budget Estimate '000
Western Australian Sports Centre Trust			
– Delivery of Services	50,977	52,430	74,618
– Capital Appropriation	3,436	4,152	14,694
Total	54,413	56,582	89,312
GRAND TOTAL			
– Delivery of Services	50,977	52,430	74,618
– Capital Appropriation	3,436	4,152	14,694
Total.....	54,413	56,582	89,312

Division 32 Western Australian Sports Centre Trust

Part 18 Minister for Sport and Recreation

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 48 Net amount appropriated to deliver services	42,426	50,977	52,430	74,618	83,638	80,640	76,849
Total appropriations provided to deliver services.....	42,426	50,977	52,430	74,618	83,638	80,640	76,849
CAPITAL							
Item 107 Capital Appropriation	5,472	3,436	4,152	14,694	13,865	14,327	15,412
TOTAL APPROPRIATIONS	47,898	54,413	56,582	89,312	97,503	94,967	92,261
EXPENSES							
Total Cost of Services.....	71,413	78,920	84,431	117,361	138,325	137,974	137,470
Net Cost of Services ^(a)	41,220	38,159	44,007	70,353	79,072	76,074	72,283
CASH ASSETS ^(b)	15,371	6,924	12,568	2,678	3,033	3,388	2,501

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

(b) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
2017-18 Tariffs, Fees and Charges	-	176	179	182	185
Perth Motorplex Short-term Management Cost Adjustment	(600)	200	-	-	-
Revision to Indexation for Non-Salary Expenses	-	(182)	(350)	(427)	(598)
VenuesWest Financial Position Forecast.....	(300)	(884)	(884)	(884)	(884)

Significant Issues Impacting the Agency

- The successful opening of the Perth Stadium this year will be the culmination of thousands of people's efforts from both public and private sectors. The transition from the State's most significant sporting infrastructure project to a successful operational venue will see the delivery of an exciting calendar of events in the venue's first year. The greater Perth Stadium precinct will also deliver a vibrant attraction all year round with the opening of nature playgrounds, a micro-brewery and recreational spaces expected to attract residents and visitors to Perth.
- The softer music/concert touring market experienced in 2016-17 is expected to rebound somewhat in 2017-18. Western Australia's portfolio of high quality sporting and entertainment infrastructure supports the State's ability to attract world-class touring acts. Some redistribution of content within the portfolio of venues is also expected as the market establishes which event is best suited to which venue, with the opening of the new Perth Stadium delivering a new high water mark for capacity for major events.

- Sports, performing arts and other live entertainment events play an important role in the lives of many Western Australians and increasingly issues arise when consumers are unable to access tickets to popular events. Consumer concerns relating to the ticket resale market have grown significantly with the advances in technology and greater sophistication of the resale marketplace. Scalpers are now utilising sophisticated software to bypass computer security systems and purchase large numbers of tickets. This has a detrimental impact on genuine fans who may miss out or have to pay inflated prices for events. VenuesWest will continue efforts to increase consumer awareness of the risk of buying through ticket resellers.
- The challenging global security environment has never required greater organisational capacity and capability to prepare, react and recover from any security incident. Continual re-assessment of the organisation's building infrastructure and operational systems will occur in the context of what other large venues are doing (nationally and globally) to address these concerns.
- The ability to enhance patrons' experience through the use of technology is essential with the greatest competition for live sport and entertainment events being the experience consumers can enjoy from their home. As traditional television viewership changes, audiences have begun to consume content in different ways through live streaming and social broadcasting. Today's venues must therefore integrate technology with the live experience in order to deliver a more engaging and immersive experience.
- The commissioning of the expanded HBF Arena site in Joondalup will deliver significantly improved facilities for the West Perth Football Club and the Wanneroo Wolves Basketball Club. The expanded facilities will see the venue deliver more for high performance sport, community users and commercial clients alike.
- The successful reopening of the SpeedDome after more than \$2 million worth of upgrades to the roof and track will once again deliver a world-class training and competition environment for track cyclists in Western Australia.
- The progression of the Perth Motorplex venue for either sale or lease to the private sector will change the asset portfolio and ongoing management responsibilities for the State. VenuesWest's ability to seamlessly transition business arrangements will again be essential.
- With economic conditions reducing revenue, VenuesWest has responded through a comprehensive internal structure review and cost containment measures to reflect both the changing operational environment and the new period of consolidation for the organisation after considerable strategic growth of assets.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcome	Services
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	Sustainable, accessible and profitable state assets delivering sport, recreation and entertainment opportunities for Western Australians.	1. Provision of Elite Sport Facilities and Support 2. Provision of Community Facilities and Services 3. Provision of Competitive and Cost Effective State Owned Assets

Service Summary

Expense	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
1. Provision of Elite Sport Facilities and Support.....	29,166	31,178	33,496	67,482	89,356	88,819	88,091
2. Provision of Community Facilities and Services	16,410	18,584	20,097	20,374	19,879	19,913	20,033
3. Provision of Competitive and Cost Effective State Owned Assets.....	25,837	29,158	30,838	29,505	29,090	29,242	29,346
Total Cost of Services	71,413	78,920	84,431	117,361	138,325	137,974	137,470

Outcomes and Key Effectiveness Indicators (a)

	2015-16	2016-17	2016-17	2017-18	Note
	Actual	Budget	Estimated Actual	Budget Target	
Outcome: Sustainable, accessible and profitable state assets delivering sport, recreation and entertainment opportunities for Western Australians:					
Percentage of targeted sports where venues meet international competition standards	81%	88%	81%	89%	
Elite user satisfaction	89%	79%	94%	90%	
Percentage of visitors whose expectations were met or exceeded by VenuesWest's services	86%	80%	91%	86%	
Commercial user satisfaction	86%	85%	93%	90%	

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

Services and Key Efficiency Indicators**1. Provision of Elite Sport Facilities and Support**

Manage and maintain facilities of an international level for elite sport programs.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	29,166	31,178	33,496	67,482	1
Less Income.....	3,238	4,197	4,063	13,937	2
Net Cost of Service.....	25,928	26,981	29,433	53,545	
Employees (Full Time Equivalents).....	72	85	85	85	
Efficiency Indicator Direct Government Funding Compared to Provision of Elite Sports Facilities (\$ per Hour).....	\$585	\$1,075	\$1,137	\$2,083	3

Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service in the 2017-18 Budget Target compared to the 2016-17 Estimated Actual mainly reflects the additional costs associated with the operation of the Perth Stadium.
2. The increase in income in the 2017-18 Budget Target compared to the 2016-17 Estimated Actual mainly reflects the revenue associated with the operation of the Perth Stadium.
3. The increase in cost per hour in the 2016-17 Budget compared to the 2015-16 Actual reflects the higher than normal training and competition hours that occurred in 2015-16. The increase in cost per hour in the 2017-18 Budget Target compared to the 2016-17 Estimated Actual mainly reflects the additional costs associated with the operation of the Perth Stadium.

2. Provision of Community Facilities and Services

Manage and maintain facilities to provide for community services and programmes.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 16,410	\$'000 18,584	\$'000 20,097	\$'000 20,374	1
Less Income.....	8,406	14,473	14,701	10,956	2
Net Cost of Service.....	8,004	4,111	5,396	9,418	
Employees (Full Time Equivalents).....	77	90	90	90	
Efficiency Indicator					
Average Cost per Visit of Providing Community Facilities and Services	\$7.63	\$9.19	\$10.11	\$8.93	3

Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service from the 2015-16 Actual to the 2016-17 Budget mainly reflects the additional costs associated with the return of the management of catering in-house in December 2015 and additional costs associated with the Perth Stadium preparation for operations. The increase in cost from the 2016-17 Budget to the 2016-17 Estimated Actual mainly reflects the costs associated with the short-term management of the Perth Motorplex.
2. The increase in income from the 2015-16 Actual to the 2016-17 Budget mainly reflects capital grants for the HBF Arena Expansion Projects. The reduction in revenue in the 2017-18 Budget Target from the 2016-17 Estimated Actual reflects the fact that these capital grants were once-off grants.
3. The increase in the Average Cost per Visit of Providing Community Facilities and Services from the 2015-16 Actual to the 2016-17 Budget mainly reflects the additional costs associated with the return of the management of catering in-house in December 2015 and additional costs associated with preparing the Perth Stadium. The increase in average cost from the 2016-17 Budget to the 2016-17 Estimated Actual mainly reflects the costs associated with the short-term management of the Perth Motorplex.

3. Provision of Competitive and Cost Effective State Owned Assets

Manage and maintain facilities to provide for sporting and entertainment programs and events that are commercially viable and cost effective.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 25,837	\$'000 29,158	\$'000 30,838	\$'000 29,505	1
Less Income.....	18,549	22,091	21,660	22,115	2
Net Cost of Service.....	7,288	7,067	9,178	7,390	
Employees (Full Time Equivalents).....	77	90	103	101	
Efficiency Indicator					
Ratio of Commercial Revenue Compared to Total Operating Expenses	71%	72%	67%	79%	3

Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service from the 2016-17 Budget compared to the 2015-16 Actual mainly reflects the additional costs associated with the return of the management of catering in-house in December 2015.
2. The increase in income from the 2016-17 Budget compared to the 2015-16 Actual reflects the additional revenue associated with the return of the management of catering in-house in December-2015.
3. The increase in the Ratio of Commercial Revenue Compared to Total Operating Expenses in the 2017-18 Budget Target compared to the 2016-17 Estimated Actual mainly reflects the additional revenue associated with the Perth Stadium moving from a non-revenue generating planning phase to an operational phase with associated revenue.

Asset Investment Program

The 2017-18 Asset Investment Program totals \$27.2 million, comprising of \$9.6 million for the HBF Arena Expansion Projects and \$17.6 million for capital upgrades and maintenance across VenuesWest's asset portfolio.

	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							
Capital Upgrades and Maintenance - 2016-17 Program.....	10,732	4,595	4,595	6,137	-	-	-
HBF Arena Expansion Projects	24,108	14,466	12,358	9,642	-	-	-
nib Stadium Management - Plant and Equipment	2,375	375	375	500	500	500	500
COMPLETED WORKS							
Capital Upgrades and Maintenance - 2015-16 Program	12,585	12,585	3,037	-	-	-	-
Information, Communications and Technology Plan	1,010	1,010	164	-	-	-	-
Perth Arena	538,573	538,573	260	-	-	-	-
NEW WORKS							
Capital Upgrades and Maintenance							
2017-18 Program	10,017	-	-	10,017	-	-	-
2018-19 Program	9,079	-	-	-	9,079	-	-
2019-20 Program	9,610	-	-	-	-	9,610	-
2020-21 Program	10,610	-	-	-	-	-	10,610
Election Commitment - HBF Arena Toilets and Storage Upgrade	746	-	-	746	-	-	-
Perth Stadium - Computers and Office Equipment.....	1,915	-	-	150	293	268	1,204
Total Cost of Asset Investment Program.....	631,360	571,604	20,789	27,192	9,872	10,378	12,314
FUNDED BY							
Capital Appropriation ^(a)			4,152	8,095	719	1,225	2,161
Drawdowns from the Holding Account.....			4,700	4,700	4,700	4,700	4,700
Internal Funds and Balances.....			11,937	14,397	4,453	4,453	5,453
Total Funding.....			20,789	27,192	9,872	10,378	12,314

(a) The variation in the capital appropriation of \$6.6 million in the 2017-18 Budget Estimate, \$13.1 million in the 2018-19 Forward Estimate, \$13.1 million in the 2019-20 Forward Estimate and \$13.3 million in the 2020-21 Forward Estimate between the Asset Investment Program table and the Appropriations, Expenses and Cash Assets table relates to principal repayments for the finance lease for the Perth Stadium. This repayment is reflected in the Cashflows from Financing Activities section of the Statement of Cashflows.

Financial Statements

Income Statement

Expenses

The 2017-18 Budget Estimate for expenses is forecast to increase by \$32.9 million (39%) compared to the 2016-17 Estimated Actual. This is mainly attributed to costs associated with the operation of Perth Stadium in its first part-year of being open.

The 2018-19 Forward Estimate for expenses is forecast to increase by \$21 million (17.9%) compared to the 2017-18 Budget Estimate, reflecting the first full-year of costs associated with the operation of Perth Stadium and the cessation of Perth Stadium pre-operational costs.

Income

The 2017-18 Budget Estimate for income is forecast to increase by \$6.6 million (16.3%) compared to the 2016-17 Estimated Actual. This is mainly attributed to revenue associated with the operation of Perth Stadium in its first part-year of being open.

The 2018-19 Forward Estimate for income is forecast to increase by \$12.2 million (26%) compared to the 2017-18 Budget Estimate, reflecting a full year of revenue associated with the operation of Perth Stadium.

The increase in service appropriations in the 2017-18 Budget Estimate of \$22.2 million compared to the 2016-17 Estimated Actual is mainly to fund the additional depreciation and financing costs associated with the Perth Stadium Design, Build, Finance and Maintain Contract (Perth Stadium Contract) in its first part-year of operation.

The increase in service appropriations in the 2018-19 Forward Estimate of \$9 million compared to the 2017-18 Budget Estimate is mainly to fund the additional depreciation and financing costs associated with the Perth Stadium Contract in its first full-year of operation.

Statement of Financial Position

The increase of \$1.1 billion in non-current assets in the 2017-18 Budget Estimate compared to the 2016-17 Estimated Actual relates to the transfer of the finished Perth Stadium to VenuesWest as well as anticipated revaluation increments in land and buildings, the HBF Arena Expansion Projects and increases in Holding Account receivables.

The increase in non-current liabilities in the 2017-18 Budget Estimate of \$416 million compared to the 2016-17 Estimated Actual relates to the finance lease liability associated with the Perth Stadium Contract.

Statement of Cashflows

The increase in cashflows from State Government in the 2017-18 Budget Estimate compared to the 2016-17 Estimated Actual of \$21.2 million is mainly provided to cover the financing costs associated with the Perth Stadium Contract.

The net cashflows from operating activities in the 2017-18 Budget Estimate compared to the 2016-17 Estimated Actual has reduced by \$15.3 million. This decrease mainly reflects increased financing costs associated with the Perth Stadium Contract which is partially offset by revenues from the operation of Perth Stadium.

Cashflows from financing activities in the 2017-18 Budget Estimate and the forward estimates period reflects payments associated with the Perth Stadium Contract.

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)	19,480	21,164	22,814	21,355	19,509	19,468	19,571
Supplies and services	9,828	16,038	17,307	23,761	22,430	22,288	22,618
Accommodation	6,813	7,257	7,642	7,703	7,184	7,218	7,252
Depreciation and amortisation	30,463	30,222	30,691	41,734	52,734	53,374	53,302
Other expenses	4,829	4,239	5,977	22,808	36,468	35,626	34,727
TOTAL COST OF SERVICES	71,413	78,920	84,431	117,361	138,325	137,974	137,470
Income							
Sale of goods and services	22,751	29,645	30,046	41,628	54,254	56,893	59,930
Grants and subsidies	129	5,750	4,496	-	-	-	-
Other revenue	7,313	5,366	5,882	5,380	4,999	5,007	5,257
Total Income	30,193	40,761	40,424	47,008	59,253	61,900	65,187
NET COST OF SERVICES	41,220	38,159	44,007	70,353	79,072	76,074	72,283
INCOME FROM STATE GOVERNMENT							
Service appropriations	42,426	50,977	52,430	74,618	83,638	80,640	76,849
TOTAL INCOME FROM STATE GOVERNMENT	42,426	50,977	52,430	74,618	83,638	80,640	76,849
SURPLUS/(DEFICIENCY) FOR THE PERIOD	1,206	12,818	8,423	4,265	4,566	4,566	4,566

(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 226, 278 and 276 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	15,129	6,435	12,072	1,922	2,012	2,096	1,209
Restricted cash	242	489	496	756	1,021	1,292	1,292
Holding account receivables	4,700	4,700	4,700	4,700	4,700	4,700	4,700
Receivables	1,312	2,598	1,312	1,312	1,312	1,312	1,312
Other	8,830	10,312	8,830	8,830	8,830	8,830	8,830
Total current assets	30,213	24,534	27,410	17,520	17,875	18,230	17,343
NON-CURRENT ASSETS							
Holding account receivables	106,141	131,663	131,663	168,697	216,731	265,405	314,007
Property, plant and equipment	934,536	918,957	929,501	2,009,878	1,974,909	1,943,395	1,911,489
Intangibles	512	710	493	473	473	473	473
Total non-current assets	1,041,189	1,051,330	1,061,657	2,179,048	2,192,113	2,209,273	2,225,969
TOTAL ASSETS	1,071,402	1,075,864	1,089,067	2,196,568	2,209,988	2,227,503	2,243,312
CURRENT LIABILITIES							
Employee provisions	2,406	2,209	2,406	2,406	2,406	2,406	2,406
Payables	495	938	495	495	495	495	495
Other	3,797	3,664	4,039	4,281	4,523	4,765	4,765
Total current liabilities	6,698	6,811	6,940	7,182	7,424	7,666	7,666
NON-CURRENT LIABILITIES							
Employee provisions	777	916	777	777	777	777	777
Borrowings	-	-	-	416,232	403,087	389,984	376,733
Total non-current liabilities	777	916	777	417,009	403,864	390,761	377,510
TOTAL LIABILITIES	7,475	7,727	7,717	424,191	411,288	398,427	385,176
EQUITY							
Contributed equity	894,760	895,449	898,912	1,578,889	1,592,753	1,607,081	1,622,493
Accumulated surplus/(deficit)	60,865	78,136	69,288	73,553	78,119	82,685	87,251
Reserves	108,302	94,552	113,150	119,935	127,828	139,310	148,392
Total equity	1,063,927	1,068,137	1,081,350	1,772,377	1,798,700	1,829,076	1,858,136
TOTAL LIABILITIES AND EQUITY	1,071,402	1,075,864	1,089,067	2,196,568	2,209,988	2,227,503	2,243,312

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	14,118	20,755	22,208	32,884	30,904	27,266	23,547
Capital appropriation.....	5,472	3,436	4,152	14,694	13,865	14,327	15,412
Holding account drawdowns.....	4,700	4,700	4,700	4,700	4,700	4,700	4,700
Net cash provided by State Government.....	24,290	28,891	31,060	52,278	49,469	46,293	43,659
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(19,920)	(21,164)	(22,814)	(21,355)	(19,509)	(19,467)	(19,571)
Supplies and services.....	(8,733)	(14,696)	(15,827)	(22,317)	(21,123)	(20,978)	(21,306)
Accommodation.....	(6,572)	(7,257)	(7,642)	(7,703)	(7,184)	(7,218)	(7,252)
Other payments.....	(9,111)	(7,040)	(8,916)	(25,713)	(39,235)	(38,397)	(37,499)
Receipts							
Grants and subsidies.....	129	5,750	4,496	-	-	-	-
Sale of goods and services.....	23,913	29,644	30,045	41,629	54,254	56,893	59,930
GST receipts.....	3,974	1,460	1,460	1,460	1,460	1,460	1,460
Other receipts.....	7,255	5,608	6,124	5,622	5,241	5,249	5,257
Net cash from operating activities.....	(9,065)	(7,695)	(13,074)	(28,377)	(26,096)	(22,458)	(18,981)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(11,868)	(21,021)	(20,789)	(27,192)	(9,872)	(10,378)	(12,314)
Net cash from investing activities.....	(11,868)	(21,021)	(20,789)	(27,192)	(9,872)	(10,378)	(12,314)
CASHFLOWS FROM FINANCING ACTIVITIES							
Other payments.....	-	-	-	(6,599)	(13,146)	(13,102)	(13,251)
Net cash from financing activities.....	-	-	-	(6,599)	(13,146)	(13,102)	(13,251)
NET INCREASE/(DECREASE) IN CASH HELD.....	3,357	175	(2,803)	(9,890)	355	355	(887)
Cash assets at the beginning of the reporting period.....	12,014	6,749	15,371	12,568	2,678	3,033	3,388
Cash assets at the end of the reporting period.....	15,371	6,924	12,568	2,678	3,033	3,388	2,501

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

Western Australian Institute of Sport

Part 18 Minister for Sport and Recreation

Asset Investment Program

The Asset Investment Program covers the Institute's upgrade and replacement of capital intensive sporting equipment, sport science technology and hardware and office equipment, assisting the Institute to provide opportunities for talented Western Australian athletes to achieve excellence in elite sport with support from their home environment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement - 2016-17 Program.....	143	143	143	-	-	-	-
NEW WORKS							
Asset Replacement							
2017-18 Program.....	143	-	-	143	-	-	-
2018-19 Program.....	143	-	-	-	143	-	-
2019-20 Program.....	143	-	-	-	-	143	-
2020-21 Program.....	143	-	-	-	-	-	143
Total Cost of Asset Investment Program.....	715	143	143	143	143	143	143
FUNDED BY							
Internal Funds and Balances.....			143	143	143	143	143
Total Funding.....			143	143	143	143	143

Part 19

Treasurer; Minister for Finance; Energy

Summary of Portfolio Appropriations

Agency	2016-17 Budget \$'000	2016-17 Estimated Actual '000	2017-18 Budget Estimate '000
Treasury			
– Delivery of Services	77,805	60,409	65,318
– Administered Grants, Subsidies and Other Transfer Payments	3,868,951	3,568,464	4,043,545
– Capital Appropriation	-	-	10
– Administered Capital Appropriation	1,055,412	915,970	1,217,679
Total	5,002,168	4,544,843	5,326,552
Economic Regulation Authority			
– Delivery of Services	2,704	2,704	2,640
Total	2,704	2,704	2,640
Office of the Auditor General			
– Delivery of Services	7,181	7,181	7,639
– Capital Appropriation	250	250	300
Total	7,431	7,431	7,939
Finance			
– Delivery of Services	154,361	159,047	152,507
– Administered Grants, Subsidies and Other Transfer Payments	277,888	237,046	259,682
– Capital Appropriation	29,109	28,763	15,932
Total	461,358	424,856	428,121
GRAND TOTAL			
– Delivery of Services	242,051	229,341	228,104
– Administered Grants, Subsidies and Other Transfer Payments	4,146,839	3,805,510	4,303,227
– Capital Appropriation	29,359	29,013	16,242
– Administered Capital Appropriation	1,055,412	915,970	1,217,679
Total.....	5,473,661	4,979,834	5,765,252

Division 33 Treasury

Part 19 Treasurer; Minister for Finance; Energy

Appropriations, Expenses and Cash Assets ^(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
DELIVERY OF SERVICES							
Item 49 Net amount appropriated to deliver services	86,699	76,423	59,027	63,936	60,453	56,002	53,507
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	1,382	1,382	1,382	1,382	1,382	1,382	1,382
Total appropriations provided to deliver services.....	88,081	77,805	60,409	65,318	61,835	57,384	54,889
ADMINISTERED TRANSACTIONS							
<i>Operating Subsidy Payments</i>							
Item 50 Bunbury Water Corporation	811	672	703	666	678	690	701
Item 51 Busselton Water Corporation.....	492	646	552	647	659	672	687
Item 52 Electricity Generation and Retail Corporation (Synergy)	379,194	386,467	326,391	249,004	106,663	112,761	113,952
Item 53 Mid West Ports Authority.....	-	5,445	5,445	4,994	-	-	-
Item 54 Public Transport Authority	776,829	806,180	798,772	838,550	858,405	898,431	925,559
Item 55 Regional Power Corporation (Horizon Power).....	31,386	44,128	48,892	20,200	10,039	9,768	9,900
Item 56 Southern Ports Authority.....	705	590	562	439	300	161	89
Item 57 Water Corporation of Western Australia	546,813	486,076	464,225	468,778	469,257	297,936	220,145
Item 58 Western Australian Land Authority...	33,467	36,279	39,294	45,305	35,428	25,423	25,496
Forest Products Commission	-	1,451	1,451	-	-	-	-
<i>Grants, Subsidies and Transfer Payments</i>							
Item 59 Bell Group Administration Wind-up and Associated Costs ^(b)	-	-	6,754	1,305	-	-	-
Item 60 Department of Justice ^(c)	16,004	33,278	22,434	11,509	11,997	11,683	14,616
Item 61 Goods and Services Tax (GST) Administration Costs	73,215	74,700	73,945	66,800	63,300	49,900	50,100
Item 62 Health and Disability Services Complaints Office.....	2,637	2,701	2,701	2,797	2,845	2,884	2,923
Item 63 Metropolitan Redevelopment Authority	10,231	26,105	13,196	37,288	10,101	-	-
Item 64 Provision for Unfunded Liabilities in the Government Insurance Fund.....	1,989	2,913	3,238	3,246	3,234	3,364	3,165
Item 65 Provision for Voluntary Targeted Separation Scheme ^(d)	-	-	-	300,000	-	-	-
Item 66 Refund of Past Years Revenue Collections – Public Corporations.....	93,252	10,000	6,456	10,000	10,000	10,000	10,000
Item 67 Royalties for Regions ^(e)	600,177	449,883	419,020	491,841	540,202	697,169	763,612
Item 68 Service Priority Review - Provision for Senior Executive Service Compensation Payments ^(f)	-	-	-	13,000	-	-	-
Item 69 State Property – Emergency Services Levy	16,000	16,000	16,000	16,000	16,630	16,793	16,723
Item 70 All Other Grants, Subsidies and Transfer Payments ^(g)	5,897	6,012	5,821	18,836	7,186	7,286	7,286
<i>Comprising:</i>							
Acts of Grace.....	-	5	200	300	300	300	300
First Home Owners Boost Recoveries	60	120	14	-	-	-	-
Incidentals	466	375	-	240	240	240	240
Interest on Public Moneys Held in Participating Trust Fund Accounts.....	4,541	4,585	4,677	5,510	5,610	5,710	5,710
Administration Costs – National Tax Equivalent Regime Scheme ^(h)	-	-	-	100	100	100	100
Town of Cambridge.....	-	-	-	11,750	-	-	-
Western Australian Treasury Corporation Management Fees.....	830	927	930	936	936	936	936

	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
National Disability Insurance Scheme							
Trial Sites ^(l)	47,705	64,160	44,600	-	-	-	-
Resolution of Native Title in the South West of Western Australia (Settlement) ^(l)	-	60,000	-	-	82,340	81,570	75,386
Western Australia Police ^(k)	-	-	-	-	11	25	352
<i>Authorised by Other Statutes</i>							
Judges' Salaries and Pensions Act 1950.....	14,074	15,680	15,526	16,478	17,346	18,262	19,225
<i>Comprising:</i>							
Benefit Payments	13,904	15,444	15,339	16,262	17,123	18,031	18,987
Administration Expenses ^(l)	170	236	187	216	223	231	238
Parliamentary Superannuation Act 1970	8,805	13,570	12,891	10,184	10,491	10,807	11,132
<i>Comprising:</i>							
Benefit Payments.....	8,597	13,293	12,665	9,931	10,229	10,536	10,852
Administration Expenses ^(l)	208	277	226	253	262	271	280
State Superannuation Act 2000.....	622,804	645,778	569,399	649,733	626,929	611,354	603,227
<i>Comprising:</i>							
Pension Scheme	208,462	194,792	191,396	185,826	177,342	168,579	159,968
<i>Comprising:</i>							
Benefit Payments	206,738	192,712	189,644	184,037	175,571	166,828	158,250
Administration Expenses ^(l)	1,724	2,080	1,752	1,789	1,771	1,751	1,718
Gold State Super	354,877	391,664	318,668	404,803	390,717	384,155	384,907
<i>Comprising:</i>							
Benefit Payments	349,807	385,670	313,309	399,195	385,204	378,742	379,566
Administration Expenses ^(l)	4,791	5,595	5,083	5,193	5,086	4,975	4,891
Government Services ^(m)	279	399	276	415	427	438	450
West State Super.....	59,465	59,322	59,335	59,104	58,870	58,620	58,352
Western Australian Health Promotion							
Foundation Act 2016	22,492	23,037	23,037	23,614	24,204	24,809	25,069
Unclaimed Money Act 1990.....	1,174	1,200	1,331	1,331	1,331	1,331	1,331
Unclaimed Money (Superannuation and RSA Providers) Act 2003.....	190	-	-	-	-	-	-
Loan Acts - Interest.....	542,451	656,000	645,828	741,000	873,000	1,021,000	1,168,000
TOTAL RECURRENT ADMINISTERED	3,848,794	3,868,951	3,568,464	4,043,545	3,782,576	3,914,079	4,068,676
CAPITAL							
Item 108 Capital Appropriation.....	-	-	-	10	-	-	-
<i>Government Equity Contributions</i>							
Item 109 Animal Resources Authority	-	500	800	1,320	-	-	-
Item 110 Department of Education ⁽ⁿ⁾	-	31,700	-	51,400	69,500	35,900	27,000
Item 111 Department of Finance ^(o)	-	-	-	1,200	5,200	-	-
Item 112 Department of Justice ^(e)	-	10,383	4,008	25,560	-	-	-
Item 113 Electricity Networks Corporation (Western Power).....	201,701	96,384	51,607	182,684	110,849	100,158	93,546
Item 114 Independent Market Operator ^(p)	-	-	-	40	-	-	-
Item 115 Pilbara Ports Authority	38,739	25,497	5,112	53,703	29,225	18,981	3,850
Item 116 Regional Power Corporation (Horizon Power).....	7,618	1,118	1,638	32,918	1,118	1,118	1,118
Item 117 Royalties for Regions ^(e)	317,429	353,545	329,259	403,512	396,927	268,338	215,838
Item 118 Southern Ports Authority.....	2,081	2,210	2,210	2,346	2,346	1,625	640
Item 119 WA Health ^(q)	31,782	34,656	11,287	55,616	46,465	10,372	48,653
Kimberley Ports Authority.....	10,575	-	-	-	-	-	-
Metropolitan Redevelopment Authority.....	63,000	2,420	-	-	-	2,420	-
Mid West Ports Authority	70,944	-	-	-	-	-	-
Provision for the Metropolitan Redevelopment Authority ^(r)	-	-	-	-	163,000	-	-
Water Corporation of Western Australia.....	14,036	-	-	-	-	-	-
Western Australian Land Authority.....	-	-	-	-	40,000	6,522	27,154
Western Australia Police ^(k)	-	-	-	-	5,229	11,975	24,168
<i>Other</i>							
Item 120 Perth Stadium Account.....	265,000	370,000	370,000	122,226	-	-	-
Item 121 Western Australian Future Fund ...	-	38,400	38,400	52,100	48,600	45,400	46,800
Perth Children's Hospital Account.....	44,000	-	-	-	-	-	-
<i>Authorised by Other Statutes</i>							
Loans (Co-operative Companies) Act 2004	31,600	-	13,050	3,400	-	-	-
Loan Acts – Repayment of Borrowings	-	88,599	88,599	229,654	35,600	35,255	37,509
TOTAL CAPITAL ADMINISTERED	1,098,505	1,055,412	915,970	1,217,679	954,059	538,064	526,276
GRAND TOTAL.....	5,035,380	5,002,168	4,544,843	5,326,552	4,798,470	4,509,527	4,649,841

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES							
Total Cost of Services.....	92,816	85,808	61,791	74,435	71,409	67,090	64,171
Net Cost of Services ^(s)	92,725	85,410	61,641	73,941	70,570	66,341	64,073
CASH ASSETS ^(t).....	23,788	14,376	26,904	18,117	18,471	18,808	19,145

- (a) The 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to transfer out Strategic Projects and transfer in the Economic Reform Unit and the Public Utilities Office to/from the Department of Finance on 1 July 2017.
- (b) Reflects funding to wind up the operations of the Western Australian Bell Companies Administrator Authority, and meet outstanding Bell Group litigation related costs, primarily relating to the legal costs of the High Court of Australia and examination summons proceedings.
- (c) Reflects funding to be applied to the Custodial Infrastructure Program to be undertaken by the Department of Justice. The Department of Justice is required to submit business cases and planning details for Government approval to access these funds. The recurrent item also includes (in the 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual) provisions for the costs associated with the relocation of the Supreme Court (Civil) and office accommodation for the former Department of the Attorney General, to the David Malcolm Justice Centre.
- (d) The Voluntary Targeted Separation Scheme seeks to deliver ongoing savings estimated at around \$185 million per annum from 2018-19 by reducing public sector employee numbers by 3,000 full-time equivalents during 2017-18. The cost of separation payments for employees that accept an offer under the Scheme will be met by the Consolidated Account and is estimated at a total cost of \$300 million if the Scheme is fully subscribed. Further information on the Voluntary Targeted Separation Scheme is included in Budget Paper No. 3: Economic and Fiscal Outlook.
- (e) Appropriations to the Royalties for Regions Special Purpose Account are split between payments for recurrent and capital purposes (based on project information). Further detail on the Royalties for Regions program is available in Budget Paper No. 3: Economic and Fiscal Outlook.
- (f) Senior Executive Service numbers are to be reduced by 20% from current levels, with separation costs across the sector to be funded by the Consolidated Account (where agencies cannot meet compensation payments from existing Budget parameters). Ongoing savings of around \$26 million per annum from 2018-19 are expected to be achieved from this initiative.
Further detail of the Service Priority Review and other Budget repair measures is contained in Budget Paper No. 3: Economic and Fiscal Outlook.
- (g) All other items include all Administered Grants, Subsidies and Transfers not covered elsewhere by individual Acts.
- (h) Reflects National Tax Equivalent Regime administration costs charged by the Australian Taxation Office. The costs were reclassified from a Treasury controlled item to a Treasury administered item from 2017-18 onwards.
- (i) Amounts represent payments to the National Disability Insurance Agency (NDIA) to meet the State's funding contribution for the NDIA-operated National Disability Insurance Scheme trials. The 2016-17 Estimated Actual includes a credit of approximately \$20 million following the reconciliation of the State's 2015-16 payments.
- (j) Reflects funding held as a provision until the finalisation of the Settlement, which is expected in late 2018. Funding will be then transferred to relevant parties to execute the agreement.
- (k) Provision for the construction and associated project costs for a new Armadale Courthouse and Police Complex. The provision will be released to the Western Australia Police upon Government approval of a project definition plan.
- (l) Superannuation scheme administration expense reflects the costs of administering an unfunded defined benefit superannuation/pension scheme by an appropriation from the Consolidated Account.
- (m) Reflects the costs for regulatory support of State superannuation schemes where GESB or Treasury incurs these costs on behalf of the general government sector.
- (n) Reflects funding to be applied to the Department of Education's Asset Investment Program for the construction of North Butler Senior High School and expansion and redevelopment of Balcatta Senior High School and John Forrest Secondary College following the Government's approval of project definition plans for each project. The provision also includes funds for the construction of additional accommodation facilities at Shenton College following the Government's approval of a business case as well as the acquisition of land for North Butler Senior High School following the provision of a land valuation by the Valuer-General.
- (o) Provision of \$6 million allocated for the procurement of an asset management system to facilitate the delivery of Government office accommodation reforms. The provision will be released to the Department of Finance upon Government approval of a business case. Also includes provision of \$400,000 to upgrade the revenue collection information system, as part of the introduction of the point of consumption wagering tax.
- (p) Reflects costs associated with winding up the Independent Market Operator that cannot be attributed to industry participants.
- (q) Reflects funding applied to major health initiatives as part of WA Health's Asset Investment Program. WA Health is required to submit business cases and planning details for Government approval to access these funds.
- (r) Provision of an equity injection which can be drawn down by the Metropolitan Redevelopment Authority upon Government approval of project specific exit strategies and savings plans for various areas of its operations. The equity injection will reduce the Authority's borrowings associated with the Midland, Yagan Square and Riverside projects (by \$125 million) and regulatory planning and other corporate costs (by \$38 million).
- (s) 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.
- (t) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
2017-18 Streamlined Budget Process Incentive Funding	-	384	-	-	-
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(25)	(51)	(77)	(104)
Revision to Indexation for Non-Salary Expenses	-	-	(289)	(408)	(527)

Significant Issues Impacting the Agency

Economic Outlook

- Western Australia's economic growth as measured by Gross State Product is expected to have bottomed in 2016-17 (with growth of just 0.25%), with forecast growth of 3% in 2017-18 underpinned by a strong rise in net exports. In contrast, the State's domestic economy (as measured by State Final Demand) is expected to contract for a fifth consecutive year in 2017-18, as business investment continues to fall (albeit at a much slower rate) from exceptionally strong peak levels in 2012-13.
- Income growth in the State remains weak. Record low wage growth and an expected third consecutive year of modest decline in the Perth median house price are projected to affect household budgets and contain growth in spending on consumption goods and residential property in 2017-18.
- An expected recovery in employment growth is underpinned by smaller taxpaying industries, while at the same time, weakness in wages is concentrated in payroll tax-intensive industries (like mining). This has resulted in weaker than anticipated underlying payroll tax collections.
- Population growth is anticipated to remain subdued, gradually lifting from just 0.7% in 2016-17 to 1.8% by 2020-21, well below the recent peak of 3.1% in 2012-13. Moderating population growth (due largely to falls in net overseas migration) has resulted in soft property market turnover and weaker than expected land tax collections.
- Volatility in international commodity markets remains a significant issue in terms of revenue forecasting. Treasury continues to devote significant attention to monitoring and analysing developments, particularly in the iron ore market.

State Finances

- The ongoing weakness in the domestic economy continues to impact on growth in taxation revenue, such as payroll tax and transfer duty. Volatility in commodity markets and a slower than previously expected recovery in the State's GST share are also contributing to a subdued revenue outlook.
- As a result, the fiscal outlook continues to be very challenging, with general government operating deficits forecast over the next three years before an expected return to an operating surplus in 2020-21.
- Total public sector net debt is forecast to increase to \$43.6 billion by 30 June 2021, up from an estimated \$32.5 billion at 30 June 2017. This includes the impact of significant revenue write-downs since the Pre-election Financial Projections Statement (PFPS), totalling \$5 billion over the period 2016-17 to 2019-20.
- The Government has implemented a new financial target as part of the 2017-18 Budget to reduce the proportion of total public sector net debt held by the non-income producing general government sector. The reduction in the general government revenue estimates since the PFPS has made this target difficult to achieve. However, the Budget repair measures implemented by the Government (see below) are expected to result in this target (and all of the Government's other financial targets) being met by the end of the forward estimates period.

Budget Repair

- The impact of lower revenue projections on the State's fiscal outlook has been largely offset by a range of Budget repair measures in this Budget. These measures are projected to deliver \$3.5 billion in net debt savings across the forward estimates period, and contribute to a projected return to an operating surplus in 2020-21. These measures include:
 - implementation of the Government's new \$1,000 Wages Policy and a freeze on salaries set by the Salaries and Allowances Tribunal (impacting Parliamentarians, judges and senior public servants), as well as savings expected from Machinery of Government changes and a reduction in Senior Executive Service numbers by 20%;
 - a new temporary progressive payroll tax scale for large employers;
 - an increase in the gold royalty rate;
 - the removal of indexation on non-salary costs for general government agencies; and
 - a range of efficiency savings to be applied to Government Trading Enterprises.
- The Government has also established a Debt Repayment Account through which repayments of central borrowings will occur. As part of this Budget, \$169.4 million from a large one-off stamp duty assessment in 2016-17, and \$168.6 million in surplus RiskCover funds, will be appropriated to this Account for the repayment of debt.

Commonwealth-State Financial Relations

- A high priority for Western Australia continues to be the development of proposals to promote opportunities for reform of the GST distribution. Treasury will continue to engage in the Productivity Commission's inquiry into horizontal fiscal equalisation (due to report in January 2018) and the Commonwealth Grants Commission's review of its methods for distributing GST revenue among jurisdictions (due to report in 2020).
- Treasury will support work through the Council on Federal Financial Relations on a range of initiatives to improve housing supply and affordability, including finalising a new National Housing and Homelessness Agreement with the Commonwealth Government.
- Treasury will work with the Commonwealth and other State Treasuries to investigate a nationally harmonised point of consumption wagering tax and will support the implementation of a new competition and productivity enhancing reform agreement.

Economic Reform

- Treasury is working with other government agencies to develop a new regulatory and red tape reform agenda for consideration by the Government. A key focus is to identify reforms that support jobs and economic growth. The proposed reform agenda is expected to include an expanded program of red tape reduction, including improvements to the regulatory impact assessment program, and a communication and engagement strategy to ensure the Government is responsive to industry and community concerns on red tape.

Public Utilities Office

- The Public Utilities Office, subject to Government approvals, will progress reforms to improve the efficiency and effectiveness of institutional arrangements and governance structures in the electricity market in the South West of the State, and enhance the efficiency of the Wholesale Electricity Market.
- The Public Utilities Office will undertake the scoping and design of an appropriate regulatory framework and system operator for the North West Interconnected System in the Pilbara region. The principal objective of this work will be to establish a light-handed regulatory arrangement that will enable a more coordinated and cost effective development of the region's electricity system. It will also facilitate third party access to promote competition in retail services to energy consumers in the Pilbara region.

Resource Agreement

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the 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 Machinery of Government changes to transfer out Strategic Projects and transfer in the Economic Reform Unit and the Public Utilities Office to/from the Department of Finance on 1 July 2017. Where practical, the 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual have been recast for comparative purposes.

Relationship to Government Goals

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

Government Goal	Desired Outcomes	Services
Sustainable Finances: Responsible financial management and better service delivery.	Sustainable and transparent public sector finances.	1. Financial Management and Reporting
	A strong and competitive State economy.	2. Economic and Revenue Forecasts and Policy Development
	Value for money outcomes in service delivery and infrastructure provision.	3. Evaluation and Planning of Government Service Delivery and Infrastructure Provision
	A sustainable, efficient, secure and affordable energy sector.	4. Development and Implementation of Energy Policy

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. Financial Management and Reporting	9,881	9,260	9,238	10,203	9,459	9,535	9,552
2. Economic and Revenue Forecasts and Policy Development	8,711	9,608	8,957	10,459	9,639	9,207	9,226
3. Evaluation and Planning of Government Service Delivery and Infrastructure Provision	49,882	37,738	27,888	27,179	24,160	24,371	24,415
4. Development and Implementation of Energy Policy.....	24,342	29,202	15,708	26,594	28,151	23,977	20,978
Total Cost of Services	92,816	85,808	61,791	74,435	71,409	67,090	64,171

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: Sustainable and transparent public sector finances:					
Status of the State's credit rating.....	AA+/Aa2	AA+/Aa2	AA+/Aa2	AA+/Aa2	1
Unqualified audit opinion on the Annual Report on State Finances	Yes	Yes	Yes	Yes	
Outcome: A strong and competitive State economy:					
Accuracy of key general government revenue forecasts:					
Tax revenue ^(b)	-7%	+/-5%	-4%	+/-5%	
Mining revenue ^(c)	7.6%	+/-5%	36.2%	+/-5%	2
Accuracy of key economic forecasts (percentage point difference):					
Employment growth ^(d)	-1.6	+/-0.5	-0.7	+/-0.5	3
Real State Final Demand (SFD) growth ^(e)	-2.8	+/-2	-3.3	+/-2	4
Outcome: Value for money outcomes in service delivery and infrastructure provision:					
Percentage of the Department's material resource allocation recommendations complying with the service provision analysis framework...	100%	100%	100%	100%	
Percentage of highest value agencies complying with the Strategic Asset Management Framework or equivalent accredited mechanism	85%	100%	8%	100%	5
Outcome: A sustainable, efficient, secure and affordable energy sector:					
The extent to which policy and program development objectives for the year are achieved.....	92%	100%	83%	100%	6

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

(b) The 2016-17 Actual for tax revenue will be released in the 2016-17 Annual Report on State Finances in late September 2017.

(c) The 2015-16 Actual for mining revenue differs from Treasury's 2015-16 Annual Report, as it has been updated to reflect the final outcome reported in the 2015-16 Annual Report on State Finances. The 2016-17 Actual for mining revenue will be released in the 2016-17 Annual Report on State Finances in late September 2017.

(d) The employment growth actuals used in calculating the accuracy of the employment forecasts differ from Treasury's estimates of the 2016 Census adjusted growth figures for 2015-16 and 2016-17 (as reported in Budget Paper No. 3). This reflects that the original forecasts were based on employment series that are not adjusted for the 2016 Census.

(e) The 2015-16 Actual for Real SFD growth differs from Treasury's 2015-16 Annual Report due to the revision of the historical series from the ABS. The 2016-17 Actual for Real SFD growth will be released by the ABS on 6 September 2017.

Explanation of Significant Movements

(Notes)

- During 2016-17, Western Australia's credit ratings remained unchanged from 2015-16. The prevailing challenges to the State's financial outlook are expected to take some time to resolve but are being actively managed by the State Government (details of the Government's Budget repair initiatives are available in the 2017-18 Budget Paper No. 3). Although the Government is seeking to address challenges to the financial outlook, an improvement in credit ratings is unlikely in 2017-18, with the current credit ratings forecast to be preserved over the coming financial year.
- Mining revenue was significantly higher than initially anticipated in 2016-17. This was primarily driven by an increase in Chinese demand, supported by policy stimulus, which increased prices for construction and industrial commodities, in particular iron ore.
- Employment growth was significantly lower than projected in 2016-17, largely due to a decline in full-time employment. This was in line with weaker than expected domestic economic conditions.
- The 2016-17 Estimated Actual for State Final Demand is expected to be 3.3 percentage points lower than the 2016-17 Budget forecast due to larger than expected weaknesses in the domestic economy, especially household consumption and business investment.
- The percentage of highest value agencies complying with the Strategic Asset Management Framework declined between the 2015-16 Actual and 2016-17 Estimated Actual. Although 46% of highest value agencies submitted a Ministerially endorsed Strategic Asset Plan to Treasury in 2016-17, only 8% of these were received within the required deadline to comply with the Strategic Asset Management Framework. In many instances, the delay in receiving Ministerial endorsement was attributable to the 2017 State Election.
- The 2016-17 Estimated Actual is less than the 2016-17 Budget as the Network Regulation Reform Bills did not pass through Parliament before the end of the Parliamentary term. The future direction of the network reform package is subject to consideration by the new Government.

Services and Key Efficiency Indicators

1. Financial Management and Reporting

This service involves the provision of advice on the Government's fiscal strategy, advice on the legislative framework underpinning financial management and accountability in the Western Australian public sector, the preparation and publication of regular reports on the State's finances, and maintenance of the Public Ledger.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	9,881	9,260	9,238	10,203	
Less Income.....	7	8	10	9	
Net Cost of Service.....	9,874	9,252	9,228	10,194	
Employees (Full Time Equivalents).....	46	48	44	45	
Efficiency Indicator					
Percentage of Financial Reports Released as per Agreed Timeframes.....	100%	100%	100%	100%	

2. Economic and Revenue Forecasts and Policy Development

This service involves analysis and advice on economic and revenue policy issues, including Commonwealth-State financial relations, the development of forecasts for each of the State's major revenue sources, and the provision of advice on economic reform.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	8,711	9,608	8,957	10,459	
Less Income.....	4	8	5	5	
Net Cost of Service.....	8,707	9,600	8,952	10,454	
Employees (Full Time Equivalents).....	42	50	44	50	
Efficiency Indicators					
Number of Ministerials, Briefings or Reports Provided on Economic Issues	597	350	314	350	1
Percentage of Regulatory Impact Statements Assessed within Agreed Timeframes.....	100%	90%	96%	90%	2

Explanation of Significant Movements

(Notes)

1. Ministerial correspondence on economic and revenue policy issues has reduced by 47% between the 2015-16 Actual and the 2016-17 Estimated Actual. This movement was driven by an abnormally high number of general public enquiries on land tax assessment changes in 2015-16, as well as a low number of briefings and reports prepared in the latter half of 2016-17 due to the 2017 State Election and associated Caretaker period.
2. An ongoing focus on customer service has continued to enable the achievement of higher results than targeted for this indicator. In 2016-17 one response to an agency on its Regulatory Impact Statement was one day over the ten day response target, leading to a result below 100%.

3. Evaluation and Planning of Government Service Delivery and Infrastructure Provision

This service involves investigating agencies' operations in respect of efficiency and effectiveness and advising Government on the allocation of taxpayer resources. It includes the analysis, evaluation and planning of government services to ensure value for money outcomes in key areas like Health, Justice, Education and infrastructure delivery.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	49,882	37,738	27,888	27,179	1
Less Income.....	43	25	35	438	
Net Cost of Service.....	49,839	37,713	27,853	26,741	
Employees (Full Time Equivalents).....	150	148	139	133	2
Efficiency Indicator					
Number of Expenditure Review Committee Papers on Service Delivery and Infrastructure Advice.....	67	100	65	100	3

Explanation of Significant Movements

(Notes)

1. The 2016-17 Estimated Actual is less than the 2016-17 Budget primarily due to the cessation of the Asset Sales Program.
2. Full Time Equivalents declined in 2016-17 as a result of a voluntary separation scheme undertaken as part of the Agency Expenditure Review process, as well as the cessation of several finite programs such as the Asset Sales Program.
3. The 2016-17 Estimated Actual is less than the 2016-17 Budget as a result of fewer issues being considered in the 2016-17 Mid-year Review than originally anticipated.

4. Development and Implementation of Energy Policy

This service was created following the transfer of the Public Utilities Office from the Department of Finance on 1 July 2017. The service encompasses the delivery of energy policy and programs to meet the State's energy needs.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	24,342	29,202	15,708	26,594	1
Less Income.....	37	357	100	42	
Net Cost of Service.....	24,305	28,845	15,608	26,552	
Employees (Full Time Equivalents).....	63	67	56	66	
Efficiency Indicator					
Average Cost of Policy/Project Development.....	\$27,675	\$22,687	\$20,831	\$33,043	2

Explanation of Significant Movements

(Notes)

1. The 2016-17 Estimated Actual was considerably less than the 2016-17 Budget as a result of delays in expenditure for the Electricity Market Review, and a carry forward of State Underground Power Program grant expenditure to the forward estimates.
2. A reduction in resources undertaking the policy and project development work has driven up the unit cost of each project activity. In addition, there has been a significant increase in the number of policy and project activities during 2016-17. This increase in activity numbers primarily relates to the Network Regulation Reform Bills that did not pass through Parliament before the end of the Parliamentary term. A decision on the network reform package is subject to consideration by the new Government.

Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
NEW WORKS							
Information and Communications Technology Replacement - 2017-18 Program.....	10	-	-	10	-	-	-
Total Cost of Asset Investment Program.....	10	-	-	10	-	-	-
FUNDED BY							
Capital Appropriation			-	10	-	-	-
Total Funding.....			-	10	-	-	-

Financial Statements

The 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to transfer out Strategic Projects and transfer in the Economic Reform Unit and the Public Utilities Office to/from the Department of Finance on 1 July 2017.

Income Statement

Expenses

The 2017-18 Budget Estimate includes a carryover of expenditure relating to the Electricity Market Review (\$4.9 million) and the State Underground Power Program (\$3.1 million).

Income

The reduction in service appropriation for the 2017-18 Budget Estimate is primarily attributable to the end of the Asset Sales Program.

Statement of Financial Position

The cash balance increased slightly between the 2016-17 Estimated Actual and 2017-18 Budget Estimate, primarily reflecting the cash carry-over for the Electricity Market Review.

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)	41,043	43,829	40,376	42,126	39,175	39,100	39,262
Grants and subsidies ^(c)	3,831	5,318	435	3,434	7,965	4,125	1,097
Supplies and services.....	40,682	29,108	13,989	21,293	16,630	16,232	16,187
Accommodation.....	4,056	5,101	3,976	5,274	5,340	5,321	5,313
Depreciation and amortisation.....	1,028	1,013	1,023	1,012	999	997	997
Other expenses.....	2,176	1,439	1,992	1,296	1,300	1,315	1,315
TOTAL COST OF SERVICES	92,816	85,808	61,791	74,435	71,409	67,090	64,171
Income							
Sale of goods and services.....	1	-	-	-	-	-	-
Other revenue ^(d)	90	398	150	494	839	749	98
Total Income	91	398	150	494	839	749	98
NET COST OF SERVICES	92,725	85,410	61,641	73,941	70,570	66,341	64,073
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	88,081	77,805	60,409	65,318	61,835	57,384	54,889
Resources received free of charge.....	9,425	7,786	8,211	8,837	9,022	9,243	9,469
Royalties for Regions Fund:							
Regional and State-wide Initiatives.....	123	127	127	130	130	133	134
TOTAL INCOME FROM STATE GOVERNMENT	97,629	85,718	68,747	74,285	70,987	66,760	64,492
SURPLUS/(DEFICIENCY) FOR THE PERIOD	4,904	308	7,106	344	417	419	419

(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 301, 283 and 294 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.

(d) Other revenue in 2018-19 and 2019-20 includes \$1.4 million funding from the Department of Finance for the State Underground Power Program.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Contributions to the Aboriginal Affairs							
Coordinating Committee.....	18	32	-	33	34	35	35
Contributions to the Australian Accounting Standards Board.....	49	51	49	52	53	54	54
Contributions to the Australian Energy Market Commission.....	85	85	119	85	85	85	85
Contributions to the Council of Australian Governments Energy Council Work Program.	17	150	267	150	150	150	150
State Contributions to the Underground Power Program.....	3,652	5,000	-	3,114	7,643	3,801	773
Contribution to Leadership WA.....	10	-	-	-	-	-	-
TOTAL	3,831	5,318	435	3,434	7,965	4,125	1,097

(a) Grant expenditure associated with the State Underground Power Program was re-positioned to 2018-19 and 2019-20 following the 2016-17 Budget.

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	23,788	14,262	26,790	17,889	18,129	18,349	18,567
Receivables	1,695	1,917	6,393	8,682	8,745	8,827	8,909
Other.....	54	2,774	4	4	4	4	4
Total current assets	25,537	18,953	33,187	26,575	26,878	27,180	27,480
NON-CURRENT ASSETS							
Holding account receivables.....	10,161	11,174	11,184	12,196	13,195	14,192	15,189
Property, plant and equipment.....	68	31	34	24	18	14	10
Intangibles	6,229	5,236	5,236	4,243	3,250	2,257	1,264
Restricted cash	-	114	114	228	342	459	578
Total non-current assets	16,458	16,555	16,568	16,691	16,805	16,922	17,041
TOTAL ASSETS	41,995	35,508	49,755	43,266	43,683	44,102	44,521
CURRENT LIABILITIES							
Employee provisions	7,437	7,661	7,437	7,437	7,437	7,437	7,437
Payables.....	5,073	515	1,493	5,683	5,683	5,683	5,683
Other.....	17	1,458	4,251	1,428	1,428	1,428	1,428
Total current liabilities	12,527	9,634	13,181	14,548	14,548	14,548	14,548
NON-CURRENT LIABILITIES							
Employee provisions	3,277	3,082	3,277	3,277	3,277	3,277	3,277
Other.....	4	4	4	4	4	4	4
Total non-current liabilities	3,281	3,086	3,281	3,281	3,281	3,281	3,281
TOTAL LIABILITIES.....	15,808	12,720	16,462	17,829	17,829	17,829	17,829
EQUITY							
Contributed equity	62,711	62,711	62,711	54,511	54,511	54,511	54,511
Accumulated surplus/(deficit).....	(36,524)	(39,923)	(29,418)	(29,074)	(28,657)	(28,238)	(27,819)
Total equity	26,187	22,788	33,293	25,437	25,854	26,273	26,692
TOTAL LIABILITIES AND EQUITY	41,995	35,508	49,755	43,266	43,683	44,102	44,521

(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.....	87,053	76,792	59,386	64,306	60,836	56,387	53,892
Capital appropriation.....	-	-	-	10	-	-	-
Royalties for Regions Fund:							
Regional and State-wide Initiatives.....	123	127	127	130	130	133	134
Receipts paid into Consolidated Account.....	-	-	-	(8,200)	-	-	-
Net cash provided by State Government.....	87,176	76,919	59,513	56,246	60,966	56,520	54,026
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(41,101)	(42,632)	(39,517)	(42,126)	(39,175)	(39,100)	(39,262)
Grants and subsidies.....	(3,823)	(5,318)	(435)	(3,434)	(7,965)	(4,125)	(1,097)
Supplies and services.....	(31,105)	(29,671)	(15,125)	(12,363)	(7,514)	(6,896)	(6,625)
Accommodation.....	(4,004)	(5,101)	(3,976)	(5,274)	(5,340)	(5,321)	(5,313)
Other payments.....	(2,176)	(4,207)	(502)	(6,316)	(5,453)	(5,486)	(5,486)
Receipts ^(b)							
GST receipts.....	841	200	2,969	3,996	3,996	3,996	3,996
Other receipts.....	166	398	189	494	839	749	98
Net cash from operating activities.....	(81,202)	(86,331)	(56,397)	(65,023)	(60,612)	(56,183)	(53,689)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(29)	-	-	(10)	-	-	-
Net cash from investing activities.....	(29)	-	-	(10)	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD.....	5,945	(9,412)	3,116	(8,787)	354	337	337
Cash assets at the beginning of the reporting period.....	17,843	23,788	23,788	26,904	18,117	18,471	18,808
Cash assets at the end of the reporting period.....	23,788	14,376	26,904	18,117	18,471	18,808	19,145

(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	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
GST Receipts							
GST Input Credits.....	785	200	200	3,996	3,996	3,996	3,996
GST Receipts on Sales.....	56	-	2,769	-	-	-	-
Other Receipts							
Receipts from Senior Officer Vehicle Scheme....	67	65	64	64	66	68	68
Receipts from Department of Finance for the State Underground Power Program.....	-	-	-	-	743	651	-
Other Receipts.....	99	333	125	430	30	30	30
TOTAL.....	1,007	598	3,158	4,490	4,835	4,745	4,094

(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							
Commonwealth Grants							
Compensation for Crude Oil Excise							
Condensate	29,206	25,139	34,481	29,616	28,142	27,126	26,257
GST Grants	1,880,697	2,035,400	1,944,335	2,229,200	3,030,200	3,966,600	4,651,700
Local Government (Financial Assistance Grants).....	85,363	176,764	261,901	89,693	186,973	197,029	199,135
Local Government (Road Funding)	53,771	107,556	163,171	55,617	115,415	121,071	121,809
Non-Government Schools.....	1,125,451	1,207,763	1,187,830	1,250,918	1,317,886	1,392,048	1,470,343
North West Shelf Grants.....	616,244	457,078	626,930	538,481	511,671	493,191	477,409
Other.....	2,412,774	2,355,045	2,056,794	2,744,780	2,227,422	2,298,061	3,820,061
Total Commonwealth Grants.....	6,203,506	6,364,745	6,275,442	6,938,305	7,417,709	8,495,126	10,766,714
GOVERNMENT ENTERPRISES							
Dividends							
Bunbury Water Corporation	1,218	1,807	1,983	1,914	2,011	2,037	1,998
Busselton Water Corporation.....	1,435	843	1,464	1,025	949	973	942
Electricity Generation and Retail Corporation (Synergy).....	70,331	2,786	-	144,208	1,282	23,199	62,010
Electricity Networks Corporation (Western Power).....	400,988	95,633	101,947	307,956	166,039	154,571	116,012
Forest Products Commission.....	562	501	2,530	1,901	-	477	2,094
Fremantle Port Authority.....	29,431	25,137	12,361	48,831	31,871	34,575	37,055
Gold Corporation.....	10,544	12,969	22,155	16,275	17,588	20,186	21,144
Insurance Commission of Western Australia ...	131,821	41,679	116,943	68,060	70,736	72,203	65,111
Kimberley Ports Authority	449	-	2,561	329	-	-	-
Land Information Authority.....	5,120	510	1,309	6,624	3,988	13,101	24,207
Mid West Ports Authority	11,485	4,174	5,293	14,382	10,691	9,890	9,972
Pilbara Ports Authority.....	100,464	101,791	13,085	209,442	144,994	140,262	131,696
Regional Power Corporation (Horizon Power) ...	32,159	18,760	16,389	47,186	21,121	21,093	22,977
Southern Ports Authority.....	15,661	14,522	6,279	44,798	29,028	30,655	32,037
Water Corporation of Western Australia	566,685	546,231	483,484	589,443	683,906	714,003	793,842
Western Australian Land Authority.....	31,653	31,069	43,219	59,947	31,069	31,069	31,069
Western Australian Treasury Corporation	10,496	7,460	7,297	12,155	16,061	18,401	21,048
Provision for Western Power ^(a)	-	78,639	-	81,582	75,688	77,888	81,229
Total Dividends	1,420,502	984,511	838,299	1,656,058	1,307,022	1,364,583	1,454,443
Income Tax Equivalent Regime							
Bunbury Water Corporation	1,935	1,677	1,665	1,571	1,591	1,562	1,881
Busselton Water Corporation.....	1,527	711	713	1,227	811	813	810
Electricity Generation and Retail Corporation (Synergy).....	39,154	5,515	13,360	4,609	7,246	4,426	34,319
Electricity Networks Corporation (Western Power).....	-	-	-	-	14,025	12,666	-
Forest Products Commission.....	4,052	-	366	-	273	1,196	1,258
Fremantle Port Authority.....	14,827	19,321	17,122	18,572	20,345	22,149	23,756
Gold Corporation.....	11,733	8,362	9,296	10,046	11,531	12,078	13,016
Insurance Commission of Western Australia ...	99,579	18,061	55,550	37,977	28,009	32,329	36,707
Kimberley Ports Authority	1,783	-	-	-	-	-	-
Land Information Authority.....	2,408	8,894	8,236	5,720	10,206	14,127	13,553
Mid West Ports Authority	7,522	1,090	3,931	3,037	5,202	4,046	4,508
Pilbara Ports Authority.....	66,152	71,229	55,197	66,385	85,055	78,625	74,114
Regional Power Corporation (Horizon Power) ...	12,518	13,608	14,011	48,248	10,398	12,608	13,304
Southern Ports Authority.....	11,316	9,632	10,089	12,286	12,712	13,500	14,065
Water Corporation of Western Australia	335,787	305,855	292,212	328,421	381,808	431,974	438,471
Western Australian Land Authority.....	14,073	19,046	5,351	9,291	9,493	10,858	19,214
Western Australian Treasury Corporation	4,871	6,322	6,946	9,178	10,515	12,027	12,479
Total Income Tax Equivalent Regime.....	629,237	489,323	494,045	556,568	609,220	664,984	701,455

	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
Local Government Rates Equivalent							
Bunbury Water Corporation	43	64	69	70	71	72	73
Busselton Water Corporation.....	54	27	27	59	62	66	69
Electricity Generation and Retail Corporation (Synergy).....	721	690	721	721	721	721	721
Electricity Networks Corporation (Western Power).....	1,330	1,627	1,627	1,668	1,710	1,710	1,761
Forest Products Commission.....	308	35	332	332	332	332	332
Fremantle Port Authority.....	732	762	768	807	847	889	934
Gold Corporation.....	1,095	1,033	1,049	1,080	1,112	1,146	1,180
Kimberley Ports Authority	148	106	151	158	161	164	168
Mid West Ports Authority	768	693	796	812	828	845	862
Pilbara Ports Authority	1,658	866	1,685	1,723	1,766	1,810	1,856
Regional Power Corporation (Horizon Power) ...	211	259	192	266	274	283	292
Southern Ports Authority.....	518	557	654	662	665	669	672
Water Corporation of Western Australia.....	6,244	5,949	5,861	5,993	6,143	6,296	6,454
Western Australian Land Authority.....	6,638	6,248	6,500	6,308	6,373	6,344	6,000
Total Local Government Rates Equivalent.....	20,468	18,916	20,432	20,659	21,065	21,347	21,374
Total Government Enterprises	2,070,207	1,492,750	1,352,776	2,233,285	1,937,307	2,050,914	2,177,272
Other							
Consolidated Account Revenue Received from Agencies.....	12,771,026	12,475,529	13,126,027	13,376,549	13,412,855	13,533,534	14,585,964
Gold State Superannuation Reimbursement ...	140,468	123,841	126,457	112,773	99,793	88,721	79,142
Interest.....	133,037	105,397	139,417	131,669	134,772	141,661	150,642
Loan Guarantee Fees.....	134,844	151,199	140,841	147,004	158,829	165,747	170,925
Pension Recoups	14,375	12,474	11,092	11,208	11,390	11,574	11,762
Other Revenue.....	35,688	19,607	19,994	17,425	17,425	17,425	17,425
Total Other Revenue	13,229,438	12,888,047	13,563,828	13,796,628	13,835,064	13,958,662	15,015,860
TOTAL ADMINISTERED INCOME	21,503,151	20,745,542	21,192,046	22,968,218	23,190,080	24,504,702	27,959,846
EXPENSES							
Superannuation (b).....	1,011,005	512,955	(198,581)	489,662	503,377	502,980	520,156
Interest.....	632,261	730,285	731,604	834,710	976,110	1,131,210	1,279,210
Appropriations for:							
Operating Subsidies	1,769,697	1,769,874	1,731,855	1,630,476	1,483,317	1,345,840	1,296,532
Services	15,464,510	15,896,091	16,042,564	16,567,638	16,309,611	16,494,953	16,497,741
Salaries and Allowances.....	105,199	109,800	109,394	107,102	107,614	107,679	109,642
Other Appropriations.....	2,152,530	2,320,259	2,182,388	2,141,060	2,199,293	2,284,250	2,348,008
Total Appropriations	19,491,936	20,096,024	20,066,201	20,446,276	20,099,835	20,232,722	20,251,923
All Other Expenses							
Commonwealth Grants On-Passed to Agencies.....	1,922,457	2,354,845	2,056,551	2,725,510	2,207,485	2,277,434	3,210,734
Local Government Financial Assistance Grants.....	85,363	176,764	261,901	89,693	186,973	197,029	199,135
Local Government Road Funding	53,771	107,556	163,171	55,617	115,415	121,071	121,809
Non-Government Schools.....	1,125,451	1,207,763	1,187,830	1,250,918	1,317,886	1,392,048	1,470,343
Royalties for Regions (c).....	698,245	439,421	462,387	521,186	564,881	741,444	781,877
Other Expenses.....	665	-	-	8,275	-	-	-
Total All Other Expenses	3,885,952	4,286,349	4,131,840	4,651,199	4,392,640	4,729,026	5,783,898
TOTAL ADMINISTERED EXPENSES	25,021,154	25,625,613	24,731,064	26,421,847	25,971,962	26,595,938	27,835,187

(a) The Budget incorporates a provision for Western Power to undertake capital expenditure of \$227.3 million in 2017-18 related to capacity enhancements and customer driven works. This provision recognises the inherent uncertainty of forecasting customer demand requirements. This provision will be transferred to Western Power's budget upon demonstration of project commitments. Release of the provision will see changes in dividends paid by Western Power.

(b) Includes non-cash costs (including actuarial valuation changes) that are not reflected in cash appropriations.

(c) Represents the expensing of Royalties for Regions (RfR) moneys to agencies. As well as these expenses, there are also capital payments made by the RfR program. For accounting purposes, these capital costs are not reflected in the schedule of administered operating transactions.

Division 34 Economic Regulation Authority

Part 19 Treasurer; Minister for Finance; Energy

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 71 Net amount appropriated to deliver services	2,438	2,704	2,704	2,640	2,059	1,619	1,683
Total appropriations provided to deliver services.....	2,438	2,704	2,704	2,640	2,059	1,619	1,683
TOTAL APPROPRIATIONS	2,438	2,704	2,704	2,640	2,059	1,619	1,683
EXPENSES							
Total Cost of Services.....	11,469	11,814	11,814	13,779	13,627	13,435	13,702
Net Cost of Services ^(a)	2,386	2,959	3,589	2,831	2,250	1,808	1,872
CASH ASSETS ^(b)	3,365	2,256	2,617	2,605	2,671	2,717	2,744

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

(b) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
2017-18 Streamlined Budget Process Incentive Funding	-	21	-	-	-
Agency Expenditure Review Savings Measure - Reduction in Corporate Services Staff.....	-	(91)	(93)	(94)	(96)
Revision to Indexation for Non-Salary Expenses	-	-	(18)	(24)	(30)
Transfer of Independent Market Operator Functions to the Authority	-	2,477	2,404	2,032	2,069

Significant Issues Impacting the Agency

- Ongoing reform of the State's energy and water markets may have implications for the functions of the Authority.
- The Authority will continue to engage with the Australian Competition Tribunal and the Supreme Court of Western Australia over the appeal of the Authority's final decisions on the access arrangements for the Dampier to Bunbury Natural Gas Pipeline and the Goldfields Gas Pipeline.
- The Authority will undertake the review of proposed revisions to Western Power's access arrangement commencing in October 2017. Western Power's network charges were due to be reset on 1 July 2017. However, as proposed reforms to transfer gas and electricity third party access regulation to the Australian Energy Regulator did not eventuate, Western Power's network charges will remain unchanged until the proposed revisions are determined.
- The Authority is required to review its rate of return guidelines that will apply to future access arrangement reviews under the National Gas Law and National Gas Rules. The guidelines will be completed in the first half of 2018.
- The Authority is working with stakeholders to determine its reference (Inquiries) program for 2017-18.
- Collaboration with the Department of Treasury on the introduction of funding regulations for rail access.

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 service and desired outcome, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcome	Service
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	The efficient, safe and equitable provision of utility services in Western Australia.	1. Submissions to the Economic Regulation Authority Governing Body

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. Submissions to the Economic Regulation Authority Governing Body	11,469	11,814	11,814	13,779	13,627	13,435	13,702
Total Cost of Services	11,469	11,814	11,814	13,779	13,627	13,435	13,702

Outcomes and Key Effectiveness Indicators (a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: The efficient, safe and equitable provision of utility services in Western Australia:					
Number of submissions made to the Authority's Governing Body	241	195	212	280	1
Rating by the Authority's Governing Body as to the content, accuracy and presentation of these submissions ^(b)	4.1	4	4.1	4	
Number (percentage) of submissions provided by the required deadline	90	100	94	100	2
Rating by the Authority's Governing Body as to their perception of the timeliness of submissions ^(b)	4.1	4	4.1	4	

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

(b) Performance is rated as follows by the Authority's Governing Body: 1 = well below expectations; 2 = below expectations; 3 = satisfactory; 4 = above expectations; 5 = well above expectations.

Explanation of Significant Movements

(Notes)

- The number of submissions is expected to increase in 2017-18. The Authority will be undertaking the review of Western Power's access arrangement, revising the rate of return guidelines, and there will be increased activity with revising components of the Part V instruments (relating to rail access) for all of the railway operators. The Authority is also anticipating an increase in submissions due to an investigation of Synergy's pricing behaviour in the wholesale electricity market and for the additional review function transferred from the Independent Market Operator.
- The estimated percentage of submissions that met legislative deadlines in the 2016-17 Estimated Actual is 94%. This is less than the 2016-17 Budget target of 100% as two licence applications were not completed within 90 days.

Services and Key Efficiency Indicators

1. Submissions to the Economic Regulation Authority Governing Body

The Authority regulates monopoly aspects of the gas, electricity and rail industries and licenses providers of gas, electricity and water services. The Authority also enquires into matters referred to it by the State Government. In addition, the Authority has a range of responsibilities in the retailing of gas and surveillance of the wholesale electricity market in Western Australia.

The Authority's functions are designed to maintain a competitive, efficient and fair commercial environment, particularly where businesses operate as natural monopolies. In making its decisions, the Authority strives to benefit the Western Australian community by promoting an efficient and customer focused economy.

The requirement for the Authority to prepare performance indicators is limited to its management functions under section 23 of the *Economic Regulation Authority Act 2003*. As such, the quantity, quality and cost per submission that is prepared by the Authority Secretariat for consideration by the Governing Body is used to determine the Authority's performance and service efficiency.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	11,469	11,814	11,814	13,779	
Less Income.....	9,083	8,855	8,225	10,948	
Net Cost of Service.....	2,386	2,959	3,589	2,831	
Employees (Full Time Equivalents).....	50	52	52	58	
Efficiency Indicator					
Cost per Submission Made to the Economic Regulation Authority Governing Body.....	47,585	60,584	52,396	49,210	1

Explanation of Significant Movements

(Notes)

- While 2017-18 estimated expenditure is higher than in 2016-17, the target number of submissions is significantly higher which has reduced the cost per submission for the 2017-18 Budget Target compared to the 2016-17 Estimated Actual.

Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COMPLETED WORKS							
Computer Hardware and Software Replacement.....	272	272	9	-	-	-	-
NEW WORKS							
Computer Hardware and Software Replacement.....	305	-	-	-	-	295	-
Office Equipment Replacement.....	20	-	-	-	-	20	-
Total Cost of Asset Investment Program.....	597	272	9	-	-	315	-
FUNDED BY							
Drawdowns from the Holding Account.....			9	-	-	315	-
Total Funding.....			9	-	-	315	-

Financial Statements

Income Statement

Expenses

The increase in Total Cost of Services in 2017-18 is a result of functions, previously undertaken by the Independent Market Operator, being transferred to the Authority. In addition, the Western Power access arrangement review will take place in 2017-18, which may incur consultancy costs.

Income

The amount the Authority receives in regulatory fees is affected by total expenditure and the amount of staff time spent on industry funded functions. The transfer of functions from the Independent Market Operator will increase the regulatory fees that the Authority receives from the wholesale electricity market. In addition, the costs associated with the review of Western Power's access arrangement will be recouped from Western Power.

Statement of Cashflows

The Statement of Cashflows generally reflects movements as per the Income Statement.

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)	7,490	8,372	8,372	9,406	9,481	9,622	9,765
Supplies and services	2,396	1,719	1,719	2,700	2,478	2,038	2,203
Accommodation	1,164	1,214	1,214	1,171	1,173	1,203	1,234
Depreciation and amortisation	49	49	49	55	55	55	55
Other expenses.....	370	460	460	447	440	517	445
TOTAL COST OF SERVICES	11,469	11,814	11,814	13,779	13,627	13,435	13,702
Income							
Regulatory fees and fines.....	8,966	8,775	8,145	10,866	11,294	11,544	11,745
Other revenue	117	80	80	82	83	83	85
Total Income.....	9,083	8,855	8,225	10,948	11,377	11,627	11,830
NET COST OF SERVICES	2,386	2,959	3,589	2,831	2,250	1,808	1,872
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	2,438	2,704	2,704	2,640	2,059	1,619	1,683
Resources received free of charge	282	264	264	266	266	266	266
TOTAL INCOME FROM STATE GOVERNMENT	2,720	2,968	2,968	2,906	2,325	1,885	1,949
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	334	9	(621)	75	75	77	77

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

(b) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 50, 52 and 58 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	3,353	2,205	2,575	2,545	2,581	2,597	2,594
Restricted cash	12	21	12	-	-	-	-
Holding account receivables	9	-	-	-	315	-	-
Receivables	3,216	3,284	3,294	3,273	3,320	3,389	3,389
Other	187	116	187	187	187	187	187
Total current assets	6,777	5,626	6,068	6,005	6,403	6,173	6,170
NON-CURRENT ASSETS							
Holding account receivables	447	552	552	607	292	292	342
Property, plant and equipment	200	117	158	136	114	397	397
Intangibles	19	14	14	10	6	-	-
Restricted cash	-	30	30	60	90	120	150
Total non-current assets	666	713	754	813	502	809	889
TOTAL ASSETS	7,443	6,339	6,822	6,818	6,905	6,982	7,059
CURRENT LIABILITIES							
Employee provisions	1,666	1,426	1,610	1,610	1,547	1,547	1,547
Payables	685	568	685	606	618	618	618
Other	26	242	26	26	26	26	26
Total current liabilities	2,377	2,236	2,321	2,242	2,191	2,191	2,191
NON-CURRENT LIABILITIES							
Employee provisions	342	351	398	398	461	461	461
Other	1	1	1	1	1	1	1
Total non-current liabilities	343	352	399	399	462	462	462
TOTAL LIABILITIES	2,720	2,588	2,720	2,641	2,653	2,653	2,653
EQUITY							
Contributed equity	725	773	725	725	725	725	725
Accumulated surplus/(deficit)	3,998	2,978	3,377	3,452	3,527	3,604	3,681
Total equity	4,723	3,751	4,102	4,177	4,252	4,329	4,406
TOTAL LIABILITIES AND EQUITY	7,443	6,339	6,822	6,818	6,905	6,982	7,059

(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.....	2,334	2,599	2,599	2,585	2,059	1,619	1,633
Holding account drawdowns.....	17	9	9	-	-	315	-
Receipts paid into Consolidated Account.....	(48)	-	-	-	-	-	-
Net cash provided by State Government.....	2,303	2,608	2,608	2,585	2,059	1,934	1,633
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(7,419)	(8,353)	(8,353)	(9,406)	(9,519)	(9,660)	(9,804)
Supplies and services.....	(2,055)	(1,751)	(1,751)	(2,695)	(2,445)	(1,994)	(2,172)
Accommodation.....	(955)	(993)	(993)	(961)	(950)	(981)	(1,004)
Other payments.....	(1,179)	(693)	(693)	(727)	(700)	(809)	(738)
Receipts ^(b)							
Regulatory fees and fines.....	8,894	8,736	8,106	10,827	11,255	11,505	11,738
GST receipts.....	432	267	267	293	293	293	300
Other receipts.....	141	70	70	72	73	73	74
Net cash from operating activities.....	(2,141)	(2,717)	(3,347)	(2,597)	(1,993)	(1,573)	(1,606)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(95)	(9)	(9)	-	-	(315)	-
Net cash from investing activities.....	(95)	(9)	(9)	-	-	(315)	-
NET INCREASE/(DECREASE) IN CASH HELD.....	67	(118)	(748)	(12)	66	46	27
Cash assets at the beginning of the reporting period.....	3,298	2,374	3,365	2,617	2,605	2,671	2,717
Cash assets at the end of the reporting period.....	3,365	2,256	2,617	2,605	2,671	2,717	2,744

(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 Authority. 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
Regulatory Fees and Fines							
Industry Funding.....	8,894	8,736	8,106	10,827	11,255	11,505	11,738
GST Receipts							
GST Input Credits.....	432	267	267	293	293	293	300
Other Receipts							
Other Receipts.....	141	70	70	72	73	73	74
TOTAL.....	9,467	9,073	8,443	11,192	11,621	11,871	12,112

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

Insurance Commission of Western Australia

Part 19

Treasurer; Minister for Finance; Energy

Asset Investment Program

The Commission's Asset Investment Program for 2017-18 and across the forward estimates period totals \$19.7 million. The major components include:

- information and communications technology (ICT) hardware to replace network and server infrastructure, desktop workstations, storage, ICT security, enhanced disaster recovery capability, and imaging and workflow facilities; and
- ICT software incorporating systems developed for use by the Commission's customers, application development software, performance monitoring applications, core insurance system enhancements, general desktop applications and expenditure on the upgrade of a range of systems identified in the Commission's ICT strategic planning.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COMPLETED WORKS							
Information Technology Hardware - 2016-17 Program.....	1,180	1,180	1,180	-	-	-	-
Information Technology Software - 2016-17 Program.....	3,080	3,080	3,080	-	-	-	-
Motor Vehicles - 2016-17 Program.....	559	559	559	-	-	-	-
Plant and Equipment - 2016-17 Program.....	127	127	127	-	-	-	-
Telephone and Communication Equipment 2016-17 Program.....	20	20	20	-	-	-	-
NEW WORKS							
Information Technology Hardware							
2017-18 Program.....	1,065	-	-	1,065	-	-	-
2018-19 Program.....	1,190	-	-	-	1,190	-	-
2019-20 Program.....	950	-	-	-	-	950	-
2020-21 Program.....	865	-	-	-	-	-	865
Information Technology Software							
2017-18 Program.....	2,695	-	-	2,695	-	-	-
2018-19 Program.....	2,895	-	-	-	2,895	-	-
2019-20 Program.....	3,490	-	-	-	-	3,490	-
2020-21 Program.....	3,120	-	-	-	-	-	3,120
Motor Vehicles							
2017-18 Program.....	500	-	-	500	-	-	-
2018-19 Program.....	500	-	-	-	500	-	-
2019-20 Program.....	800	-	-	-	-	800	-
2020-21 Program.....	800	-	-	-	-	-	800
Plant and Equipment							
2017-18 Program.....	185	-	-	185	-	-	-
2018-19 Program.....	220	-	-	-	220	-	-
2019-20 Program.....	200	-	-	-	-	200	-
2020-21 Program.....	180	-	-	-	-	-	180
Telephone and Communication Equipment							
2017-18 Program.....	20	-	-	20	-	-	-
2018-19 Program.....	20	-	-	-	20	-	-
2019-20 Program.....	20	-	-	-	-	20	-
2020-21 Program.....	20	-	-	-	-	-	20
Total Cost of Asset Investment Program.....	24,701	4,966	4,966	4,465	4,825	5,460	4,985
FUNDED BY							
Internal Funds and Balances.....			4,966	4,465	4,825	5,460	4,985
Total Funding.....			4,966	4,465	4,825	5,460	4,985

Division 35 Office of the Auditor General

Part 19 Treasurer; Minister for Finance; Energy

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 72 Net amount appropriated to deliver services	6,310	6,428	6,428	6,886	7,007	7,381	7,783
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	734	753	753	753	753	753	753
Total appropriations provided to deliver services.....	7,044	7,181	7,181	7,639	7,760	8,134	8,536
CAPITAL							
Item 122 Capital Appropriation.....	300	250	250	300	300	300	300
TOTAL APPROPRIATIONS	7,344	7,431	7,431	7,939	8,060	8,434	8,836
EXPENSES							
Total Cost of Services.....	24,331	25,298	25,298	26,105	26,583	27,219	27,861
Net Cost of Services ^(a)	5,985	7,612	7,612	8,074	8,197	8,571	8,973
CASH ASSETS ^(b)	4,886	2,695	3,661	3,175	2,689	2,712	2,735

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

(b) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
2017-18 Streamlined Budget Process Incentive Funding	-	51	-	-	-
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(11)	(23)	(34)	(46)
Local Governments and Regional Councils Performance Auditing.....	-	1,011	1,357	1,708	2,063
Revision to Indexation for Non-Salary Expenses	-	-	(46)	(65)	(84)

Significant Issues Impacting the Agency

- The Local Government Amendment (Auditing) Bill 2017 (the Bill) once passed, will make the Auditor General responsible for financial and performance audits of 148 local governments and regional councils. This will represent about an 80% increase in the number of entities the Office audits. To successfully complete these audits, the Office anticipates an additional Full Time Equivalents (FTEs) requirement of about 15-20%. About half of these staff will be required initially for performance audits with the remainder required progressively for financial audits over the proposed three year transition period. A high proportion of the financial audits is expected to be contracted out and will require additional contract management staff to oversee the quality of the audits. Preparation for this undertaking is continuing to ensure a seamless transition.
- The 1 July 2017 Machinery of Government changes may result in an increased audit effort to evaluate the controls and key performance indicators of the new agencies and to verify the transfer of asset and liability account balances.
- Changes to accounting and auditing standards continue to affect the Office's business environment. These changes add to the complexity of audit tasks and directly impact the level of work conducted by audit staff.

Outcomes, Services and Key Performance Information

Relationship to Government Goals

The Office is a public sector department established to support the Auditor General. The Auditor General is an independent officer of the Parliament and as such reports directly to Parliament and ultimately the people of Western Australia, providing assurance about the efficient and effective delivery of services and the responsible management of the State's finances.

Desired Outcome	Service
An informed Parliament on public sector accountability and performance.	1. Public Sector Auditing

Service Summary

Expense	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
1. Public Sector Auditing	24,331	25,298	25,298	26,105	26,583	27,219	27,861
Total Cost of Services	24,331	25,298	25,298	26,105	26,583	27,219	27,861

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: An informed Parliament on public sector accountability and performance:					
The extent that the Office of the Auditor General is effective in informing the Parliament about the public sector accountability and performance is measured by the number of tabled reports compared to targets for each of the following categories of audit matter:					1
Service Delivery - reports tabled.....	7	5	4	8	
Economic Development - reports tabled	3	3	1	2	
Social and Environment - reports tabled	2	3	1	5	
Governance - reports tabled	17	16	20	13	

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

Explanation of Significant Movements

(Notes)

- The Office aims to provide Parliament with advice and assurance across all four categories of public sector activity. A crucial element of the key effectiveness indicator is the establishment of a three year target for each category of report. Targets are one factor in the selection of topics. Other factors include the significance of identified issues and regards for matters referred to the Office by Parliament. For this reason, category targets may not always be met in any one year. Accordingly, individual targets must be considered in conjunction with the three year target.

The current target over three years encompasses the 2015-16 to 2017-18 cycles.

	2012-13 to 2014-15 Three-year Actual	2015-16 to 2017-18 Three-year Budget Target	2015-16 to 2017-18 Three-year Estimated Actual
Reports Tabled:			
Service Delivery.....	13	15	19
Economic Development	8	9	6
Social and Environment	7	9	8
Governance.....	42	42	50

Services and Key Efficiency Indicators

1. Public Sector Auditing

The Office is responsible for undertaking the external audit of the Western Australian public sector. This is done through audits of controls, financial statements, key performance indicators, efficiency, effectiveness and the tabling of reports thereon to Parliament.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 24,331	\$'000 25,298	\$'000 25,298	\$'000 26,105	
Less Income.....	18,346	17,686	17,686	18,031	
Net Cost of Service.....	5,985	7,612	7,612	8,074	
Employees (Full Time Equivalents).....	132	135	135	137	
Efficiency Indicators					
Total Audit Cost per \$ Million of Gross Government Expenditure.....	\$479	\$483	\$483	\$495	
Attest Audit Cost per \$ Million of Gross Government Expenditure.....	\$354	\$338	\$338	\$347	
Performance Audit Cost per \$ Million of Gross Government Expenditure.....	\$125	\$145	\$145	\$149	
Average Number of Days Taken After Balance Date to Issue Financial Audit Opinions.....	66	68	66	68	

Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COMPLETED WORKS							
Computer Hardware and Software							
2014-15 Program.....	445	445	125	-	-	-	-
2015-16 Program.....	614	614	614	-	-	-	-
2016-17 Program.....	640	640	640	-	-	-	-
NEW WORKS							
Computer Hardware and Software							
2017-18 Program.....	490	-	-	490	-	-	-
2018-19 Program.....	540	-	-	-	540	-	-
2019-20 Program.....	623	-	-	-	-	623	-
2020-21 Program.....	690	-	-	-	-	-	690
Total Cost of Asset Investment Program.....	4,042	1,699	1,379	490	540	623	690
FUNDED BY							
Capital Appropriation.....			250	300	300	300	300
Drawdowns from the Holding Account.....			390	190	240	323	390
Internal Funds and Balances.....			739	-	-	-	-
Total Funding.....			1,379	490	540	623	690

Financial Statements

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)	15,808	15,587	15,587	16,042	16,354	16,877	17,449
Supplies and services	5,047	5,641	5,641	5,900	6,020	6,077	6,119
Accommodation	2,226	2,294	2,294	2,339	2,378	2,429	2,447
Depreciation and amortisation	391	721	721	721	721	721	721
Other expenses	859	1,055	1,055	1,103	1,110	1,115	1,125
TOTAL COST OF SERVICES	24,331	25,298	25,298	26,105	26,583	27,219	27,861
Income							
Other revenue	18,346	17,686	17,686	18,031	18,386	18,648	18,888
Total Income	18,346	17,686	17,686	18,031	18,386	18,648	18,888
NET COST OF SERVICES	5,985	7,612	7,612	8,074	8,197	8,571	8,973
INCOME FROM STATE GOVERNMENT							
Service appropriations	7,044	7,181	7,181	7,639	7,760	8,134	8,536
Resources received free of charge	521	467	467	467	467	467	467
TOTAL INCOME FROM STATE GOVERNMENT	7,565	7,648	7,648	8,106	8,227	8,601	9,003
SURPLUS/(DEFICIENCY) FOR THE PERIOD	1,580	36	36	32	30	30	30

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

(b) The FTEs for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 132, 135 and 137 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	4,886	2,640	3,606	3,061	2,514	2,467	2,420
Holding account receivables	390	330	190	240	323	390	390
Receivables	7,984	8,858	8,561	9,474	10,387	10,800	11,213
Other	422	331	422	422	422	422	422
Total current assets	13,682	12,159	12,779	13,197	13,646	14,079	14,445
NON-CURRENT ASSETS							
Holding account receivables	2,419	2,810	2,950	3,431	3,829	4,160	4,491
Property, plant and equipment	191	426	191	194	245	257	237
Intangibles	193	286	851	617	385	275	264
Restricted cash	-	55	55	114	175	245	315
Other	5	-	5	5	5	5	5
Total non-current assets	2,808	3,577	4,052	4,361	4,639	4,942	5,312
TOTAL ASSETS	16,490	15,736	16,831	17,558	18,285	19,021	19,757
CURRENT LIABILITIES							
Employee provisions	2,823	2,801	2,823	2,823	2,823	2,823	2,823
Payables	791	534	791	1,127	1,463	1,799	2,135
Other	170	151	225	284	345	415	485
Total current liabilities	3,784	3,486	3,839	4,234	4,631	5,037	5,443
NON-CURRENT LIABILITIES							
Employee provisions	964	1,168	964	964	964	964	964
Total non-current liabilities	964	1,168	964	964	964	964	964
TOTAL LIABILITIES	4,748	4,654	4,803	5,198	5,595	6,001	6,407
EQUITY							
Contributed equity	8,081	8,179	8,331	8,631	8,931	9,231	9,531
Accumulated surplus/(deficit)	3,661	2,903	3,697	3,729	3,759	3,789	3,819
Total equity	11,742	11,082	12,028	12,360	12,690	13,020	13,350
TOTAL LIABILITIES AND EQUITY	16,490	15,736	16,831	17,558	18,285	19,021	19,757

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	6,323	6,460	6,460	6,918	7,039	7,413	7,815
Capital appropriation.....	300	250	250	300	300	300	300
Holding account drawdowns.....	314	390	390	190	240	323	390
Net cash provided by State Government.....	6,937	7,100	7,100	7,408	7,579	8,036	8,505
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(16,441)	(15,532)	(15,532)	(15,983)	(16,293)	(16,807)	(17,379)
Supplies and services.....	(4,815)	(5,289)	(5,289)	(5,548)	(5,668)	(5,725)	(5,767)
Accommodation.....	(1,723)	(1,843)	(1,843)	(1,888)	(1,927)	(1,978)	(1,996)
Other payments.....	(2,883)	(2,855)	(2,855)	(2,903)	(2,910)	(2,915)	(2,925)
Receipts ^(b)							
GST receipts.....	2,018	1,800	1,800	1,800	1,800	1,800	1,800
Other receipts.....	17,900	16,773	16,773	17,118	17,473	18,235	18,475
Net cash from operating activities.....	(5,944)	(6,946)	(6,946)	(7,404)	(7,525)	(7,390)	(7,792)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(180)	(640)	(1,379)	(490)	(540)	(623)	(690)
Net cash from investing activities.....	(180)	(640)	(1,379)	(490)	(540)	(623)	(690)
NET INCREASE/(DECREASE) IN CASH HELD.....	813	(486)	(1,225)	(486)	(486)	23	23
Cash assets at the beginning of the reporting period.....	4,073	3,181	4,886	3,661	3,175	2,689	2,712
Cash assets at the end of the reporting period.....	4,886	2,695	3,661	3,175	2,689	2,712	2,735

(a) Full audited financial statements are published in the Office'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 Office. 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
GST Receipts							
GST Input Credits.....	118	170	170	170	170	170	170
GST Receipts on Sales.....	1,900	1,630	1,630	1,630	1,630	1,630	1,630
Other Receipts							
Audit Fees.....	17,900	16,773	16,773	17,118	17,473	18,235	18,475
TOTAL.....	19,918	18,573	18,573	18,918	19,273	20,035	20,275

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

Western Australian Treasury Corporation

Part 19

Treasurer; Minister for Finance; Energy

Asset Investment Program

The Corporation's Asset Investment Program is limited to an ongoing program to update information technology that supports the delivery of its services.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COMPLETED WORKS							
Computer Hardware/Software - 2016-17 Program.....	1,748	1,748	1,748	-	-	-	-
NEW WORKS							
Computer Hardware/Software							
2017-18 Program.....	1,568	-	-	1,568	-	-	-
2018-19 Program.....	1,403	-	-	-	1,403	-	-
2019-20 Program.....	1,958	-	-	-	-	1,958	-
2020-21 Program.....	1,946	-	-	-	-	-	1,946
Total Cost of Asset Investment Program.....	8,623	1,748	1,748	1,568	1,403	1,958	1,946
FUNDED BY							
Internal Funds and Balances.....			1,748	1,568	1,403	1,958	1,946
Total Funding.....			1,748	1,568	1,403	1,958	1,946

Division 36 Finance

Part 19 Treasurer; Minister for Finance; Energy

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 73 Net amount appropriated to deliver services ^(b)	161,422	152,760	157,446	150,906	155,499	165,400	153,518
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	1,601	1,601	1,601	1,601	1,601	1,601	1,601
Total appropriations provided to deliver services.....	163,023	154,361	159,047	152,507	157,100	167,001	155,119
ADMINISTERED TRANSACTIONS							
Item 74 Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....	148,881	204,210	164,281	185,070	178,241	189,614	203,752
Amount Authorised by Other Statutes - First Home Owner Grant Act 2000	98,582	73,678	72,765	74,612	75,408	74,344	73,855
CAPITAL							
Item 123 Capital Appropriation.....	83,768	29,109	28,763	15,932	10,090	4,001	-
TOTAL APPROPRIATIONS	494,254	461,358	424,856	428,121	420,839	434,960	432,726
EXPENSES							
Total Cost of Services.....	1,373,600	1,563,299	1,536,368	1,435,195	1,367,081	1,099,865	1,063,766
Net Cost of Services ^(c)	204,036	165,146	195,969	151,322	156,853	169,264	155,563
CASH ASSETS ^(d)	150,702	98,893	103,666	133,899	148,553	163,099	178,115

- (a) The 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to transfer out the Public Utilities Office and Economic Reform Unit and transfer in Strategic Projects with the Department of Treasury on 1 July 2017.
- (b) The Department's net amount appropriated to deliver services for the 2015-16 Actual and 2016-17 Budget includes appropriation for staff subsequently reallocated from Government Procurement 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
2016-17 Estimated Outturn	(9,000)	-	-	-	-
Decentralisation of Office Accommodation to Joondalup	-	408	7,273	10,487	1,349
District Allowances.....	(16)	(20)	(23)	(28)	125
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(24)	(49)	(74)	(100)
Government Office Accommodation Reform Initiatives	-	2,096	2,277	1,163	1,168
Relocation of Agencies to/from Gordon Stephenson House.....	-	-	-	(621)	2,053
Revised Capital Works Turnover Forecasts.....	(32,000)	45,000	143,000	70,000	70,000
Revision to Indexation for Non-Salary Expenses	-	(177)	(400)	(683)	(898)

Significant Issues Impacting the Agency

- On 1 July 2017, the Strategic Projects division transferred from the Department of Treasury (Treasury) to the Department as part of Machinery of Government changes. This brings the majority of non-residential building projects, outside of Transport infrastructure, under the Department's management. Throughout 2017-18, the Department will explore synergies and opportunities to improve efficiency and enhance the delivery of services by the Department flowing from the Machinery of Government changes.
- The Digital Finance Transition Program has been identified as a major program of work, aligned to the reforms proposed by the Office of the Government Chief Information Officer. The program encompasses 15 interdependent projects that will be executed over 2017-18 and 2018-19. Once complete, it will provide the Department with a secure, reliable, scalable, on-demand, consumption-based information and communications technology service model that achieves ongoing savings and efficiencies.

State Revenue

- In 2017-18, State Revenue will lead the planning and implementation of the Government's taxation schemes, including the Foreign Owner Duty Surcharge. In addition, State Revenue will be working closely with other agencies, including Treasury, to prepare advice for Government on changes to improve the efficacy of existing taxation, grant and subsidy settings.
- 2017-18 will see the continuation of the five year capital funded Revenue Systems Consolidation and Enhancement Program. The program will expand State Revenue's revenue collection and grants administration systems, including improvements to online services, duties lodgements and assessments and debt management processes, whilst also upgrading the system's underlying software.

Government Procurement

- Government Procurement is working with relevant government agencies to implement policies aimed at increasing the number of government contracts awarded to Aboriginal businesses and increasing local industry participation in government projects.
- Through its State Fleet unit, Government Procurement will continue to implement measures to reduce the size and cost of the State Government's vehicle fleet.
- A category management approach to the establishment and management of whole-of-government Common Use Arrangements will be leveraged to achieve greater value-for-money.
- Government Procurement is reviewing the use of contracts for service arrangements, with a view to support the direct employment of staff where it is appropriate.

Building Management and Works

- In recognition that office accommodation remains the second largest cost for many agencies, the Department is pursuing portfolio-based strategies that seek to reduce the Government's accommodation footprint and deliver bottom-line savings. This involves modernising the approach to office fit-outs and workplace design, which will in turn drive process and space efficiencies and better support service delivery to the community.
- On 1 July 2017, Building Management and Works (BMW) implemented a new funding model to recover the cost of delivering its maintenance service to government agencies State-wide. The new arrangements are more transparent and scalable, enabling the Department to better understand the cost of its services and drive greater efficiencies in both its operations and across the public sector.

Strategic Projects

- The Strategic Projects branch will continue to oversee the planning and delivery of the State's most significant non-residential building projects, working closely with the Department's BMW business, which will continue to provide project management and business systems support. Strategic Projects will also continue to monitor and report to Government on the performance of major building and infrastructure projects across the public sector, although ongoing delivery of this function will be reviewed for efficiencies in service delivery arising from Strategic Projects' integration into the Department.

- The size of the Strategic Projects capital works portfolio continues to trend downwards as projects are progressively completed and handed over to relevant service delivery/asset owner agencies. At the commencement of 2017-18, the active capital works portfolio comprises 10 projects with a total estimated value of more than \$4 billion. Three of these projects are operational (with a further two in pre-operational commissioning), four are under construction and one is in the planning phase.
- After a series of delays to construction and commissioning, the \$1.2 billion Perth Children's Hospital achieved Practical Completion on 13 April 2017, almost 18 months later than the project's original approved completion date. Clinical commissioning is now well advanced and, subject to resolution of ongoing water quality issues, on target for commencement of operations in 2017-18. This will include the Telethon Kids Institute facility, where fit-out works are progressing well as a separate project managed by Strategic Projects.
- The \$38 million Sarich Neurosciences Research Institute achieved Practical Completion on 23 March 2017 and will also commence operations in 2017-18.
- Four primary schools were delivered under the Western Australian Schools Public Private Partnership in 2016-17, with the schools commencing operations at the start of the 2017 school year. One secondary school will be delivered in 2017-18 with the school commencing operation at the start of the 2018 school year and construction of three further secondary schools will progress.
- Preliminary works for the \$433 million new Museum Project have been completed, including early conservation works on the heritage buildings at the Perth Cultural Centre (PCC) and the refurbishment of the Collection and Research Centre in Welshpool. Early works for the New Museum facility at the PCC are also well underway and construction activity at the PCC site will increase significantly during 2017-18. The project is well placed for opening in 2020 as scheduled.
- The \$207 million Karratha Health Campus is mid-way through construction and the project is on schedule for Practical Completion by 12 July 2018 for commencement of operations in the latter part of 2018.
- Construction of the Perth Stadium and Sports Precinct is now in its final stages, and remains on schedule to be operational by the start of the Australian Football League season in March 2018, notwithstanding the delayed completion of the Swan River Pedestrian Bridge.
- During 2017-18, the Old Treasury Buildings Redevelopment, Busselton Health Campus and Sarich Neurosciences Research Institute projects are all expected to be formally closed out and handed over to their respective asset owner agencies, ending the Strategic Projects' role in project management.

Resource Agreement

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister for Finance, 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 transfer out the Public Utilities Office and Economic Reform Unit and transfer in Strategic Projects with Treasury on 1 July 2017. Where practical, the 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual has been recast for comparative purposes.

Relationship to Government Goals

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

Government Goal	Desired Outcomes	Services
Sustainable Finances: Responsible financial management and better service delivery.	Due and payable revenue is collected and eligible grants, subsidies and rebates paid.	1. Revenue Assessment and Collection and Grants and Subsidies Administration
	Value for money from public sector procurement.	2. Development and Management of Common Use Contract Arrangements, State Fleet Leasing and Disposal and Providing Facilitation Service for Agency Specific Contracts
	Efficient and effective Corporate Services to Client Agencies.	3. Corporate Services to Client Agencies
	Value for money from the management of the Government's non-residential buildings and public works.	4. Leads the Planning, Delivery, Management and Maintenance of Government Buildings, Projects and Office Accommodation 5. Leads the Planning and Delivery of New Government Buildings

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. Revenue Assessment and Collection and Grants and Subsidies Administration.....	56,528	61,053	56,985	62,257	62,064	62,404	62,404
2. Development and Management of Common Use Contract Arrangements, State Fleet Leasing and Disposal and Providing Facilitation Service for Agency Specific Contracts.....	95,848	108,573	77,994	83,966	83,291	82,653	82,453
3. Corporate Services to Client Agencies	7,020	6,809	7,354	7,643	6,973	6,954	6,954
4. Leads the Planning, Delivery, Management and Maintenance of Government Buildings, Projects and Office Accommodation.....	1,013,206	1,153,898	1,079,993	1,095,634	1,053,756	913,850	901,842
5. Leads the Planning and Delivery of New Government Buildings.....	200,998	232,966	314,042	185,695	160,997	34,004	10,113
Total Cost of Services	1,373,600	1,563,299	1,536,368	1,435,195	1,367,081	1,099,865	1,063,766

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: Due and payable revenue is collected and eligible grants, subsidies and rebates paid:					
Extent to which due revenue is collected.....	87%	87%	88%	88%	
Extent to which correct grants, subsidies and rebates are paid.....	100%	100%	99.9%	100%	
Outcome: Value for money from public sector procurement:					
Profitability of the State's light vehicle fleet (\$'000)	16,871	13,457	16,671	15,000	1
Extent to which client agencies agree that their agency contracts and common use contract arrangements achieved value for money	93%	90%	93%	92%	
Outcome: Value for money from the management of the Government's non-residential buildings and public works: ^(b)					
Percentage of significant projects in the New Buildings program delivered within 10% of approved budget.....	100%	100%	100%	100%	
Percentage of significant projects in the New Buildings program delivered within approved:					
Budget.....	100%	100%	91%	100%	
Timeframe	50%	100%	36%	100%	2

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

(b) Following the Machinery of Government transfer of Strategic Projects from Treasury, two similar effectiveness indicators are in place for the value for money management of the Government's non-residential buildings and public works outcome. The first relates to BMW and the second to the major projects managed by Strategic Projects.

Explanation of Significant Movements

(Notes)

- State Fleet's profitability has improved compared to the 2016-17 Budget due mainly to Water Corporation's exit from the State Fleet arrangement, resulting in lower financing costs, and better than forecast revenues from the sale of State Fleet vehicles.
- Four of the 11 projects that were active during 2016-17 have been, or are expected to be, completed within approved timeframes. These projects include the Perth Stadium, Western Australian Schools Public Private Partnership, Queen Elizabeth II Central Plant and Midland Health Campus. The remaining projects have been subject to delays. Of particular note:
 - Perth Children's Hospital has been delayed due to significant construction and commissioning issues, but reached Practical Completion on 13 April 2017;
 - Eastern Goldfields Regional Prison and Busselton Health Campus were similarly delayed during construction and commissioning; and
 - the procurement process for Karratha Health Campus was delayed to ensure that there is a transition to operations after the 2017-18 wet season.

Services and Key Efficiency Indicators

1. Revenue Assessment and Collection and Grants and Subsidies Administration

The assessment and collection of a range of statutory based revenue, including duties, land tax and payroll tax, and those that are collected on behalf of other agencies (for example, Perth Parking Licence fees on behalf of the Department of Transport) or other jurisdictions (for example, collection of a range of taxes for the Commonwealth in the Indian Ocean Territories). State Revenue is also involved in the assessment and payment of a range of grants and subsidies under both statutory and administrative schemes. The major payments relate to the First Home Owner Grant scheme, as well as concessions on water rates, local government rates and the emergency services levy for pensioners and seniors.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	56,528	61,053	56,985	62,257	1
Less Income.....	3,166	5,183	2,991	3,824	
Net Cost of Service.....	53,362	55,870	53,994	58,433	
Employees (Full Time Equivalents).....	310	360	318	329	
Efficiency Indicators					
Cost per \$100 of Revenue Raised.....	\$0.70	\$0.71	\$0.76	\$0.85	2
Average Cost per Application/Claim Processed.....	\$11.58	\$11.41	\$10.52	\$10.53	

Explanation of Significant Movements

(Notes)

- The 2016-17 Estimated Actual is below the 2016-17 Budget target primarily due to higher than anticipated levels of staff vacancies. The 2017-18 Budget Target reflects the increase in Full Time Equivalents associated with revenue initiatives, an increase in depreciation and forecast expenditure on digital service provision.
- The increase in the 2017-18 Budget Target against the 2016-17 Estimated Actual reflects reduced forecast revenue due to a decline in economic activity, an increase in depreciation and forecast expenditure on digital service provision and services provided free of charge from other government departments.

2. Development and Management of Common Use Contract Arrangements, State Fleet Leasing and Disposal and Providing Facilitation Service for Agency Specific Contracts

The Department provides a whole-of-government approach to procurement that efficiently meets the business needs of Government agencies, manages risk and delivers value-for-money.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	95,848	108,573	77,994	83,966	1
Less Income.....	80,339	85,200	71,760	82,511	
Net Cost of Service.....	15,509	23,373	6,234	1,455	2
Employees (Full Time Equivalents).....	227	295	174	230	
Efficiency Indicators					
Cost of Facilitating the Development and Management of Agency Specific Contracts as a Percentage of the Contract Award Value.....	1.9%	2%	2%	1.7%	3
Average Administrative Cost per Vehicle for Financing and Managing the State Fleet Service.....	\$94	\$102	\$104	\$118	4
Cost of Developing and Managing Whole-of-Government Common Use Contract Arrangements as a Percentage of the Total Annual Value of Purchases Through the Arrangements.....	1.4%	1.5%	1.5%	1.5%	

Explanation of Significant Movements

(Notes)

1. The 2016-17 Estimated Actual is below the 2016-17 Budget target due to the early achievement of Agency Expenditure Review savings targets, devolution of 34 staff to agencies and significantly higher staff vacancies during the Government Procurement transformation to the new business structure.
2. The 2017-18 Budget Target reflects a reduction in Net Cost of Services for State Fleet due to the implementation of the new motor vehicle leasing policy. However, this will be subject to review as part of the Mid-year Review process to reflect the outcome of Machinery of Government changes and other Government decisions impacting the size of the State Fleet.
3. The restructuring of the Government Procurement framework has resulted in the devolution of activity to agencies, thereby reducing the central agency costs managed by Finance in supporting agency specific contracts.
4. The exit of Water Corporation from the State fleet coupled with a general reduction in agency vehicle numbers has led to a significant reduction in the overall State fleet size during 2016-17. Over the coming year operations will be reviewed with an aim to identify efficiencies commensurate with the reduction in fleet numbers.

3. Corporate Services to Client Agencies

These services include corporate services directly provided by the Department to support the outcomes and activities of Treasury, the Office of the Government Chief Information Officer and the Government Employee Superannuation Board.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 7,020	\$'000 6,809	\$'000 7,354	\$'000 7,643	
Less Income.....	334	-	596	816	
Net Cost of Service.....	6,686	6,809	6,758	6,827	
Employees (Full Time Equivalents).....	31	33	32	36	

4. Leads the Planning, Delivery, Management and Maintenance of Government Buildings, Projects and Office Accommodation

Leads the planning, delivery and management of a property portfolio that supports the delivery of government services to the community, including the delivery of new building works, maintenance programs for existing buildings and office accommodation.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 1,013,206	\$'000 1,153,898	\$'000 1,079,993	\$'000 1,095,634	1
Less Income.....	889,046	1,080,620	954,819	1,016,516	
Net Cost of Service.....	124,160	73,278	125,174	79,118	
Employees (Full Time Equivalents).....	409	397	391	415	
Efficiency Indicators					
Percentage of Significant Projects in New Buildings Program Delivered within Three Months of Approved Timeframe.....	100%	90%	100%	90%	
Percentage of Maintenance Services Delivered within 10% of Approved Timeframe.....	75.4%	80%	78.1%	80%	
Average Office Accommodation Floor Space per Work Point.....	15.2m ²	15m ²	15m ²	15m ²	

Explanation of Significant Movements

(Notes)

1. The 2016-17 Estimated Actual is below the 2016-17 Budget primarily due to a downturn in the Capital Works Turnover required by agencies. The 2017-18 Budget Target reflects an increase in activity aligned to the whole-of-government Asset Investment Program.

5. Leads the Planning and Delivery of New Government Buildings

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 200,998	\$'000 232,966	\$'000 314,042	\$'000 185,695	
Less Income.....	196,679	227,150	310,233	180,206	
Net Cost of Service.....	4,319	5,816	3,809	5,489	
Employees (Full Time Equivalents).....	57	59	55	65	
Efficiency Indicator					
Cost as a Percentage of the Total Annual Value of the Planning and Delivery of Capital Works Projects.....	0.6%	0.7%	0.5%	0.7%	1

Explanation of Significant Movements

(Notes)

1. The 2016-17 Estimated Actual is less than the 2016-17 Budget as a result of lower than anticipated operational costs associated with managing the capital works program. The reduction in the key performance indicator between the 2015-16 Actual and the 2016-17 Estimated Actual reflects a slight decrease in operational costs, as well as an increase in the total annual value of the capital works program (particularly for the Perth Stadium project).

Asset Investment Program

The Department's Asset Investment Program (AIP) in 2017-18 is \$164.9 million comprising mainly of:

- Major accommodation fit-out projects, on which planning has commenced, including decentralisation of government office accommodation to Fremantle and Joondalup.
- Lease Incentive Funded Office Fit-outs recognises the capital works associated with government accommodation leases that include fit-out funded through lease incentives from the landlord.
- The remaining funding for the Master Planning Strategy relates to the restoration work being conducted on Dumas House.
- The Revenue Systems Consolidation and Enhancement Program continues the work that commenced in 2014 to safeguard and improve the technology systems in State Revenue that manage the collection of a significant proportion of the State's revenue.
- Funding has been approved through the 2017-18 Budget for Government Office Accommodation Reform to achieve cost savings within office accommodation across Government.
- Funding for information and communications technology (ICT) and ServiceNet replacement will continue to be reviewed against changes to whole-of-government service delivery strategies.
- The Vehicle Acquisition Program is managed by State Fleet which facilitates the purchase, servicing and disposal of vehicles for the State Government.

	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							
Accommodation Fit-out Projects							
Decentralisation of Office Accommodation to Joondalup	19,198	500	500	15,835	2,863	-	-
Lease Incentive Funded - Office Fit-outs.....	99,566	46,606	15,115	37,860	5,000	5,000	5,100
Master Planning Strategy - Government Office							
Accommodation.....	223,442	218,217	18,726	5,225	-	-	-
Software Development - Revenue Systems							
Consolidation and Enhancement	33,408	18,064	6,823	8,917	6,427	-	-
COMPLETED WORKS							
Accommodation Fit-out Projects							
151 Royal Street - Office Fit-out	115	115	115	-	-	-	-
Gordon Stephenson House - Office Fit-out.....	265	265	265	-	-	-	-
St Georges Cathedral Heritage Precinct - Office Fit-out.....	40,541	40,541	4,968	-	-	-	-
ICT Replacement - 2016-17 Program.....	100	100	100	-	-	-	-
Karratha Government Office Co-Location Project							
(The Quarter) ^(a)	5,995	5,995	5,423	-	-	-	-
New Public Sector Offices for Fremantle							
Project Management	467	467	467	-	-	-	-
Procurement Systems Replacement - 2016-17 Program	406	406	406	-	-	-	-
Relocation of Department of Commerce Project.....	5,725	5,725	1,801	-	-	-	-
ServiceNet Replacement - 2016-17 Program.....	264	264	264	-	-	-	-
Sunset Transformation Strategy.....	7,290	7,290	5,234	-	-	-	-
Vehicle Acquisitions - 2016-17 Program.....	88,940	88,940	88,940	-	-	-	-
NEW WORKS							
Accommodation Fit-out Projects - New Public Sector							
Offices for Fremantle.....	37,541	-	-	-	3,457	34,084	-
Government Office Accommodation Reform							
Provision for Systems.....	6,000	-	-	1,000	5,000	-	-
Reform Program.....	3,000	-	-	2,000	1,000	-	-
ICT Replacement							
2017-18 Program.....	2,076	-	-	2,076	-	-	-
2018-19 Program.....	808	-	-	-	808	-	-
2019-20 Program.....	909	-	-	-	-	909	-
2020-21 Program.....	909	-	-	-	-	-	909
Procurement Systems Replacement							
2017-18 Program.....	406	-	-	406	-	-	-
2018-19 Program.....	420	-	-	-	420	-	-
2019-20 Program.....	431	-	-	-	-	431	-
2020-21 Program.....	431	-	-	-	-	-	431
ServiceNet Replacement							
2017-18 Program.....	273	-	-	273	-	-	-
2018-19 Program.....	282	-	-	-	282	-	-
2019-20 Program.....	289	-	-	-	-	289	-
2020-21 Program.....	289	-	-	-	-	-	289
South West Native Title - Noongar Cultural Centre.....	300	-	-	300	-	-	-
Vehicle Acquisitions							
2017-18 Program.....	91,000	-	-	91,000	-	-	-
2018-19 Program.....	84,000	-	-	-	84,000	-	-
2019-20 Program.....	84,000	-	-	-	-	84,000	-
2020-21 Program.....	84,000	-	-	-	-	-	84,000
Total Cost of Asset Investment Program.....	923,086	433,495	149,147	164,892	109,257	124,713	90,729
Loan and Other Repayments.....			35,268	17,983	19,400	19,750	14,367
Total.....	923,086	433,495	184,415	182,875	128,657	144,463	105,096
FUNDED BY							
Capital Appropriation			28,763	15,932	10,090	4,001	-
Asset Sales.....			71,740	53,911	43,000	45,843	39,321
Drawdowns from the Holding Account.....			770	2,250	1,487	1,606	1,606
Internal Funds and Balances.....			75,367	103,582	62,880	87,013	58,169
Borrowings.....			7,530	6,000	6,000	6,000	6,000
Funding Included in Department of Treasury							
Administered Item.....			-	1,200	5,200	-	-
Drawdowns from Royalties for Regions Fund ^(b)			245	-	-	-	-
Total Funding.....			184,415	182,875	128,657	144,463	105,096

(a) Funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund.

Financial Statements

The 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to transfer out the Public Utilities Office and Economic Reform Unit and transfer in Strategic Projects with Treasury on 1 July 2017.

Income Statement

Expenses

Movements in supplies and services expenditure primarily relate to Capital Works Turnover activity for BMW, and Strategic Projects in line with the whole-of-government AIP.

Income

Movements in sale of goods and services revenue primarily relates to Capital Works Turnover activity for BMW, and Strategic Projects in line with the whole-of-government AIP. Turnover expenditure is recouped from the agency responsible for the Works program.

Statement of Cashflows

The same impacts outlined above for the Income Statement are also reflected in the movements in the Statement of Cashflows.

In addition the capital appropriation decreased between 2015-16 Actual and 2016-17 Estimated Actual reflecting the progress on major works undertaken as part of the St Georges Cathedral Heritage Project.

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)	120,853	142,991	115,185	135,421	133,557	135,852	136,850
Grants and subsidies ^(c)	8	1,073	-	1,073	-	-	-
Supplies and services.....	1,066,648	1,281,064	1,258,017	1,175,927	1,104,632	832,349	799,430
Accommodation.....	39,276	26,843	44,875	26,644	31,698	30,660	26,572
Depreciation and amortisation.....	79,030	93,155	72,265	82,634	83,613	87,472	87,460
Other expenses.....	67,785	18,173	46,026	13,496	13,581	13,532	13,454
TOTAL COST OF SERVICES	1,373,600	1,563,299	1,536,368	1,435,195	1,367,081	1,099,865	1,063,766
Income							
Sale of goods and services.....	834,052	1,060,360	1,003,559	927,004	857,393	580,537	556,630
Grants and subsidies.....	1,684	-	3,425	1,425	1,425	1,425	1,425
Other revenue.....	333,828	337,793	333,415	355,444	351,410	348,639	350,148
Total Income	1,169,564	1,398,153	1,340,399	1,283,873	1,210,228	930,601	908,203
NET COST OF SERVICES	204,036	165,146	195,969	151,322	156,853	169,264	155,563
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	163,023	154,361	159,047	152,507	157,100	167,001	155,119
Resources received free of charge.....	14,195	14,765	14,422	14,646	14,676	14,676	14,676
Royalties for Regions Fund: Regional Community Services Fund.....	127	141	125	125	125	125	125
TOTAL INCOME FROM STATE GOVERNMENT	177,345	169,267	173,594	167,278	171,901	181,802	169,920
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(26,691)	4,121	(22,375)	15,956	15,048	12,538	14,357

(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 1,034, 970 and 1,075 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
Other	8	-	-	-	-	-	-
Resolution of Native Title in the South West of Western Australia	-	1,073	-	1,073	-	-	-
TOTAL	8	1,073	-	1,073	-	-	-

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	137,719	93,862	96,750	127,198	141,967	156,513	171,529
Restricted cash	12,983	4,746	6,631	6,531	6,531	6,531	6,531
Holding account receivables	770	1,489	2,250	1,487	1,606	1,606	1,606
Receivables	73,485	49,571	85,143	56,240	51,409	47,862	47,877
Other	273,647	271,823	152,133	150,115	148,097	146,075	143,930
Total current assets	498,604	421,491	342,907	341,571	349,610	358,587	371,473
NON-CURRENT ASSETS							
Holding account receivables	410,944	463,190	461,646	521,375	581,964	616,444	650,912
Property, plant and equipment	706,135	786,169	691,569	707,093	697,022	702,635	674,983
Intangibles	29,516	18,496	22,345	22,115	21,885	21,885	21,885
Restricted cash	-	285	285	170	55	55	55
Other	32,734	31,532	21,520	39,531	46,628	43,122	39,628
Total non-current assets	1,178,568	1,299,672	1,197,365	1,290,284	1,347,554	1,384,141	1,387,463
TOTAL ASSETS	1,677,933	1,721,163	1,540,272	1,631,855	1,697,164	1,742,728	1,758,936
CURRENT LIABILITIES							
Employee provisions	29,323	31,215	29,296	29,268	29,240	29,240	29,240
Payables	273,425	256,843	107,997	123,195	161,480	168,145	172,446
Other	133,795	71,670	120,415	138,989	137,118	124,530	116,235
Total current liabilities	436,543	359,728	257,708	291,452	327,838	321,915	317,921
NON-CURRENT LIABILITIES							
Employee provisions	5,304	5,694	5,351	5,397	5,443	5,443	5,443
Borrowings	99,121	89,300	78,765	61,255	49,855	48,765	48,765
Other	85,878	42,059	87,057	89,378	92,782	93,737	94,582
Total non-current liabilities	190,303	137,053	171,173	156,030	148,080	147,945	148,790
TOTAL LIABILITIES	626,846	496,781	428,881	447,482	475,918	469,860	466,711
EQUITY							
Contributed equity	997,031	1,098,251	1,049,742	1,106,768	1,128,593	1,167,677	1,172,677
Accumulated surplus/(deficit)	54,056	77,498	31,681	47,637	62,685	75,223	89,580
Reserves	-	18,665	-	-	-	-	-
Other	-	29,968	29,968	29,968	29,968	29,968	29,968
Total equity	1,051,087	1,224,382	1,111,391	1,184,373	1,221,246	1,272,868	1,292,225
TOTAL LIABILITIES AND EQUITY	1,677,933	1,721,163	1,540,272	1,631,855	1,697,164	1,742,728	1,758,936

(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.....	126,541	102,771	106,176	91,291	94,905	130,915	119,045
Capital appropriation.....	83,768	29,109	28,763	17,132	15,290	4,001	-
Holding account drawdowns.....	1,469	1,531	770	2,250	1,487	1,606	1,606
Royalties for Regions Fund:							
Regional Community Services Fund.....	127	141	125	125	125	125	125
Regional Infrastructure and Headworks Fund.....	5,750	250	245	-	-	-	-
Net cash provided by State Government.....	217,655	133,802	136,079	110,798	111,807	136,647	120,776
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(127,412)	(144,100)	(114,956)	(135,346)	(133,482)	(135,780)	(136,778)
Grants and subsidies.....	(10)	(1,073)	-	(1,073)	-	-	-
Supplies and services.....	(1,046,441)	(1,240,911)	(1,277,055)	(1,141,204)	(1,069,771)	(827,521)	(794,583)
Accommodation.....	(22,360)	(26,843)	(37,875)	(26,646)	(31,703)	(30,668)	(26,583)
Other payments.....	(150,299)	(166,264)	(166,879)	(165,786)	(163,776)	(151,047)	(148,705)
Receipts ^(b)							
Grants and subsidies.....	1,665	-	3,274	1,425	1,425	1,425	1,425
Sale of goods and services.....	855,448	1,060,448	977,614	949,072	857,440	580,584	556,677
GST receipts.....	148,534	150,044	154,351	152,021	149,554	136,854	134,464
Other receipts.....	359,916	344,559	346,602	363,230	359,217	356,446	357,955
Net cash from operating activities.....	19,041	(24,140)	(114,924)	(4,307)	(31,096)	(69,707)	(56,128)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(185,968)	(118,718)	(149,147)	(164,892)	(109,257)	(124,713)	(90,729)
Proceeds from sale of non-current assets.....	40,212	45,000	71,740	53,911	43,000	45,843	39,321
Other receipts.....	-	4,444	28,620	40,695	8,457	35,083	5,000
Net cash from investing activities.....	(145,756)	(69,274)	(48,787)	(70,286)	(57,800)	(43,787)	(46,408)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(20,487)	(23,511)	(35,268)	(17,983)	(19,400)	(19,750)	(14,367)
Proceeds from borrowings.....	4,408	7,530	7,530	6,000	6,000	6,000	6,000
Other proceeds.....	598	3,789	789	5,143	5,143	5,143	5,143
Net cash from financing activities.....	(15,481)	(12,192)	(26,949)	(6,840)	(8,257)	(8,607)	(3,224)
NET INCREASE/(DECREASE) IN CASH HELD.....	75,459	28,196	(54,581)	29,365	14,654	14,546	15,016
Cash assets at the beginning of the reporting period.....	1,546	951	150,702	103,666	133,899	148,553	163,099
Net cash transferred to/from other agencies....	73,697	69,746	7,545	868	-	-	-
Cash assets at the end of the reporting period.....	150,702	98,893	103,666	133,899	148,553	163,099	178,115

(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	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
Grants and Subsidies							
Indian Ocean Territories Commonwealth Grant.....	1,665	-	3,274	1,425	1,425	1,425	1,425
Sale of Goods and Services							
Contract Services - BMW	656,077	829,311	678,229	764,839	697,775	547,914	547,914
Contract Services - Strategic Projects.....	196,653	227,040	295,972	180,136	155,568	28,573	4,666
Land Tax Liability Enquiry Fee.....	2,356	3,000	2,316	3,000	3,000	3,000	3,000
Merchant Fees	362	1,097	1,097	1,097	1,097	1,097	1,097
GST Receipts							
GST Input Credits	23,609	16,101	16,101	12,310	12,374	12,374	12,374
GST Receipts on Sales	124,925	133,943	138,250	139,711	137,180	124,480	122,090
Other Receipts							
Corporate Services Cost Recoup.....	313	250	596	816	402	402	402
Government Office Lease Receipts	247,119	258,054	272,054	275,904	272,884	272,864	272,864
Other Receipts	35,218	5,189	10,059	4,575	4,267	4,306	4,955
Procurement Services	12,866	11,966	12,421	11,996	11,971	12,021	12,021
Executive Vehicle Scheme	113	100	98	100	103	106	108
State Fleet	64,287	69,000	51,374	69,839	69,590	66,747	67,605
TOTAL	1,365,563	1,555,051	1,481,841	1,465,748	1,367,636	1,075,309	1,050,521

(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							
Taxation							
Insurance Duty	591,502	655,887	641,372	644,951	673,929	713,306	756,104
Land Tax	945,532	893,176	873,746	843,916	843,915	862,976	884,571
Metropolitan Region Improvement Tax.....	97,870	97,960	95,959	94,572	99,879	102,377	104,937
Payroll Tax	3,492,369	3,524,426	3,255,594	3,223,117	3,434,435	3,594,804	3,822,369
Racing and Wagering Western Australia Tax	42,411	45,160	40,045	46,083	66,710	88,022	88,822
Transfer Duty.....	1,337,635	1,387,238	1,356,805	1,296,689	1,368,661	1,450,732	1,557,968
Landholder Duty	418,812	101,406	150,985	201,000	101,000	100,000	100,000
<i>Total Duty on Transfers</i>	<i>1,756,447</i>	<i>1,488,644</i>	<i>1,507,790</i>	<i>1,497,689</i>	<i>1,469,661</i>	<i>1,550,732</i>	<i>1,657,968</i>
Vehicle License Duty	345,655	350,367	344,133	347,572	351,741	356,814	363,237
Other Duties	6	1	34	1	1	1	1
Commonwealth Mirror Taxes.....	43,325	45,517	40,660	41,657	44,224	46,272	49,136
Other Revenue							
Office Lease Rental Revenue	41,623	39,000	40,086	41,240	39,700	39,700	39,700
Other Income.....	63,043	65,331	63,549	64,136	66,252	66,487	66,624
Appropriations							
First Home Owner Grant Act 2000.....	98,582	73,678	72,765	74,612	75,408	74,344	73,855
Administered Grants and Transfer Payments.....	148,881	204,210	164,281	185,070	178,241	189,614	203,752
TOTAL ADMINISTERED INCOME	7,667,246	7,483,357	7,140,014	7,104,616	7,344,096	7,685,449	8,111,076
EXPENSES							
Grants to Charitable and Other Public Bodies							
Energy Concession Extension Scheme.....	997	1,449	1,300	1,124	1,220	1,327	1,445
First Home Owner Scheme.....	98,582	73,678	72,765	74,612	75,408	74,344	73,855
First Home Owner Scheme - Extension	-	-	5,530	13,679	1,799	331	-
Life Support Equipment Subsidy Scheme ..	1,037	1,161	1,030	1,300	1,400	1,500	1,600
Payroll Tax Rebate Schemes.....	-	1,000	28	200	100	100	100
Pensioner Concessions - Emergency Services Levy	16,257	19,000	18,561	19,800	21,400	23,100	25,100
Pensioner Concessions - Local Government Rates.....	100,652	109,144	102,118	100,400	108,700	117,800	127,900
Thermoregulatory Dysfunction Energy Subsidy.....	1,549	1,526	1,715	2,000	2,200	2,300	2,500
Other							
Refund of Past Years Revenue.....	28,388	70,930	34,000	46,567	41,422	43,156	45,107
Doubtful Debts Expense	18,073	-	14,823	-	-	-	-
Other Expenses.....	63,043	65,331	63,549	64,136	66,252	66,487	66,624
Payments to Consolidated Account.....	7,417,577	7,140,138	6,697,830	6,780,798	7,024,195	7,355,004	7,766,845
TOTAL ADMINISTERED EXPENSES	7,746,155	7,483,357	7,013,249	7,104,616	7,344,096	7,685,449	8,111,076

Horizon Power

Part 19 Treasurer; Minister for Finance; Energy

Asset Investment Program

The investment that the State Government makes to regional Western Australia through Horizon Power contributes towards statutory and regulatory obligations and maintains the adequacy and quality of electricity supply to regional customers. Horizon Power will invest \$154.4 million during 2017-18 and a further \$202.5 million across the forward estimates.

Asset Management Plan

Horizon Power is forecast to invest \$36 million in 2017-18 and a further \$117.6 million over the forward estimates period to mitigate extreme and high risk energy assets. This investment contributes towards ensuring regulatory compliance, reliability and capacity of all of Horizon Power's systems to support the safety, development and enhancement of communities throughout regional Western Australia.

Pilbara Underground Power Project

The Pilbara Underground Power Project aims to provide cyclone-prone North West towns with a safer and more reliable power supply by replacing ageing overhead electricity infrastructure with underground networks in the areas of Karratha, South Hedland, Wedgefield, Onslow and Roebourne.

The project is a partnership between the State and local governments that is forecast to cost \$216.7 million. It is scheduled to be completed in 2017-18 with expenditure of \$22.9 million in this year.

Onslow Power

Horizon Power will spend \$52.8 million in 2017-18 and an additional \$50.8 million across the forward estimates to deliver the power infrastructure required to meet forecast demand in Onslow. This includes the construction of a gas/diesel fuelled power station and required network extensions. The power station will be modular and expandable along with the network, having the ability to accommodate energy contributions from distributed energy sources such as solar farms with battery storage technologies as well as from customer installed small scale domestic and commercial rooftop photo-voltaic and battery storage systems.

This will be largely supported by a grant from the Department of State Development, in turn funded by payments from Chevron Australia, as part of the Ashburton North (Wheatstone Project) State Development Agreement.

Pilbara Power Project

Horizon Power will invest \$6.2 million in 2017-18 to upgrade the transmission network to accommodate the increased electricity load generated by the new South Hedland Pilbara power station. Horizon Power has signed a 25 year Electricity Transfer Access Contract with the Fortescue Metals Group to allow it access to the new infrastructure.

Transmission Connection to Roy Hill's Facilities

Horizon Power has been awarded the contract to provide iron ore producer Roy Hill with energy to its Port Hedland port facility following a competitive tender process.

Early design and procurement work on the energy project has begun and up to 50 new jobs are expected to be created during the construction phase. Horizon Power will invest \$18.9 million in 2017-18 for the construction of the transmission line.

	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							
Asset Management Plan							
Asset Replacement	112,052	53,216	11,999	14,043	14,542	14,851	15,400
Capacity	23,441	11,627	3,679	2,820	2,920	2,982	3,092
Knowledge and Technology Investment	35,564	14,597	3,855	4,821	5,242	5,353	5,551
Mobile Plant and Operational Fleet	37,105	21,189	2,601	3,136	4,149	4,237	4,394
Property Management	26,974	12,593	2,975	3,645	3,486	3,559	3,691
Regulatory Compliance	31,847	30,507	286	320	331	338	351
Reliability	35,175	28,372	2,680	1,624	1,681	1,717	1,781
Safety	119,396	95,771	6,696	5,639	5,839	5,963	6,184
Customer Funded Works	150,389	106,818	3,069	10,412	10,673	11,105	11,381
Major Projects							
Advanced Metering Infrastructure	34,137	33,939	4,695	198	-	-	-
Onslow Power Infrastructure Project - Power Station Upgrade	105,293	8,166	7,718	46,369	47,952	2,806	-
Onslow Power Station Network Connection	7,470	1,070	-	6,400	-	-	-
Pilbara Power Project	26,087	19,875	17,078	6,166	46	-	-
Pilbara Underground Power Project ^(a)	216,755	193,816	29,936	22,939	-	-	-
Transmission Connection to Roy Hill's Facilities	24,911	5,974	5,974	18,937	-	-	-
COMPLETED WORKS							
Major Projects							
Mid West and Norseman Network Augmentation	5,198	5,198	300	-	-	-	-
Murchison Radio Observatory Power Station ^(a)	15,295	15,295	4,132	-	-	-	-
Onslow Power Infrastructure Project	2,450	2,450	500	-	-	-	-
NEW WORKS							
Major Projects							
Electricity Infrastructure Upgrade for Onslow Salt	3,924	-	-	3,924	-	-	-
Perth Office Accommodation Project	3,875	-	-	3,000	875	-	-
Total Cost of Asset Investment Program	1,017,338	660,473	108,173	154,393	97,736	52,911	51,825
FUNDED BY							
Borrowings			48,399	70,749	39,111	39,000	40,950
Internal Funds and Balances			27,627	30,081	7,867	11,105	10,875
Other			7,718	46,369	47,952	2,806	-
Drawdowns from Royalties for Regions Fund ^(b)			24,429	7,194	2,806	-	-
Total Funding			108,173	154,393	97,736	52,911	51,825

(a) Funded either fully or partially from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund.

Synergy

Part 19 Treasurer; Minister for Finance; Energy

Asset Investment Program

In 2017-18 and over the forward estimates, Synergy will spend \$173.1 million on its Asset Investment Program, which is largely required to maintain the existing generation asset base.

Generation

Synergy's generation portfolio is comprised of coal, gas, liquid fuel and renewable energy assets. Expenditure to maintain the capacity and reliability of these assets amounts to a total of \$119.7 million in 2017-18 and over the forward estimates.

Major investments within this total include:

- \$40.9 million for various projects at Kwinana Power Station. Major works include:
 - \$32.7 million on compliance works for rehabilitation and relocation of shared services in order to support other generation infrastructure located at the Kwinana site following the retirement of the Kwinana Power Station; and
 - \$8.2 million on other projects including Kwinana electro chlorination plant replacement and ash dam relining, and civil and remediation works to cooling water systems.
- \$36.3 million for various projects to support safety, reliability, efficiency and environmental targets at Muja Stages C and D Power Station, which include:
 - \$10.2 million on replacement of step up transformers and switchboards for Stages C and D;
 - \$6.6 million towards replacement of sootblower piping and boiler drain piping critical to continuing operation of the plant;
 - \$4 million on the refurbishment of the Stage C turbine;
 - \$3.2 million on sustaining works for raising the fly ash dam wall; and
 - \$12.3 million on various other projects such as replacement of economiser elements, cylinder diaphragm and bottom ash hopper.
- \$27.1 million for works to improve gas turbine reliability and security of supply. Major items include:
 - \$16.5 million on the Cockburn Gas Turbine, mainly for the purchase and installation of parts required for planned maintenance and upgrade of fire protection systems; and
 - \$10.6 million for the Pinjar Gas Turbines, including the procurement and installation of a replacement turbine rotor for Unit 10 and the upgrade of Pinjar Gas Turbine Stage C.
- \$10 million for the Collie Power Station, mainly for upgrading the fire ring main, fly ash construction, major plant component replacement and various other ongoing expenditure associated with the continued safe and reliable operation of the plant.
- \$5.4 million is allocated to various smaller projects to deliver effective operations and management of Synergy's generation portfolio, of which a key project is \$1.5 million for the renewal of the Perron Quarry bore water supply pipeline.

Retail

A total of \$23.3 million for capability and systems enhancement works has been allocated in 2017-18 and over the forward estimates to various information technology projects to support the development of new products and services to appropriately manage and better serve Synergy's more than one million customers.

Corporate

A total of \$30.1 million has been allocated in 2017-18 and over the forward estimates for the replacement of a number of finance and human resources systems and processes to better manage its financial position, workforce planning and management requirements, as well ongoing information technology capital expenditure requirements.

	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							
Corporate							
Business Systems Replacement	47,376	19,327	8,060	6,995	7,495	5,195	8,364
Property Plant and Equipment	3,222	1,170	660	610	560	560	322
Generation							
Cockburn Gas Turbine	35,549	19,080	2,995	3,188	100	5,050	8,131
Collie Power Station	27,856	17,813	5,246	7,505	776	675	1,087
Kwinana Power Station	48,986	8,091	4,394	14,451	19,016	3,612	3,816
Muja C and D Power Station	112,116	75,818	14,576	12,230	8,094	6,120	9,854
Other Generation Infrastructure Projects.....	54,635	49,201	15,719	5,252	50	51	81
Pinjar Gas Turbine	21,984	11,384	3,720	4,600	4,000	-	2,000
Retail - System Enhancements	42,745	19,450	2,165	7,050	4,500	4,500	7,245
Total Cost of Asset Investment Program.....	394,469	221,334	57,535	61,881	44,591	25,763	40,900
FUNDED BY							
Internal Funds and Balances.....			57,535	61,881	44,591	25,763	40,900
Total Funding.....			57,535	61,881	44,591	25,763	40,900

Western Power Networks

Part 19 Treasurer; Minister for Finance; Energy

Asset Investment Program

Western Power builds, maintains and operates the electricity network in the southwest of Western Australia. Electricity plays an essential role in the economic development of the State and improving the living standards of the community. Western Power's focus is to provide customers with access to safe, reliable and efficient supply of electricity.

Western Power's Asset Investment Program (AIP) is underpinned by its Asset Management Framework, designed to meet the requirements of Western Power's license obligations, good industry practice and relevant Australian Standards. The framework uses a risk-based approach coupled with a zone-based delivery to maximise the reduction in network risks for a given level of expenditure. Assets are given risk scores, based on likelihood and consequence of individual asset failure, which are used to prioritise asset replacements. In addition to zone based delivery, work is also delivered through targeting discrete high risk assets or standalone programs.

Safety – Our Most Important Priority

The safety of the community and its staff is Western Power's most important priority. In recognition of this, Western Power will commit \$285.4 million in 2017-18 to continue important safety programs including:

- pole management which includes \$205 million on:
 - replacement and reinforcement of wood poles, recognising the potential public safety and property risks associated with pole failures; and
 - replacement of wood pole cross arms to mitigate consequences of cross arm failure, including the ignition of pole top fires; and
- expenditure on conductor management, connection management and bushfire mitigation projects amounting to \$48.6 million, \$20.9 million and \$10.9 million respectively. Conductors pose a high public safety risk, as an incident where a wire is down has the potential to cause a fatality, electric shock and/or fire. This program will undertake priority maintenance, repair and replacement of aged and deteriorated overhead conductors and underground cables in order to address risk.

Enhancing the Customer Experience

A total of 17 Perth underground power projects will be delivered under round six of the State Underground Power Program (SUPP). SUPP is a partnership between the State Government, Western Power and participating local governments that will see Western Power replace overhead electricity distribution networks with underground systems in the suburbs of Floreat West, Floreat North, Floreat East, Kardinya South, Alfred Cove East, Melville North, South Perth, Collier, Manning, Victoria Park West, Victoria Park East, Carlisle North, Trigg, Menora, Maylands Central, South Lake East and Shelley West.

Future Network

Western Power recognises that as the energy needs of our customers change, we need to transform our network planning to deliver tailored energy solutions in partnership with the community. Western Power anticipates that in the medium-term, new technologies will see a shifting of value from the traditional electricity supply chain to providers of new products and potential modularisation of the network.

Western Power will develop scenarios of potential network configurations based on differing customer needs, and identify alternative solutions, including distributed energy resources and utilisation of emerging technology, for these local customer segments where they make sense economically or are fulfilling customer needs.

Western Power has embarked on a series of new technology trials with local partners to explore the potential of innovative network technologies to identify new expenditure efficiency opportunities and understand the issues, challenges and opportunities. Trials include a battery storage trial in Perenjori, a standalone power systems trial at edge-of-grid locations and partnering with other organisations to trial microgrids and to understand the commercial implications of integrating technologies (renewable energy, battery storage, smart grid, and electric vehicles) in an urban environment.

Western Power has also launched a feasibility study into improving the reliability of energy supply to Kalbarri through incorporation of renewable technologies and a network integrated battery. Western Power is also involved in trials of peer-to-peer trading, recognising the potential of this innovation to encourage continued grid connection.

New Access Arrangement

Western Power will submit its initial proposal for its fourth Access Arrangement (AA4) to the Economic Regulation Authority (ERA) by 2 October 2017. The AA4 period is for five years and commences on 1 July 2017, therefore AA4 will be partially backwards looking. As part of Western Power's Access Arrangement submission and approvals process, the ERA will undertake a rigorous review of Western Power's forecast expenditure. This process ensures that there is a demonstrable need for investment proposed by Western Power and that the investment is efficient. The final determination is due in mid-2018.

Western Power's AIP has been separated into the following tables in order to demonstrate:

- estimated expenditure during the third Access Arrangement (AA3) which ran from 1 July 2012 to 30 June 2017; and
- forecast expenditure during AA4 over the forward estimates period noting that:
 - expenditure in 2021-22 (i.e. the final year of AA4) is not included; and
 - this is subject to change to reflect Western Power's AA4 initial proposal and the subsequent ERA determination.

	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
COMPLETE WORKS – THIRD ACCESS ARRANGEMENT (AA3)							
Capitalised Borrowing Costs	59,249	59,249	850	-	-	-	-
Government Initiative - State Underground Power Program	87,519	87,519	11,666	-	-	-	-
Growth							
Distribution							
Capacity Expansion.....	176,313	176,313	35,000	-	-	-	-
Customer Access	814,824	814,824	149,679	-	-	-	-
Major Projects - Mid West Energy Project.....	415,923	415,923	17,350	-	-	-	-
Transmission							
Capacity Expansion.....	96,085	96,085	22,090	-	-	-	-
Customer Driven.....	101,271	101,271	14,240	-	-	-	-
Other Asset Investment							
Emerging Technology	3,364	3,364	1,850	-	-	-	-
Motor Vehicle Fleet and Mobile Plant.....	109,536	109,536	3,653	-	-	-	-
System Management	7,441	7,441	-	-	-	-	-
Safety							
Bushfire Mitigation.....	64,374	64,374	2,100	-	-	-	-
Conductor Management	444,520	444,520	95,000	-	-	-	-
Connection Management	156,703	156,703	2,240	-	-	-	-
Pole Management	1,140,491	1,140,491	119,050	-	-	-	-
Security							
Thermal Management	1,710	1,710	740	-	-	-	-
Voltage and Fault Level Management.....	4,500	4,500	4,500	-	-	-	-
Service							
Business Support and Information Technology	245,577	245,577	74,550	-	-	-	-
Corporate Real Estate.....	72,325	72,325	13,900	-	-	-	-
Metering.....	92,978	92,978	26,200	-	-	-	-
Regulatory Compliance	88,697	88,697	12,100	-	-	-	-
Reliability Driven Asset Replacement	293,544	293,544	61,100	-	-	-	-
Total Cost of Completed Works (AA3).....	4,476,944	4,476,944	667,858	-	-	-	-

	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 WORKS – FOURTH ACCESS ARRANGEMENT (AA4)							
Capitalised Borrowing Costs	9,239	-	-	1,763	2,154	2,385	2,937
Government Initiative - State Underground Power Program	142,223	-	-	40,648	55,170	36,916	9,489
Other Asset Investment - Motor Vehicle Fleet and Mobile Plant	9,733	-	-	2,210	2,498	2,688	2,337
Safety							
Bushfire Mitigation	24,954	-	-	10,890	7,276	3,347	3,441
Conductor Management	364,986	-	-	48,572	84,663	109,754	121,997
Connection Management	93,422	-	-	20,949	22,537	24,168	25,768
Pole Management	739,189	-	-	204,986	182,798	173,476	177,929
Security							
Thermal Management	17,406	-	-	1,662	196	2,385	13,163
Voltage and Fault Level Management	35,191	-	-	8,174	21,174	5,493	350
Service							
Business Support and Information Technology	268,963	-	-	73,649	64,137	66,568	64,609
Corporate Real Estate	63,529	-	-	20,312	17,829	14,086	11,302
Metering	83,756	-	-	20,202	20,992	21,281	21,281
Regulatory Compliance	139,276	-	-	40,689	32,388	36,723	29,476
Reliability Driven Asset Replacement	482,996	-	-	114,706	108,148	108,699	151,443
Total Cost of New Works (AA4)	2,474,863	-	-	609,412	621,960	607,969	635,522
Total Cost of Asset Investment Program	6,944,366	4,476,944	667,858	609,412	621,960	607,969	635,522
FUNDED BY							
Borrowings			34,195	86,563	-	-	19,705
Internal Funds and Balances			633,663	522,849	621,960	607,969	615,817
Total Funding			667,858	609,412	621,960	607,969	635,522

Western Power Provisions

Part 19 Treasurer; Minister for Finance; Energy

Asset Investment Program

Western Power is required, under the Electricity Networks Access Code 2004, to use all reasonable endeavours to provide access to customers and fund augmentations where they meet specified investment criteria.

This provision is separate to the remainder of Western Power's Asset Investment Program in recognition of the inherent uncertainty in forecasting customer demand requirements. The allocation is transferred to Western Power's budget upon demonstration of project commitments, including either contractual commitments with customers or demonstrated receipts of customer contributions. Variations to forecast levels of expenditure will be met by bringing forward expenditure for future periods in line with the approved capital expenditure funding mechanisms or, if required, submitting a business case to the State Government to secure the required capital expenditure.

Western Power is committed to connecting customers and investing in infrastructure to support the State, with \$227.3 million allocated from the provision in 2017-18 for customer driven works.

Western Power is planning to invest \$64.5 million in capacity expansion to facilitate customers connecting to the transmission and distribution networks in 2017-18. These plans have been optimised to address both asset and growth drivers to ensure the most efficient solutions are proposed and developed for customers.

Distribution customer driven works typically reflect a large number of small projects to facilitate customer requests for connection to the network. Western Power is forecasting a spend of \$141.9 million in 2017-18 for meeting customer requests for new or modified distribution connections, network expansions, subdivisions and distribution asset relocations.

Transmission customer driven works include, expanding or reinforcing the network to connect new customer loads or generators. In 2017-18, Western Power is forecasting \$20.9 million for substation upgrades, new connections and line relocations.

Significant proposed distribution and transmission investment for capacity expansion includes the following:

- installation of two new transformers at Mandurah; the load supplied by the Mandurah substation has exceeded the substation planned capacity. This investment proposes a staged installation of two 66MVA transformers to address the substation capacity shortfall and facilitate future connections;
- installation of a new 132kV cable between the Hay Street substation and the Milligan Street substation, removing the risk of long outages during peak demand;
- installation of a new CBD substation will accommodate the decommissioning of several end of life assets at East Perth, Wellington Street and Forrest Avenue; and
- installation of a third transformer at the Black Flag substation in Eastern Goldfields; the peak demand at the Black Flag substation is forecast to exceed the substation planned capacity due to increases in mining activity in the area which is currently being driven by higher commodity prices.

	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 WORKS - FOURTH ACCESS ARRANGEMENT (AA4)							
Growth							
Distribution							
Capacity Expansion.....	199,009	-	-	50,174	63,038	50,326	35,471
Customer Driven.....	598,887	-	-	141,912	147,473	152,611	156,891
Transmission							
Capacity Expansion.....	16,423	-	-	14,337	1,376	709	1
Customer Driven.....	88,050	-	-	20,868	21,682	22,435	23,065
Total Cost of Asset Investment Program.....	902,369	-	-	227,291	233,569	226,081	215,428
FUNDED BY							
Borrowings.....			-	227,291	233,569	226,081	215,428
Internal Funds and Balances.....			-	-	-	-	-
Total Funding.....			-	227,291	233,569	226,081	215,428

Part 20

Minister for Racing and Gaming; Small Business

Summary of Portfolio Appropriations

Agency	2016-17 Budget \$'000	2016-17 Estimated Actual '000	2017-18 Budget Estimate '000
Small Business Development Corporation			
– Delivery of Services	12,706	12,706	12,439
– Capital Appropriation	60	60	60
Total	12,766	12,766	12,499
GRAND TOTAL			
– Delivery of Services	12,706	12,706	12,439
– Capital Appropriation	60	60	60
Total.....	12,766	12,766	12,499

Racing and Wagering Western Australia

Part 20

Minister for Racing and Gaming; Small Business

Asset Investment Program

Across the forward estimates period, the Department's Asset Investment Program remains focused on the ongoing development, enhancement and replacement of hardware, software and retail terminals along with other general business process improvements.

Investment in wagering assets will continue to be prioritised towards items that are necessary to enable the business to maintain and expand its product offerings in an increasingly competitive wagering market.

	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							
Business Systems and Products	28,784	16,012	3,503	3,313	2,781	3,339	3,339
Other Works	12,435	6,402	1,363	1,374	1,505	1,577	1,577
Retail Outlet Upgrade Program	29,243	21,264	7,079	7,079	300	300	300
Wagering Systems and Products	36,847	14,123	4,500	4,500	6,074	6,075	6,075
Total Cost of Asset Investment Program.....	107,309	57,801	16,445	16,266	10,660	11,291	11,291
FUNDED BY							
Internal Funds and Balances.....			16,445	16,266	10,660	11,291	11,291
Total Funding.....			16,445	16,266	10,660	11,291	11,291

Western Australian Greyhound Racing Association

Part 20 Minister for Racing and Gaming; Small Business

Asset Investment Program

Asset investment across the forward estimates period consists of plant and equipment replacement at the Cannington and Mandurah racetracks.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COMPLETED WORKS							
New Cannington Complex - 2016-17 Program	199	199	199	-	-	-	-
Plant and Equipment							
Cannington - 2016-17 Program	64	64	64	-	-	-	-
Mandurah - 2016-17 Program.....	337	337	337	-	-	-	-
NEW WORKS							
Plant and Equipment							
Cannington - 2017-18 Program	309	-	-	309	-	-	-
Mandurah - 2017-18 Program.....	309	-	-	309	-	-	-
Total Cost of Asset Investment Program.....	1,218	600	600	618	-	-	-
FUNDED BY							
Internal Funds and Balances.....			600	618	-	-	-
Total Funding.....			600	618	-	-	-

Division 37 Small Business Development Corporation

Part 20 Minister for Racing and Gaming; Small Business

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 75 Net amount appropriated to deliver services	11,751	12,446	12,446	12,179	12,064	11,938	12,026
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	254	260	260	260	260	260	260
Total appropriations provided to deliver services.....	12,005	12,706	12,706	12,439	12,324	12,198	12,286
CAPITAL							
Item 124 Capital Appropriation.....	60	60	60	60	60	60	60
TOTAL APPROPRIATIONS	12,065	12,766	12,766	12,499	12,384	12,258	12,346
EXPENSES							
Total Cost of Services.....	12,315	13,514	14,514	13,735	12,857	12,731	12,819
Net Cost of Services ^(a)	11,739	13,202	13,202	12,883	12,535	12,409	12,497
CASH ASSETS ^(b)	2,430	1,411	2,232	2,218	2,202	2,186	2,170

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

(b) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
2017-18 Streamlined Budget Process Incentive Funding	-	119	-	-	-
Business Migration Application Fee Increase	-	40	40	40	40
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(4)	(8)	(12)	(12)
Revision to Indexation for Non-Salary Expenses	-	-	(152)	(215)	(278)

Significant Issues Impacting the Agency

- To support improvements for small businesses involved in the building and construction industry, the Corporation successfully advocated for reforms to the operation of the *Construction Contracts Act 2010*, including improved access to rapid adjudication for payment disputes. The Corporation also has a defined role under the new Western Australian Building and Construction Industry Code of Conduct 2016 to consider matters of non-compliance in practices and payment for subcontractors working on State Government construction projects. The code came into effect on 1 January 2017.
- The Alternative Dispute Resolution service continues to resolve disputes involving small businesses in a timely, non-legalistic and cost effective manner. Through this service, small business operators receive personalised, practical assistance to better understand their rights and responsibilities; clarify issues and explore options to resolve the dispute, with access to subsidised mediation.
- The Corporation is working with the Curtin University (the University), on mutually beneficial opportunities to enhance educational experiences of University law students whilst improving access to legal services for small businesses.
- The Corporation continues to influence the development of small business policies and regulatory settings across all tiers of government by advocating on behalf of individual small business operators, industry cohorts and the sector as a whole. This includes contributing to major policy and legislative reviews in order to foster a fair and conducive operating environment for small businesses in Western Australia. The Corporation also continued to provide guidance to State Government agencies as part of the State's Regulatory Impact Assessment process.
- The Corporation partnered in a national inquiry into payment practices in Australia. As improving cash flow for small businesses underpins resilience and creates more jobs, payment terms and times will continue to be a key focus of the Corporation with advocacy occurring across government and the private sector.
- The Corporation continues to offer educative and information sharing services to small business owners and other key stakeholders in the sector, facilitating small business growth and self-employment. This is achieved largely through the Corporation's workshop advisory programs. To extend reach, the Corporation has established the Industry Link program, which provides fundamental business management information to improve business skills and support better business practices.
- The Corporation's Business Local outreach service continues to deliver small business advice and guidance throughout the State. Delivered by a network of third party providers in 12 service areas across Western Australia, the free service is particularly focused on supporting higher quality business start-ups, with stronger business foundations, and as a consequence greater resilience. This service also underpins the creation of new job opportunities by assisting small businesses to grow their operations and explore new market initiatives as the State transitions to a more diversified, resilient economy.
- The Western Australian Business Migration program is a key investment attraction, job creation and job retention initiative for the State. Under this program, the Corporation provides State nominations for business migrants in a range of business and investment visa categories and promotes Western Australian opportunities in prime overseas markets. The program is expected to deliver over \$1 billion in new capital into the State over the forward estimates.

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 service and desired outcome, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcome	Service
Future Jobs and Skills: Grow and diversify the economy, create jobs and support skills development.	Development of new and existing Small Business in Western Australia.	1. Information, Guidance, Referral and Business Development Services

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. Information, Guidance, Referral and Business Development Services.....	12,315	13,514	14,514	13,735	12,857	12,731	12,819
Total Cost of Services	12,315	13,514	14,514	13,735	12,857	12,731	12,819

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: Development of new and existing Small Business in Western Australia:					
A random sample of clients was asked to rate the usefulness of the information/guidance provided to them by the Small Business Development Corporation:					
Very or somewhat useful.....	92%	93%	93%	93%	
Not very or not at all useful.....	7%	5%	7%	5%	
Neutral.....	1%	2%	0%	2%	

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

Services and Key Efficiency Indicators ^(a)**1. Information, Guidance, Referral and Business Development Services**

Provision of specialised information, referral, and business facilitation services for the effective development of enterprises in Western Australia.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	12,315	13,514	14,514	13,735	1
Less Income.....	576	312	1,312	852	2
Net Cost of Service.....	11,739	13,202	13,202	12,883	
Employees (Full Time Equivalents).....	51	56	55	55	
Efficiency Indicators					
Average Cost per Direct Client Contact/Equivalent ^(b)	\$20.59	\$22.12	\$39.74	\$38.91	3
Average Cost per Indirect Client Contact ^(c)	\$3.05	\$2.68	\$5.93	\$5.86	4
Average Cost per Business Local Client Contact ^(d)	\$139.47	\$104.08	\$145.16	\$147.24	5
Cost per Unit of Policy Advice ^(e)	\$1,184,508	\$1,412,104	\$1,305,327	\$1,268,718	

(a) Further detail regarding efficiency indicators is provided in the agency's Annual Report.

(b) Direct client contacts have contacted the Corporation for guidance or information either by a personal visit, by telephone or have visited the Corporation websites for four minutes or more, or have downloaded a license pack from the Business License Finder. Direct client contacts also include Corporation's workshop attendees.

(c) Indirect client contacts are exposed to a range of advisory, information, referral and business services that would impact on their growth and business development. These include attendees at award functions, expos or other forums which the Corporation has organised, has been the major sponsor where the focus has been on business development, or where the Corporation's representative has given an address on small business matters. This also includes Corporation website visits between two and four minutes.

(d) The Business Local service delivers small business services in 12 key areas across the State (including nine in regional Western Australia).

(e) Policy advice includes policy submissions, investigative research, ministerial correspondence, industry liaison and small business sector advocacy.

Explanation of Significant Movements

(Notes)

- The 2016-17 Estimated Actual Total Cost of Service has increased by \$1 million against the 2016-17 Budget due to additional expenditure for the On-demand Transport Reform project. Funding for the project was provided by the Department of Transport (Taxi Industry Development Account).
- The 2016-17 Estimated Actual Income has increased by \$1 million relating to funding from the Department of Transport for the On-demand Transport Reform project.
- The 2016-17 Estimated Actual for the Average Cost per Direct Client Contact/Equivalent has increased by \$17.62 compared to the 2016-17 Budget due to a significant reduction in the number of website visits following a redevelopment of the website, along with additional costs associated with the On-demand Transport Reform project.
- The 2016-17 Estimated Actual for the Average Cost per Indirect Client Contact has increased by \$3.25 compared to the 2016-17 Budget due to a significant reduction in the number of website visits following a redevelopment of the website.
- The 2016-17 Estimated Actual for the Average Cost per Business Local Client Contact has increased by \$41.08 compared to the 2016-17 Budget due to a reduction in the number of client sessions. The Business Local Service places a greater focus on complex business advice and support and as a consequence the client contact takes more time but delivers greater value to the client.

Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COMPLETED WORKS							
Furniture and Office Equipment Replacement							
2015-16 Program	120	120	109	-	-	-	-
2016-17 Program	120	120	120	-	-	-	-
NEW WORKS							
Furniture and Office Equipment Replacement							
2017-18 Program	120	-	-	120	-	-	-
2018-19 Program	120	-	-	-	120	-	-
2019-20 Program	120	-	-	-	-	120	-
2020-21 Program	120	-	-	-	-	-	120
Total Cost of Asset Investment Program.....	720	240	229	120	120	120	120
FUNDED BY							
Capital Appropriation			60	60	60	60	60
Drawdowns from the Holding Account.....			60	60	60	60	60
Internal Funds and Balances.....			109	-	-	-	-
Total Funding.....			229	120	120	120	120

Financial Statements

Income Statement

Expenses

Supplies and services expense is estimated to increase by \$1 million in the 2016-17 Estimated Actual compared to the 2016-17 Budget mainly due to the additional expenditure for the On-demand Transport Reform project. The On-demand Transport Reform project expense will reduce by \$500,000 in the 2017-18 Budget Estimate.

Income

The 2016-17 Estimated Actual was higher than the 2016-17 Budget for other revenue due to an additional \$1 million for the On-demand Transport Reform project. This reduces to \$500,000 in the 2017-18 Budget Estimate.

Statement of Cashflows

The On-demand Transport Reform project has increased supplies and services as well as receipts for the 2016-17 Estimated Actual and 2017-18 Budget Estimate compared to the 2016-17 Budget position.

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)	5,868	6,738	6,738	6,638	6,630	6,507	6,600
Grants and subsidies ^(c)	3,530	3,586	3,586	3,540	3,628	3,719	3,756
Supplies and services.....	1,423	1,589	2,589	1,938	1,008	872	786
Accommodation.....	1,119	1,185	1,185	1,219	1,261	1,303	1,347
Depreciation and amortisation.....	130	140	140	140	140	140	140
Other expenses.....	245	276	276	260	190	190	190
TOTAL COST OF SERVICES	12,315	13,514	14,514	13,735	12,857	12,731	12,819
Income							
Sale of goods and services.....	286	252	252	292	292	292	292
Grants and subsidies.....	70	-	-	-	-	-	-
Other revenue.....	220	60	1,060	560	30	30	30
Total Income	576	312	1,312	852	322	322	322
NET COST OF SERVICES	11,739	13,202	13,202	12,883	12,535	12,409	12,497
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	12,005	12,706	12,706	12,439	12,324	12,198	12,286
Resources received free of charge.....	177	190	190	190	190	190	190
Royalties for Regions Fund: Regional Community Services Fund.....	256	216	216	224	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	12,438	13,112	13,112	12,853	12,514	12,388	12,476
SURPLUS/(DEFICIENCY) FOR THE PERIOD	699	(90)	(90)	(30)	(21)	(21)	(21)

(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 51, 55 and 55 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
Business Local Service - Operational Grants.....	3,530	3,586	3,586	3,540	3,628	3,719	3,756
TOTAL	3,530	3,586	3,586	3,540	3,628	3,719	3,756

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	2,342	1,396	2,179	2,165	2,149	2,133	2,117
Restricted cash	88	15	53	53	53	53	53
Holding account receivables	60	60	60	60	60	60	60
Receivables	86	126	86	86	86	86	86
Other	241	288	108	140	179	184	164
Total current assets	2,817	1,885	2,486	2,504	2,527	2,516	2,480
NON-CURRENT ASSETS							
Holding account receivables	484	579	579	674	769	864	959
Property, plant and equipment	118	239	88	58	28	53	78
Intangibles	131	89	250	260	270	225	180
Total non-current assets	733	907	917	992	1,067	1,142	1,217
TOTAL ASSETS	3,550	2,792	3,403	3,496	3,594	3,658	3,697
CURRENT LIABILITIES							
Employee provisions	1,191	1,005	1,002	1,002	1,002	1,002	1,002
Payables	-	1	-	-	-	-	-
Other	85	130	147	210	269	294	294
Total current liabilities	1,276	1,136	1,149	1,212	1,271	1,296	1,296
NON-CURRENT LIABILITIES							
Employee provisions	279	289	289	289	289	289	289
Other	2	1	2	2	2	2	2
Total non-current liabilities	281	290	291	291	291	291	291
TOTAL LIABILITIES	1,557	1,426	1,440	1,503	1,562	1,587	1,587
EQUITY							
Contributed equity	1,299	1,359	1,359	1,419	1,479	1,539	1,599
Accumulated surplus/(deficit)	694	7	604	574	553	532	511
Total equity	1,993	1,366	1,963	1,993	2,032	2,071	2,110
TOTAL LIABILITIES AND EQUITY	3,550	2,792	3,403	3,496	3,594	3,658	3,697

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	11,850	12,551	12,551	12,284	12,169	12,043	12,131
Capital appropriation.....	60	60	60	60	60	60	60
Holding account drawdowns.....	60	60	60	60	60	60	60
Royalties for Regions Fund: Regional Community Services Fund.....	256	216	216	224	-	-	-
Net cash provided by State Government.....	12,226	12,887	12,887	12,628	12,289	12,163	12,251
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(6,133)	(6,690)	(6,690)	(6,587)	(6,579)	(6,456)	(6,549)
Grants and subsidies.....	(3,531)	(3,586)	(3,586)	(3,540)	(3,628)	(3,719)	(3,756)
Supplies and services.....	(1,266)	(1,431)	(2,431)	(1,828)	(829)	(693)	(607)
Accommodation.....	(1,124)	(1,185)	(1,185)	(1,219)	(1,261)	(1,303)	(1,347)
Other payments.....	(886)	(966)	(966)	(890)	(900)	(900)	(900)
Receipts							
Grants and subsidies.....	70	-	-	-	-	-	-
Sale of goods and services.....	286	252	252	292	292	292	292
GST receipts.....	689	690	690	690	690	690	690
Other receipts.....	229	60	1,060	560	30	30	30
Net cash from operating activities.....	(11,666)	(12,856)	(12,856)	(12,522)	(12,185)	(12,059)	(12,147)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(119)	(120)	(229)	(120)	(120)	(120)	(120)
Net cash from investing activities.....	(119)	(120)	(229)	(120)	(120)	(120)	(120)
NET INCREASE/(DECREASE) IN CASH HELD.....	441	(89)	(198)	(14)	(16)	(16)	(16)
Cash assets at the beginning of the reporting period.....	1,989	1,500	2,430	2,232	2,218	2,202	2,186
Cash assets at the end of the reporting period.....	2,430	1,411	2,232	2,218	2,202	2,186	2,170

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

Part 21

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

Summary of Portfolio Appropriations

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

Division 38 Mines, Industry Regulation and Safety

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

Appropriations, Expenses and Cash Assets ^(a)

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

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

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

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

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

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

(f) As at 30 June each financial year.

Spending Changes

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

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

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

Significant Issues Impacting the Agency

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

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

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

Resource Agreement

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

Outcomes, Services and Key Performance Information

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

Relationship to Government Goals

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

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

Service Summary

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

Outcomes and Key Effectiveness Indicators ^(a)

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

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

Explanation of Significant Movements

(Notes)

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

Services and Key Efficiency Indicators

1. Consumer Protection

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

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

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

Explanation of Significant Movements

(Notes)

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

2. Energy Safety

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

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

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

Explanation of Significant Movements

(Notes)

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

3. WorkSafe

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

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

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

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

Explanation of Significant Movements

(Notes)

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

4. Building Commission

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

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

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

Explanation of Significant Movements

(Notes)

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

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

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

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

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

Explanation of Significant Movements

(Notes)

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

6. Managing Land Access for Resource-related Activity

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

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

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

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

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

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

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

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

Explanation of Significant Movements

(Notes)

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

8. Labour Relations

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

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

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

Explanation of Significant Movements

(Notes)

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

Asset Investment Program

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

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

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

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

Financial Statements

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

Income Statement

Expenses

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

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

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

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

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

Income

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

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

Statement of Financial Position

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

Statement of Cashflows

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

INCOME STATEMENT ^(a)
(Controlled)

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

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

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

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

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

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

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

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

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

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

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

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

NET APPROPRIATION DETERMINATION ^(a)

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

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

DETAILS OF ADMINISTERED TRANSACTIONS

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

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

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

Agency Special Purpose Account Details

MINING REHABILITATION FUND

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

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

Division 39 Registrar, Western Australian Industrial Relations Commission

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

Appropriations, Expenses and Cash Assets

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

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

(b) As at 30 June each financial year.

Spending Changes

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

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

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

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

Service Summary

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

Outcomes and Key Effectiveness Indicators ^(a)

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

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

Services and Key Efficiency Indicators

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

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

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

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

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

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

Asset Investment Program

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

INCOME STATEMENT ^(a) (Controlled)

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

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

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

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

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

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

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

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

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

NET APPROPRIATION DETERMINATION ^(a)

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

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

WorkCover WA Authority

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

Asset Investment Program

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

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

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

Division 40 Western Australian Electoral Commission

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

Appropriations, Expenses and Cash Assets

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

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

(b) As at 30 June each financial year.

Spending Changes

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

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

Significant Issues Impacting the Agency

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

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

Service Summary

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

Outcomes and Key Effectiveness Indicators ^(a)

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

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

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

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

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

Explanation of Significant Movements

(Notes)

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

Services and Key Efficiency Indicators

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

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

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

Explanation of Significant Movements

(Notes)

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

Asset Investment Program

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

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

Financial Statements

Income Statement

Expenses

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

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

Income

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

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

Statement of Cashflows

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

INCOME STATEMENT ^(a)
(Controlled)

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

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

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

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

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

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

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

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

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

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

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

NET APPROPRIATION DETERMINATION ^(a)

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

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

Part 22

Minister for Transport; Planning; Lands

Summary of Portfolio Appropriations

Agency	2016-17 Budget \$'000	2016-17 Estimated Actual '000	2017-18 Budget Estimate '000
Transport			
– Delivery of Services	61,161	57,757	65,096
– Administered Grants, Subsidies and Other Transfer Payments	100	100	100
– Capital Appropriation	16,107	16,107	19,037
Total	77,368	73,964	84,233
Commissioner of Main Roads			
– Delivery of Services	937,533	923,910	896,877
– Capital Appropriation	251,453	307,721	316,371
Total	1,188,986	1,231,631	1,213,248
Public Transport Authority of Western Australia			
– Delivery of Services	359	359	359
– Capital Appropriation	576,384	576,384	190,431
Total	576,743	576,743	190,790
Western Australian Planning Commission			
– Delivery of Services	103,998	101,997	100,508
– Capital Appropriation	6,000	6,000	5,504
Total	109,998	107,997	106,012
Western Australian Land Information Authority			
– Delivery of Services	31,366	31,591	31,773
Total	31,366	31,591	31,773
GRAND TOTAL			
– Delivery of Services	1,134,417	1,115,614	1,094,613
– Administered Grants, Subsidies and Other Transfer Payments	100	100	100
– Capital Appropriation	849,944	906,212	531,343
Total.....	1,984,461	2,021,926	1,626,056

Division 41 Transport

Part 22 Minister for Transport; Planning; Lands

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 80 Net amount appropriated to deliver services	38,974	59,904	56,500	63,839	51,095	63,774	59,325
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	1,215	1,257	1,257	1,257	1,257	1,257	1,257
Total appropriations provided to deliver services.....	40,189	61,161	57,757	65,096	52,352	65,031	60,582
ADMINISTERED TRANSACTIONS							
Item 81 Western Australian Coastal Shipping Commission.....	100	100	100	100	100	100	100
CAPITAL							
Item 126 Capital Appropriation.....	10,134	16,107	16,107	19,037	15,239	19,291	18,146
TOTAL APPROPRIATIONS	50,423	77,368	73,964	84,233	67,691	84,422	78,828
EXPENSES							
Total Cost of Services.....	381,010	394,302	409,420	414,299	396,062	402,482	401,471
Net Cost of Services (a)	47,057	57,742	76,132	81,010	66,062	66,073	61,624
CASH ASSETS (b)	75,508	96,265	70,110	84,812	109,217	144,864	182,995

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

(b) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Election Commitments					
Broome Boat Harbour Planning.....	-	500	500	-	-
Broome Boating Facilities Upgrade	-	5,230	4,500	-	-
Fremantle Container Rail Service Subsidy Increase	(600)	713	2,616	2,997	3,479
Local Projects Local Jobs.....	124	449	1,860	-	-
Outer Harbour Planning	-	1,000	1,500	1,500	2,000
Planning for the Upgrade of Bremer Bay Boat Harbour.....	-	-	250	-	-
Trial of Subsidised Perth - Derby Regular Public Transport Air Services.....	-	-	1,000	-	-
Western Australian Bicycle Network - Principal Shared Path Program.....	-	-	-	12,660	20,000
Western Australian Bicycle Network and Bike Boulevards (Safe Active Streets) Grant Programs.....	(1,876)	1,876	3,000	5,340	5,340

	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
Other					
2017-18 Tariffs, Fees and Charges	-	3,495	1,749	(2,343)	(2,230)
Revision to Indexation for Non-Salary Expenses	-	(231)	(344)	(432)	(343)
Broome Cruise Ship Strategy	-	250	-	-	-
Busselton Margaret River Regional Airport	(500)	500	-	-	-
East Perth Multi-Modal Transport Initiatives	-	2,131	-	-	-
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(19)	(38)	(57)	(77)
Geraldton Airport Runway Pavement Renewal	-	4,900	1,600	-	-
Information Technology Services for					
Department of Planning, Lands and Heritage	-	364	331	331	331
Maintenance and Operational Requirements at Two Rocks Marina	-	2,400	-	-	-
On-demand Transport					
Funding of Regulatory Activities	-	(67)	(265)	3,878	2,679
Taxi Plate Owners Hardship Fund Administration	-	700	-	-	-
Road Trauma Trust Account Funding - Enhanced Speed Enforcement					
Administration Costs	-	2,409	2,499	-	-
Saving in 140 William Street Accommodation Costs	-	(129)	(131)	(132)	(133)

Significant Issues Impacting the Agency

- Western Australia's taxi and charter industry, consistent with national and international trends, has been faced with a range of challenges in recent years. Technological advances, changing customer expectations and the emergence of new competitors are driving a need for reform.

In March 2017, the State Government announced its intention to deliver a new direction for taxi and charter reform as a matter of priority. In 2017-18 new legislation bringing the taxi and charter industries under a single umbrella will be introduced. The legislation will set the minimum standards of safety required of drivers, vehicles and booking services operating within the taxi and charter industry and establish a chain of accountability for that safety.

- Recently Perth, along with other capital cities within Australia, has experienced a plateauing of cycling participation. In Perth, this has progressed to a strong decline in 2015-16 with the cycling data on the Principal Shared Path (PSP) network near the central business district showing an 8% decline in weekday trips and 9% for weekend trips. This trend appears to be continuing with recent count data and a participation survey for 2016-17 showing further declines.

The Government's increased investment in cycling infrastructure will attract more cyclists by providing safe and connected network in Perth. Additional funding will result in \$20 million funding for the PSP expansion program by 2019-20, \$3 million per annum for the Bike Boulevards (Safe Active Streets) program and \$5 million per annum for the Perth and Regional Bike Network Grants program in each of 2019-20 and 2020-21.

These infrastructure investments will support the increased use of cycling as a mode of transport.

- Demand for coastal infrastructure continues to grow with the ongoing need for new or improved facilities in both metropolitan and regional locations. To ensure this demand is met, the Department is focusing on a number of initiatives including:
 - Stage 3 of the Transforming Bunbury's Waterfront Project;
 - Broome Boating Facilities Upgrade Project;
 - replacement of Jetties B and C at Hillarys Boat Harbour;
 - construction of a public jetty in the Swan River on the Burswood Peninsula;
 - Broome Boat Harbour and Bremer Bay Boat Harbour planning; and
 - asset replacement works to improve structures at Two Rocks Marina.

- A significant proportion of metropolitan container movements occur on arterial roads between the key freight precinct of Kewdale/Forrestfield and the Port of Fremantle. In order to reduce the impact of an increasing freight task on metropolitan roads, the State Government is committed to increasing the volume of freight on rail. Road transport operates at a lower cost than rail transport, but does not take into account the negative externalities associated with heavy vehicle movements such as congestion, noise and pollution. An increase in the existing Fremantle Container Rail Subsidy will incentivise the use of rail transport, decreasing the number of heavy vehicle movements on metropolitan roads.
- The State Government has identified the need to develop a new whole of port master plan for the Port of Fremantle to define the long-term development vision, and the planning framework to support it. A Port of Fremantle master planning exercise will be undertaken, commencing with a 'clean slate' approach with extensive community and key stakeholder engagement.
- The Western Australian community continues to demand convenient access to the Department's information and transactions. Initiatives completed in 2016-17 and planned for 2017-18 include:
 - providing customers with partnered service arrangements for vehicle inspections and over the counter transactions;
 - strengthening governance and compliance programs through the use of advanced risk intelligence systems;
 - adding a range of marine transactions and the ability to make fleet renewals catering to the corporate sector through DoTDirect;
 - continued relationships with vendor partners to improve the functionality of the customer contact centre and its associated applications;
 - the ongoing review of vehicle licensing and inspection services which has led to a number of significant efficiencies for customers including the medical assessments reform;
 - the roll out of mobile tablets for practical driving assessments to all metropolitan centres in the 2017-18 financial year; and
 - free Wi-Fi at all Driver and Vehicle Service centres to allow customers to engage with the new digital displays incorporated in the customer flow systems and drive greater uptake of the digital services on offer.

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 Goals	Desired Outcomes	Services
Future Jobs and Skills: Grow and diversify the economy, create jobs and support skills development.	Integrated transport systems that facilitate economic development.	1. Strategic Transport Policy and Integrated Planning
Strong Communities: Safe communities and supported families.	Vehicles and road users that meet established vehicle standards and driver competencies to deliver safe vehicles and safe drivers.	2. Driver and Vehicle Services
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	An accessible and safe transport system.	3. Coastal Infrastructure 4. Marine Safety 5. On-demand Transport

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. Strategic Transport Policy and Integrated Planning	60,199	71,769	62,673	81,842	70,412	79,357	79,257
2. Driver and Vehicle Services	198,470	201,749	203,431	202,800	205,449	208,218	207,643
3. Coastal Infrastructure.....	67,861	63,886	64,353	70,608	67,437	61,014	61,791
4. Marine Safety.....	28,946	28,094	27,929	27,079	25,147	25,291	25,328
5. On-demand Transport.....	25,534	28,804	51,034	31,970	27,617	28,602	27,452
Total Cost of Services	381,010	394,302	409,420	414,299	396,062	402,482	401,471

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: Integrated transport systems that facilitate economic development:					
Percentage of containerised freight transported via rail in relation to total metropolitan container movements to and from the Port of Fremantle	14.6%	15.5%	14.7%	15.8%	
Percentage of regional Local Government Areas (LGAs) that have access to regular public transport air services between the LGA and Perth.....	93.5%	93.5%	93.5%	93.5%	
Outcome: Vehicles and road users that meet established vehicle standards and driver competencies to deliver safe vehicles and safe drivers:					
Percentage of vehicle examinations completed in accordance with the Australian Design Rules (Safe Vehicles).....	92.3%	100%	93%	100%	
Percentage of driver licences issued that comply with the Graduated Driver Training and Licensing System (Safe Drivers).....	98.5%	100%	96.5%	100%	
Percentage of driver's licence cards issued within 21 days of completed application.....	100%	100%	100%	100%	
Outcome: An accessible and safe transport system:					
Percentage by which, the waiting time standard, for metropolitan area taxis, is met.....	95.7%	91%	91.8%	91%	
Percentage of time maritime infrastructure is fit for purpose when required.....	99.1%	99.7%	99.8%	99.7%	
Rate of reported incidents (accidents) on the water per 100 commercial vessels surveyed.....	3.4	4.2	4.3	4.4	
Rate of reported incidents (accidents) on the water per 10,000 registered recreational vessels.....	11.5	9.6	11.9	11.1	

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

Services and Key Efficiency Indicators

1. Strategic Transport Policy and Integrated Planning

This service contributes towards the provision of leadership for strategic transport management, development and protection of economic nodes and networks through the provision of a range of services, including:

- analysis, planning and implementation of urban infrastructure projects and models to manage future travel demands;
- strategic policy development which supports the achievement of sustainable, effective and practical solutions for Western Australian transport networks and addresses capacity issues;
- policy advice and strategic transport solutions to Government;
- representation and negotiation, on behalf of the State Government, at national level transport-related forums to produce positive outcomes that promote and protect Western Australian interests;
- program management and delivery of major intermodal infrastructure planning and development activities that assists in economic development;
- quality assurance and assessment of the return on investment for Government funds in transport projects; and
- monitoring industry and public demand-growth to provide best practice transport channels and access which alleviates environmental impacts.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	60,199	71,769	62,673	81,842	1
Less Income.....	60,730	58,449	59,693	63,093	
Net Cost of Service.....	(531)	13,320	2,980	18,749	
Employees (Full Time Equivalents).....	107	103	104	114	
Efficiency Indicators					
Average Cost per Policy Hour for Strategic Transport Policy Development	\$96	\$106	\$108	\$111	
Average Cost per Planning Hour for Integrated Transport Planning Development.....	\$116	\$115	\$123	\$129	

Explanation of Significant Movements

(Notes)

1. The \$19.2 million increase in Total Cost of Service between the 2016-17 Estimated Actual and the 2017-18 Budget Target is primarily explained by changes in grant expenses. This includes the deferral of a \$10 million grant towards the Busselton Margaret River Regional Airport expansion project (from 2016-17 to 2017-18), the provision of a \$4.9 million Royalties for Regions funded grant towards works at Geraldton Regional Airport, and \$2.1 million in grants towards investment in intermodal transport initiatives in East Perth.

2. Driver and Vehicle Services

This service contributes towards the provision of safe, accessible, sustainable and efficient transport services and systems through the provision of driver licensing and vehicle registration services for:

- setting motor vehicle standards in accordance with national and State Government requirements, examining motor vehicles for compliance with those standards and registering and transferring compliant motor vehicles;
- setting standards and requirements for the issue of a driver's licence, in accordance with State Government legislation and national identity and security and privacy policies;
- assessing driver competency, issuing and renewing driver licences in accordance with national and State Government requirements and driver competency standards;
- securing and maintaining a database of registered vehicles and drivers, and managing vehicle identification numbers, to support the enforcement of road traffic and other relevant laws;
- collecting revenue on behalf of Government; and
- informing and educating road users about driver licensing, vehicle registration and related requirements.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	198,470	201,749	203,431	202,800	
Less Income.....	204,259	201,100	200,976	201,052	
Net Cost of Service.....	(5,789)	649	2,455	1,748	
Employees (Full Time Equivalents).....	972	1,003	1,006	968	
Efficiency Indicators					
Average Cost per Vehicle and Driver Transaction	\$18	\$18	\$18	\$18	
Average Cost per Vehicle Inspection Performed by Vehicle Examination Centres.....	\$288	\$251	\$248	\$272	
Average Cost per Vehicle Inspection Delivered Through Authorised Inspection Stations.....	\$121	\$106	\$111	\$116	
Average Cost per Driver Assessment.....	\$97	\$96	\$109	\$106	

3. Coastal Infrastructure

This service contributes towards the Department's outcome of an accessible and safe transport system through a range of coastal infrastructure services, including:

- planning, building and managing new and existing land and water-based maritime facilities;
- the provision of coastal engineering advice and solutions for new and existing land and water based maritime facilities; and
- the provision of oceanographic, hydrographic, cartographic and geographic information.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	67,861	63,886	64,353	70,608	
Less Income.....	39,250	40,986	44,789	42,398	
Net Cost of Service.....	28,611	22,900	19,564	28,210	
Employees (Full Time Equivalents).....	107	101	101	112	
Efficiency Indicator					
Average Cost per Day per Maritime Infrastructure Asset Managed.....	\$79	\$78	\$78	\$81	

4. Marine Safety

This service contributes towards the safe and sustainable use of navigable waters through the provision of a range of marine safety regulatory and education services, including:

- regulation and administration of marine industry service and safety standards, including on water compliance patrols;
- licensing of recreational vessels, marine safety education, navigational services and aids in accordance with relevant legislation; and
- marine protection through provision of a pollution response team.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 28,946	\$'000 28,094	\$'000 27,929	\$'000 27,079	
Less Income.....	27,189	23,146	23,238	22,491	
Net Cost of Service.....	1,757	4,948	4,691	4,588	
Employees (Full Time Equivalents).....	123	112	112	125	
Efficiency Indicators					
Average Survey Cost per Commercial Vessel.....	\$2,513	\$2,066	\$2,386	\$2,322	
Average Cost per Private Recreational Vessel Registration.....	\$107	\$127	\$137	\$150	
Cost to Maintain Marine Pollution Response Preparedness per Registered Vessel.....	\$23	\$31	\$31	\$30	

5. On-demand Transport

This service contributes towards the provision of safe, accessible and sustainable personal on-demand transport services and systems through the provision of services for:

- setting and monitoring standards for on-demand transport vehicles;
- testing and registration of new taxi drivers entering the industry;
- administering subsidies for taxi users, student and pensioner travel schemes; and
- investigating complaints from on-demand transport patrons, operators and drivers.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 25,534	\$'000 28,804	\$'000 51,034	\$'000 31,970	1
Less Income.....	2,525	12,879	4,592	4,255	
Net Cost of Service.....	23,009	15,925	46,442	27,715	
Employees (Full Time Equivalents).....	60	55	55	59	
Efficiency Indicator					
Cost of Regulation per Taxi Plate Administered.....	\$4,046	\$2,031	\$1,939	\$2,141	

Explanation of Significant Movements

(Notes)

1. The higher Total Cost of Service in the 2016-17 Estimated Actual is a result of the Transition Assistance Package for taxi plate owners, which was approved after the release of the 2016-17 Budget.

Asset Investment Program

The Department's Asset Investment Program for 2017-18 is \$33.3 million. Major projects include:

Exmouth Boat Harbour Upgrade

This \$18.3 million Royalties for Regions (RfR) funded project has extended the existing service wharf and includes a heavy lift and hardstand area capable of accommodating crane loads. The project also includes upgrades to services such as fire fighting and electrical, raising of the southern breakwater, the relocation of trawler pens to provide for the service wharf extension, road upgrades and improved water side access to facilities.

Perth Stadium Precinct Jetty - Burswood Park

This \$5 million project will provide a new, multi-purpose public jetty on the Swan River to service the new Perth Stadium precinct in Burswood. Construction commenced in April 2017 with the establishment of the landside passenger congregation area with further packages of work to construct the floating jetty and landscaping. This project is expected to be completed in time for the stadium opening in early 2018.

Transforming Bunbury's Waterfront - Stage 2 (Jetty Road)

This \$9.9 million RfR funded project is part of Stage 2 of the Transforming Bunbury's Waterfront initiative. Upgrades to the Jetty Road causeway will provide the enabling infrastructure for installation of new boat pens in future Stages 3a and 3b of the project. The works involve the reconstruction of the rock revetments, reconstruction of the access road including new parking bays, multi-use pathways, drainage, feature landscaping, public toilets, lighting and services upgrades. Design is underway with works due to commence in early 2018 and be completed in 2019.

Maritime Facilities Program

This program comprises asset replacement and additional public maritime infrastructure throughout the State to meet current and future boating demands. Significant projects planned to be undertaken in 2017-18 include upgrading road access in the southern area of Beadon Creek Maritime Facility in Onslow, commencing the replacement of Jetties B & C in Hillarys Boat Harbour and installation of additional floating pens in Two Rocks Marina.

Driver and Vehicle Services Reform Program

This program of works is to modernise driver and vehicle services information systems by implementing new technology that increases access to the Department's services and constrains the cost of fees and charges to the community. This program also enhances licensing centre facilities to improve customer service as well as meeting government accommodation standards for the Department's employees.

Information and Communications Infrastructure

This is a program for ongoing maintenance of information and communications infrastructure and applications for the Department as well as shared projects on behalf of the Department of Planning, Lands and Heritage including asset upgrade and replacement of data storage, networks, servers, communications hardware and corporate information systems.

On-demand Transport Business System Enhancement

This \$7.1 million project is approved to develop a full scope of system enhancement necessary to support the regulatory functions expected of the Department under a fully reformed on-demand transport industry. The funding has been allocated over three years from 2017-18, with the expectation of project completion by 2019-20. The project will enhance and corporately align the business systems needed for the annual authorisation and oversight of on-demand transport booking and dispatch services, vehicles, drivers and the ongoing education, enforcement and audit of all players in the safety chain of accountability.

	Estimated Total Cost	Estimated Expenditure to 30-6-17	2016-17 Estimated Expenditure	2017-18 Budget Estimate	2018-19 Forward Estimate	2019-20 Forward Estimate	2020-21 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
WORKS IN PROGRESS							
Coastal Infrastructure							
Perth Stadium Precinct Jetty - Burswood Park.....	5,000	500	500	4,500	-	-	-
Transforming Bunbury's Waterfront - Stage 2 (Jetty Road) (a).....	9,879	100	100	2,000	7,779	-	-
COMPLETED WORKS							
Coastal Infrastructure							
Exmouth Boat Harbour (a).....	18,291	18,291	13,266	-	-	-	-
Maritime Facilities - 2016-17 Program.....	8,659	8,659	8,659	-	-	-	-
Corporate - Accommodation and Refurbishment							
2016-17 Program.....	424	424	424	-	-	-	-
Driver and Vehicle Services							
Driver and Vehicle Services Reform - 2016-17 Program.....	5,989	5,989	5,989	-	-	-	-
Information and Communications Infrastructure							
2016-17 Program.....	5,371	5,371	5,371	-	-	-	-
Marine Safety							
Marine Oil Pollution Response Equipment							
Enhancement/Replacement - 2016-17 Program.....	200	200	200	-	-	-	-
Navigational Aids - 2016-17 Program.....	453	453	453	-	-	-	-
Vessel Replacement - 2016-17 Program.....	506	506	506	-	-	-	-
Minor Works - 2016-17 Program.....	22	22	22	-	-	-	-
NEW WORKS							
Coastal Infrastructure - Maritime Facilities Program							
2017-18 Program.....	10,803	-	-	10,803	-	-	-
2018-19 Program.....	4,400	-	-	-	4,400	-	-
2019-20 Program.....	9,896	-	-	-	-	9,896	-
2020-21 Program.....	8,844	-	-	-	-	-	8,844
Corporate - Accommodation and Refurbishment							
2017-18 Program.....	576	-	-	576	-	-	-
2018-19 Program.....	260	-	-	-	260	-	-
2019-20 Program.....	853	-	-	-	-	853	-
2020-21 Program.....	742	-	-	-	-	-	742
Driver and Vehicle Services							
Reform Program							
2017-18 Program.....	4,863	-	-	4,863	-	-	-
2018-19 Program.....	3,500	-	-	-	3,500	-	-
2019-20 Program.....	2,151	-	-	-	-	2,151	-
2020-21 Program.....	2,150	-	-	-	-	-	2,150
Information and Communications Infrastructure							
2017-18 Program.....	6,207	-	-	6,207	-	-	-
2018-19 Program.....	6,000	-	-	-	6,000	-	-
2019-20 Program.....	5,000	-	-	-	-	5,000	-
2020-21 Program.....	4,374	-	-	-	-	-	4,374
Marine Safety							
Marine Oil Pollution Response Equipment							
Enhancement/Replacement Program							
2017-18 Program.....	200	-	-	200	-	-	-
2018-19 Program.....	200	-	-	-	200	-	-
2019-20 Program.....	200	-	-	-	-	200	-
2020-21 Program.....	200	-	-	-	-	-	200
Navigational Aids Program							
2017-18 Program.....	250	-	-	250	-	-	-
2018-19 Program.....	515	-	-	-	515	-	-
2019-20 Program.....	721	-	-	-	-	721	-
2020-21 Program.....	854	-	-	-	-	-	854
Vessel Replacement							
2017-18 Program.....	470	-	-	470	-	-	-
2018-19 Program.....	580	-	-	-	580	-	-
2019-20 Program.....	580	-	-	-	-	580	-
2020-21 Program.....	580	-	-	-	-	-	580
Minor Works							
2017-18 Program.....	88	-	-	88	-	-	-
2018-19 Program.....	281	-	-	-	281	-	-
2019-20 Program.....	334	-	-	-	-	334	-
2020-21 Program.....	402	-	-	-	-	-	402
On-demand Transport Business System Enhancement.....	7,140	-	-	3,390	1,710	2,040	-
Total Cost of Asset Investment Program.....	139,008	40,515	35,490	33,347	25,225	21,775	18,146

	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
FUNDED BY							
Capital Appropriation			16,107	19,037	15,239	19,291	18,146
Internal Funds and Balances.....			4,432	6,445	2,207	2,484	-
Other			1,832	5,865	-	-	-
Drawdowns from Royalties for Regions Fund ^(b)			13,119	2,000	7,779	-	-
Total Funding			35,490	33,347	25,225	21,775	18,146

(a) Funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund.

Financial Statements

Income Statement

Expenses

The movement in the Total Cost of Services is primarily explained by changes to grant expenditure, such as:

- the deferral of a \$10 million grant towards the Busselton Margaret River Regional Airport project from 2016-17 to 2017-18; and
- approval of new grants, such as the Transition Assistance Package for taxi plate owners (predominately expended in 2016-17), and specific grants to be provided to local government authorities under the Recreational Boating Facilities Scheme (to the Shire of Broome) and Regional Airport Development Scheme (to the City of Greater Geraldton).

Income

The fluctuation in income from grants and subsidies is primarily explained by the provision of funding to the Department for specific, one-off projects such as the Perth Stadium Precinct Jetty project (which is funded by a grant from Burswood Park Board).

Statement of Financial Position

Changes to restricted cash have, in the past, primarily been attributable to the Perth Parking Licensing Account (PPLA) and Taxi Industry Development Account (TIDA). In 2016-17 a significant proportion of the restricted cash balance associated with TIDA was drawn down to fund the Transition Assistance Package. In the future, changes to restricted cash will mainly be attributable to the collection and allocation of PPLA funds. These funds will be allocated to projects that encourage a balanced transport system within the Perth Parking Management Area, subject to approval by the State Government.

Statement of Cashflows

The movement in receipts between regulatory fees and fines and taxation on the Statement of Cashflows is due to some motor vehicle fees which were previously shown as taxation now being recorded as regulatory fees and fines.

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)	138,381	140,481	139,094	139,891	141,573	143,806	145,777
Grants and subsidies ^(c)	86,877	101,759	115,615	118,672	101,572	105,480	105,778
Supplies and services	73,194	84,160	73,757	79,419	76,156	73,737	71,820
Accommodation	22,637	22,642	23,743	23,826	24,261	24,536	24,758
Depreciation and amortisation	20,697	17,914	22,374	22,367	22,368	22,657	22,695
Other expenses.....	39,224	27,346	34,837	30,124	30,132	32,266	30,643
TOTAL COST OF SERVICES	381,010	394,302	409,420	414,299	396,062	402,482	401,471
Income							
Sale of goods and services.....	21,946	22,956	22,956	23,583	23,701	23,826	23,939
Regulatory fees and fines.....	213,313	215,372	206,422	205,075	209,086	215,008	217,892
Grants and subsidies.....	9,885	8,301	9,345	16,288	8,637	8,478	8,478
Taxation.....	56,568	57,881	57,881	57,553	59,537	59,637	59,637
Other revenue.....	32,241	32,050	36,684	30,790	29,039	29,460	29,901
Total Income.....	333,953	336,560	333,288	333,289	330,000	336,409	339,847
NET COST OF SERVICES	47,057	57,742	76,132	81,010	66,062	66,073	61,624
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	40,189	61,161	57,757	65,096	52,352	65,031	60,582
Resources received free of charge	2,272	1,989	1,989	1,989	1,989	1,989	1,989
Royalties for Regions Fund:							
Regional Community Services Fund	29,275	34,270	32,519	44,964	42,184	34,334	34,334
Regional Infrastructure and Headworks Fund	5,953	5,065	4,277	707	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	77,689	102,485	96,542	112,756	96,525	101,354	96,905
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	30,632	44,743	20,410	31,746	30,463	35,281	35,281

(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 1,369, 1,378 and 1,378 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Australian Maritime Safety Authority.....	445	460	460	600	250	-	-
Aviation (Public Air Route) Subsidies	551	600	500	500	1,500	500	500
Bicycle Boulevards (Safe Active Streets)							
Program.....	1,812	-	1,124	4,876	3,000	3,000	3,000
CBD Transport Plan.....	3,301	2,250	2,550	2,250	2,250	2,250	2,250
Coastal Projects and Zone Management.....	1,057	1,057	757	757	1,057	1,057	1,057
Community Police.....	1,322	1,300	1,300	1,300	1,300	1,300	1,300
Country Age Pension Fuel Card Scheme	24,934	30,904	30,904	30,986	30,923	30,891	30,891
East Perth Multi Modal Transport Initiatives.....	-	-	-	2,131	-	-	-
Emergency Vehicle Insurance.....	101	120	120	120	120	120	120
Fare Subsidies (Pensioners).....	1,407	1,474	1,474	1,589	1,589	1,589	1,589
Fremantle Port Rail Service	3,005	3,144	2,544	3,640	5,250	5,250	5,250
Jurien Bay to Cervantes Trail.....	-	1,180	1,180	-	-	-	-
Local Projects Local Jobs.....	-	-	124	449	1,860	-	-
Marine Communications	642	662	662	670	670	670	670
Multi-purpose Taxi - Vehicle Modification Grant.....	75	345	345	345	345	345	345
National Transport Reforms	300	308	308	300	300	300	300
On-demand Transport Reform - Transition							
Assistance Package.....	-	-	24,000	3,674	329	486	486
Other Grants and Subsidies.....	726	267	319	299	279	279	279
Port of Wyndham	2,768	1,988	1,988	1,988	1,988	1,988	1,988
Public Transport Authority - CAT Bus Services.....	14,889	15,292	15,292	15,292	15,292	15,292	15,292
Rail Safety	2,578	-	-	-	-	-	-
Recreational Boat Facilities.....	4,091	4,262	4,385	7,355	6,000	1,500	1,500
Regional Airport Development Scheme	2,014	15,405	4,438	17,185	3,904	1,937	1,935
Student Fare Concessions	1,340	1,356	1,356	1,241	1,241	1,241	1,241
Taxi User Co-payment (Previously Lifting							
Subsidy).....	2,187	1,959	1,959	1,959	1,959	1,959	1,959
Taxi User Subsidy Scheme	8,765	8,826	8,826	8,826	8,826	8,826	8,826
Western Australian Bicycle Network.....	8,567	8,600	8,600	10,340	11,340	24,700	25,000
Yarloop Rail Platform.....	-	-	100	-	-	-	-
TOTAL	86,877	101,759	115,615	118,672	101,572	105,480	105,778

**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	25,055	40,217	31,201	19,248	13,171	8,940	7,267
Restricted cash	50,453	55,692	38,553	65,208	95,334	134,856	174,119
Receivables	8,257	11,631	8,257	8,257	8,257	8,257	8,257
Other.....	4,627	3,381	4,627	4,627	4,627	4,627	4,627
Total current assets	88,392	110,921	82,638	97,340	121,389	156,680	194,270
NON-CURRENT ASSETS							
Holding account receivables.....	201,068	216,582	216,582	236,457	256,332	276,495	296,696
Property, plant and equipment.....	442,886	477,366	456,783	468,544	472,182	472,081	468,313
Intangibles	27,079	20,731	26,298	25,517	24,736	23,955	23,174
Restricted cash	-	356	356	356	712	1,068	1,609
Total non-current assets	671,033	715,035	700,019	730,874	753,962	773,599	789,792
TOTAL ASSETS	759,425	825,956	782,657	828,214	875,351	930,279	984,062
CURRENT LIABILITIES							
Employee provisions	24,505	26,568	22,893	22,893	22,893	22,893	22,893
Payables	12,190	9,677	12,190	12,190	12,190	12,190	12,190
Other.....	6,695	7,282	6,740	6,784	7,140	7,496	7,852
Total current liabilities	43,390	43,527	41,823	41,867	42,223	42,579	42,935
NON-CURRENT LIABILITIES							
Employee provisions	6,367	6,108	6,367	6,367	6,367	6,367	6,367
Other.....	86	83	86	86	86	86	86
Total non-current liabilities	6,453	6,191	6,453	6,453	6,453	6,453	6,453
TOTAL LIABILITIES.....	49,843	49,718	48,276	48,320	48,676	49,032	49,388
EQUITY							
Contributed equity	479,825	490,635	484,214	497,981	514,299	533,590	551,736
Accumulated surplus/(deficit).....	227,455	278,131	247,865	279,611	310,074	345,355	380,636
Reserves.....	2,302	7,472	2,302	2,302	2,302	2,302	2,302
Total equity	709,582	776,238	734,381	779,894	826,675	881,247	934,674
TOTAL LIABILITIES AND EQUITY	759,425	825,956	782,657	828,214	875,351	930,279	984,062

(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.....	24,675	45,647	42,243	45,221	32,477	44,868	40,381
Capital appropriation.....	10,134	16,107	16,107	19,037	15,239	19,291	18,146
Royalties for Regions Fund:							
Regional Community Services Fund.....	29,275	34,270	32,519	44,964	42,184	34,334	34,334
Regional Infrastructure and Headworks Fund.....	12,019	16,640	17,396	2,707	7,779	-	-
Receipts paid into Consolidated Account.....	(2,039)	-	(881)	-	(6,700)	-	-
Net cash provided by State Government.....	74,064	112,664	107,384	111,929	90,979	98,493	92,861
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(142,892)	(140,125)	(140,350)	(139,535)	(141,217)	(143,450)	(145,421)
Grants and subsidies.....	(86,277)	(101,759)	(115,615)	(118,672)	(101,572)	(105,480)	(105,778)
Supplies and services.....	(70,002)	(80,338)	(69,935)	(75,623)	(72,341)	(69,910)	(67,981)
Accommodation.....	(22,699)	(22,642)	(23,743)	(23,826)	(24,261)	(24,536)	(24,758)
Other payments.....	(63,444)	(55,885)	(63,044)	(58,637)	(58,664)	(60,810)	(59,199)
Receipts ^(b)							
Regulatory fees and fines.....	172,096	170,300	206,111	204,763	209,086	215,008	217,892
Grants and subsidies.....	10,731	8,301	9,345	16,288	8,637	8,478	8,478
Sale of goods and services.....	22,164	22,956	22,956	23,583	23,701	23,826	23,939
Taxation ^(c)	97,937	102,642	57,881	57,553	59,537	59,637	59,637
GST receipts.....	23,743	26,706	26,706	26,706	26,706	26,706	26,706
Other receipts.....	33,192	32,050	36,684	30,790	29,039	29,460	29,901
Net cash from operating activities.....	(25,451)	(37,794)	(53,004)	(56,610)	(41,349)	(41,071)	(36,584)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(24,095)	(32,629)	(35,490)	(33,347)	(25,225)	(21,775)	(18,146)
Proceeds from sale of non-current assets.....	131	-	-	-	-	-	-
Net cash from investing activities.....	(23,964)	(32,629)	(35,490)	(33,347)	(25,225)	(21,775)	(18,146)
NET INCREASE/(DECREASE) IN CASH HELD.....							
	24,649	42,241	18,890	21,972	24,405	35,647	38,131
Cash assets at the beginning of the reporting period.....	90,555	74,447	75,508	70,110	84,812	109,217	144,864
Net cash transferred to/from other agencies.....	(39,696)	(20,423)	(24,288)	(7,270)	-	-	-
Cash assets at the end of the reporting period.....	75,508	96,265	70,110	84,812	109,217	144,864	182,995

(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.

(c) Some motor vehicle fees which were shown as taxation in the 2016-17 Budget Papers have now been grouped under regulatory fees and fines.

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
Regulatory Fees and Fines							
Motor Driver Licence Fees.....	48,181	47,735	47,735	46,286	48,857	52,311	50,679
Motor Driver Application and Other Fees.....	15,751	16,148	16,146	15,628	15,822	16,018	16,217
Motor Vehicle Recording Fee.....	59,558	55,884	55,884	59,355	59,651	59,950	60,249
Other Driver and Vehicle Services Fees.....	6,394	6,672	6,664	6,743	7,038	7,079	7,109
Motor Vehicle Plate Fees.....	14,615	16,717	16,717	15,356	15,432	15,508	15,585
Motor Vehicle Inspection Fees.....	12,807	14,221	14,221	13,337	13,403	13,470	13,538
Motor Vehicle Transfer Fees.....	10,480	10,504	10,504	10,213	10,264	10,315	10,367
Omnibus Licence Fees.....	1,388	1,364	2,283	2,548	2,612	1,887	5,268
Taxi Licence Fees.....	8,524	10,266	1,690	1,482	1,526	3,586	3,586
Boat Registration Fees.....	17,707	17,667	18,385	19,030	19,088	19,145	19,201
Other Marine Safety Fees.....	1,264	1,950	1,232	1,180	1,174	1,174	1,175
Jetty Licences and Coastal Facility Fees.....	11,665	15,235	13,952	12,972	13,433	13,769	14,113
West Australia Photo Card.....	705	698	698	633	786	796	805
Rail Safety Fees.....	3,879	-	-	-	-	-	-
Grants and Subsidies							
Grants and Contributions Received.....	10,731	8,301	9,345	16,288	8,637	8,478	8,478
Sale of Goods and Services							
Sales of Goods and Services.....	22,164	22,956	22,956	23,583	23,701	23,826	23,939
Taxation							
Perth Parking Levy.....	57,115	57,881	57,881	57,553	59,537	59,637	59,637
GST Receipts							
GST Input Credits.....	16,854	18,825	18,825	18,825	18,825	18,825	18,825
GST Receipts on Sales.....	6,889	7,881	7,881	7,881	7,881	7,881	7,881
Other Receipts							
Rents and Leases.....	16,160	15,733	15,409	16,801	17,221	17,651	18,092
Service Delivery Agreement.....	4,879	4,642	4,642	3,740	1,967	1,967	1,967
Interest Revenue.....	1,598	1,424	748	373	296	296	296
Other Revenue.....	10,555	10,251	15,885	9,876	9,555	9,546	9,546
TOTAL	359,863	362,955	359,683	359,683	356,706	363,115	366,553

(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							
Taxation							
Motor Vehicle Licence Fees.....	831,148	862,526	842,741	873,661	911,536	951,125	992,510
Fines							
Speed and Red Light Fines.....	89,765	91,244	82,271	98,435	91,444	86,987	86,281
Final Demand Fees.....	2,173	2,000	2,000	2,000	2,000	2,000	2,000
Plate and Transfer Infringements.....	8,954	8,527	8,527	8,305	8,304	8,304	8,304
Other Fines.....	22,392	31,232	31,232	23,028	23,028	23,028	23,028
Other							
Firearm Licence Fees.....	4,043	4,099	4,099	4,203	4,308	4,416	4,416
Dealer Plates Annual Fees.....	121	112	112	-	-	-	-
Off Road Vehicle Fees.....	58	61	57	58	58	59	59
Collection of Interstate Licence Fees.....	2,971	3,070	3,070	1,773	-	-	-
Appropriation.....	100	100	100	100	100	100	100
TOTAL ADMINISTERED INCOME	961,725	1,002,971	974,209	1,011,563	1,040,778	1,076,019	1,116,698
EXPENSES							
Statutory Authorities							
Western Australian Coastal Shipping Commission.....	100	100	100	100	100	100	100
Other							
Payments to Consolidated Account.....	864,793	908,500	888,712	911,196	949,175	988,873	1,030,258
Payment to Road Trauma Trust Fund.....	93,807	91,244	82,270	98,436	91,445	86,987	86,281
Payment to Off Road Vehicle Trust Account....	54	57	57	58	58	59	59
All Other Expenses.....	2,971	3,070	3,070	1,773	-	-	-
TOTAL ADMINISTERED EXPENSES	961,725	1,002,971	974,209	1,011,563	1,040,778	1,076,019	1,116,698

Division 42 Commissioner of Main Roads

Part 22 Minister for Transport; Planning; Lands

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 82 Net amount appropriated to deliver services	291,195	318,199	321,199	331,154	327,869	361,205	384,334
Amount Authorised by Other Statutes							
- Road Traffic Act 1974	585,042	618,909	602,286	565,298	681,299	757,110	798,127
- Salaries and Allowances Act 1975	402	425	425	425	425	425	425
Total appropriations provided to deliver services.....	876,639	937,533	923,910	896,877	1,009,593	1,118,740	1,182,886
CAPITAL							
Capital Appropriation	41,420	-	61,045	-	-	55,623	40,496
Road Traffic Act 1974	252,753	251,453	246,676	316,371	238,421	202,375	202,983
TOTAL APPROPRIATIONS	1,170,812	1,188,986	1,231,631	1,213,248	1,248,014	1,376,738	1,426,365
EXPENSES							
Adjusted Total Cost of Services ^(a)	1,460,593	1,683,427	1,488,333	1,967,665	1,587,804	1,385,901	1,221,665
Adjusted Net Cost of Services ^(b)	405,466	904,358	979,186	734,934	612,173	923,463	1,103,488
CASH ASSETS ^(c)	460,207	393,791	270,518	385,098	307,382	276,137	258,154

- (a) Adjusted Total Cost of Services excludes non-cash adjustments and local government network adjustments, and includes road works capitalised to infrastructure. This accounts for the difference between the figure in the Income Statement and that shown in this table and the Service Summary. Refer to the Total Cost of Services Reconciliation table.
- (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					
Bassendean Road Improvements	-	100	-	-	-
Bidyadanga Road - Sealing.....	-	2,000	2,000	-	-
Collie Preston Roads - Upgrades Over Multiple Local Roads	-	-	15,000	-	-
Erindale Road - Intersection Upgrades on Boya Road.....	-	750	-	-	-
Intersection Upgrades - Paget Street/South Street, Hampton Road/Scott Street and South Terrace/Little Lefroy Lane	-	650	-	-	-
Lightning Park Access Roads ^(a)	-	-	3,000	-	-
Marmion Avenue Duplication.....	23,000	-	-	-	-
Nicholson Road - Improvements to Roundabout Flow at Yale Road and Garden Street	-	-	500	-	-
Scarborough Beach Road - Intersection Upgrades at Main Street, Brady Street and Green Street	-	500	2,500	-	-
Stephenson Avenue - Scarborough Beach Road to Mitchell Freeway.....	-	1,000	3,000	15,000	41,000
Town of Vincent Pedestrian Crossings	600	-	-	-	-
Walter Road - Intersection Upgrade at Wellington Road.....	-	-	1,000	-	-

	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
Other					
Agency Expenditure Review Savings - Reallocation from Recurrent to Capital.....	-	14,198	(1,903)	3,905	3,905
East Perth Multi-Modal Transport Initiatives.....	-	1,700	-	-	-
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(6)	(13)	(19)	(26)
Grants Adjustment - Legislative Council Disallowance Motion	-	(10,300)	(9,800)	(9,800)	(9,800)
Increase Western Australia Natural Disaster Relief and Recovery Arrangements Grants.....	15,300	87,900	30,000	30,000	30,000
Maintenance and Depreciation.....	-	-	-	14,150	37,250
Motor Vehicle Licence Fees Adjustment.....	-	(20,248)	(14,542)	(8,280)	33,105
Perth Freight Link - Finalisation.....	84,100	-	-	(15,124)	(15,000)
Revision to Indexation for Non-Salary Expenses	-	(5,240)	(10,545)	(15,893)	(21,216)
Square Kilometre Array - Road Access	-	10,000	12,000	4,000	3,000
Swan River Pedestrian Bridge.....	-	35,176	-	-	-

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

Significant Issues Impacting the Agency

- The strength of Main Roads' strategic direction 'Keeping WA Moving' is its design to drive beyond the traditional three to five year planning horizon. Keeping WA Moving prepares Main Roads to be well positioned to respond in a fast changing world. It sets a direction for 10, 20 and even 30 years in the future, recognising that Main Roads needs to prepare now.

Keeping WA Moving helps Main Roads to achieve its aspiration "to provide world class outcomes for the customer through a safe, reliable and sustainable road-based transport system". Part of achieving this is being aware of what is happening across the world and positioning Main Roads to take advantage of new and emerging opportunities as they evolve.

- The number of people that are killed or seriously injured whilst travelling on the State's road network continues to be a significant concern and is not acceptable. Achieving road safety benefits from infrastructure investment programs and continuing to address the disproportionate number of deaths and injuries occurring on regional and remote roads remains a significant issue and a priority for Main Roads.
- As Western Australia's population continues to grow, Infrastructure Australia predicts congestion will cost the State \$16 billion a year in lost productivity by 2031. There is no single solution to the traffic congestion challenge and Main Roads' Congestion Management Program focuses on multiple strategies and projects to address this issue. Together with the Department of Transport and the Public Transport Authority, Main Roads will continue to implement congestion management measures to improve transport movement for Western Australia.
- Regional freight movements are forecast to increase from current levels by 100% and the metropolitan freight task is expected to grow by 3.8 billion tonne kms per annum by 2031. It is generally agreed that there has been a plateau of growth in productivity around heavy vehicles, which can potentially be addressed through new technologies. The opportunity to explore this issue further as the economy grows to improve freight efficiency to ports will continue to be an issue in both metropolitan and rural areas.
- Autonomous and connected vehicles, ride sharing and electric vehicles will contribute to a safer and more efficient transport system. Main Roads is working closely with others across Australia and internationally, seeking to understand the possibilities and implications for the road network and the broader integrated land transport system of these innovative technologies. The difficulty associated with predicting when a critical mass of the new technology being available and adopted is a significant issue for urban and transport planners internationally.
- The identification of new skills and capabilities required by the road sector to meet future growth and needs is not yet fully understood as these new technologies mature and evolve. Research is required at the national level to enable road agencies to work collaboratively across the road sector and with all levels of educational institutions to ensure mid to long-term strategic workforce planning needs are identified and addressed.
- Road pavements and bridges are increasingly exceeding the cost effectiveness of maintenance works whereby extensive asset rehabilitation or replacement is required. Considerable post-war construction activity around 60 to 70 years ago means that, inevitably, many road assets are reaching the end of their design lives.

- Bridges are crucial pieces of infrastructure that are diverse in terms of purpose, form and configuration. Managing in excess of 1,150 individual bridge assets presents a challenge of maintaining levels of service and ensuring route continuity, especially for freight. In 10 years, over 40% of the State's timber bridges will be more than 80 years old. Given the design life of these assets is between 40 and 60 years, the State has maintained them exceedingly well. However, this cannot continue indefinitely and investigation into different funding options and strategies is underway.
- There is a growing call for open data that can be freely used, re-used and redistributed by anyone. Main Roads is providing public access to its vast and varied resource of data with the aim of contributing to enhanced economic and social benefits. Making data discoverable and more broadly available creates significant opportunities to explore and develop transport-related products and services for Main Roads' customers.
- When measured by replacement value, infrastructure damaged by declared events, mainly flooding, continues to rise. Main Roads works with the Office of Emergency Management to support local government authorities with repairs and restoration activities under the Western Australian Natural Disaster Relief and Recovery Arrangements. Whilst this is an increasing issue, particularly for Main Roads' regional offices, it is a service that greatly benefits local governments and regional road customers.

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 Goals	Desired Outcomes	Services
Future Jobs and Skills: Grow and diversify the economy, create jobs and support skills development.	Facilitate economic and regional development.	1. Infrastructure for State Development
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	Reliable and efficient movement of people and goods.	2. Road System Management 3. Road Efficiency Improvements
	A well maintained road network.	4. Road Network Maintenance
Strong Communities: Safe communities and supported families.	A safe road environment.	5. Road Safety
	Improved community access and roadside amenity.	6. Infrastructure for Community Access

Service Summary (Adjusted Total Cost of Services)

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. Infrastructure for State Development	124,299	470,905	387,121	713,667	474,854	309,274	255,272
2. Road System Management	115,711	158,649	133,965	209,189	187,076	190,773	173,221
3. Road Efficiency Improvements	555,520	525,787	339,565	416,960	349,517	255,337	128,947
4. Road Network Maintenance	404,132	343,046	398,365	438,460	452,822	513,560	567,905
5. Road Safety	231,656	179,816	209,794	162,081	84,670	100,785	80,909
6. Infrastructure for Community Access.....	29,275	5,224	19,523	27,308	38,865	16,172	15,411
Total Cost of Services	1,460,593	1,683,427	1,488,333	1,967,665	1,587,804	1,385,901	1,221,665

Total Cost of Services - Reconciliation Table (Adjusted to Income Statement)

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
Adjusted Total Cost of Services.....	1,460,593	1,683,427	1,488,333	1,967,665	1,587,804	1,385,901	1,221,665
Non-cash Adjustments							
Road Infrastructure Depreciation ^(a)	340,308	371,314	371,314	384,711	378,871	402,475	402,475
Road Transfers and Retirements ^(b)	101,582	89,666	89,666	41,709	34,431	12,983	12,983
Local Government Network Adjustments							
State Road Funds to Local Government							
Agreement ^(c)	167,709	172,380	162,642	183,917	181,623	189,936	198,627
Major Works on Local Government Roads ^(d) ..	30,569	105,235	120,457	64,267	38,500	45,000	44,000
Natural Disaster Expenditure on Local							
Government Roads ^(e)	32,257	10,000	45,869	99,620	42,000	42,000	42,000
Road Infrastructure Capital Works ^(f)	(1,017,989)	(1,229,267)	(979,336)	(1,467,505)	(989,050)	(736,146)	(542,256)
Total Cost of Services	1,115,029	1,202,755	1,298,945	1,274,384	1,274,179	1,342,149	1,379,494

- (a) Road Infrastructure Depreciation for 2015-16 onwards includes capitalisation of reseals.
- (b) Road Transfers and Retirements reflect retired non-current fixed assets expense and expenditure related to non-current fixed assets transferred to local authorities, both of which are non-cash transactions.
- (c) State Road Funds to Local Government Agreement estimates from 2018-19 onwards are indicative. The current Agreement expired at the end of 2015-16, however funding levels have been set for 2016-17 and 2017-18.
- (d) Major Works on Local Government Roads include the Mandurah Traffic Bridge, Marmion Avenue works and an allocation for Stephenson Avenue.
- (e) Natural Disaster Expenditure on Local Government Roads estimates reflect a base notional allocation, which is updated when actual natural disaster event expenditure is recouped.
- (f) Road Infrastructure Capital Works reflects road works expenditure capitalised to infrastructure which has been removed from the Income Statement in accordance with Australian Accounting Standard AASB 1055.

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: Facilitate economic and regional development:					
Return on construction expenditure	4.2	4.5	3.2	2.7	1
Outcome: Reliable and efficient movement of people and goods:					
Community satisfaction.....	91%	90%	90%	90%	
Road network permitted for use by heavy freight vehicles					
B-Doubles 27.5m	98%	96%	97%	96%	
Double road trains 27.5m	97%	96%	97%	96%	
Double road trains 36.5m	80%	78%	80%	78%	
Triple road trains 53.5m.....	45%	44%	45%	44%	
Network configuration - roads.....	91%	90%	90%	90%	
Network configuration - bridges					
Strength	90%	90%	90%	91%	
Width	96%	96%	96%	96%	
Outcome: A well maintained road network:					
Smooth travel exposure	n/a	97%	97%	n/a	2
Community satisfaction with road maintenance	88%	90%	90%	90%	
Preventative maintenance indicator.....	87%	85%	85%	85%	
Outcome: A safe road environment:					
Community satisfaction with road safety.....	91%	90%	90%	90%	
Blackspot location indicator.....	9.10	8.55	8.43	8.26	
Outcome: Improved community access and roadside amenity:					
Percentage of the year that 100% of Main Roads' State road network is available.....	87%	95%	97%	95%	
Community satisfaction with cycleways and pedestrian facilities.....	83%	90%	87%	90%	

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

Explanation of Significant Movements

(Notes)

- Return on construction expenditure is lower than expected for the 2016-17 Estimated Actual due to expenditure on larger projects being lower than expected, with a lower target for 2017-18 also due to lower expenditure expected on the higher rated Benefit Cost Ratio projects.
- The smooth travel exposure indicator is measured every other year, therefore there is no indicator available for 2015-16 or 2017-18.

Services and Key Efficiency Indicators

1. Infrastructure for State Development

The objective of this program is to expand the road network in accordance with Government transport and land use strategies that will facilitate the economic and regional development of the State. These works are mostly aimed at increasing the capacity of the road network through the addition of new links, which include town bypasses.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	124,299	470,905	387,121	713,667	1,2
Less Income.....	264,715	254,707	135,440	586,471	3
Net Cost of Service.....	(140,416)	216,198	251,681	127,196	
Employees (Full Time Equivalents).....	130	130	130	115	
Efficiency Indicators					
Percentage of Projects Completed on Time.....	100%	90%	100%	90%	
Percentage of Projects Completed on Budget.....	100%	90%	100%	90%	

Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service between the 2015-16 Actual and the 2016-17 Budget is due mainly to works on the Swan Valley Bypass and the Tonkin Highway grade separation projects.
2. The movement in Total Cost of Service between the 2016-17 Budget, 2016-17 Estimated Actual and 2017-18 Budget Target years are mainly due to the works program of the Swan Valley Bypass project.
3. Income for the 2015-16 Actual was mainly due to the receipt of Commonwealth infrastructure grants in advance in recognition of Western Australia’s low 2017-18 GST share that will be used against this program. Funding fluctuates with Commonwealth funding approvals.

2. Road System Management

The objective of this program is to optimise real time management of the network, provide traveller information and support delivery of projects. Works include activities of the traffic operation centre, heavy vehicle operation activities, metropolitan and regional road asset management, road user and customer services, emergency telephones, street lighting, intelligent transport systems, traffic signals and road advisory services to the community.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	115,711	158,649	133,965	209,189	1
Less Income.....	8,478	5,647	11,137	15,348	
Net Cost of Service.....	107,233	153,002	122,828	193,841	
Employees (Full Time Equivalents).....	566	571	562	571	
Efficiency Indicator					
Average Cost of Network Management per Million Vehicle Kilometres Travelled.....	\$5,358	\$5,578	\$5,350	\$5,300	

Explanation of Significant Movements

(Notes)

1. The increased works budgeted for in the 2016-17 year have been delayed until 2017-18; areas covered include network operations and monitoring traffic flows on the network.

3. Road Efficiency Improvements

The objective of this program is to improve the efficiency, capacity and utilisation of the existing road network. Improvements include providing a road of improved standard through geometric improvements, road widening, bridge strengthening and intersection improvements including roundabouts and interchanges.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	555,520	525,787	339,565	416,960	1,2
Less Income.....	508,898	339,513	112,608	407,060	3
Net Cost of Service.....	46,622	186,274	226,957	9,900	
Employees (Full Time Equivalents).....	93	93	93	93	
Efficiency Indicators					
Percentage of Projects Completed on Time.....	100%	90%	85%	90%	
Percentage of Projects Completed on Budget.....	97%	90%	100%	90%	

Explanation of Significant Movements

(Notes)

1. The reduction between the 2016-17 Budget and the 2016-17 Estimated Actual is mainly due to the reduction in works on the Perth Freight Link.
2. The increase between the 2016-17 Estimated Actual and the 2017-18 Budget Target is mainly due to works on the Armadale Road duplication, Bow River Bridge and the Wyndham Spur.
3. Income increase in both the 2015-16 Actual and 2017-18 Budget Target years is mainly due to the receipt of Commonwealth infrastructure grants in advance in recognition of Western Australia's low 2017-18 GST share.

4. Road Network Maintenance

The objective of this program is to maintain the existing road and bridge network by maximising asset life and minimising whole of life costs. Works include routine maintenance (crack patching, patching of potholes, control of declared plants and weeds, graffiti removal and litter collections), periodic maintenance (repairs to pavements, culverts and bridge decks, sealing and re-sealing of road surfaces and replacing line markings), rehabilitation works where the primary reason for the works is due to pavement failure and managing and administering various Integrated Service Arrangements.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	404,132	343,046	398,365	438,460	1
Less Income.....	129,009	51,578	115,022	112,738	2
Net Cost of Service.....	275,123	291,468	283,343	325,722	
Employees (Full Time Equivalents).....	146	146	146	146	
Efficiency Indicator					
Average Cost of Road Network Maintenance per Lane Kilometre of Network.....	\$7,518	\$6,750	\$7,000	\$7,250	

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service movements within the Road Network Maintenance program are due mainly to third party works.
2. The income movements within the Road Network Maintenance program are due mainly to third party works.

5. Road Safety

The objective of this program is to reduce the road fatality rate to be the lowest in Australia, minimise road factors contributing to road trauma and reduce the serious crash injury rate. Works undertaken have safety as the foremost factor and include the State and national Black Spot programs and various projects that improve safety on the existing road network including passing lanes.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	231,656	179,816	209,794	162,081	1,2
Less Income.....	119,965	124,524	129,523	86,097	2
Net Cost of Service.....	111,691	55,292	80,271	75,984	
Employees (Full Time Equivalents).....	50	50	50	50	
Efficiency Indicators					
Percentage of Projects Completed on Time.....	91%	90%	95%	90%	
Percentage of Projects Completed on Budget.....	98%	90%	92%	90%	

Explanation of Significant Movements

(Notes)

1. The reduction in Total Cost of Service between the 2015-16 Actual and 2016-17 Budget was mainly due to advanced works on the Guildford Road/Tonkin Highway intersection and Marmion Avenue/Mullaloo Drive works.
2. The reduction in the Total Cost of Service and income for the 2017-18 Budget Target is mainly due to Road Trauma Trust Account funded works.

6. Infrastructure for Community Access

The objective of this program is to provide infrastructure that will improve personal mobility and community access, including increasing the quality of access where appropriate, providing levels of access commensurate with community expectations and meeting minimal levels of appropriate access. Works include providing access to remote communities, pedestrian facilities, cyclist facilities, vulnerable road users' facilities, road user amenities, public transport integration and improvements such as new bridges to address flood closures.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	29,275	5,224	19,523	27,308	1
Less Income.....	24,062	3,100	5,417	25,017	
Net Cost of Service.....	5,213	2,124	14,106	2,291	
Employees (Full Time Equivalents).....	28	28	28	28	
Efficiency Indicators					
Percentage of Projects Completed on Time.....	91%	90%	100%	90%	
Percentage of Projects Completed on Budget.....	100%	90%	100%	90%	

Explanation of Significant Movements

(Notes)

1. The increase between the 2016-17 Budget and the 2016-17 Estimated Actual is mainly due to works on the Gibb River Road.

Asset Investment Program

Investment in the road network to enhance and expand the existing asset is critical for Main Roads to deliver services that benefit the community and respond to current and future levels of demand. An integrated transport network makes provision for freight, commercial and passenger vehicles as well as providing mobility access and active transport options including cyclist and pedestrian facilities. In addition, Main Roads actively co-ordinates and consults with the Department of Transport and the Public Transport Authority to deliver multi-modal transport solutions that support a progressive and developing city and State.

For 2017-18, significant election commitments relating to major Capital Road Infrastructure works are discussed below.

Karratha - Tom Price Road

The first stage of sealing the remaining 155 km section of the Karratha-Tom Price Road will improve access between the two regional centres and provide better driving conditions for tourists and mining operations. This will reduce the journey from Karratha to Tom Price by 60 kms, equating to an hour of travel time compared to the current low standard, unsealed road.

Reid Highway, Altone Road to West Swan Road - Construction of a Dual Carriageway

Reid Highway is a strategic east-west route for industry and commuters traversing Perth's northern suburbs. The 4 km section between Altone Road and West Swan Road is the final remaining single carriageway section on the entire length of Reid Highway. Widening this section of road will ease congestion, improve travel times and enhance safety. A new shared path will also improve cyclist and pedestrian access to the Swan Valley.

Roe Highway and Kalamunda Road, Grade Separated Intersection

This intersection is one of the last remaining signalised intersections on Roe Highway. The scope of work involves lowering Roe Highway under Kalamunda Road. The outcomes of this project will be reduced congestion and enhanced safety for all road users. It will also allow more efficient, reliable movement of freight on Perth's primary orbital route.

Wanneroo Road and Ocean Reef Road, Grade Separated Intersection

This intersection has been recognised for many years as a critical point on the regional road network for freight and general traffic. This intersection is the seventh most congested intersection in Perth and both roads carry very high volumes of traffic. Grade separating this intersection will improve traffic flow and ease congestion as well as improve safety for all road users.

Armadale Road Bridge (North Lake Road)

Construction of the bridge will connect North Lake Road and Armadale Road and include north facing on and off ramps to Kwinana Freeway. This project will reduce congestion, enhance safety and improve access to the Cockburn Central Train Station. It will also complement additional investment in the surrounding area including the widening of Armadale Road between Anstey Road and Tapper Road and the Kwinana Freeway northbound between Russell Road and Roe Highway, supporting continued residential and commercial expansion in Cockburn and Armadale.

Smart Freeways - Kwinana Freeway

Smart Freeway technology will be used for the first time to create an additional lane using the emergency lanes from Canning Highway to the Narrows Bridge, enabling lanes to be opened and closed in response to congestion and incidents, while safely managing traffic flow at all times. The project will be complemented by coordinated ramp signals from Farrington Road to Cranford Avenue to improve merging and reduce stop-start traffic conditions.

Kwinana Freeway Northbound Widening, Russell Road to Roe Highway

Kwinana Freeway northbound south of Roe Highway is currently two lanes and experiences a high level of congestion, particularly in the morning peak. This project involves widening the Freeway to provide a third lane from Russell Road to Roe Highway. It will reduce travel times, improve safety and address congestion for road users in Perth's southern suburbs.

	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							
Armada Road - Anstey Road to Tapper Road.....	145,000	4,413	4,186	55,587	82,500	2,500	-
Bussell Highway							
Margaret River Perimeter Road (a).....	47,583	14,000	7,442	33,583	-	-	-
Vasse to Newtown	21,211	20,561	4,259	650	-	-	-
Coalfields Highway - Wellington Dam Turn-off and Roelands Hill Dual Lanes (c).....	25,214	22,649	3,314	2,565	-	-	-
Coolgardie - Esperance Highway - Esperance Port Access	117,520	116,543	800	977	-	-	-
Dampier Highway - Balmoral Road to Burrup Peninsula Road (Stages 2-6) - Construct Second Carriageway.....	108,488	108,196	500	292	-	-	-
Election Commitments							
Wanneroo Road - Ocean Reef Road Grade Separation.....	64,800	7,000	7,000	10,000	12,000	26,000	9,800
Wanneroo Road Duplication Stage 3 - Joondalup Drive to Flynn Drive	31,000	5,000	5,000	11,000	15,000	-	-
Gibb River Road - Derby - Gibb River - Wyndham Improve Formation and Gravel (a)	106,981	56,304	3,153	7,809	8,043	8,240	8,530
Great Eastern Highway							
Bilgoman Road to Mundaring	34,600	24,555	24,264	10,045	-	-	-
Passing Lanes (a) (c)	42,036	13,506	12,012	28,530	-	-	-
Great Northern Highway							
Muchea to Wubin Stage 2 (a).....	347,241	130,380	34,748	211,903	4,958	-	-
Bindi Bindi Curves.....	40,000	39,577	735	423	-	-	-
Kwinana Freeway - Access to Murdoch Activity Centre	112,500	12,500	12,500	20,000	80,000	-	-
Mitchell Freeway - Burns Beach Road to Hester Avenue....	216,488	211,571	104,812	4,917	-	-	-
National Highway Upgrade Program	40,441	30,823	23,463	9,618	-	-	-
New Lord Street - Reid Highway to Gngara Road Duplication.....	49,000	16,366	15,850	32,634	-	-	-
North West Coastal Highway - Minglya to Barradale.....	106,115	92,690	4,587	13,425	-	-	-
Northern Australia Roads and Beef Roads Programs - Great Northern Highway							
Bow River Bridge Replacement (a).....	38,500	1,000	1,000	22,000	15,500	-	-
Maggie's Jump Up (a).....	25,800	1,000	1,000	22,000	2,800	-	-
Wyndham Spur Road Upgrade Stage 2 (a).....	30,340	510	510	29,830	-	-	-
Ord River - Halls Creek to Warmun (a).....	15,640	1,000	1,000	6,000	8,640	-	-
NorthLink WA							
Swan Valley Bypass.....	787,700	146,359	70,700	423,370	214,254	3,717	-
Tonkin Highway Grade Separations	231,200	115,284	90,035	115,916	-	-	-
Onslow Road - Post Construction Upgrade	67,480	19,285	10,074	37,195	11,000	-	-
Reseal Capitalisation Program.....	543,706	126,405	65,905	64,087	66,394	68,050	70,430
Road Safety Commission							
LED School Zone Lights.....	51,935	35,935	14,662	4,000	4,000	4,000	4,000
Run-off Crashes on Regional Roads	135,968	117,968	25,263	18,000	-	-	-
Urban Intersection Crash Sites.....	57,366	47,366	15,487	10,000	-	-	-
Wheatbelt Highway Safety Review Program.....	6,250	5,000	5,000	1,250	-	-	-
Safer Roads and Bridges Program.....	449,793	211,594	22,891	33,250	34,247	36,955	38,250
South Western Highway - Donnybrook to Greenbushes	25,782	8,422	4,270	69	-	2,610	14,681
Toodyay Road - Roland Road East to Toodyay (c).....	21,000	3,800	3,424	17,200	-	-	-
Traffic Congestion Management Program	30,842	23,842	10,666	7,000	-	-	-
Various Roads - Caravan and Camping Program Action Plan (a).....	5,497	4,697	947	800	-	-	-
COMPLETED WORKS							
Albany Highway - Passing Lanes (c).....	19,181	19,181	7,418	-	-	-	-
Albany Ring Road Planning	2,801	2,801	128	-	-	-	-
Aubin Grove Train Station Precinct	30,000	30,000	16,949	-	-	-	-
Brand Highway - Greenough River Bridge.....	11,915	11,915	206	-	-	-	-
Bridges Renewal Program							
Bridge Replacement - South Western Highway, Collie River Bridge.....	16,540	16,540	4,226	-	-	-	-
South Western Highway Beenyup Brook	3,400	3,400	1,800	-	-	-	-
Buildings and Equipment - 2016-17 Program	15,323	15,323	15,323	-	-	-	-
Capitalised Operational Costs - 2016-17 Program.....	89,767	89,767	89,767	-	-	-	-
Charles Street Bus Bridge.....	32,107	32,107	27,506	-	-	-	-
Goldfields Highway - Wiluna to Meekatharra	21,892	21,892	499	-	-	-	-
Great Eastern Highway - Walgoolan to Coolgardie Upgrade and Widening.....	33,500	33,500	2,841	-	-	-	-
Kwinana Freeway - Roe Highway to Russell Road Widening Southbound.....	54,564	54,564	7,569	-	-	-	-
Marble Bar Road - Fortescue River Crossing Road Bridge (a).....	12,660	12,660	2,732	-	-	-	-
Minor Works (includes Black Spot and Urgent Minor Works) - 2016-17 Program.....	62,606	62,606	62,606	-	-	-	-
Mitchell Freeway - Hepburn Avenue to Hodges Drive.....	24,723	24,723	1,854	-	-	-	-
Narrogin Link Road - Northam-Cranbrook Road.....	7,543	7,543	584	-	-	-	-
Perth - Bunbury Highway - Bunbury Port Access Road Stage 2 - Construct and Seal including Bridges	39,272	39,272	512	-	-	-	-

	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
Perth Freight Link							
Section 1: Roe 8 Highway - Kwinana Freeway to Stock Road.....	78,992	78,992	56,272	-	-	-	-
Section 2: Roe Highway to High Street.....	20,875	20,875	1,000	-	-	-	-
Section 4: Heavy Vehicle User Charge.....	3,987	3,987	1,628	-	-	-	-
Queen Victoria Street - Fremantle Traffic Bridge							
Replacement - Planning, Design and Maintenance Works	20,484	20,484	1,883	-	-	-	-
Reid Highway							
Duffy Road to Erindale Road Dual Carriageway.....	40,568	40,568	3,552	-	-	-	-
Malaga Drive Intersection Grade Separation.....	35,077	35,077	3,422	-	-	-	-
Road Safety Commission ^(c)							
Albany Highway (Arthur River).....	7,000	7,000	7,000	-	-	-	-
Albany Highway (Harold Road).....	3,200	3,200	3,200	-	-	-	-
Road Safety Commission Projects.....	10,000	10,000	10,000	-	-	-	-
Roe Highway							
Berkshire Road Grade Separation.....	58,088	58,088	8,600	-	-	-	-
Tonkin Highway to Welshpool Road, Upgrade	41,000	41,000	23,800	-	-	-	-
South Coast Highway - Pfeiffer Road to Cheynes Beach Road ^(c)							
	5,000	5,000	5,000	-	-	-	-
NEW WORKS							
Buildings and Equipment							
2017-18 Program.....	21,342	-	-	21,342	-	-	-
2018-19 Program.....	17,855	-	-	-	17,855	-	-
2019-20 Program.....	18,963	-	-	-	-	18,963	-
2020-21 Program.....	19,625	-	-	-	-	-	19,625
Capitalised Operational Costs							
2017-18 Program.....	71,351	-	-	71,351	-	-	-
2018-19 Program.....	73,581	-	-	-	73,581	-	-
2019-20 Program.....	76,807	-	-	-	-	76,807	-
2020-21 Program.....	79,500	-	-	-	-	-	79,500
Department of Transport - Principal Shared Path Program....	32,660	-	-	-	-	12,660	20,000
Election Commitments							
Albany Ring Road Planning ^(a)	35,000	-	-	1,000	4,000	15,000	15,000
Armadale Road Bridge - North Lake Road Flyover	237,000	-	-	7,000	34,000	102,000	94,000
Bunbury Outer Ring Road - Planning for Stages 2 and 3 ^(a)	12,500	-	-	3,500	9,000	-	-
Coolgardie-Esperance Highway - Widening, Overlay and Reconstruction ^(a)	8,000	-	-	1,000	4,000	3,000	-
Great Eastern Highway - Anzac Drive to Gatacre Drive							
Dualling ^(a)	14,000	-	-	2,000	12,000	-	-
Karratha-Tom Price Road - Extend Current Sealing ^(a)	50,000	-	-	1,000	6,000	30,000	13,000
Leach Highway - Carrington Street to Stirling Highway	118,000	-	-	1,000	7,000	55,000	55,000
Outback Way - Seal Priority Sections ^(a)	33,000	-	-	-	23,000	10,000	-
Reid Highway - Altone Road to West Swan Road							
Construction of Dual Carriageway.....	70,000	-	-	500	1,200	41,500	26,800
Roe Highway - Kalamunda Road - Grade Separated Interchange							
	86,000	-	-	500	4,000	63,000	18,500
South Coast Highway - Upgrade between Albany and Jerramungup - Stage 1 ^(a)							
	30,000	-	-	1,000	5,000	24,000	-
Wanneroo Road - Joondalup Drive - Grade Separated Interchange							
	50,000	-	-	10,000	40,000	-	-
Kwinana Freeway							
Manning Road - On-ramp Construction	35,000	-	-	3,000	18,000	14,000	-
Russell Road to Roe Highway - Widening Northbound Lanes.....	49,000	-	-	3,000	46,000	-	-
Smart Freeways - Roe Highway to Narrows Bridge	47,000	-	-	3,000	14,000	30,000	-
Minor Works (includes Black Spot and Urgent Minor Works)							
2017-18 Program.....	43,437	-	-	43,437	-	-	-
2018-19 Program.....	48,058	-	-	-	48,058	-	-
2019-20 Program.....	44,834	-	-	-	-	44,834	-
2020-21 Program.....	35,740	-	-	-	-	-	35,740
Mitchell Freeway - Cedric Street to Vincent Street Southbound Widening							
	40,000	-	-	5,000	24,000	11,000	-

	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
Northern Australia Roads and Beef Roads Programs							
Marble Bar Road - Coongan Gorge Realignment ^(a)	54,480	-	-	18,150	20,020	16,310	-
Regional Road Safety Program.....	44,200	-	-	800	8,000	16,000	19,400
Total Cost of Asset Investment Program.....	6,595,015	2,598,166	979,336	1,467,505	989,050	736,146	542,256
FUNDED BY							
Capital Appropriation			307,721	316,371	238,421	257,998	243,479
Asset Sales.....			11,815	2,000	2,000	2,000	2,000
Commonwealth Grants			199,465	966,780	481,319	247,299	104,319
Drawdowns from the Holding Account.....			60,606	67,617	75,054	80,123	93,393
Internal Funds and Balances.....			159,116	(8,273)	60,860	63,426	36,240
Other			229,057	-	62,847	-	34,825
Drawdowns from Royalties for Regions Fund ^(b)			11,556	123,010	68,549	85,300	28,000
Total Funding.....			979,336	1,467,505	989,050	736,146	542,256

(a) Funded from the Royalties for Regions Fund (wholly or in part).

(b) Regional Infrastructure and Headworks Fund.

(c) Funded from the Road Trauma Trust Account.

Financial Statements

Income Statement

Expenses

Total Cost of Services as per the Income Statement differs from the adjusted Total Cost of Services as per the Service Summary table. The latter includes capitalised road works expenditure and excludes several expense groupings including road infrastructure depreciation, State road funds provided for works on local government roads, natural disaster funding applied to local roads, road transfers to local governments and road retirements. These expense groupings have been excluded to provide a clearer picture of the cost of works undertaken on the State road network. Refer to the Total Cost of Services reconciliation table for more details.

Income

The movement between years in the sale of goods and services is mainly due to changes in the level of works to be carried out on non-Main Roads assets (local government network, minor works for other Government agencies) which have been requested by others.

The majority of grants and subsidies income comes from the Commonwealth Government and fluctuates according to its contribution to the Asset Investment Program in each particular year.

Other revenue includes road assets transferred to the State from third parties, including local government.

Statement of Financial Position

Restricted cash is mainly attributable to the Commonwealth Government's infrastructure grants received in recognition of Western Australia's low 2017-18 GST share.

Statement of Cashflows

The Statement of Cashflows generally reflects movements as per the Income Statement with timing of actual payments being the major difference.

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)	64,735	76,364	69,737	77,464	76,273	77,543	78,736
Grants and subsidies ^(c)	188,925	175,514	248,101	222,605	196,093	159,733	159,733
Supplies and services	380,337	497,345	433,092	506,947	546,729	636,398	654,908
Accommodation	16,203	16,351	20,351	20,855	21,155	21,612	21,804
Depreciation and amortisation	345,779	374,706	374,706	384,711	378,871	413,425	430,875
Other expenses	119,050	62,475	152,958	61,802	55,058	33,438	33,438
TOTAL COST OF SERVICES	1,115,029	1,202,755	1,298,945	1,274,384	1,274,179	1,342,149	1,379,494
Income							
Sale of goods and services	118,803	54,288	98,301	115,866	37,415	46,115	46,415
Grants and subsidies	884,261	780,221	405,602	1,192,450	592,274	358,254	215,274
Other revenue	64,063	27,136	32,544	24,315	32,317	14,317	14,317
Total Income	1,067,127	861,645	536,447	1,332,631	662,006	418,686	276,006
NET COST OF SERVICES	47,902	341,110	762,498	(58,247)	612,173	923,463	1,103,488
INCOME FROM STATE GOVERNMENT							
Service appropriations	876,639	937,533	923,910	896,877	1,009,593	1,118,740	1,182,886
Resources received free of charge	1,337	2,700	2,700	2,700	2,700	2,700	2,700
Royalties for Regions Fund:							
Regional Community Services Fund	302	520	276	14,309	41,513	9,476	3,276
Regional Infrastructure and Headworks Fund	-	-	-	-	10,000	-	-
TOTAL INCOME FROM STATE GOVERNMENT	878,278	940,753	926,886	913,886	1,063,806	1,130,916	1,188,862
SURPLUS/(DEFICIENCY) FOR THE PERIOD	830,376	599,643	164,388	972,133	451,633	207,453	85,374

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

(d) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 1,013, 1,009 and 1,003 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Aglime Routes	-	-	-	-	10,000	-	-
Department of Transport Cycling Grants	-	-	-	-	3,000	5,340	5,340
Election Commitments	-	-	23,600	3,500	18,500	-	-
Local Government Commodity Freight Routes ..	-	-	-	-	10,000	-	-
Local Road Grants and Subsidies	143,694	118,809	130,567	118,685	112,093	111,893	111,893
Other	10,763	500	1,860	800	500	500	500
Road Assets Transferred	2,211	46,205	46,205	-	-	-	-
Western Australia Natural Disaster Relief and Recovery Arrangements Funding Applied to the Local Government Road Network	32,257	10,000	45,869	99,620	42,000	42,000	42,000
TOTAL	188,925	175,514	248,101	222,605	196,093	159,733	159,733

STATEMENT OF FINANCIAL POSITION ^(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
CURRENT ASSETS							
Cash assets	83,452	313,969	87,499	151,991	171,094	223,447	241,702
Restricted cash	376,755	79,822	183,019	233,107	136,288	52,690	16,452
Holding account receivables	60,606	67,617	67,617	75,054	83,081	92,206	101,076
Receivables	66,898	50,717	66,226	65,554	64,882	64,210	63,538
Other	29,510	24,127	29,510	29,510	29,510	29,510	29,510
Assets held for sale	7,439	7,150	7,439	7,439	7,439	7,439	7,439
Total current assets	624,660	543,402	441,310	562,655	492,294	469,502	459,717
NON-CURRENT ASSETS							
Holding account receivables	1,927,246	2,177,617	2,177,617	2,431,423	2,671,361	2,939,888	3,212,850
Property, plant and equipment	45,024,217	46,946,477	46,161,728	48,007,292	49,506,026	50,730,911	51,744,456
Intangibles	14,480	11,461	11,438	9,263	7,087	5,113	3,139
Other	119,173	96,724	118,040	118,520	118,301	117,410	116,519
Total non-current assets	47,085,116	49,232,279	48,468,823	50,566,498	52,302,775	53,793,322	55,076,964
TOTAL ASSETS	47,709,776	49,775,681	48,910,133	51,129,153	52,795,069	54,262,824	55,536,681
CURRENT LIABILITIES							
Employee provisions	27,267	28,458	27,267	27,267	27,267	27,267	27,267
Payables	15,980	12,329	17,033	18,086	19,139	20,192	21,245
Other	276,230	311,438	278,129	280,028	281,927	283,826	285,725
Total current liabilities	319,477	352,225	322,429	325,381	328,333	331,285	334,237
NON-CURRENT LIABILITIES							
Employee provisions	4,861	4,443	4,861	4,861	4,861	4,861	4,861
Other	25	26	25	25	25	25	25
Total non-current liabilities	4,886	4,469	4,886	4,886	4,886	4,886	4,886
TOTAL LIABILITIES	324,363	356,694	327,315	330,267	333,219	336,171	339,123
EQUITY							
Contributed equity	4,258,912	4,503,601	4,542,296	4,981,677	5,288,647	5,631,945	5,903,424
Accumulated surplus/(deficit)	13,539,870	14,153,363	13,704,258	14,676,391	15,128,024	15,335,477	15,420,851
Reserves	29,586,631	30,762,023	30,336,264	31,140,818	32,045,179	32,959,231	33,873,283
Total equity	47,385,413	49,418,987	48,582,818	50,798,886	52,461,850	53,926,653	55,197,558
TOTAL LIABILITIES AND EQUITY	47,709,776	49,775,681	48,910,133	51,129,153	52,795,069	54,262,824	55,536,681

(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.....	587,682	619,545	605,922	568,017	686,574	760,965	807,661
Capital appropriation.....	294,173	251,453	307,721	316,371	238,421	257,998	243,479
Holding account drawdowns.....	54,063	60,606	60,606	67,617	75,054	80,123	93,393
Royalties for Regions Fund:							
Regional Community Services Fund.....	2,280	1,492	1,248	14,309	41,513	9,476	3,276
Regional Infrastructure and Headworks Fund.....	8,800	25,713	10,584	123,010	78,549	85,300	28,000
Net cash provided by State Government.....	946,998	958,809	986,081	1,089,324	1,120,111	1,193,862	1,175,809
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(65,529)	(76,364)	(72,782)	(77,464)	(76,273)	(77,543)	(78,736)
Grants and subsidies.....	(180,653)	(159,474)	(211,164)	(222,605)	(196,093)	(159,733)	(159,733)
Supplies and services.....	(373,917)	(443,930)	(433,094)	(500,893)	(540,610)	(630,279)	(648,789)
Accommodation.....	(16,461)	(16,351)	(17,639)	(20,855)	(21,155)	(21,612)	(21,804)
Other payments.....	(162,294)	(121,223)	(159,519)	(167,603)	(168,202)	(168,030)	(168,030)
Receipts							
Grants and subsidies.....	880,149	780,221	405,602	1,192,450	592,274	358,254	215,274
Sale of goods and services.....	100,323	55,230	118,901	116,808	38,357	47,057	47,357
GST receipts.....	153,678	101,700	146,328	146,808	146,808	146,808	146,808
Other receipts.....	17,461	13,795	15,118	24,115	14,117	14,117	14,117
Net cash from operating activities.....	352,757	133,604	(208,249)	490,761	(210,777)	(490,961)	(653,536)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(1,024,445)	(1,245,192)	(979,336)	(1,467,505)	(989,050)	(736,146)	(542,256)
Proceeds from sale of non-current assets.....	3,228	14,500	11,815	2,000	2,000	2,000	2,000
Net cash from investing activities.....	(1,021,217)	(1,230,692)	(967,521)	(1,465,505)	(987,050)	(734,146)	(540,256)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(5,766)	(766)	-	-	-	-	-
Net cash from financing activities.....	(5,766)	(766)	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD.....	272,772	(139,045)	(189,689)	114,580	(77,716)	(31,245)	(17,983)
Cash assets at the beginning of the reporting period.....	282,017	532,836	460,207	270,518	385,098	307,382	276,137
Net cash transferred to/from other agencies....	(94,582)	-	-	-	-	-	-
Cash assets at the end of the reporting period.....	460,207	393,791	270,518	385,098	307,382	276,137	258,154

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

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							
Taxation							
Permits - Oversize Vehicles and Loads.....	6,644	7,832	6,221	8,008	8,184	8,360	8,600
TOTAL ADMINISTERED INCOME	6,644	7,832	6,221	8,008	8,184	8,360	8,600
EXPENSES							
Grants to Charitable and Other Public Bodies							
Receipts Paid into the Consolidated Account.....	6,644	7,832	6,221	8,008	8,184	8,360	8,600
TOTAL ADMINISTERED EXPENSES	6,644	7,832	6,221	8,008	8,184	8,360	8,600

Division 43 Public Transport Authority of
Western Australia

Part 22 Minister for Transport; Planning; Lands

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							
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	359	359	359	359	359	359	359
Total appropriations provided to deliver services.....	359	359	359	359	359	359	359
CAPITAL							
Item 127 Capital Appropriation.....	112,296	576,384	576,384	190,431	479,678	651,000	809,406
TOTAL APPROPRIATIONS	112,655	576,743	576,743	190,790	480,037	651,359	809,765
EXPENSES							
Total Cost of Services.....	1,369,198	1,430,290	1,442,122	1,502,151	1,506,790	1,546,369	1,662,485
Net Cost of Services ^(a)	1,107,180	1,145,682	1,166,138	1,209,786	1,234,776	1,267,666	1,365,941
CASH ASSETS ^(b)	150,259	496,133	309,659	88,965	76,036	74,478	74,478

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

(b) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Election Commitments					
Additional Bus Services	-	2,000	2,050	2,101	2,154
Increasing the use of Public Transport	-	500	-	-	-
Other					
Agency Expenditure Review Savings Measure.....	(7,000)	(7,000)	(7,000)	(7,000)	(7,000)
Electricity Adjustment.....	(1,487)	(940)	(231)	(398)	(224)
Externally Funded Services and Works.....	(1,710)	5,355	-	-	-
Forrestfield-Airport Link Operating Costs.....	-	-	5,011	15,851	41,049
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(5)	(11)	(16)	(22)
Fuel Adjustment.....	(374)	(956)	(1,249)	(1,462)	(1,083)
Interest Adjustment	-	4,226	10,190	12,401	11,274
Kenwick Depot Land Acquisition - Interest Expenses	-	799	842	604	340
Perth Stadium - Jetty Funding.....	500	4,500	-	-	-
Perth Stadium Transport - East Perth Traffic and Access	-	1,700	-	-	-
Regional Workers Incentive Allowance Payments	(2)	(2)	(3)	(4)	(4)
RiskCover Contribution and Mesothelioma Claims Adjustments	(1,865)	(464)	(687)	(963)	(505)
SmartRider System Asset Replacement and Technology Update					
Operating Costs.....	-	146	334	287	290
Transperth Urban Passenger Rail "At Grade" Crossing Improvement					
Interest Expenses	-	39	151	242	313

Significant Issues Impacting the Agency

- Total patronage on Perth's public transport system declined by 3% in 2016-17. This decline contrasts with the previous 13 years of continuous growth between 2000 and 2013. For this financial year the Authority has forecast a further decline in patronage of 0.6%. This Budget seeks to arrest this decline and to grow patronage by making public transport more attractive and by creating new jobs and wealth for the State.
- The Government's METRONET vision will transform Perth's public transport network. This Budget provides funding for the construction of the Forrestfield-Airport Link, the Thornlie Line Extension, the Yanchep Rail Extension, the removal of the Denny Avenue level crossing, existing train station upgrades and for the procurement of an additional 102 rail cars. In addition the Budget provides planning funding for rail lines, new and existing train station upgrades, improved signalling and level crossing removal.
- The Forrestfield-Airport Link is the number one priority of the METRONET vision. Three new stations will be built as part of the new rail link: Belmont Station, Airport Central Station and Forrestfield Station. The Forrestfield-Airport Link will provide affordable, efficient and quick access to the airport and eastern foothills and is closely aligned with Perth Airport's redevelopment plans to consolidate the domestic and international airport terminals. Completion is expected in late 2020.
- The Authority is planning for the introduction of new technology across the urban passenger network and its train fleet to enable increased train service frequency. This new technology will replace life-expired systems with an integrated contemporary system solution before their obsolescence impacts the safe and reliable provision of public transport services and improve the resilience of train operations.
- In 2018 the new Perth Stadium (the Stadium) will commence operations. The challenges associated with an estimated 35,000 people using rail public transport and more than 14,000 people using bus public transport are unprecedented in Western Australia. The provision of reliable public transport is essential to the efficient operations of the Stadium, the many events that the Stadium will host, the community's satisfaction rating of the Stadium and the economic benefits that these events will generate for Western Australia. The Authority will implement new operating plans for the additional train and bus services necessary to service each event. These plans will need to accommodate the regular (non-event) commuter requirements during these events, some of which will be in peak commuting times such as Friday evenings.
- With a fleet of over 1,600 Transperth and Transregional buses, the Authority needs to ensure that buses are safe, efficient and reliable. The Authority does this by staying abreast of new technologies, by maintaining rigorous maintenance standards and through a rolling bus replacement program. In 2017-18 the Authority will purchase 117 new environmentally friendly Euro 6 buses.
- The Authority recognises that passengers are entitled to feel comfortable and safe in using bus, rail and ferry services. To ensure this the Authority maintains a team of highly trained and effective security and customer service personnel. Additionally the Authority ensures that all infrastructure and rolling stock have adequate lighting and are monitored by CCTV cameras.
- Safe access to the Authority's many stations and busports is critical. The Authority ensures that appropriate systems, processes, resources (particularly customer service and security staff) and communications are in place to safely guide and control regular patronage and further tailors these to meet specific needs of the very large crowds that result from special events such as the football and concerts. The Authority also recognises that some passengers are particularly vulnerable to slips, trips and falls in using the many escalators that provide access and egress for railway stations and busports. To help safeguard these passengers the Authority has increased the presence of customer service personnel at escalators and embarked on a series of marketing campaigns to educate elderly passengers on better options to use, such as lifts, or guidance on the safe usage of escalators.
- Transperth passengers' first experience in accessing Transperth's fully integrated bus, train and ferry public transport system, is via the Authority's ticketing system, SmartRider. The SmartRider card and ticketing system has been operational since 2007 and has been highly successful due to its simplicity and quick transaction times. Whilst not readily obvious to passengers, the technology is dated. This Budget provides nearly \$34 million to replace the existing SmartRider ticketing system. The new system will take advantage of new technologies which will allow the use of credit and debit cards and smartphone functionalities which will enhance accessibility to services.
- The provision of safe and cost-effective public transport services to regional Western Australia remains a priority for Government. Despite experiencing a marginal decline in inter-regional patronage, over 400,000 trips were made on Transwa services in 2016-17. Accordingly, the Authority continues to invest in Transwa services and to look for opportunities to enhance the services. From July 1 2017, the AvonLink train service will revert to its original pattern of one return service per weekday following an unsuccessful trial of a significantly expanded timetable. The 2017-18 Budget provides \$32 million to purchase a new Australind rail car and upgrade the Yarloop, Cookernup and North Dandalup train stations.

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
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	Accessible, reliable and safe public transport system.	1. Metropolitan and Regional Passenger Services 2. Country Passenger Rail and Road Coach Services 3. Regional School Bus Services
	Protection of the long-term functionality of the rail corridor and railway infrastructure.	4. Rail Corridor and Residual Freight Issues Management

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. Metropolitan and Regional Passenger Services	1,014,634	1,065,913	1,083,680	1,142,632	1,176,801	1,222,047	1,354,364
2. Country Passenger Rail and Road Coach Services	47,389	50,280	49,920	49,314	48,973	50,699	51,258
3. Regional School Bus Services.....	127,866	130,774	129,098	129,755	126,957	131,326	132,152
4. Rail Corridor and Residual Freight Issues Management	179,309	183,323	179,424	180,450	154,059	142,297	124,711
Total Cost of Services	1,369,198	1,430,290	1,442,122	1,502,151	1,506,790	1,546,369	1,662,485

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: Accessible, reliable and safe public transport system:					
Use of public transport - passengers per service kilometre:					
Metropolitan Bus Services.....	1.23	1.22	1.18	1.14	
Metropolitan Train Services.....	3.21	3.16	2.88	2.86	
Metropolitan Ferry Services.....	13.21	13.07	13.93	13.82	
Regional Bus Services.....	0.71	0.72	0.59	0.55	
Country Passenger Rail Services.....	0.21	0.20	0.20	0.19	
Country Passenger Road Coach Services.....	0.06	0.06	0.05	0.05	
Accessible Public Transport:					
The proportion of street addresses within the Perth Public Transport Area which are within 500 metres of a Transperth stop providing an acceptable level of service.....					
	85%	85%	85%	85%	
Metropolitan and regional passenger services reliability:					
Bus services within four minutes of scheduled time.....					
	85%	85%	84%	85%	
Train arriving within four minutes of scheduled time.....					
	95%	95%	96%	95%	
Ferries arriving within three minutes of scheduled time.....					
	98%	96%	96%	96%	
Country passenger rail and road coach services reliability:					
Prospector arriving within 15 minutes of scheduled time.....					
	48%	80%	35%	80%	1
Australind arriving within 10 minutes of scheduled time.....					
	94%	90%	90%	90%	
MerredinLink arriving within 10 minutes of scheduled time.....					
	62%	95%	60%	90%	1
AvonLink arriving within 10 minutes of scheduled time.....					
	83%	95%	70%	90%	1
Road Coaches arriving within 10 minutes of scheduled time.....					
	98%	95%	96%	95%	
School bus services reliability:					
Satisfaction with School Bus availability at arrival/departure time.....					
	-	-	-	99%	2
Drop off no less than 10 minutes before the school starts and pick up within 10 minutes of school ending.....					
	98%	98%	99%	-	2
Level of overall customer satisfaction - customer satisfaction index:					
Metropolitan Bus Services.....					
	89%	83%	89%	87%	
Metropolitan Train Services.....					
	92%	90%	94%	92%	
Metropolitan Ferry Services.....					
	95%	98%	99%	98%	
Country Passenger Rail and Road Coach Services.....					
	91%	92%	92%	92%	
Customer perception of safety - independent external surveys:					
Train station - Daytime.....					
	99%	96%	98%	96%	
On-board train - Daytime.....					
	98%	97%	98%	97%	
Train station - Night-time.....					
	76%	69%	73%	70%	
On-board train - Night-time.....					
	79%	75%	81%	75%	
Bus station - Daytime.....					
	97%	97%	98%	97%	
On-board bus - Daytime.....					
	99%	99%	99%	99%	
Bus station - Night-time.....					
	76%	73%	75%	74%	
On-board bus - Night-time.....					
	84%	81%	83%	83%	
Level of notifiable safety occurrences - notifiable occurrences:					
Category A Occurrences per million passenger boardings.....					
	0.10	0.23	0.30	0.33	3
Category A Occurrences per million train kilometres.....					
	0.28	0.70	0.82	0.87	3
Category B Occurrences per million passenger boardings.....					
	12.04	10.75	15.05	16.46	4
Category B Occurrences per million train kilometres.....					
	35.47	32.56	41.42	43.34	4
Regional school bus services: notifiable occurrences (accidents) reported each school year.....					
	13	19	18	19	
Outcome: Protection of the long-term functionality of the rail corridor and railway infrastructure:					
Number of lease breaches.....					
	nil	nil	nil	nil	

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

Explanation of Significant Movements

(Notes)

- The increase in the 2017-18 Budget Target for the Prospector, MerredinLink and AvonLink reliability over the 2016-17 Estimated Actual is due to significant improvements in speed capabilities following the completion of maintenance work by Arc Infrastructure (formerly known as Brookfield Rail) between Moondyne and Jumperkine, which has caused significant delays in previous years. The target for the MerredinLink and AvonLink has been reduced from 95% to 90% to reflect ongoing minor works and increased freight movements on the line.
- From the start of the 2017 school year the Authority transferred the vehicle inspection of 'orange' school buses to the Department of Transport. As the Authority's staff who undertook these inspections also carried out sampling of school bus arrivals and departures, this Key Effectiveness Indicator was replaced with an alternative indicator - "Satisfaction with School Bus availability at arrival/departure time" - which is produced from parent/school feedback via a designated webpage.

3. The 2017-18 Budget Target for notifiable safety occurrences is based on the average annual number of occurrences over the last five years. For the 2016-17 Estimated Actual, most notifiable occurrences relate to public behaviour on the Authority's network which is beyond the Authority's control, and there was a notable increase in these occurrences in 2016-17.
4. The increase in the 2016-17 Estimated Actual compared to the 2016-17 Budget is due to an increase in the occurrences of incidents including slips, trips and falls, trespass, and level crossing occurrences.

Services and Key Efficiency Indicators

1. Metropolitan and Regional Passenger Services

Provision of customer focused, safe and cost effective passenger transport to the Metropolitan area and regional towns.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	1,014,634	1,065,913	1,083,680	1,142,632	1
Less Income.....	224,363	239,918	229,882	240,229	
Net Cost of Service.....	790,271	825,995	853,798	902,403	
Employees (Full Time Equivalents).....	1,384	1,440	1,404	1,534	
Efficiency Indicators					
Average Cost per Passenger Kilometre:					
Transperth Bus Operations.....	\$1.11	\$1.18	\$1.19	\$1.27	
Transperth Train Operations.....	\$0.51	\$0.50	\$0.56	\$0.58	
Transperth Ferry Operations.....	\$1.34	\$1.01	\$1.29	\$1.52	2
Average Cost per 1,000 Place Kilometres:					
Regional Bus Services.....	\$74.07	\$92.93	\$81.68	\$76.52	

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service in the 2017-18 Budget Target increased by \$59 million (5.4%) from the 2016-17 Estimated Actual due to:
 - increased interest expense (\$15.4 million);
 - escalation of bus contract costs (\$12.9 million);
 - increased depreciation (\$12.6 million);
 - additional operating costs to service Perth Stadium special events (\$9.2 million);
 - a one-off savings reduction in 2016-17 (\$6.5 million);
 - escalation of contractor costs (\$5.4 million);
 - transfer from School Bus Services (Service 3) to Transperth/Transregional bus services (Service 1) (\$4.3 million);
 - escalation of labour costs (\$4.2 million);
 - expensing of assets transferred to local government (\$2.1 million) in 2017-18;
 - additional bus services (\$2 million);
 - increased fuel expense (\$1.9 million);
 - increased electricity expense (\$1.6 million);
 - a 2016-17 decrease in RiskCover contributions (\$1.4 million);
 - a one-off expense for remediation of Perth City Link works funded by an insurance receipt (\$1.2 million); and
 - a one-off investment in 2017-18 to encourage increased use of public transport (\$0.5 million).

This was offset by a decrease in expenditure due to:

- Agency Expenditure Review savings measures (\$10.1 million);
- the 2012-13 Budget efficiency dividend (\$7 million);
- reduced external works undertaken for third parties (\$4 million); and
- the workforce renewal policy (\$1.1 million).

2. The Average Cost Per Passenger Kilometre for Transperth Ferry Operations in the 2017-18 Budget Target increases to \$1.52 (17.8%) due to increased operating costs combined with a (1.6%) decrease in passenger kilometres as the result of a forecast normalisation of patronage after the spike in 2016-17 associated with the opening of Elizabeth Quay.

2. Country Passenger Rail and Road Coach Services

Provision of customer focused, safe and cost effective passenger transport to regional communities.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	47,389	50,280	49,920	49,314	1
Less Income.....	11,155	12,266	11,395	10,733	
Net Cost of Service.....	36,234	38,014	38,525	38,581	
Employees (Full Time Equivalents).....	136	128	135	134	
Efficiency Indicators					
Average Cost per Passenger Kilometre:					
Transwa Rail.....	\$0.47	\$0.52	\$0.54	\$0.53	
Transwa Road Coaches.....	\$0.26	\$0.26	\$0.27	\$0.30	2

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service in the 2017-18 Budget Target decreased by \$0.6 million (-1.2%) from the 2016-17 Estimated Actual due to the following:

- increased depreciation (\$0.4 million);
- increased fuel expense (\$0.3 million);
- increased contractor cost (\$0.2 million); and
- increased electricity expense (\$0.2 million);

This was offset by decreases in the following:

- Agency Expenditure Review savings measures (\$0.8 million);
- cessation of Enhanced AvonLink services funded by Royalties for Regions (\$0.6 million);
- other savings (\$0.2 million); and
- reduction in interest expenses (\$0.1 million).

2. The increase of 11% (to \$0.30) between the 2016-17 Estimated Actual and 2017-18 Budget Target Average Cost per Kilometre for Transwa Road Coaches is due to increased depreciation charges from the new road coach fleet.

3. Regional School Bus Services

Provision of regional school bus transport to Western Australian school students.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 127,866	\$'000 130,774	\$'000 129,098	\$'000 129,755	1
Less Income.....	6,770	5,265	5,265	5,265	
Net Cost of Service.....	121,096	125,509	123,833	124,490	
Employees (Full Time Equivalents).....	42	37	35	36	
Efficiency Indicator Average Cost per Contracted Kilometre:					
School Bus Services	\$3.76	\$3.77	\$3.75	\$3.75	

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service in the 2017-18 Budget Target increased by \$0.7 million (0.5%) from the 2016-17 Estimated Actual due to the following:

- escalation of bus contract costs (\$4.3 million); and
- increased fuel expense (\$0.6 million).

This was offset by decreased expenditure due to a transfer from School Bus Services (Service 3) to Transperth/Transregional bus services (Service 1) (\$4.3 million).

4. Rail Corridor and Residual Freight Issues Management ^(a)

Managing the rail freight corridor and infrastructure leased to the private sector and associated freight transport issues.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 179,309	\$'000 183,323	\$'000 179,424	\$'000 180,450	1
Less Income.....	19,730	27,159	29,442	36,138	
Net Cost of Service.....	159,579	156,164	149,982	144,312	
Employees (Full Time Equivalents).....	21	24	27	25	
Efficiency Indicator Total Cost of Managing the Rail Freight Corridor and Residual Freight Issues	\$179,309	\$183,323	\$179,424	\$180,451	

(a) Under the terms and conditions of the Railway Infrastructure Lease, an independent inspection of the Railway Infrastructure is carried out every five years.

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service in the 2017-18 Budget Target increased by \$1 million (0.6%) from the 2016-17 Estimated Actual due to:

- a one-off contractor cost (\$9.4 million) in 2017-18 for the Nicholson Road grade separation project; and
- increased interest expense (\$1 million).

This was offset by reduced expenditure reflecting:

- decreased depreciation (\$6.9 million);
- other savings measures(\$1.4 million);
- the 2012-13 Budget efficiency dividend (\$0.7 million); and
- the workforce renewal policy savings measure (\$0.3 million).

Asset Investment Program

METRONET - Yanchep Rail Extension

The Authority will invest \$440.8 million over the period 2017-18 to 2020-21 (and a further \$79.4 million in 2021-22) to extend the northern suburbs rail line to Yanchep. The cost includes the construction of three new stations at Yanchep, Eglington and Alkimos, with bus interchanges and park and ride facilities.

METRONET – Thornlie Line Extension

An additional \$423 million will be spent between 2017-18 and 2020-21 (and a further \$112.8 million in 2021-22) to extend the Thornlie rail line to Cockburn. This includes the construction of two new stations at Nicholson Road and Ranford Road, with park and ride facilities and bus interchanges.

METRONET - Railcar Acquisition

An additional \$322.7 million will be spent between 2017-18 and 2020-21 (and a further \$185.5 million beyond the forward estimates period) to procure new Transperth railcars. In total, 102 railcars will be procured to provide for METRONET Stage 1 projects (with funding for planning and construction provided in this Budget) plus spare capacity for when railcars are out of service due to maintenance. The new railcars will be six-car sets, which provide additional passenger capacity compared to the three-car sets currently in operation.

METRONET - Rail Line Planning

The Authority will spend \$22.1 million across 2017-18 and 2018-19 to undertake planning for the Morley-Ellenbrook rail line and extension of the Armadale line to Byford.

METRONET - Level Crossing Removal Program

The Authority will spend \$70 million over the period 2017-18 to 2019-20 to remove the rail level crossing at Denny Avenue (Kelmescott), and to plan for the future removal of level crossings at Caledonian Avenue (Maylands), Oats Street (Carlisle) and Wharf Street (Queens Park).

METRONET - New Stations and Existing Station Upgrades

An additional \$54.2 million will be spent over the forward estimates period (and a further \$47.1 million beyond 2020-21) on new and existing train stations. Planning will be undertaken for a new station on the Mandurah line at Karnup and for the relocation of the Midland station to the Midland town centre. The Authority will acquire land for the future extension of the Midland line to Bellevue and undertake planning for the Bellevue station. Existing stations will be upgraded to improve disability access, CCTV, lighting, station access and pathways.

METRONET - Automatic Train Control Planning

The Authority will spend \$7.4 million across 2017-18 and 2018-19 to undertake planning and project definition for a future investment in an Automatic Train Control (ATC) system. An ATC system would replace the existing Transperth rail network signalling system and allow increased service frequencies to meet rail demand forecast under long term transport planning.

Australind Train Service - Rail Future Fund

An additional \$32 million will be spent over the period 2017-18 to 2020-21 to purchase a new Australind railcar and upgrade the Yarloop, Cookernup and North Dandalup train stations on the Bunbury rail line. The stations upgrades include construction of high level platforms and improved disability access.

Mandurah Train Station Car Park

An amount of \$16.1 million will be spent across 2018-19 and 2019-20 to construct a multi-story car park at Mandurah train station, subject to the confirmation of a matching funding contribution from the Commonwealth Government.

Rail to Kemerton Industrial Park

The Authority will spend \$10 million across 2019-20 and 2020-21 for planning, land acquisition and as a contribution towards the construction of a rail link from the existing Bunbury freight line to Kemerton Industrial Park.

SmartRider System Asset Replacement and Technology Update

The Authority will spend \$33.8 million over the period 2017-18 to 2019-20 to replace SmartRider system assets and update the technology used by the system. The updated system will introduce the ability to pay with credit and debit cards and smartphones when boarding.

Transperth Urban Passenger Rail “At Grade” Crossing Improvement Project

The Authority will spend \$23.2 million to improve level crossings on the Fremantle, Midland and Armadale rail lines. This includes \$10.1 million from an existing provision for level crossing upgrades. The works will improve safety, reduce traffic delays and upgrade pedestrian crossings to comply with Commonwealth disability standards under the *Disability and Discrimination Act 1992*.

Mount Claremont Bus Depot Acquisition

An amount of \$7.8 million will be invested in a new bus depot in Mount Claremont. The new depot will be used for the Claremont Transperth bus contract area. The cost will be met from within the Authority’s existing Asset Investment Program.

Transperth Ferry Acquisition

The Authority will spend \$2.6 million to acquire a new Transperth ferry. The new ferry will replace the older of the two existing ferries, which will provide spare capacity. The cost will be met from within the Authority’s existing Asset Investment Program.

Perth Stadium Transport Project

Work continues on the \$360 million transport package to service the new Perth Stadium. An additional \$26.2 million will be spent in 2017-18 to meet increased costs for the Swan River Pedestrian Bridge, including those associated with the bridge steel fabrication, the establishment of a construction lay down area and the Nelson Avenue Special Events Bus Stands. It is estimated that \$83.4 million will be expended in 2017-18.

METRONET - Forrestfield-Airport Link

The Forrestfield-Airport Link is the number one priority of the METRONET vision. Three new stations will be built as part of the new rail link: Belmont Station, Airport Central Station and Forrestfield Station. As part of this \$1.9 billion project, the Authority will spend \$86.2 million to upgrade the Bayswater train station and to improve the surrounding road network. In 2017-18, an estimated \$406.5 million will be expended on civil works and tunnel boring.

Radio System Replacement

The Authority will invest a total of \$119.8 million to replace the obsolete analogue radio system used by the Authority to operate its passenger rail services with a modern digital radio system capable of serving the Authority’s foreseeable needs over the next twenty years. In 2017-18, an estimated \$19.1 million will be expended on the contract award process and design and early works.

Future Urban Railcar Procurement

The total cost of Future Urban Railcar Procurement has been increased by \$25 million in 2016-17, reflecting increased land purchase costs. Under this project, 30 new B-Series railcars will be delivered over a three year period commencing in 2017 at a cost of \$122.7 million. A further \$90 million is allocated to relocating Arc Infrastructure (formerly known as Brookfield Rail) to a new maintenance facility, allowing the Authority to take over the strategically placed Bellevue facility and \$11 million is allocated to upgrading the Nowergup and Bellevue facilities to assist with the increased operational demands of the new railcars. It is anticipated that \$103.3 million will be expended in 2017-18.

	Estimated Total Cost	Estimated Expenditure to 30-6-17	2016-17 Estimated Expenditure	2017-18 Budget Estimate	2018-19 Forward Estimate	2019-20 Forward Estimate	2020-21 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
WORKS IN PROGRESS							
Bus Infrastructure Program							
Bus Depot Acquisition	7,850	5,872	3,622	1,978	-	-	-
Bus Priority Projects	18,976	16,480	404	2,496	-	-	-
Elizabeth Quay Bus Station - Fire Suppression	1,277	985	985	292	-	-	-
Northbridge Bus Layover	10,839	7,138	5,427	3,701	-	-	-
Bus Replacement Program							
Bus Acquisition Program for Additional Bus Service							
Kilometres	71,246	63,640	15,175	7,606	-	-	-
Bus Replacement Program	312,904	220,851	38,709	49,805	42,248	-	-
Regional Bus Acquisition	68,507	56,552	6,100	4,028	5,953	1,974	-
Replacement of 32 Central Area Transit Buses	18,268	13,936	5,988	4,332	-	-	-
Road Coach Replacement Program ^(a)	16,279	14,455	5,363	1,824	-	-	-
Common Infrastructure Program - Minor Capital Works							
Program In Progress	22,145	20,422	2,932	1,723	-	-	-
Major Projects							
Aubin Grove Station	71,997	65,156	28,857	6,841	-	-	-
Edgewater Multi-Storey Car Park	25,415	22,080	11,115	3,335	-	-	-
Extension of the Northern Suburbs Railway to Butler	190,515	189,195	1,574	1,320	-	-	-
METRONET - Forrestfield-Airport Link	1,861,000	431,303	276,895	406,479	462,133	409,462	151,623
Perth City Link	576,469	566,527	6,744	9,942	-	-	-
Perth Stadium Transport Project	359,968	276,527	100,890	83,441	-	-	-
Operational Business Support Systems Program							
Business Support Upgrades In Progress	50,266	33,886	7,836	12,654	3,726	-	-
CCTV Systems Program	23,500	259	259	5,841	5,400	4,000	4,000
Passenger Information Network Systems Upgrade	2,633	2,572	507	61	-	-	-
Radio Systems Replacement	119,800	3,908	2,468	19,106	30,000	42,000	20,400
Train Control Remote Terminal Unit 5 Year Life Extension	6,683	378	208	3,828	498	1,979	-
Parking Facilities Program - Parking Facilities In Progress	14,275	9,284	284	2,015	1,611	1,365	-
Rail Infrastructure Program							
Escalator Replacements	23,100	4,767	4,345	9,434	8,899	-	-
Rail Infrastructure In Progress	188,839	84,268	11,006	32,531	15,763	32,330	5,449
Resilience Package	52,460	30,251	5,990	15,263	3,146	1,611	1,483
Transperth Urban Passenger Rail 'At Grade' Crossing Improvement Project	23,246	570	570	4,860	7,894	4,399	4,478
Rail Stations Program - Rail Station Upgrades In Progress	11,055	8,941	1,265	2,114	-	-	-
Railcar Program							
Future Urban Railcar Procurement	223,715	101,668	65,059	103,310	18,737	-	-
Purchase of 22 Railcars	244,880	244,865	923	15	-	-	-
COMPLETED WORKS							
Bus Replacement Program - Green Cat Buses and							
Bus Depot Upgrades	5,137	5,137	448	-	-	-	-
Freight Program							
Kewdale Freight Terminal Power Supply Upgrade	2,754	2,754	2,087	-	-	-	-
Land Purchase Oldbury	2,598	2,598	2,598	-	-	-	-
Parking Facilities Program - Completed	2,074	2,074	1,760	-	-	-	-
Rail Infrastructure Program - Completed	16,958	16,958	529	-	-	-	-
Rail Stations Program - East Perth Station Upgrade	14,730	14,730	12,370	-	-	-	-
NEW WORKS							
Bus Infrastructure Program							
Mount Claremont Bus Depot Acquisition	7,846	-	-	3,616	4,230	-	-
SmartRider System Asset Replacement and Technology Update	33,821	-	-	6,928	22,510	4,383	-
New Bus Replacement Program	579,519	-	-	-	-	47,566	65,278
Common Infrastructure Program - Minor Capital Works							
Program New Works	14,300	-	-	3,800	3,500	3,500	3,500
METRONET							
Automatic Train Control - Planning	7,400	-	-	4,200	3,200	-	-
Level Crossing Removal Program	70,000	-	-	1,000	35,000	34,000	-
Rail Line Planning	22,099	-	-	10,000	12,099	-	-
New Stations and Existing Station Upgrades	101,301	-	-	4,000	28,339	10,769	11,049
Railcar Acquisition	508,199	-	-	1,023	48,282	107,689	165,733
Thornlie Line Extension	535,797	-	-	8,000	110,000	155,000	150,000
Yanchep Rail Extension	520,170	-	-	30,690	104,960	161,533	143,634
Operational Business Support Systems Program							
Business Support Upgrades - 2018-19 to 2020-21	7,732	-	-	-	2,200	4,100	1,432

	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
Other Election Commitments							
Contribution to Rail to Kemerton Industrial Park ^(a)	10,000	-	-	-	-	5,000	5,000
Mandurah Station - New Parking Bays ^(a)	16,085	-	-	-	2,624	13,461	-
Rail Futures Fund (Australind Railcar Replacement) ^(a)	30,000	-	-	-	3,000	15,000	12,000
Upgrade to Cookernup and North Dandalup Train Stations and Completion of Yarloop ^(a)	2,000	-	-	600	1,000	400	-
Parking Facilities Program - Parking Facilities New Works	6,000	-	-	-	-	-	2,000
Rail Infrastructure Program							
Rail Infrastructure New Works.....	263,378	-	-	1,750	1,750	1,750	61,095
Rail Stations Program New Works.....	10,500	-	-	-	10,500	-	-
Vessel Replacement Program - Transperth Ferry							
Acquisition.....	2,604	-	-	1,042	1,562	-	-
Total Cost of Asset Investment Program.....	7,411,109	2,540,987	631,292	876,824	1,000,764	1,063,271	808,154
Loan and Other Repayments.....			113,065	113,040	137,798	182,009	338,990
Total.....	7,411,109	2,540,987	744,357	989,864	1,138,562	1,245,280	1,147,144
FUNDED BY							
Capital Appropriation.....			576,384	181,431	454,678	516,100	81,506
Asset Sales.....			749	-	-	-	-
Borrowings.....			176,375	397,780	530,539	446,485	215,119
Drawdowns from the Holding Account.....			48,121	72,134	108,792	113,934	105,619
Internal Funds and Balances.....			-189,806	229,622	2,479	-	-
Other.....			29,675	8,616	10,450	-	-
Drawdowns from Royalties for Regions Fund ^(b)			4,536	600	6,624	33,861	17,000
Funding Included in Department of Treasury							
New Perth Stadium.....			98,323	90,681	-	-	-
Capital Appropriation - Other.....			-	-	-	34,900	69,900
Capital Appropriation - Sourced from Commonwealth (METRONET and Related Projects).....			-	9,000	25,000	100,000	658,000
Total Funding.....			744,357	989,864	1,138,562	1,245,280	1,147,144

(a) Funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund.

Financial Statements

Income Statement

Expenses

The Total Cost of Services in the 2017-18 Budget Estimate increased by \$60 million (4.2%) from the 2016-17 Estimated Actual. The net increase is mainly due to:

- escalation of Transperth, Transregional and school bus contract costs (\$17.2 million);
- increased interest expense on borrowings for asset investment (\$16.3 million);
- a one-off expense in 2017-18 for the construction of the Nicholson Road grade separation (\$9.4 million);
- additional operating costs for Perth Stadium special events (\$9.2 million);
- escalation of contractor costs (\$7.1 million);
- a one-off savings reduction in 2016-17 (\$6.5 million);
- increased depreciation expense (\$6.1 million);
- escalation of labour costs (\$4.3 million);
- increased fuel expense (\$2.8 million);
- expensing of assets transferred to local government (\$2.1 million);
- additional bus services (\$2 million);
- increased electricity expense (\$1.8 million);
- a decrease in 2016-17 RiskCover contributions (\$1.4 million);
- a one-off expense for remediation of Perth City Link funded by insurance proceeds (\$1.2 million); and
- promotional expenses to increase the use of Public Transport (\$0.5 million).

This is offset by a decrease in expenditure as result of:

- Agency Expenditure Review savings measures (\$10.8 million);
- the 2012-13 Budget efficiency dividend (\$7.5 million);
- other savings measures (\$4.7 million);
- reduced external works undertaken for third parties (\$4 million); and
- cessation of Enhanced AvonLink services (\$0.6 million).

Income

The Total Income in the 2017-18 Budget Estimate increased by \$16.4 million from the 2016-17 Estimated Actual. This increase is mainly attributable to:

- an increase in Transperth fare revenue and a decrease in Transwa fare revenue (\$12.3 million);
- a one-off payment due from LandCorp (\$10.4 million) for the Claremont Redevelopment project in 2017-18;
- an increase in funding for the Perth Stadium jetty (\$4 million);
- a one-off receipt for Perth Stadium traffic and access improvements in East Perth (\$1.7 million);
- funding for the new Claremont car park fit-out (\$0.3 million); and
- an increase in rent revenue (\$0.3 million).

This is offset by:

- decreased interest revenue on the Commonwealth contribution to Forrestfield-Airport Link (\$6.6 million);
- a reduction in funding for external works undertaken for third parties (\$4 million);
- a one-off insurance receipt for the fire damage at the Elizabeth Quay bus station in 2016-17 (\$1.3 million); and
- a one-off receipt for the disposal of road coaches in 2016-17 (\$0.7 million).

Statement of Financial Position

The total equity in the 2017-18 Budget Estimate decreases by \$101.1 million from the 2016-17 Estimated Actual. This comprises a projected increase in total assets of \$178.1 million and an increase in total liabilities of \$279.2 million, reflecting the impact of the depreciation associated with the Authority's assets. The Authority's statement shows accumulated deficits across the forward estimates period as accrual appropriation is not being provided to fund depreciation. It has been determined that there is no need to provide the significant accrual appropriation that would be required to fund depreciation.

Statement of Cashflows

Capital appropriation has decreased by \$386 million from the 2016-17 Estimated Actual, largely reflecting the receipt in 2016-17 of \$490 million in funding from the Commonwealth Government for the Forrestfield-Airport Link project.

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)	167,494	167,602	183,993	188,433	197,074	210,119	217,215
Grants and subsidies ^(c)	491,581	528,982	516,519	540,072	548,275	560,265	561,647
Supplies and services.....	233,323	237,738	225,791	229,921	201,144	202,974	218,505
Accommodation.....	28,352	30,158	28,874	30,974	33,266	34,567	38,604
Depreciation and amortisation.....	337,578	345,169	375,976	382,011	381,465	374,329	445,476
Borrowing expenses.....	83,508	94,629	87,874	104,148	118,957	137,067	153,291
Other expenses.....	27,362	26,012	23,095	26,592	26,609	27,048	27,747
TOTAL COST OF SERVICES	1,369,198	1,430,290	1,442,122	1,502,151	1,506,790	1,546,369	1,662,485
Income							
Sale of goods and services.....	195,714	203,272	185,322	197,581	204,856	211,510	229,301
Regulatory fees and fines.....	4,249	3,940	3,940	3,940	3,940	3,940	3,940
Grants and subsidies.....	14,893	23,024	21,766	37,915	15,307	15,307	15,307
Other revenue.....	47,162	54,372	64,956	52,929	47,911	47,946	47,996
Total Income	262,018	284,608	275,984	292,365	272,014	278,703	296,544
NET COST OF SERVICES	1,107,180	1,145,682	1,166,138	1,209,786	1,234,776	1,267,666	1,365,941
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	359	359	359	359	359	359	359
Resources received free of charge.....	856	-	-	-	-	-	-
Royalties for Regions Fund:							
Regional Community Services Fund.....	14	15	13	13	13	13	13
Regional Infrastructure and Headworks Fund.....	2,225	2,037	2,037	-	-	-	-
Operating subsidy.....	776,829	806,180	798,772	838,550	858,405	898,431	925,559
TOTAL INCOME FROM STATE GOVERNMENT	780,283	808,591	801,181	838,922	858,777	898,803	925,931
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(326,897)	(337,091)	(364,957)	(370,864)	(375,999)	(368,863)	(440,010)

(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 1,583, 1,601 and 1,729 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Local Government.....	812	-	-	-	-	-	-
Metropolitan and Regional Town Services:							
Bus Operators.....	353,491	390,603	377,600	397,331	406,879	414,246	414,281
Ferry Services.....	1,042	926	1,782	1,520	1,539	1,559	1,559
Regional Bus Services.....	16,358	17,333	16,529	16,906	17,286	17,718	17,718
Regional School Bus Services:							
Conveyance Allowance.....	2,300	2,271	2,271	2,292	2,312	2,333	2,356
School Bus Services.....	117,578	117,849	118,337	122,023	120,259	124,409	125,733
TOTAL	491,581	528,982	516,519	540,072	548,275	560,265	561,647

STATEMENT OF FINANCIAL POSITION ^(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
CURRENT ASSETS							
Cash assets	132,671	93,836	86,572	74,017	61,088	59,530	59,530
Restricted cash	14,628	399,885	220,127	11,988	11,988	11,988	11,988
Holding account receivables	64,232	61,125	64,232	64,232	64,232	71,200	85,417
Receivables	33,050	25,006	33,050	33,050	33,050	33,050	33,050
Other	32,240	34,589	33,683	32,240	32,240	32,240	32,240
Total current assets	276,821	614,441	437,664	215,527	202,598	208,008	222,225
NON-CURRENT ASSETS							
Holding account receivables	784,761	723,636	736,640	664,506	555,714	434,812	314,976
Property, plant and equipment	7,135,502	6,854,267	7,426,053	7,916,049	8,534,763	9,221,699	9,590,077
Intangibles	10,798	12,369	10,265	4,232	4,817	6,823	1,123
Restricted cash	2,960	2,412	2,960	2,960	2,960	2,960	2,960
Other	5,600	11,600	11,600	-	-	-	-
Total non-current assets	7,939,621	7,604,284	8,187,518	8,587,747	9,098,254	9,666,294	9,909,136
TOTAL ASSETS	8,216,442	8,218,725	8,625,182	8,803,274	9,300,852	9,874,302	10,131,361
CURRENT LIABILITIES							
Employee provisions	32,666	32,416	32,666	32,666	32,666	32,666	32,666
Payables	59,850	4,202	59,850	59,850	59,850	59,850	59,850
Other	183,661	234,209	183,561	200,121	238,829	246,197	233,548
Total current liabilities	276,177	270,827	276,077	292,637	331,345	338,713	326,064
NON-CURRENT LIABILITIES							
Employee provisions	7,102	7,232	7,102	7,102	7,102	7,102	7,102
Borrowings	1,981,003	2,023,716	2,014,313	2,282,393	2,636,426	2,891,976	2,944,954
Other	188,476	186,225	183,871	178,405	172,939	167,473	162,007
Total non-current liabilities	2,176,581	2,217,173	2,205,286	2,467,900	2,816,467	3,066,551	3,114,063
TOTAL LIABILITIES	2,452,758	2,488,000	2,481,363	2,760,537	3,147,812	3,405,264	3,440,127
EQUITY							
Contributed equity	3,710,548	4,508,276	4,455,640	4,725,422	5,211,724	5,896,585	6,558,791
Accumulated surplus/(deficit)	(1,051,169)	(1,395,259)	(1,416,126)	(1,786,990)	(2,162,989)	(2,531,852)	(2,971,862)
Reserves	3,104,305	2,617,708	3,104,305	3,104,305	3,104,305	3,104,305	3,104,305
Total equity	5,763,684	5,730,725	6,143,819	6,042,737	6,153,040	6,469,038	6,691,234
TOTAL LIABILITIES AND EQUITY	8,216,442	8,218,725	8,625,182	8,803,274	9,300,852	9,874,302	10,131,361

(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.....	359	359	359	359	359	359	359
Operating subsidy	776,829	806,180	798,772	838,550	858,405	898,431	925,559
Capital appropriation.....	112,296	576,384	576,384	190,431	479,678	651,000	809,406
Holding account drawdowns.....	61,125	64,232	48,121	72,134	108,792	113,934	105,619
Royalties for Regions Fund:							
Regional Community Services Fund.....	14	15	13	13	13	13	13
Regional Infrastructure and Headworks Fund.....	12,307	6,567	6,573	600	6,624	33,861	17,000
Receipts paid into Consolidated Account.....	-	-	-	-	-	-	(164,200)
Other.....	90,687	162,625	104,323	92,481	-	-	-
Net cash provided by State Government.....	1,053,617	1,616,362	1,534,545	1,194,568	1,453,871	1,697,598	1,693,756
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(166,621)	(166,741)	(183,132)	(188,433)	(197,074)	(211,677)	(217,215)
Grants and subsidies.....	(500,464)	(528,983)	(516,520)	(540,073)	(548,275)	(560,265)	(561,647)
Supplies and services.....	(222,012)	(238,216)	(225,078)	(227,149)	(201,144)	(202,974)	(218,505)
Accommodation.....	(25,995)	(30,154)	(28,870)	(30,970)	(33,266)	(34,567)	(38,604)
Other payments.....	(234,516)	(241,574)	(231,902)	(282,557)	(320,951)	(376,630)	(393,553)
Receipts							
Regulatory fees and fines.....	3,956	3,940	3,940	3,940	3,940	3,940	3,940
Grants and subsidies.....	14,893	23,024	21,766	37,915	15,307	15,307	15,307
Sale of goods and services.....	196,836	203,272	185,322	197,581	204,856	211,510	229,301
GST receipts.....	117,959	121,308	121,308	152,192	175,385	212,515	212,515
Other receipts.....	45,054	48,157	57,298	48,906	42,445	42,480	42,530
Net cash from operating activities.....	(770,910)	(805,967)	(795,868)	(828,648)	(858,777)	(900,361)	(925,931)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(554,944)	(571,745)	(631,292)	(876,824)	(1,000,764)	(1,063,271)	(808,154)
Proceeds from sale of non-current assets.....	7,810	749	749	-	-	-	-
Net cash from investing activities.....	(547,134)	(570,996)	(630,543)	(876,824)	(1,000,764)	(1,063,271)	(808,154)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(154,621)	(163,065)	(193,065)	(163,040)	(187,798)	(232,009)	(174,790)
Other payments.....	(5,600)	(6,000)	(6,000)	(1,800)	-	-	-
Proceeds from borrowings.....	395,000	288,959	226,375	447,780	580,539	496,485	215,119
Net cash from financing activities.....	234,779	119,894	27,310	282,940	392,741	264,476	40,329
NET INCREASE/(DECREASE) IN CASH HELD.....	(29,648)	359,293	135,444	(227,964)	(12,929)	(1,558)	-
Cash assets at the beginning of the reporting period.....	140,211	116,417	150,259	309,659	88,965	76,036	74,478
Net cash transferred to/from other agencies.....	39,696	20,423	23,956	7,270	-	-	-
Cash assets at the end of the reporting period.....	150,259	496,133	309,659	88,965	76,036	74,478	74,478

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

Fremantle Port Authority

Part 22

Minister for Transport; Planning; Lands

Asset Investment Program

The Authority's Asset Investment Program for 2017-18 to 2020-21 totals \$240.5 million. Major approved projects planned or underway include:

- Kwinana Bulk Terminal (KBT) - \$22.1 million (2017-18) and \$19.3 million (2018-19 to 2019-20) will be spent on the replacement and upgrade of assets at the KBT to facilitate the ongoing import, export and storage of bulk materials for customers. Additional loading/unloading capacity will also be required to maintain berth utilisation at an acceptable level;
- Kwinana Bulk Jetty (KBJ) - the projected growth of the export and import of bulk commodities at KBJ requires an additional spend of \$7.2 million (2017-18) and \$46.2 million (2018-19) on improved product handling infrastructure and equipment. This investment will improve the utilisation of the jetty;
- Land Acquisition North Quay - this project is to secure land for port operations in the Inner Harbour. \$20.4 million (2017-18) and \$5 million (2018-19) will be spent on land that is needed to supplement land requirements for port-related purposes and to provide a buffer zone for port activities;
- Upgrade of Fremantle Inner Harbour berths - \$19.9 million (2019-20 to 2020-21) will be spent on continuing upgrades to certain berths in the Inner Harbour to accommodate larger vessels and to allow for heavy duty use; and
- Fremantle Waterfront Implementation Plan including the commercial precinct - the objective of this project is to undertake the works and provide the services associated with the developments and land uses identified in the Fremantle Waterfront Masterplan for the western end of Victoria Quay. Expenditure of \$15.2 million (2018-19 to 2020-21) is subject to Fremantle Port being able to secure private sector interest in the development through a planned Expressions of Interest process.

	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							
Fremantle Waterfront Project							
Commercial Precinct Access and Services.....	4,279	1,329	-	-	2,950	-	-
Inner Harbour							
Deepening of the Inner Harbour Stage 1	107,655	97,415	-	-	-	-	10,240
Overseas Passenger Terminal	5,400	1,234	-	1,266	2,900	-	-
Replacement of Trucks.....	634	284	-	-	350	-	-
Shore Tension Mooring System.....	4,650	4,225	315	425	-	-	-
Underwater Rock Mound.....	2,800	531	531	2,269	-	-	-
North Quay							
Berth Upgrades - Western Stage.....	79,213	69,522	-	-	-	9,691	-
Environmental Improvement Program.....	3,840	2,890	100	450	300	-	200
Outer Harbour							
Kwinana Bulk Jetty							
Fire Fighting Foam System.....	4,433	933	590	3,500	-	-	-
Replace/Upgrade Transformer and Switchgear.....	4,000	200	200	3,800	-	-	-
Kwinana Bulk Terminal							
Civil and Mechanical Assets Upgrade	4,573	2,235	-	2,338	-	-	-
Dust Control and Roadworks	2,386	1,386	-	1,000	-	-	-
Infrastructure, Equipment Replacement and Upgrade.....	39,514	9,914	1,000	6,000	19,000	300	-
Upgrade Rail Infrastructure and Replacement of Other Plant.....	601	301	100	300	-	-	-
Plant and Equipment							
Replace Specialised Plant	385	285	-	100	-	-	-
Placement of Navigational Aids.....	5,427	1,767	350	700	750	700	750
Rous Head - Seawall Construction and Rous Head							
Extension - Stage 2.....	52,025	50,919	182	1,106	-	-	-
Victoria Quay - Fremantle Waterfront Implementation Plan.....	16,226	3,953	-	-	3,000	3,273	6,000

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COMPLETED WORKS							
Fremantle Port - Inner and Outer Harbour							
Upgrade of Electrical Metering System - Stage 2.....	1,423	1,423	425	-	-	-	-
Minor Works - 2016-17 Program	3,000	3,000	3,000	-	-	-	-
North Quay - Upgrade of High Voltage Substations.....	4,930	4,930	10	-	-	-	-
Plant and Equipment - Mobile Truck Mounted Capstans.....	450	450	250	-	-	-	-
Victoria Quay - Berth E - Upgrade Fendering	11,499	11,499	666	-	-	-	-
NEW WORKS							
Fremantle Port - Inner and Outer Harbour							
Security Upgrades Stage 2.....	5,850	-	-	1,950	1,950	1,950	-
Water Minimisation (Environmental)	3,900	-	-	-	1,500	1,500	900
Inner Harbour							
Access to Versacold Site.....	2,000	-	-	-	-	-	2,000
Provision of Alternative Vehicular Access.....	1,000	-	-	-	-	1,000	-
Replacement of Mechanical Plant.....	490	-	-	490	-	-	-
Minor Works							
2017-18 Program	3,000	-	-	3,000	-	-	-
2018-19 Program	3,000	-	-	-	3,000	-	-
2019-20 Program	5,000	-	-	-	-	5,000	-
2020-21 Program	5,000	-	-	-	-	-	5,000
North Quay							
Berth - Heavy Duty Pad.....	7,900	-	-	7,900	-	-	-
Emergency Warning and Intercommunication System.....	1,500	-	-	1,500	-	-	-
Land Acquisitions	25,400	-	-	20,400	5,000	-	-
Outer Harbour							
Kwinana Bulk Jetty							
Bulk Handling Plant and Equipment	14,000	-	-	2,000	12,000	-	-
Export-Import Infrastructure.....	39,480	-	-	5,232	34,248	-	-
Kwinana Bulk Terminal							
Bulk Handling Equipment.....	12,000	-	-	12,000	-	-	-
Replacement of Front End Loaders.....	1,500	-	-	1,500	-	-	-
Plant and Equipment - Replace Floating Plant.....	15,000	-	-	7,500	-	-	-
Victoria Quay							
Motor Vehicle Decking.....	15,900	-	-	-	5,900	10,000	-
Replacement Workshop and Fire Station.....	2,372	-	-	-	-	-	2,372
Total Cost of Asset Investment Program.....	523,635	270,625	7,719	86,726	92,848	33,414	27,462
FUNDED BY							
Borrowings.....			4,000	29,000	62,250	5,500	-
Internal Funds and Balances.....			3,669	57,676	30,548	27,864	27,412
Other			50	50	50	50	50
Total Funding.....			7,719	86,726	92,848	33,414	27,462

Kimberley Ports Authority

Part 22

Minister for Transport; Planning; Lands

Asset Investment Program

The Authority's 2017-18 Asset Investment Program of \$1.5 million is for 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
COMPLETED WORKS							
Major Port Infrastructure							
Land Development	105	105	105	-	-	-	-
Waste Water Servicing Works	435	435	435	-	-	-	-
Wharf Essential Works - Electrical Upgrade	729	729	729	-	-	-	-
Wharf Extension of Life	24,358	24,358	9,306	-	-	-	-
Minor Works - 2016-17 Program	1,292	1,292	1,292	-	-	-	-
NEW WORKS							
Minor Works							
2017-18 Program	1,496	-	-	1,496	-	-	-
2018-19 Program	1,575	-	-	-	1,575	-	-
2019-20 Program	1,575	-	-	-	-	1,575	-
2020-21 Program	1,575	-	-	-	-	-	1,575
Total Cost of Asset Investment Program.....	33,140	26,919	11,867	1,496	1,575	1,575	1,575
FUNDED BY							
Internal Funds and Balances.....			11,867	1,496	1,575	1,575	1,575
Total Funding.....			11,867	1,496	1,575	1,575	1,575

Mid West Ports Authority

Part 22

Minister for Transport; Planning; Lands

Asset Investment Program

The Authority's Asset Investment Program for 2017-18 is \$10.3 million. Planned projects include:

- \$5.3 million to finalise comprehensive rehabilitation works to the Berth 3 extension and Berth 4 structures. These works will remediate the degradation to elements of the structures to ensure continued future use; and
- \$5 million for minor works, which in 2017-18 will be applied to upgrading the Port's services and civil infrastructure, security, environmental systems and equipment replacement.

	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							
Comprehensive Rehabilitation Works to Berth 3 Extension and Berth 4 Structures.....	7,906	2,640	2,640	5,266	-	-	-
COMPLETED WORKS							
Information Technology Software Upgrade.....	2,500	2,500	117	-	-	-	-
Miscellaneous Works							
Additional 2014-15 Program.....	3,719	3,719	1,678	-	-	-	-
2015-16 Program.....	4,264	4,264	2,384	-	-	-	-
2016-17 Program.....	5,462	5,462	5,462	-	-	-	-
Replacement of CV03 and CV04 Gallery Structure.....	1,730	1,730	1,730	-	-	-	-
Replacement of Ship Loader 04 Electrical Distribution and Control Systems.....	5,233	5,233	2,919	-	-	-	-
NEW WORKS							
Miscellaneous Works							
2017-18 Program.....	5,000	-	-	5,000	-	-	-
2018-19 Program.....	5,000	-	-	-	5,000	-	-
2019-20 Program.....	5,000	-	-	-	-	5,000	-
2020-21 Program.....	5,500	-	-	-	-	-	5,500
Total Cost of Asset Investment Program.....	51,314	25,548	16,930	10,266	5,000	5,000	5,500
FUNDED BY							
Borrowings.....			4,679	5,266	-	-	-
Internal Funds and Balances.....			12,251	5,000	5,000	5,000	5,500
Total Funding.....			16,930	10,266	5,000	5,000	5,500

Pilbara Ports Authority

Part 22 Minister for Transport; Planning; Lands

Asset Investment Program

The Authority's 2017-18 Asset Investment Program totals \$82.1 million for minor works, construction of port infrastructure at the Port of Ashburton and capital projects funded by the Port Improvement Rate (PIR) at the Port of Port Hedland. The PIR was established to fund critical capital improvement necessary to sustain the long-term operation and development of the Port of Port Hedland.

In 2017-18, \$16.9 million will be spent on the Berth 3 Deck Replacement project, which will maintain operations at the Port of Port Hedland, facilitating the export of salt and import of fuels.

The Authority has had to delay the development of facilities required to manage and operate the Chevron developed Port of Ashburton as a result of delays being experienced by Chevron. Handover of the shipping channel and navigation aids to the Authority is expected to occur during 2017-18. Earthworks will commence in 2017-18 and will allow future development of multi-user port infrastructure on port vested land, including an administration building, gatehouse, power facilities and water facilities.

Following the handover of the Port of Ashburton, the Authority will be required to develop and maintain capital infrastructure, with a minor works allocation of \$5.4 million over the forward estimates period which will provide for the development of services at the Port of Ashburton.

The overall minor works program (excluding the Port of Ashburton) (\$11.6 million in 2017-18 and \$49.1 million over the forward estimates period) provides for upgrades to safety, information and communications technology, electrical and other equipment and infrastructure. It also provides for the replacement of mobile plant and office equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
WORKS IN PROGRESS							
Port of Ashburton - Port Infrastructure Construction Project.....	32,400	7,448	7,000	8,500	16,452	-	-
Port of Port Hedland - Port Improvement Rate							
Channel Marker Replacement Program.....	40,492	5,104	-	7,800	27,588	-	-
Channel Risk Optimisation Project.....	121,100	1,200	1,200	12,200	107,700	-	-
Integrated Marine Operations Centre.....	70,691	24,324	22,849	25,101	21,266	-	-
COMPLETED WORKS							
Minor Works - 2016-17 Program.....	19,592	19,592	19,592	-	-	-	-
NEW WORKS							
Minor Works							
2017-18 Program.....	11,605	-	-	11,605	-	-	-
2018-19 Program.....	14,429	-	-	-	14,429	-	-
2019-20 Program.....	17,325	-	-	-	-	17,325	-
2020-21 Program.....	17,325	-	-	-	-	-	17,325
Port of Ashburton - Minor Works	5,388	-	-	-	2,034	2,302	1,052
Port of Port Hedland - Berth 3 Deck Replacement.....	33,800	-	-	16,900	16,900	-	-
Total Cost of Asset Investment Program.....	384,147	57,668	50,641	82,106	206,369	19,627	18,377
FUNDED BY							
Internal Funds and Balances.....			19,592	28,505	33,363	19,627	18,377
Other			31,049	53,601	173,006	-	-
Total Funding.....			50,641	82,106	206,369	19,627	18,377

Southern Ports Authority

Part 22 Minister for Transport; Planning; Lands

Asset Investment Program

The Authority's 2017-18 Asset Investment Program of \$15.4 million includes:

- \$9.2 million across three ports for the replacement of plant and equipment, improvements to port infrastructure and other civil works; and
- \$6.3 million for road upgrades at the Port of Esperance.

	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							
Port of Esperance - Port Road Upgrades	11,240	4,990	3,000	6,250	-	-	-
COMPLETED WORKS							
Port of Albany - Minor Works - 2016-17 Program	1,000	1,000	1,000	-	-	-	-
Port of Bunbury							
Minor Works - 2016-17 Program.....	3,850	3,850	3,850	-	-	-	-
Port Road Upgrades.....	1,950	1,950	1,393	-	-	-	-
Port of Esperance							
Minor Works - 2016-17 Program.....	6,200	6,200	6,200	-	-	-	-
Berth Hardstand Upgrades.....	1,300	1,300	1,300	-	-	-	-
NEW WORKS							
Port of Albany - Minor Works							
2017-18 Program.....	1,000	-	-	1,000	-	-	-
2018-19 Program.....	1,000	-	-	-	1,000	-	-
Port of Bunbury							
Minor Works							
2017-18 Program.....	3,000	-	-	3,000	-	-	-
2018-19 Program.....	3,000	-	-	-	3,000	-	-
Land - Purchases of Freehold Land.....	3,587	-	-	-	3,587	-	-
Port of Esperance - Minor Works							
2017-18 Program.....	5,182	-	-	5,182	-	-	-
2018-19 Program.....	4,750	-	-	-	4,750	-	-
Southern Ports Authority - Minor Works							
2019-20 Program.....	8,750	-	-	-	-	8,750	-
2020-21 Program.....	9,000	-	-	-	-	-	9,000
Total Cost of Asset Investment Program.....	64,809	19,290	16,743	15,432	12,337	8,750	9,000
FUNDED BY							
Internal Funds and Balances.....			16,743	15,432	12,337	8,750	9,000
Total Funding.....			16,743	15,432	12,337	8,750	9,000

Metropolitan Redevelopment Authority

Part 22 Minister for Transport; Planning; Lands

Asset Investment Program

The Authority will continue to transform and redefine key areas, including the delivery of major redevelopment projects, across the Perth metropolitan region.

In 2017-18, the Authority will invest:

- \$56.8 million to continue delivery of the Perth City Link project, including completing Yagan Square, creating a new King Street connection between Wellington and Roe Street and finalising subdivision works to support land sales;
- \$27 million to continue infrastructure and public domain works for the Waterbank precinct in East Perth;
- \$10.2 million to support planning, development and private investment in Armadale, Kelmscott and Wungong, through administration of developer contribution schemes; and
- \$5.7 million to cover final payments for the Elizabeth Quay project.

	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							
Armadale Redevelopment Area							
Armadale and Kelmscott Redevelopment Works	79,257	19,954	3,308	5,068	674	6,415	3,701
Wungong Urban Project	237,930	13,058	1,762	5,115	12,986	10,332	10,740
Central Perth Redevelopment Area							
Elizabeth Quay Redevelopment Works.....	418,992	409,502	18,110	5,708	904	1,039	1,839
Perth City Link Redevelopment Works.....	219,385	109,132	40,097	56,820	19,637	3,428	3,397
Riverside Redevelopment Works.....	146,639	94,172	8,518	26,964	11,942	10,077	2,341
Midland Redevelopment Area - Redevelopment Works.....	45,955	42,341	7,007	1,881	1,378	-	355
Minor Asset Purchases	17,030	10,941	2,196	641	296	955	500
Subiaco Redevelopment Area - Redevelopment Works.....	65,011	64,720	466	191	-	100	-
Total Cost of Asset Investment Program.....	1,230,199	763,820	81,464	102,388	47,817	32,346	22,873
FUNDED BY							
Funding Included in Department of Treasury							
Administered Item			-	-	-	2,420	-
Borrowings.....			58,032	86,766	33,320	14,955	6,655
Internal Funds and Balances.....			16,870	6,041	5,497	(3,392)	4,011
Other			6,562	9,581	9,000	18,363	12,207
Total Funding.....			81,464	102,388	47,817	32,346	22,873

Division 44 Western Australian Planning Commission

Part 22 Minister for Transport; Planning; Lands

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 83 Net amount appropriated to deliver services	9,133	6,038	6,038	5,936	5,848	5,849	5,850
Amount Authorised by Other Statutes - Metropolitan Region Improvement Tax Act 1959	97,897	97,960	95,959	94,572	99,879	102,377	104,937
Total appropriations provided to deliver services	107,030	103,998	101,997	100,508	105,727	108,226	110,787
CAPITAL							
Item 128 Capital Appropriation	18,290	6,000	6,000	5,504	5,400	5,400	5,400
TOTAL APPROPRIATIONS	125,320	109,998	107,997	106,012	111,127	113,626	116,187
EXPENSES							
Total Cost of Services	130,913	49,329	48,069	50,514	49,645	49,997	50,392
Net Cost of Services ^(a)	78,710	12,617	11,357	19,995	16,885	19,750	20,567
CASH ASSETS ^(b)	301,332	369,625	370,720	425,532	499,294	552,523	607,492

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

(b) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Election Commitments					
Plan for Bunbury: Bunbury Development Committee ^(a)	-	100	100	100	100
Other					
2017-18 Streamlined Budget Process Incentive Funding	-	55	-	-	-
2017-18 Tariffs, Fees and Charges	-	(3,317)	(3,425)	(3,511)	(3,599)
Adjustment to Depreciation Expense	-	500	300	300	300
Revision to Indexation for Non-Salary Expenses	-	-	(133)	(188)	(244)

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

Significant Issues Impacting the Agency

Plan for Bunbury: Bunbury Development Committee

- The Department of Planning, Lands and Heritage (the Department), on behalf of the Commission will assist in the formation and operation of the Bunbury Development Committee. This committee will be formed to fulfil a key election commitment and will work collaboratively with the South West Development Commission to help guide the development of the Greater Bunbury region, including the Bunbury Waterfront, Withers, Glen Iris and community infrastructure.

Design WA

- Design WA will ensure good design is at the centre of all development in Western Australia. Produced in collaboration with the Office of the Government Architect, and with comprehensive industry consultation, Design WA will be an integrated policy suite for planning and design of the built environment. In 2017-18 the development of house, neighbourhood and precinct design policies is a priority and will become important tools for Western Australian towns and cities, especially for land use considerations around METRONET stations.

Bushfire Regulations

- The Department, on behalf of the Commission, is undertaking a staged review of the Planning in Bushfire Prone Areas Guidelines which is likely to result in further review of the guidelines, State Planning Policy 3.7: Planning in Bushfire Prone Areas and the 'Planning and Development (Local Planning Schemes) Amendment Regulations 2015' in 2017-18.

Ascot Kilns

- The Ascot Kilns Local Development Plan and Design Guidelines set out a framework for the redevelopment of the Kilns site, recognising the importance of the site's history and character. Community and stakeholder engagement informed the preparation of the plan which is expected to be advertised for public comment and assessed by the City of Belmont. The plan will progress the site to a 'planning ready' state in preparation for future development, and conservation and interpretation of the site's heritage structures.

Land Acquisition

- The Commission will continue with its strategic land acquisition program including the prioritisation of outstanding Bush Forever sites still in private ownership and finalising the land assembly of sites for METRONET.

Bentley-Curtin Specialised Activity Centre Structure Plan

- The structure plan will provide strategic guidance for further planning and development of the Bentley-Curtin Specialised Activity Centre. Consideration of public submissions on a draft version will lead to a final plan being considered by the Commission.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcome	Services
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	An efficient and effective planning system that promotes sustainable use and development of land in Western Australia.	1. Statutory Planning 2. Strategic Planning 3. Asset Management

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. Statutory Planning.....	14,732	15,154	15,154	14,202	13,957	14,057	14,167
2. Strategic Planning.....	8,842	8,078	6,818	10,691	10,507	10,581	10,665
3. Asset Management ^(a)	107,339	26,097	26,097	25,621	25,181	25,359	25,560
Total Cost of Services	130,913	49,329	48,069	50,514	49,645	49,997	50,392

(a) The 2015-16 Actual of \$107.3 million includes revaluation decrement for land of \$44.3 million and impairment loss for land of \$33.4 million. These expenditures are not budgeted in the 2016-17 Budget and across the forward estimates.

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: An efficient and effective planning system that promotes sustainable use and development of land in Western Australia:					
The proportion of residential land in the metropolitan area that is capable of multiple dwellings within 400 metres and 800 metres of the Capital City, a Strategic Metropolitan Centre, or a Train Station:					
400 metres	35.9%	36%	35.8%	36%	
800 metres	28.8%	30%	29%	30%	
The proportion of residential land that is zoned R40 and above that is within 400 metres of a Major Regional Centre.....					
	61.8%	64%	63.3%	64%	
The percentage of Subdivision Applications determined within the statutory timeframe.....					
	81%	80%	72.8%	80%	1
The percentage of Development Applications determined within the statutory timeframe.....					
	77%	70%	64.9%	70%	1
The percentage of finalised appeals (excluding Development Assessment Panels) that are not upheld on review by the State Administrative Tribunal.....					
	98.6%	95%	96.2%	95%	
Vacancy rate of residential properties available for rent.....					
	8%	4%	7.1%	8%	2
Vacancy rate of commercial properties available for rent.....					
	n/a	8%	6.9%	8%	3

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

Explanation of Significant Movements

(Notes)

1. The decrease between the 2015-16 Actual and the 2016-17 Estimated Actual is due to the number of subdivision and development applications that required additional information from the applicant for which agreements for extensions of time were not sought with the applicant.
2. The increase in vacancy rate in the 2016-17 Estimated Actual of 7.1% and the 2017-18 Budget Target of 8% as compared to the 2016-17 Budget of 4% is attributable to a weak residential property market.
3. Data for this new key effectiveness indicator was not available for the 2015-16 Actual.

Services and Key Efficiency Indicators**1. Statutory Planning ^(a)**

Utilisation of statutory, consultative, legislative, regulatory reform and coordination processes that facilitate the implementation of creative and innovative strategic regional and local plans and policies.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	14,732	15,154	15,154	14,202	
Less Income.....	14,108	14,662	14,662	11,941	1
Net Cost of Service.....	624	492	492	2,261	
Efficiency Indicator					
Average Cost per Statutory Application.....	\$2,387	\$2,701	\$2,701	\$2,896	

(a) The Staff undertaking the Commission's activities under a Service Delivery Agreement are employed by the Department and appear as Full Time Equivalents in the Department's Budget.

Explanation of Significant Movements

(Notes)

1. The decrease in income between the 2016-17 Budget of \$14.7 million and the 2017-18 Budget Target of \$11.9 million is due to an anticipated reduction in the number of planning applications received.

2. Strategic Planning ^(a)

The development and advancement of planning strategies, policies and information systems that guide the State's long-term urban settlement, industrial and economic development, and the management of the environment, in ways that reflect the aspirations of the Western Australian community for a high quality of life.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 8,842	\$'000 8,078	\$'000 6,818	\$'000 10,691	1
Less Income.....	3,011	3,566	3,566	3,238	
Net Cost of Service.....	5,831	4,512	3,252	7,453	
Efficiency Indicator					
Average Cost per Hour for Strategic Planning.....	\$176.31	\$161.91	\$144.74	\$156.59	2

(a) The Staff undertaking the Commission's activities under a Service Delivery Agreement are employed by the Department and appear as Full Time Equivalents in the Department's Budget.

Explanation of Significant Movements

(Notes)

1. Deferral of a number of strategic projects from 2016-17 to 2017-18 resulted in a lower Total Cost of Services in the 2016-17 Estimated Actual of \$6.8 million and a higher cost in the 2017-18 Budget Target of \$10.7 million.
2. Deferral of a number of strategic projects from 2016-17 to 2017-18 and increase in the staff and contractor hours resulted in a lower Average Cost per Hour for Strategic Planning in the 2016-17 Estimated Actual of \$144.74. Complexity and duration of projects undertaken can have a bearing on the Average Cost per Hour for Strategic Planning.

3. Asset Management ^(a)

The acquisition, management and disposal of properties reserved under the Metropolitan, Peel and Greater Bunbury Region Schemes for primary and other regional roads, parks and recreation and regional open space areas, special uses including planning control areas and improvement plans and major land development projects.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 107,339	\$'000 26,097	\$'000 26,097	\$'000 25,621	1
Less Income.....	28,545	18,484	18,484	15,340	2
Net Cost of Service.....	78,794	7,613	7,613	10,281	
Efficiency Indicators					
Average Cost of Service for the Management of Whiteman Park per Visitor.....	\$6.70	\$7.26	\$7.03	\$6.60	
Average Cost of Service for the Management of Residential and Commercial Properties per Property.....	\$18,308	\$19,656	\$19,191	\$18,779	
Average Cost of Service for the Management of Reserved Land (Excluding Whiteman Park and Residential and Commercial Properties) per Hectare Managed.....	\$414.48	\$553.21	\$552.77	\$461.16	3

(a) The Staff undertaking the Commission's activities under a Service Delivery Agreement are employed by the Department and appear as Full Time Equivalents in the Department's Budget.

Explanation of Significant Movements

(Notes)

1. The 2015-16 Actual of \$107.3 million includes revaluation decrement for land of \$44.3 million and impairment loss for land of \$33.4 million. These expenditures are not budgeted in the 2016-17 Budget, 2016-17 Estimated Actual and 2017-18 Budget Target.
2. The decrease in income between the 2016-17 Budget of \$18.5 million and the 2017-18 Budget Target of \$15.3 million is due to forecast decreases to both rent revenue and profit on disposal of land.
3. The decrease in Average Cost of Service for the Management of Reserved Land (Excluding Whiteman Park and Residential and Commercial Properties) per Hectare Managed between the 2016-17 Budget of \$553.21 and the 2017-18 Budget Target of \$461.16 is mainly due to anticipated lower parks maintenance expenditure and remediation costs for contaminated sites.

Asset Investment Program

The Commission's 2017-18 Asset Investment Program of \$44.8 million includes the acquisition of land reserved under the Metropolitan, Peel and Greater Bunbury Region Schemes and development of facilities on reserved land.

	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							
Buildings/Infrastructure	22,675	8,933	400	1,950	1,300	1,300	1,300
Other Minor Equipment	3,967	2,409	137	140	143	147	151
COMPLETED WORKS							
Acquisition of Land - 2016-17 Program	41,186	41,186	41,186	-	-	-	-
Regional Land Acquisitions - 2016-17 Program	1,625	1,625	1,625	-	-	-	-
NEW WORKS							
Acquisition of Land							
2017-18 Program	33,536	-	-	33,536	-	-	-
2018-19 Program	29,402	-	-	-	29,402	-	-
2019-20 Program	40,000	-	-	-	-	40,000	-
2020-21 Program	40,000	-	-	-	-	-	40,000
Regional Land Acquisitions							
2017-18 Program	9,175	-	-	9,175	-	-	-
2018-19 Program	5,831	-	-	-	5,831	-	-
2019-20 Program	5,400	-	-	-	-	5,400	-
2020-21 Program	5,400	-	-	-	-	-	5,400
Total Cost of Asset Investment Program.....	238,197	54,153	43,348	44,801	36,676	46,847	46,851
FUNDED BY							
Capital Appropriation			6,000	5,504	5,400	5,400	5,400
Asset Sales			20,000	15,000	18,500	5,000	5,000
Internal Funds and Balances			17,348	24,297	12,776	36,447	36,451
Total Funding.....			43,348	44,801	36,676	46,847	46,851

Financial Statements

Income Statement

Expenses

Deferral of a number of strategic projects from 2016-17 to 2017-18 resulted in a lower Total Cost of Services of \$48.1 million in the 2016-17 Estimated Actual and a higher Total Cost of Services of \$50.5 million in the 2017-18 Budget Estimate as compared to the 2016-17 Budget of \$49.3 million.

Income

The decrease in income of \$6.2 million between the 2016-17 Budget of \$36.7 million and the 2017-18 Budget Estimate of \$30.5 million is due to lower than anticipated rent revenue, profit on disposal of land and statutory fees and charges revenue.

The decrease in the service appropriation in the 2016-17 Estimated Actual of \$102 million and the 2017-18 Budget Estimate of \$100.5 million as compared to the 2016-17 Budget of \$104 million is attributable to lower Metropolitan Region Improvement Tax collection.

Statement of Financial Position

The lower property, plant and equipment assets in the 2016-17 Estimated Actual of \$536.8 million as compared to the 2016-17 Budget of \$642 million is due to land revaluation decrement and impairment loss.

Statement of Cashflows

The continuous increase in cash assets over the 2016-17 Budget and across the forward estimates from \$425.5 million in the 2017-18 Budget Estimate to \$607.5 million in the 2020-21 Forward Estimate is due to the forecast surpluses generated from the Metropolitan Region Improvement Account in each year.

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							
Grants and subsidies ^(b)	7,617	300	300	300	300	300	300
Supplies and services	566	450	450	450	553	506	563
Accommodation	72	-	-	-	-	-	-
Depreciation and amortisation	36,760	3,500	3,500	3,500	3,600	3,600	3,600
Other expenses	85,898	45,079	43,819	46,264	45,192	45,591	45,929
TOTAL COST OF SERVICES	130,913	49,329	48,069	50,514	49,645	49,997	50,392
Income							
Sale of goods and services	12,824	13,362	13,362	10,379	10,608	10,873	11,139
Other revenue ^(c)	39,379	23,350	23,350	20,140	22,152	19,374	18,686
Total Income	52,203	36,712	36,712	30,519	32,760	30,247	29,825
NET COST OF SERVICES	78,710	12,617	11,357	19,995	16,885	19,750	20,567
INCOME FROM STATE GOVERNMENT							
Service appropriations	107,030	103,998	101,997	100,508	105,727	108,226	110,787
Resources received free of charge	304	450	450	450	450	450	450
TOTAL INCOME FROM STATE GOVERNMENT	107,334	104,448	102,447	100,958	106,177	108,676	111,237
SURPLUS/(DEFICIENCY) FOR THE PERIOD	28,624	91,831	91,090	80,963	89,292	88,926	90,670

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

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

(c) Other revenue in the 2015-16 Actual includes a technical adjustment of \$6.5 million from the 2014-15 Service Delivery Agreement with the then Department of Planning.

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
Araluen Botanic Park ^(a)	1,000	-	-	-	-	-	-
Lloyd Street Underpass	4,500	-	-	-	-	-	-
Strategic Assessment of the Perth and Peel Regions	1,817	-	-	-	-	-	-
Strategic Transport Evaluation Model	300	300	300	300	300	300	300
TOTAL	7,617	300	300	300	300	300	300

(a) Araluen Botanic Park grant is included in the Service Delivery Agreement with the Department in the 2016-17 Budget, 2016-17 Estimated Actual and 2017-18 Budget Estimate.

STATEMENT OF FINANCIAL POSITION ^(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
CURRENT ASSETS							
Cash assets	300,498	366,802	369,886	424,698	498,460	551,689	606,658
Restricted cash	834	2,823	834	834	834	834	834
Receivables	5,426	2,497	5,426	5,426	5,426	5,426	5,396
Other	49,785	27,969	49,785	49,785	49,785	49,785	49,785
Assets held for sale	7,105	2,766	7,105	7,105	7,105	7,105	7,105
Total current assets	363,648	402,857	433,036	487,848	561,610	614,839	669,778
NON-CURRENT ASSETS							
Holding account receivables	4,739	5,119	5,119	5,499	5,879	6,259	6,639
Property, plant and equipment	514,841	641,966	536,763	568,038	588,588	629,305	670,056
Intangibles	23,821	17,940	23,821	23,821	23,821	23,821	23,821
Total non-current assets	543,401	665,025	565,703	597,358	618,288	659,385	700,516
TOTAL ASSETS	907,049	1,067,882	998,739	1,085,206	1,179,898	1,274,224	1,370,294
CURRENT LIABILITIES							
Payables	2,470	22	2,470	2,470	2,470	2,470	2,470
Other	23,125	25,434	23,125	23,125	23,125	23,125	23,125
Total current liabilities	25,595	25,456	25,595	25,595	25,595	25,595	25,595
TOTAL LIABILITIES	25,595	25,456	25,595	25,595	25,595	25,595	25,595
EQUITY							
Contributed equity	9,643	14,890	10,243	15,747	21,147	26,547	31,947
Accumulated surplus/(deficit)	882,193	1,040,337	973,283	1,054,246	1,143,538	1,232,464	1,323,134
Reserves	38,306	35,886	38,306	38,306	38,306	38,306	38,306
Other	(48,688)	(48,687)	(48,688)	(48,688)	(48,688)	(48,688)	(48,688)
Total equity	881,454	1,042,426	973,144	1,059,611	1,154,303	1,248,629	1,344,699
TOTAL LIABILITIES AND EQUITY	907,049	1,067,882	998,739	1,085,206	1,179,898	1,274,224	1,370,294

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	106,650	103,618	101,617	100,128	105,347	107,846	110,407
Capital appropriation.....	18,290	6,000	6,000	5,504	5,400	5,400	5,400
Net cash provided by State Government.....	124,940	109,618	107,617	105,632	110,747	113,246	115,807
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Grants and subsidies.....	(7,617)	(300)	(300)	(300)	(300)	(300)	(300)
Supplies and services.....	(188)	-	-	-	(103)	(56)	(113)
Accommodation.....	(70)	-	-	-	-	-	-
Other payments.....	(53,701)	(48,383)	(47,123)	(49,568)	(48,496)	(48,891)	(49,229)
Receipts							
Sale of goods and services.....	12,904	13,362	13,362	10,379	10,608	10,873	11,139
GST receipts.....	6,693	3,330	3,330	3,330	3,330	3,330	3,330
Other receipts.....	17,786	15,850	15,850	15,140	16,152	16,874	16,186
Net cash from operating activities.....	(24,193)	(16,141)	(14,881)	(21,019)	(18,809)	(18,170)	(18,987)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(106,933)	(42,823)	(43,348)	(44,801)	(36,676)	(46,847)	(46,851)
Proceeds from sale of non-current assets.....	31,110	20,000	20,000	15,000	18,500	5,000	5,000
Net cash from investing activities.....	(75,823)	(22,823)	(23,348)	(29,801)	(18,176)	(41,847)	(41,851)
NET INCREASE/(DECREASE) IN CASH HELD							
.....	24,924	70,654	69,388	54,812	73,762	53,229	54,969
Cash assets at the beginning of the reporting period.....	276,408	298,971	301,332	370,720	425,532	499,294	552,523
Cash assets at the end of the reporting period.....	301,332	369,625	370,720	425,532	499,294	552,523	607,492

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

Agency Special Purpose Account Details

METROPOLITAN REGION IMPROVEMENT ACCOUNT

Account Purpose: This account was established in December 1959 under the *Metropolitan Region Improvement Tax Act 1959* to provide funds for the Commission to manage the Metropolitan Region Scheme.

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000
Opening Balance	262,185	285,149	293,052	348,340
Receipts:				
Appropriations.....	97,897	97,960	95,959	94,572
Other	56,481	36,215	27,557	30,306
	416,563	419,324	416,568	473,218
Payments	123,511	64,483	68,228	63,585
CLOSING BALANCE	293,052	354,841	348,340	409,633

Western Australian Land Authority

Part 22 Minister for Transport; Planning; Lands

Asset Investment Program

The Western Australian Land Authority (LandCorp) is the State Government's land and property development agency.

A key objective for LandCorp is to realise the potential of land and infrastructure development for all Western Australians. This is achieved by delivering diversity and choice in housing across new and revitalised residential and economic centres throughout the State. Areas of responsibility include the identification, design and delivery of a range of strategic and complex precinct scale developments and of priority State Government projects. Where possible, LandCorp partners with the private sector to share skill sets, to stimulate the economy and generate employment opportunities.

The planned Asset Investment Program over the forward estimates of \$912.9 million is targeted towards achieving project milestones (such as securing key approvals to enable future land releases, or actual land release to the market) to meet the needs of communities throughout Western Australia. Major projects include:

- \$143.2 million will be invested in the Economic and Employment Lands program. This program provides land and infrastructure for strategic, special and general industries throughout the State to facilitate economic growth, business investment, sector diversification and employment. There are a number of significant projects within this program including: Western Trade Coast (comprising of the Kwinana Industrial Area, the Australian Marine Complex, Latitude 32 Industry Zone and Rockingham Industrial Zone), Meridian Park (Neerabup), Crossroad Industrial Estate (Forrestdale) and Anketell (Karratha).
- \$413.5 million will be invested in the Metropolitan program to provide land for commercial investment in centres of activity, urban renewal and infill projects throughout Perth. The program enables people to invest in new homes in master planned estates which integrate town centres, business and residential land within one location. Major projects in the Metropolitan program include: Cockburn Central West, Cockburn Coast Redevelopment, Alkimos City Centre, Claremont North East Redevelopment, Jolimont Redevelopment, Murdoch Activity Centre and Shenton Park Health Campus Redevelopment. Also within the Metropolitan program:
 - \$34.7 million will be used for the Ocean Reef development. In 2017-18, works will begin on the Ocean Reef Marina election commitment, that will deliver a marina at Ocean Reef including a family beach, breakwaters, boat ramps, trailer parking, lookout point and fishing access. The marina will encompass up to 12,000 square metres of retail and commercial space, 1,000 residences, more than 550 boat pens and eight hectares of public open space, including play areas and landscaped boardwalks. Provision will also be made for sea rescue facilities and a helipad.
- \$356.2 million will be invested through the Regional program to create land to meet the needs of regional Western Australia and span the residential, industrial and commercial property sectors of local communities. Projects in the Regional program include the McLarty Explosives Reserve, Port Hedland Spoilbank Marina, Port Hedland Former Hospital Site Remediation, Pilbara Cities, Broome, Bunbury and Albany Middleton Beach. Also within the Regional program:
 - \$45.2 million will be used for the continuation of works on the Peel Business Park, Nambeelup (PBPN) election commitment. PBPN will be an industrial precinct comprising 1,000 hectares of land in Nambeelup for agricultural and industrial businesses; and
 - \$4.3 million will be used for the development of a business case for the remaining stage of the Transforming Bunbury's Waterfront project, consistent with the Government's election commitment.

There is also targeted investment in a number of communities through the Regional Development Assistance program to meet the residential and industrial land needs of local economies encouraging growth and attracting private investment.

	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							
Development of Land							
Economic and Employment Land Program							
Industry and Infrastructure Acquisition and Development ...	1,144,488	1,001,308	19,822	40,957	31,888	32,961	37,374
Metropolitan Program							
Perth and Peel Land Acquisition and Development	1,455,467	1,076,649	71,218	85,795	114,271	111,393	67,359
Regional Program							
Election Commitment - Peel Business Park,							
Nambeelup ^(a)	45,211	2,000	2,000	8,186	28,425	6,600	-
Regional Land Acquisition and Development	1,735,454	1,538,687	50,849	59,376	92,702	30,510	14,179
NEW WORKS							
Development of Land							
Metropolitan Program							
Election Commitment - Ocean Reef Marina	34,676	-	-	200	200	6,822	27,454
Regional Program							
Election Commitments							
Transforming Bunbury's Waterfront - Stage 3 ^(a)	4,250	-	-	1,750	2,500	-	-
Port Hedland Spoilbank Marina	112,000	-	-	-	41,300	20,000	50,700
Total Cost of Asset Investment Program.....	4,531,546	3,618,644	143,889	196,264	311,286	208,286	197,066
FUNDED BY							
Funding Included in Department of Treasury							
Administered Item			-	-	40,000	6,522	27,154
Asset Sales.....			20,000	-	-	-	-
Borrowings.....			90,771	56,707	86,757	55,582	19,911
Internal Funds and Balances.....			(2,817)	115,780	136,243	119,299	99,019
Drawdowns from Royalties for Regions Fund ^{(b) (c)}			35,935	23,777	48,286	26,883	50,982
Total Funding.....			143,889	196,264	311,286	208,286	197,066

(a) Funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund.

(c) Country Local Government Fund.

Division 45 Western Australian Land Information Authority

Part 22 Minister for Transport; Planning; Lands

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 84 Net amount appropriated to deliver services	29,216	31,029	31,029	31,436	31,793	31,869	31,556
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	328	337	337	337	337	337	337
- Transfer of Land Act 1893	35	-	225	-	-	-	-
Total appropriations provided to deliver services.....	29,579	31,366	31,591	31,773	32,130	32,206	31,893
TOTAL APPROPRIATIONS	29,579	31,366	31,591	31,773	32,130	32,206	31,893
EXPENSES							
Total Cost of Services.....	152,820	141,314	136,647	144,717	133,484	132,367	133,088
Net Cost of Services ^(a)	23,334	5,703	5,256	18,483	(6,102)	(29,964)	(27,785)
CASH ASSETS ^(b)	8,854	68,081	12,033	11,259	10,008	10,840	9,533

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

(b) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
2016-17 Estimated Outturn ^(a) ^(c)	(17,491)	(953)	-	-	-
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(10)	(19)	(28)	(28)
Revision to Indexation for Non-Salary Expenses	-	(97)	(189)	(288)	(392)
Strategic Development Plan (2017-18 to 2020-21) ^(b) ^(c)	349	13,173	3,739	(4,329)	(7,525)

(a) The reduction in expenditure in 2016-17 resulted from expenditure containment strategies put in place in response to decreasing revenue expectations as a consequence of the continued softening of the property market and the impact on land titles management activity.

(b) The change in expenditure results from the implementation of a new business operating model as part of the agency's internal reform program and the subsequent savings expected to be realised across the forward estimates.

(c) These changes exclude National Tax Equivalent Regime and dividends.

Significant Issues Impacting the Agency

- The Western Australian Land Information Authority (Landgate) is progressing strata title reform to support more housing options for Western Australia's growing population. Cabinet has approved drafting of the Strata Titles Bill and Community Titles Bill that comprise these reforms and Landgate is working with the Parliamentary Counsel's Office to complete the Bills in 2018. Landgate is also working to deliver changes to business systems and processes impacted by the legislative changes and will continue an education campaign to keep industry and the general public informed of the changes to the legislation.
- With the State economy experiencing significant financial challenges, the Government continues to implement measures to contain expenditure and ensure the most efficient and effective delivery of services. Further, the softening of the economy and subdued property market in Western Australia has impacted Landgate's revenue outlook. In response to the difficult trading conditions, Landgate will continue to manage expenditure and improve efficiency and effectiveness by completing system, process and structural reforms through its business improvement program. In addition, Landgate will seek to grow and diversify its revenue streams through its investments and commercial activities to ensure it delivers increasing financial returns to the State.
- The land registry sector is experiencing disruptive changes as it moves from manual, paper based process to electronic conveyancing and, in some jurisdictions, privatised service delivery. Several states are moving to outsource their land registry functions through concession models, with two, New South Wales and South Australia, already having done so. Landgate's subsidiary company Advara will continue to seek opportunities to provide its new land registry platform (NLR™) in other jurisdictions, as they transition to a digital and automated processing environment.
- Landgate's SPUR (our location and innovative hub) capability will continue to lead implementation of the State Government's Open Data Policy. The policy looks to improve the management and use of the public sector's data assets, improving public sector efficiency by reducing duplication, cutting costs and facilitating data driven business enterprises to broaden Western Australia's economic diversity. Western Australia's open data portal, www.data.wa.gov.au, contains hundreds of public sector datasets and is enabled by Landgate's Shared Location Information Platform which provides access to an array of government location based data. Landgate will continue to collaborate across government to drive greater data sharing through www.data.wa.gov.au providing the tools, support and encouragement to assist other agencies to comply with the policy and deliver benefits to the State.
- This year, an independent review of Landgate's enabling legislation, the *Land Information Authority Act 2006* is being undertaken. The review will assess the effectiveness of Landgate's operations over the last five years and provide recommendations for its future. The review report is due to be tabled in Parliament by November 2017 and the recommendations will inform Landgate's future activities and strategic direction.

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 Goals	Desired Outcomes	Services
Sustainable Finances: Responsible financial management and better service delivery.	The State's administrative, commercial and social systems are supported by a land information base and certainty of ownership and other interests in land.	1. Land Information
	Independent valuations support government's collection of rates and taxes and management of property assets.	2. Valuations
Future Jobs and Skills: Grow and diversify the economy, create jobs and support skills development.	Coordinated capture and access to the State's location information.	3. Access to Government Location Information

Service Summary ^(a)

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. Land Information	114,891	106,739	94,851	99,276	92,333	91,016	91,928
2. Valuations	30,560	27,897	34,115	36,745	32,738	32,949	33,036
3. Access to Government Location Information ...	7,369	6,678	7,681	8,696	8,413	8,402	8,124
Total Cost of Services	152,820	141,314	136,647	144,717	133,484	132,367	133,088

(a) The above Service Summary reflects Landgate as a single entity and does not include Landgate consolidated with its subsidiary Advara Limited of which Landgate owns 78%. It is expected financial forward estimates will be available for the Consolidated Landgate Group during the 2017-18 Mid-year Review.

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: The State's administrative, commercial and social systems are supported by a land information base and certainty of ownership and other interests in land:					
The extent to which the currency and relevance of the Land Information Databases meet the needs of the Western Australian community	99%	100%	52%	100%	1
Claims against registered interests as a result of fraud, negligence or errors, settled by the Crown.....	nil	nil	nil	nil	
Outcome: Independent valuations support government's collection of rates and taxes and management of property assets:					
International standards for accuracy and uniformity of rating and taxing values are met:					
Median Ratio Test:					
Gross Rental Value	91.96%	>92.5%	92%	>92.5%	
Unimproved Value.....	91.58%	>92.5%	91.95%	>92.5%	
Coefficient of Dispersion:					
Gross Rental Value	4.6%	<7%	3.98%	<7%	
Unimproved Value.....	4.89%	<15%	6.32%	<15%	
Adjustments of rating and taxing values as a result of objections and appeals as a percentage of total values in force	0.02%	<0.2%	<0.02%	<0.2%	
Outcome: Coordinated capture and access to the State's location information:					
Overall satisfaction with the capture of, access to and useability of Government Location Information.....	71%	80%	72%	80%	2
Strategic Capture:					
Percentage increase in the number of requests submitted by agencies (manually and on-line) requesting data capture through the Capture WA Program.....	56%	5%	-15%	-4%	3
Enhanced Access:					
Percentage increase in the total volume of data delivered (pages viewed) through Shared Location Information Platform (SLIP) ^(b)	100%	10%	-7%	16%	4
Percentage increase in the number of datasets available through SLIP	12%	5%	5%	10%	

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

(b) The 2015-16 Actual forms the base year for the revised Outcome Based Management measurement methodology and hence is reported as 100% for this key effectiveness indicator.

Explanation of Significant Movements

(Notes)

- The extent to which the currency and relevance of the Land Information Databases meet the needs of the Western Australian community is below the 2016-17 Budget as a result of the low levels of property related activity and reduced customer demand for some products.
- The overall satisfaction with the capture of, access to and useability of Government Location Information is below the 2016-17 Budget largely as a result of the change in technology affecting customer satisfaction. However, it is understood that customer sentiment is changing and the 2017-18 Budget Target will be met.
- The number of requests submitted by agencies (manually and on-line) requesting data capture through the Capture WA program has fallen during 2016-17 when compared to the 2015-16 Actual as a result of lower project activity. It is expected that the demand for data capture in 2017-18 will experience a small reduction relative to 2016-17 levels due to new investment in public infrastructure in Western Australia.
- The total volume of data delivered (pages viewed) through SLIP has declined in 2016-17 when compared to the 2015-16 Actual due to the change in technology resulting in negative growth. Customer usage data is currently showing increases in consumption due to the establishment of the new platform. This trend is expected to continue in the 2017-18 Budget Target resulting in an expected growth in the volume of data delivered.

Services and Key Efficiency Indicators

1. Land Information

Information about land ownership, land boundaries and geographic features is collected, recorded and made available for use by government, business and the community.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	114,891	106,739	94,851	99,276	1
Less Income.....	110,607	112,201	109,159	110,434	
Net Cost of Service.....	4,284	(5,462)	(14,308)	(11,158)	
Employees (Full Time Equivalents).....	400	379	379	361	2
Efficiency Indicators					
Average Cost per Land Registration Action.....	\$40.51	\$39.59	\$34.63	\$37.99	3
Average Cost per Land Information Action.....	\$23.36	\$24.24	\$31.55	\$33.67	3

Explanation of Significant Movements

(Notes)

- The decrease in the Total Cost of Service from the 2015-16 Actual to the 2016-17 Estimated Actual has resulted from the agency transitioning to a new business operating model as part of the internal reform program and expenditure containment strategies in response to decreasing revenue expectations. The increase in the Total Cost of Service in the 2017-18 Budget Target is a consequence of higher costs associated with cloud based services in lieu of costs of in-house application development and expenditure related to the continuing transition to a new business operating model.
- Automation of registration processes will allow Landgate to reduce its overall Full Time Equivalent numbers relative to the 2015-16 Actual.
- The 2016-17 Estimated Actual and 2017-18 Budget Target Average Cost per Land Information Action and 2017-18 Budget Target Average Cost per Land Registration Action are expected to increase as a consequence of the agency continuing its transition to a new business operating model as part of the internal reform program.

2. Valuations

An impartial valuation and property consultancy service.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	30,560	27,897	34,115	36,745	1
Less Income.....	18,367	23,410	22,024	15,800	2
Net Cost of Service.....	12,193	4,487	12,091	20,945	
Employees (Full Time Equivalents).....	205	204	204	179	3
Efficiency Indicator					
Average Cost per Valuation.....	\$18.12	\$14.53	\$17.38	\$25.55	2

Explanation of Significant Movements

(Notes)

- The increase in the Total Cost of Service in the 2017-18 Budget Target and 2016-17 Estimated Actual has resulted from the agency transitioning to a new business operating model as part of the internal reform program. From 2018-19, Total Cost of Service is expected to reduce as completion of the reform program leads to the realisation of savings.
- The nature of the Gross Rental Value General Metropolitan Triennial Program (Metropolitan Revaluation Program) causes fluctuations in income and the Average Cost per Valuation. The 2017-18 year is the first year of the triennial program and hence attracts the lowest level of income and activity compared to the 2016-17 year, which was the final year of the previous triennial program.
- Improved efficiency in valuation processes will allow Landgate to reduce its Full Time Equivalents from the 2016-17 Estimated Actual.

3. Access to Government Location Information

Effective access to land and location information can be demonstrated by improved data capture, access and useability of location information.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 7,369	\$'000 6,678	\$'000 7,681	\$'000 8,696	1
Less Income.....	512	-	208	-	
Net Cost of Service.....	6,857	6,678	7,473	8,696	
Employees (Full Time Equivalents).....	17	16	16	16	
Efficiency Indicators					
Average Cost of Coordinating the Capture WA Program per Request for Capture.....	\$3,584	\$3,558	\$5,042	\$5,930	2
Average Cost per Pages Viewed of Information Delivered through SLIP.....	\$0.53	\$0.55	\$0.57	\$0.55	

Explanation of Significant Movements

(Notes)

1. The 2016-17 Estimated Actual and 2017-18 Budget Target Total Cost of Service is higher than the 2016-17 Budget as a result of the agency transitioning to a new business operating model as part of the internal reform program.
2. The 2016-17 Estimated Actual and 2017-18 Budget Target Average Cost of Coordinating the Capture WA Program per Request for Capture is higher than the 2016-17 Budget as a result of a decrease in the number of requests received and increase in costs as a consequence of the agency transitioning to a new business operating model resulting in a higher average cost of program delivery.

Asset Investment Program

In 2017-18 the Asset Investment Program will total \$15.6 million. This will ensure that services are increasingly delivered in an online environment where sharing and integration of information across agencies, industry and academia continues to be developed. The investment also supports the reform of the *Strata Titles Act 1985*, Landgate's innovation program and the mandatory reporting to the Australian Taxation Office of a National Register of Foreign Ownership of Land Titles, which is funded by the Commonwealth Government.

The investment in newer technologies seeks to provide service delivery efficiencies and to support the business including automation opportunities using digital data. This includes the redevelopment of core service delivery and supporting systems using new technologies, cloud services and software as a service where possible.

The increased efficiency in delivering products and services in the future will also generate new revenue opportunities and continue to optimise the Government's land information asset.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement - 2016-17 Program.....	3,273	3,273	3,273	-	-	-	-
Business Reform Initiatives - 2016-17 Program.....	11,580	11,580	11,580	-	-	-	-
Location Infrastructure - 2016-17 Program.....	1,400	1,400	1,400	-	-	-	-
Products and Services - 2016-17 Program.....	2,872	2,872	2,872	-	-	-	-
NEW WORKS							
Asset Replacement							
2017-18 Program.....	1,080	-	-	1,080	-	-	-
2018-19 Program.....	1,160	-	-	-	1,160	-	-
2019-20 Program.....	2,080	-	-	-	-	2,080	-
2020-21 Program.....	2,480	-	-	-	-	-	2,480
Business Reform Initiatives							
2017-18 Program.....	11,475	-	-	11,475	-	-	-
2018-19 Program.....	10,900	-	-	-	10,900	-	-
2019-20 Program.....	6,460	-	-	-	-	6,460	-
2020-21 Program.....	7,812	-	-	-	-	-	7,812
Location Infrastructure							
2017-18 Program.....	1,671	-	-	1,671	-	-	-
2018-19 Program.....	1,768	-	-	-	1,768	-	-
2019-20 Program.....	1,637	-	-	-	-	1,637	-
2020-21 Program.....	1,438	-	-	-	-	-	1,438
Products and Services							
2017-18 Program.....	1,418	-	-	1,418	-	-	-
2018-19 Program.....	438	-	-	-	438	-	-
2019-20 Program.....	1,044	-	-	-	-	1,044	-
2020-21 Program.....	360	-	-	-	-	-	360
Total Cost of Asset Investment Program.....	72,346	19,125	19,125	15,644	14,266	11,221	12,090
FUNDED BY							
Commonwealth Grants.....			1,149	-	-	-	-
Drawdowns from the Holding Account.....			5,774	4,666	3,804	5,212	5,909
Internal Funds and Balances.....			12,202	10,978	10,462	6,009	6,181
Total Funding.....			19,125	15,644	14,266	11,221	12,090

Financial Statements

Income Statement

Expenses

The 2017-18 Budget Estimate Total Cost of Services of \$144.7 million is \$8.1 million (5.9%) higher than the 2016-17 Estimated Actual. This is mainly a result of contract related costs for the finalisation of the internal reform program and higher costs associated with cloud based services in lieu of costs of in-house application development and onsite storage hardware.

Income

Total income in the 2017-18 Budget Estimate is \$5.2 million or 3.9% lower than the 2016-17 Estimated Actual due largely to a one-off \$7.3 million gain on dilution of Landgate's investment recognised in 2016-17 following a recent capital raising by Property Exchange Australia (PEXA Ltd), in which Landgate did not participate. Also, the cyclical nature of the Metropolitan Revaluation Program causes fluctuations in income, with 2017-18 being the first year of the triennial cycle resulting in the lowest level of revenue for valuation activity.

Statement of Financial Position

Equity is expected to increase by \$4.2 million in the 2017-18 Budget Estimate. This results from a reduction of \$4.7 million in liabilities and \$0.4 million in total assets.

The decrease in liabilities is due largely to the ongoing repayment of the Midland building finance lease liability, whilst the reduction in assets relates mainly to the lower level of receivables as a consequence of the cyclical nature of the Metropolitan Revaluation Program.

Statement of Cashflows

The 2017-18 Budget Estimate closing cash assets balance of \$11.3 million is \$0.8 million lower than the 2016-17 Estimated Actual. The cash assets reported in the Statement of Cashflows represents the cash balance held by the agency.

Operating receipts are higher than the 2016-17 Estimated Actual mainly due to receipts for 2016-17, the third and final year of the triennial Metropolitan Revaluation Program, being received in 2017-18. Payments for supplies and services are higher than the 2016-17 Estimated Actual as a result of contract related costs for the finalisation of the internal reform program and costs associated with cloud-based services.

Payments for investing activities in the 2017-18 Budget Estimate is higher than the 2016-17 Estimated Actual as a result of cash invested in higher yielding facilities.

INCOME STATEMENT ^{(a) (b)}
(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 ^(c)	86,536	72,100	68,996	70,174	64,341	64,763	65,023
Grants and subsidies ^(d)	109	16	109	109	109	109	110
Supplies and services	31,693	34,066	32,865	38,308	39,558	38,795	39,089
Accommodation	4,057	3,936	4,094	5,175	3,761	3,893	3,920
Depreciation and amortisation	11,481	16,356	12,739	14,578	14,875	14,432	14,779
Other expenses.....	18,944	14,840	17,844	16,373	10,840	10,375	10,167
TOTAL COST OF SERVICES	152,820	141,314	136,647	144,717	133,484	132,367	133,088
Income							
Sale of goods and services.....	123,692	131,684	118,908	120,762	129,771	140,923	139,327
Grants and subsidies.....	98	-	2,036	766	150	150	150
Other revenue.....	5,696	3,927	10,447	4,706	9,665	21,258	21,396
Total Income.....	129,486	135,611	131,391	126,234	139,586	162,331	160,873
NET COST OF SERVICES	23,334	5,703	5,256	18,483	(6,102)	(29,964)	(27,785)
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	29,579	31,366	31,591	31,773	32,130	32,206	31,893
Resources received free of charge	412	700	700	420	440	460	480
Royalties for Regions Fund: Regional Community Services Fund	112	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	30,103	32,066	32,291	32,193	32,570	32,666	32,373
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	6,769	26,363	27,035	13,710	38,672	62,630	60,158
Income tax benefit/(expense)	(2,408)	(7,902)	(8,110)	(4,113)	(11,602)	(18,789)	(18,047)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER INCOME TAX EQUIVALENTS	4,361	18,461	18,925	9,597	27,070	43,841	42,111

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

(b) The financial statements should be read according to the note provided under the Service Summary table.

(c) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 622, 599 and 556 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

(d) 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
Land Surveyors Licensing Board ^(a)	24	16	29	29	29	29	30
Other Grants and Subsidies	85	-	80	80	80	80	80
TOTAL	109	16	109	109	109	109	110

(a) This amount represents a grant paid by Landgate to the Land Surveyors Licensing Board (the Board). The Board is an affiliated body but is not subject to the operational control of Landgate and reports to Parliament separately.

STATEMENT OF FINANCIAL POSITION ^(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
CURRENT ASSETS							
Cash assets ^(b)	8,847	67,832	11,778	10,760	9,287	9,894	8,361
Restricted cash	7	7	7	7	7	7	7
Holding account receivables	5,774	5,676	4,666	3,804	5,212	5,909	14,043
Receivables	9,953	20,826	23,011	10,141	13,989	24,487	10,471
Other	31,452	3,864	22,802	18,118	27,791	18,165	18,213
Total current assets	56,033	98,205	62,264	42,830	56,286	58,462	51,095
NON-CURRENT ASSETS							
Holding account receivables	22,465	22,727	23,737	25,320	25,587	24,981	15,892
Property, plant and equipment	49,619	48,458	47,482	44,890	43,379	43,444	44,230
Intangibles	37,789	42,660	43,780	47,490	49,540	48,029	46,844
Restricted cash	-	242	248	492	714	939	1,165
Other	81,430	42,997	82,890	98,933	105,435	133,896	168,982
Total non-current assets	191,303	157,084	198,137	217,125	224,655	251,289	277,113
TOTAL ASSETS	247,336	255,289	260,401	259,955	280,941	309,751	328,208
CURRENT LIABILITIES							
Employee provisions	12,865	9,616	12,136	11,156	11,156	11,156	11,156
Payables	1,477	981	1,541	1,343	1,728	2,065	2,039
Other	12,838	10,424	13,244	13,571	13,939	14,716	10,637
Total current liabilities	27,180	21,021	26,921	26,070	26,823	27,937	23,832
NON-CURRENT LIABILITIES							
Employee provisions	3,421	3,893	3,421	3,421	3,421	3,421	3,421
Finance Lease	15,857	13,624	12,348	8,535	4,392	-	-
Other	194	186	186	186	186	186	3,030
Total non-current liabilities	19,472	17,703	15,955	12,142	7,999	3,607	6,451
TOTAL LIABILITIES	46,652	38,724	42,876	38,212	34,822	31,544	30,283
EQUITY							
Contributed equity	76,816	76,277	74,397	67,773	63,785	50,684	26,477
Accumulated surplus/(deficit)	107,192	122,992	126,117	135,714	162,784	206,625	248,736
Reserves	16,676	17,296	17,011	18,256	19,550	20,898	22,712
Total equity	200,684	216,565	217,525	221,743	246,119	278,207	297,925
TOTAL LIABILITIES AND EQUITY	247,336	255,289	260,401	259,955	280,941	309,751	328,208

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

(b) Cash assets are lower than the 2016-17 Budget due to the reclassification from 'Cash' to financial investments which are reported as 'Other' current and non-current assets.

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.....	24,302	25,428	25,653	26,386	26,651	26,903	26,939
Holding account drawdowns.....	4,072	5,774	5,774	4,666	3,804	5,212	5,909
Royalties for Regions Fund:							
Regional Community Services Fund.....	205	1,095	5	-	-	-	-
Tax equivalent regime.....	(534)	(8,283)	(8,182)	(5,930)	(9,832)	(13,800)	(13,601)
Dividend to Government.....	(5,120)	(510)	(1,309)	(6,624)	(3,988)	(13,101)	(24,207)
Net cash provided by State Government.....	22,925	23,504	21,941	18,498	16,635	5,214	(4,960)
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(90,022)	(72,649)	(69,628)	(71,163)	(64,336)	(64,268)	(64,778)
Grants and subsidies.....	(104)	(16)	(109)	(109)	(109)	(109)	(110)
Supplies and services.....	(31,297)	(34,065)	(32,845)	(38,288)	(39,538)	(38,775)	(39,047)
Accommodation.....	(4,253)	(3,936)	(4,094)	(5,175)	(3,761)	(3,893)	(3,920)
Other payments.....	(17,617)	(17,379)	(16,490)	(17,770)	(16,899)	(15,998)	(15,867)
Receipts							
Grants and subsidies ^(b)	1,750	-	1,750	-	-	-	-
Sale of goods and services.....	121,098	128,070	115,078	131,497	119,325	140,224	150,262
GST receipts.....	5,810	6,544	7,098	7,175	6,499	6,083	6,180
Other receipts.....	4,049	3,927	3,113	4,706	5,012	5,718	6,415
Net cash from operating activities.....	(10,586)	10,496	3,873	10,873	6,193	28,982	39,135
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(16,403)	(19,453)	(19,125)	(15,644)	(14,266)	(11,221)	(12,090)
Other payments.....	(84,984)	-	-	(10,992)	(6,000)	(18,000)	(19,000)
Proceeds from sale of non-current assets.....	3	-	-	-	-	-	-
Other receipts.....	78,957	-	-	-	-	-	-
Net cash from investing activities.....	(22,427)	(19,453)	(19,125)	(26,636)	(20,266)	(29,221)	(31,090)
CASHFLOWS FROM FINANCING ACTIVITIES							
Other payments.....	(3,152)	(3,230)	(3,510)	(3,509)	(3,813)	(4,143)	(4,392)
Net cash from financing activities.....	(3,152)	(3,230)	(3,510)	(3,509)	(3,813)	(4,143)	(4,392)
NET INCREASE/(DECREASE) IN CASH HELD.....	(13,240)	11,317	3,179	(774)	(1,251)	832	(1,307)
Cash assets at the beginning of the reporting period.....	22,094	57,859	8,854	12,033	11,259	10,008	10,840
Net cash transferred to/from other agencies.....	-	(1,095)	-	-	-	-	-
Cash assets at the end of the reporting period ^(c).....	8,854	68,081	12,033	11,259	10,008	10,840	9,533

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

(b) This represents funding received from the Commonwealth government to fund the development of systems to support the capture and mandatory reporting of information relating to the foreign ownership of land titles to the Australian Taxation Office.

(c) Cash assets are lower than the 2016-17 Budget due to the reclassification from 'Cash' to financial investments which are reported as 'Other' current and non-current assets.

Part 23

Minister for Water; Forestry; Innovation and ICT; Science

Summary of Portfolio Appropriations

Agency	2016-17 Budget \$'000	2016-17 Estimated Actual '000	2017-18 Budget Estimate '000
Office of the Government Chief Information Officer			
– Delivery of Services	3,387	6,205	3,404
– Administered Grants, Subsidies and Other Transfer Payments	5,632	5,632	5,839
Total	9,019	11,837	9,243
Chemistry Centre (WA)			
– Delivery of Services	6,710	7,377	7,194
– Capital Appropriation	1,500	1,848	940
Total	8,210	9,225	8,134
GRAND TOTAL			
– Delivery of Services	10,097	13,582	10,598
– Administered Grants, Subsidies and Other Transfer Payments	5,632	5,632	5,839
– Capital Appropriation	1,500	1,848	940
Total.....	17,229	21,062	17,377

Water Corporation

Part 23 Minister for Water; Forestry; Innovation and ICT; Science

Asset Investment Program

As Western Australia continues to be impacted by the effects of a drying climate, the Corporation is adapting its planning to respond. Accordingly, a total of \$765.4 million has been committed to a range of water and wastewater projects in 2017-18.

The Corporation continues to maintain a strong commitment to the provision of high quality and reliable water and wastewater services with over \$3 billion allocated across the forward estimates.

Expenditure in the Regions

Regional Western Australia will continue to benefit from the development and upgrading of water and wastewater infrastructure, with \$198.4 million being committed to a number of projects across regional Western Australia in 2017-18.

More than \$141 million is committed to water projects, including:

- \$10.1 million towards connecting Harris Dam to Stirling Dam, which once completed, will secure long-term water supply to the 44 towns in the Great Southern Town Water Supply Scheme; and
- \$10.1 million at Kondinin for the construction of a new storage tank facility to improve the operation of the water supply scheme and provide flexibility to meet peak demand.

A total of \$45.1 million will be spent on wastewater projects, including \$9.7 million to upgrade the Albany Wastewater Treatment Plant to improve its operational efficiency as part of the ongoing work for essential wastewater infrastructure in the Greater Albany region.

Expenditure in the Metropolitan Area

A total of \$363.3 million has been committed in 2017-18 to projects across the metropolitan area to ensure the ongoing supply of drinking water and the development of adequate facilities for the collection and treatment of the community's wastewater.

In 2017-18, \$194.6 million has been committed to water network and supply projects, including \$96.3 million to expand the Groundwater Replenishment Scheme. This investment will provide greater certainty for Perth's Integrated Water Supply Scheme, as it continues to be impacted by the effects of a drying climate and unpredictable dam inflow. On completion, the expansion will double the capacity of the Groundwater Replenishment Scheme from 14 billion to 28 billion litres per annum.

A further \$40 million will be spent on the Pipes for Perth program, with essential work underway to replace 150 kilometres of Perth's older water mains, and \$11 million for the continued construction of a water storage tank in Ellenbrook with a capacity of 80 million litres to enable ongoing growth in the area.

Other features of the metropolitan program include \$162.8 million in 2017-18 on:

- wastewater treatment projects in both the northern and southern corridors that will be essential for their orderly development;
- \$66.5 million will be spent on upgrading the Woodman Point Wastewater Treatment Plant to service areas south of the river and north of Kwinana. The upgrade will increase the wastewater treatment plant capacity from 120 million litres per day to 180 million litres per day to cater for growth in these catchments;
- \$6.9 million will be spent in 2017-18 upgrading the Subiaco Wastewater Treatment Plant, which will increase capacity from 60 million litres per day to 67 million litres per day; and
- \$5.3 million to provide an energy recovery system for the Beenyup Wastewater Treatment Plant. This project uses biogas, a by-product of the treatment process, to generate electricity for use in the plant, reducing both greenhouse gas emissions and energy costs.

Additionally, \$1.5 million has been committed to commence addressing drainage and land matters at the Roselea Estate in Stirling to meet the Government's 2017 election commitment.

	Estimated Total Cost	Estimated Expenditure to 30-6-17	2016-17 Estimated Expenditure	2017-18 Budget Estimate	2018-19 Forward Estimate	2019-20 Forward Estimate	2020-21 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
WORKS IN PROGRESS							
Capitalised Interest and Support Allocated to Capital							
Capital Support Costs	143,163	26,059	26,059	29,276	29,276	29,276	29,276
Capitalised Borrowings Costs	72,037	13,437	13,437	16,623	14,290	11,953	15,734
Irrigation and Drainage							
Country Drainage Capacity.....	12,769	2,344	2,344	846	1,867	7,653	59
Country Drainage Renewals.....	28,801	10,657	10,657	10,842	2,292	5,010	-
Irrigation.....	57,159	1,588	1,588	3,391	4,336	13,619	34,225
Metropolitan Drainage Capacity.....	16,102	3,586	3,586	3,511	1,523	5,223	2,259
Metropolitan Drainage Renewals.....	4,609	713	713	2,423	1,312	62	99
Service							
Business Support	271,059	56,876	56,876	87,917	34,250	28,460	63,556
Corporate Real Estate.....	147,161	30,760	30,760	54,290	13,847	19,657	28,607
Operational Information and Control.....	71,075	11,538	11,538	12,204	11,869	22,647	12,817
Wastewater Program							
Country Wastewater							
Albany Wastewater Treatment Plant Improvements	17,606	6,305	3,379	9,686	1,615	-	-
Network Capacity	55,022	20,222	20,222	15,212	8,178	8,111	3,299
Network Renewals.....	29,739	10,567	10,567	8,983	2,280	3,431	4,478
Treatment Capacity.....	195,217	30,886	30,886	10,298	25,323	57,160	71,550
Treatment Renewals.....	4,781	691	691	932	621	1,001	1,536
Metropolitan Wastewater							
Beenyup Wastewater Treatment Plant							
Energy Recovery	19,573	3,669	525	5,324	8,099	2,481	-
Network Capacity	307,519	54,476	54,476	50,111	52,499	76,677	73,756
Network Renewals.....	122,587	30,753	30,753	23,088	20,812	23,038	24,896
Treatment Capacity.....	148,442	1,042	1,042	2,439	14,776	45,602	84,583
Treatment Renewals.....	48,885	10,921	10,921	8,477	11,232	11,979	6,276
Subiaco Wastewater Treatment Plant	48,234	39,235	29,946	6,878	2,121	-	-
Woodman Point Wastewater Treatment Plant							
Interim Upgrade	158,497	27,630	24,055	66,500	45,000	19,367	-
Water Programs							
Country Water							
Network Capacity	100,622	35,323	35,323	23,941	18,358	18,775	4,225
Network Renewals.....	250,601	85,134	85,134	44,933	24,482	63,809	32,243
Supply Capacity	313,235	60,201	60,201	34,545	47,462	84,965	86,062
Supply Renewals.....	46,250	13,581	13,581	17,995	4,569	3,494	6,611
Kondinin Tank	14,900	3,180	3,180	10,113	1,607	-	-
Stirling Dam Pump Station and Pipeline.....	44,731	17,327	17,327	10,083	13,556	3,765	-
Metropolitan Water							
Groundwater Replenishment Scheme Stage 2.....	261,978	21,494	21,494	96,293	130,565	13,626	-
Network Capacity	231,928	66,445	66,445	21,887	33,398	74,298	35,900
Water Network Renewals	307,130	78,765	78,765	43,882	66,482	78,166	39,835
Water Supply Capacity	235,661	18,975	18,975	16,306	97,094	85,801	17,485
Water Supply Renewals.....	86,575	30,148	30,148	16,201	11,539	14,924	13,763
NEW WORKS							
Election Commitment - Irrigation and Drainage							
Roselea Estate Drainage Upgrade	1,500	-	-	-	500	500	500
Total Cost of Asset Investment Program.....	3,875,148	824,528	805,594	765,430	757,030	834,530	693,630
FUNDED BY							
Borrowings.....			200,000	270,000	155,000	215,000	125,000
Internal Funds and Balances.....			605,594	495,430	602,030	619,530	568,630
Total Funding.....			805,594	765,430	757,030	834,530	693,630

Bunbury Water Corporation

Part 23

Minister for Water; Forestry; Innovation and ICT; Science

Asset Investment Program

The Asset Investment Program (AIP) of Bunbury Water Corporation (Aqwest) across the forward estimates period is \$28.9 million, with \$10.6 million allocated in 2017-18.

The AIP includes \$15 million of expenditure, split equally over 2017-18 and 2018-19, to construct the Glen Iris Water Treatment Plant (WTP) in Bunbury. This project seeks to address future supply requirements for the City of Bunbury and moves water abstraction and treatment away from the current low quality coastal bores and treatment plants.

The AIP is a continuance of Aqwest's long-term plan for developing and maintaining its infrastructure to meet the water supply needs of the greater Bunbury area in a sustainable manner into the future.

	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							
Plant and Other Purchases							
Information Technology Replacement Program	742	164	50	100	193	185	100
Motor Vehicle and Plant Replacement Annual Program	1,477	485	319	235	245	242	270
Works							
Distribution and Reticulation							
Chargeable Works	638	286	84	86	88	88	90
Mains Extension	548	121	100	103	105	108	111
Mains Replacement Program	3,174	1,023	599	556	509	538	548
New Services	504	147	85	87	88	90	92
Service Replacement	48	10	10	9	10	10	9
Valve Replacement Program	379	172	50	50	51	52	54
Reservoirs							
Roberts Reservoir Integrity Improvement Projects	655	110	110	545	-	-	-
Tank Refurbishments	150	25	25	80	45	-	-
Treatment Plants							
Asbestos Removal	30	10	10	10	10	-	-
Generator Decontactors and Changeover Equipment ...	230	50	50	60	120	-	-
Ladders, Walkways and Elevated Platform Upgrades ...	230	50	50	60	60	60	-
Run to Fail Replacement Contingency	199	69	30	31	32	33	34
Security Systems Upgrades	102	12	-	40	-	-	50
Treatment Plant Painting Program	500	60	-	-	120	200	120
COMPLETED WORKS							
Works							
Reservoirs - Tech School Reservoir Remediation	2,894	2,894	1,728	-	-	-	-
Treatment Plants							
Ladders, Stairs and Platform							
Hastie WTP	15	15	15	-	-	-	-
Irwin WTP	15	15	15	-	-	-	-
Perimeter Fencing Replacement							
Hastie WTP	35	35	35	-	-	-	-
Irwin WTP	20	20	20	-	-	-	-
Purchase Land at Robertson WTP	250	250	250	-	-	-	-
Refurbish Stanbury Crescent Booster Pump	80	80	80	-	-	-	-
Security Upgrade - CCTV and Alarm Upgrade							
Hastie WTP	20	20	20	-	-	-	-
Irwin WTP	20	20	20	-	-	-	-

	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 WORKS							
Plant and Other Purchases - Stores Security Upgrade	70	-	-	70	-	-	-
Works							
Distribution and Reticulation - Reinforced Concrete							
Pipe Re-lining	20	-	-	-	-	-	20
Reservoirs							
Replace Purlins at Roberts Reservoir	150	-	-	-	150	-	-
Roberts Reservoir Refurbishment	460	-	-	-	20	440	-
Tech Reservoir Inspection and Validation Works	100	-	-	100	-	-	-
Tech Reservoir Purlin Replacement	330	-	-	10	170	150	-
Tech Reservoir Refurbishment	450	-	-	-	20	220	210
Treatment Plants							
Alternative Chlorination System - Skewes WTP	264	-	-	20	244	-	-
Compressed Air Systems - All Sites	240	-	-	80	60	50	50
Construct Irwin Booster Pump Station and Decommission Scott St Booster Pump Station	101	-	-	101	-	-	-
Electrical Systems Upgrades All WTP	500	-	-	-	250	-	250
Glen Iris WTP	15,000	-	-	7,500	7,500	-	-
Increase Capacity Tech Transfer Tank	275	-	-	25	-	-	-
Increase Production Robertson WTP	500	-	-	-	-	-	500
Investigation - Production Bore Location							
Robertson/Tech WTPs	2,100	-	-	50	50	440	1,000
Process Energy Management	134	-	-	-	67	-	67
Production Bore Investigation - Skewes WTP	570	-	-	370	200	-	-
Scott St High Level Zone - Mains Augmentation	226	-	-	104	-	-	-
Spencer WTP Dyna Sand Replacements	150	-	-	150	-	-	-
Upgrade Supervisory Control and Data Acquisition System	1,340	-	-	-	670	670	-
Total Cost of Asset Investment Program	35,935	6,143	3,755	10,632	11,077	3,576	3,575
FUNDED BY							
Internal Funds and Balances			3,755	10,632	11,077	3,576	3,575
Total Funding			3,755	10,632	11,077	3,576	3,575

Busselton Water Corporation

Part 23

Minister for Water; Forestry; Innovation and ICT; Science

Asset Investment Program

The Corporation's Asset Investment Program (AIP) across the forward estimates period is \$12.2 million, with \$3.9 million allocated in 2017-18. The AIP includes expenditure on:

- planned asset replacement and upgrades to infrastructure at various water treatment plants;
- a new trunk main and pump station to provide water services to the Busselton Margaret River Regional Airport; and
- a program of new trunk mains to meet growth and improve network performance.

The AIP ensures existing infrastructure is maintained and new infrastructure is provided to maintain water supplies in a rapidly expanding region of the State.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COMPLETED WORKS							
Building, Land and Land Improvements - 2016-17 Program.....	164	164	164	-	-	-	-
Office Equipment – 2016-17 Program	155	155	155	-	-	-	-
Plant, Mobile and Other Purchases - 2016-17 Program.....	21	21	21	-	-	-	-
Works							
New Connections and Meters - 2016-17 Program.....	378	378	378	-	-	-	-
New Mains and Services - 2016-17 Program.....	806	806	806	-	-	-	-
Treatment Plants - 2016-17 Program.....	1,489	1,489	1,489	-	-	-	-
NEW WORKS							
Building, Land and Land Improvements							
2017-18 Program	185	-	-	185	-	-	-
2018-19 Program	164	-	-	-	164	-	-
2019-20 Program	285	-	-	-	-	285	-
Busselton Margaret River Regional Airport							
Mains and Pump Station	1,165	-	-	1,165	-	-	-
Office Equipment							
2017-18 Program	100	-	-	100	-	-	-
2018-19 Program	100	-	-	-	100	-	-
2019-20 Program	100	-	-	-	-	100	-
2020-21 Program	25	-	-	-	-	-	25
Plant, Mobile and Other Purchases							
2017-18 Program	74	-	-	74	-	-	-
2018-19 Program	291	-	-	-	291	-	-
2019-20 Program	161	-	-	-	-	161	-
2020-21 Program	42	-	-	-	-	-	42
Works							
New Connections and Meters							
2017-18 Program.....	433	-	-	433	-	-	-
2018-19 Program.....	512	-	-	-	512	-	-
2019-20 Program.....	720	-	-	-	-	720	-
2020-21 Program.....	485	-	-	-	-	-	485
New Mains and Services							
2017-18 Program.....	574	-	-	574	-	-	-
2018-19 Program.....	309	-	-	-	309	-	-
2019-20 Program.....	888	-	-	-	-	888	-
2020-21 Program.....	502	-	-	-	-	-	502
Treatment Plants							
2017-18 Program.....	1,335	-	-	1,335	-	-	-
2018-19 Program.....	1,314	-	-	-	1,314	-	-
2019-20 Program.....	646	-	-	-	-	646	-
2020-21 Program.....	1,773	-	-	-	-	-	1,773
Total Cost of Asset Investment Program.....	15,196	3,013	3,013	3,866	2,690	2,800	2,827
FUNDED BY							
Internal Funds and Balances.....			3,013	2,701	2,690	2,800	2,827
Other			-	1,165	-	-	-
Total Funding			3,013	3,866	2,690	2,800	2,827

Forest Products Commission

Part 23

Minister for Water; Forestry; Innovation and ICT; Science

Asset Investment Program

The Commission's Asset Investment Program provides for an ongoing update of information technology and other equipment that supports the delivery of its services, and to replace key business systems.

	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							
Forest Planning and Management System.....	530	240	240	290	-	-	-
COMPLETED WORKS							
Computers, Plant and Equipment - 2016-17 Program.....	600	600	600	-	-	-	-
Acquisition of Land.....	5,925	5,925	5,925	-	-	-	-
NEW WORKS							
Computers, Plant and Equipment							
2017-18 Program.....	600	-	-	600	-	-	-
2018-19 Program.....	600	-	-	-	600	-	-
2019-20 Program.....	600	-	-	-	-	600	-
2020-21 Program.....	600	-	-	-	-	-	600
Total Cost of Asset Investment Program.....	9,455	6,765	6,765	890	600	600	600
FUNDED BY							
Internal Funds and Balances.....			6,765	890	600	600	600
Total Funding.....			6,765	890	600	600	600

Division 46 Office of the Government Chief Information Officer

Part 23 Minister for Water; Forestry; Innovation and ICT; Science

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 ^(a) \$'000	2019-20 Forward Estimate ^(a) \$'000	2020-21 Forward Estimate ^(a) \$'000
DELIVERY OF SERVICES							
Item 85 Net amount appropriated to deliver services	3,370	3,387	6,205	3,404	-	-	-
Total appropriations provided to deliver services.....	3,370	3,387	6,205	3,404	-	-	-
ADMINISTERED TRANSACTIONS							
Item 86 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	5,429	5,632	5,632	5,839	-	-	-
TOTAL APPROPRIATIONS	8,799	9,019	11,837	9,243	-	-	-
EXPENSES							
Total Cost of Services.....	4,394	4,662	9,203	13,315	-	-	-
Net Cost of Services ^(b)	4,106	3,387	5,173	6,262	-	-	-
CASH ASSETS ^(c)	581	-	3,399	-	-	-	-

(a) At this stage, the Office will cease operations on 30 June 2018, pending a decision as part of the 2018-19 Budget process.

(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.

Significant Issues Impacting the Agency

- Effective use of best practice information and communications technology (ICT) in the public sector will involve agencies moving to GovNext and purchasing ICT infrastructure services on demand under the whole-of-government procurement arrangement. The Office will continue to assist agencies transition to the new arrangements, but delayed adoption may affect the ability of agencies to deliver better services.
- The Office is continuing to establish a platform for the delivery of better Government services with the myWA Digital Services Program. This will enhance the delivery of government online services and reduce the number of agency websites. Legislative constraints limiting the sharing of data between agencies may affect the impact of this program as it progressively rolls out to the community.
- The Office undertakes an important policy development and implementation role, and continues to engage effectively on the creation of whole-of-government policies to support the effective use of technology. Public confidence in the security of information held by Government is paramount and stronger measures in managing and responding to security threats in agencies are required.

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 Machinery of Government changes related to the transfer of innovation activity to the Department of Jobs, Tourism, Science and Innovation from 1 July 2017. The Office commenced operations 1 July 2015 for a three year period to 30 June 2018. Where practical, the 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual have been recast for comparative purposes.

Relationship to Government Goals

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

Government Goal	Desired Outcome	Service
Sustainable Finances: Responsible financial management and better service delivery.	Enabling effective utilisation of best practice technology in the public sector.	1. Establishment of a Platform for the Delivery of Better Government Services Through Efficient Development of ICT Strategy, Policies and Solutions

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. Establishment of a Platform for the Delivery of Better Government Services Through Efficient Development of ICT Strategy, Policies and Solutions	4,394	4,662	9,203	13,315	-	-	-
Total Cost of Service	4,394	4,662	9,203	13,315	-	-	-

Outcomes and Key Effectiveness Indicator ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: Enabling effective utilisation of best practice technology in the public sector:					
Percentage of ICT policies endorsed by the governance groups for development by the Office that have been developed and approved by Government	n/a	75%	75%	75%	1

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

Explanation of Significant Movements

(Notes)

- The percentage of ICT policies endorsed by the governance groups for development by the Office that have been developed and approved by Government reflects the effectiveness of the Office in delivering these policy directions. This indicator was developed for use in 2016-17 and no historical comparison is available. Twelve policies were endorsed to be developed with nine completed and approved by Government during 2016-17.

Service and Key Efficiency Indicators

1. Establishment of a Platform for the Delivery of Better Government Services Through Efficient Development of ICT Strategy, Policies and Solutions

Collaboration with government agencies and industry to stabilise costs, increase value for money and minimise risk in the delivery of ICT across the public sector by:

- advising on governance and implementation of ICT projects;
- establishing and driving a whole-of-government ICT strategy, policy and reform agenda;
- identifying and advising on ICT innovation, which will support and enhance government services to meet business and community needs;
- promoting ICT standardised approaches across government; and
- implementing frameworks which improve public sector capability and capacity.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 4,394	\$'000 4,662	\$'000 9,203	\$'000 13,315	1
Less Income.....	288	1,275	4,030	7,053	
Net Cost of Service.....	4,106	3,387	5,173	6,262	
Employees (Full Time Equivalents).....	11	19	19	19	
Efficiency Indicators					
Average Cost of Policy Development	n/a	\$201,000	\$192,000	\$203,000	
Cost of GovNext and myWA Implementation as a Percentage Cost of the Overall Government Spend on Related Services	n/a	2.5%	3.1%	5.2%	2

Explanation of Significant Movements

(Notes)

1. The increase in expenditure in the 2016-17 Estimated Actual and 2017-18 Budget Target compared to 2016-17 Budget is due to additional funding from the ICT Renewal and Reform Fund for the GovNext (\$1.2 million in 2016-17 and \$3.8 million in 2017-18) and myWA (\$700,000 in 2016-17 and \$1.7 million in 2017-18) projects.
2. The 2016-17 Estimated Actual whole-of-government expenditure on related ICT services was lower than anticipated, resulting in an increased percentage of the Office's costs compared to the 2016-17 Budget. Expenditure increases for the GovNext and myWA (\$3 million) projects will increase the comparative rate in 2017-18 compared to the 2016-17 Estimated Actual.

Financial Statements

The 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes related to the transfer of innovation activity to the Department of Jobs, Tourism, Science and Innovation from 1 July 2017. The Office commenced operations on 1 July 2015 for a three year period to 30 June 2018.

Income Statement

Expenses

Increased expenditure in 2016-17 and 2017-18 mainly reflects approval of additional funding from the ICT Renewal and Reform Fund, for various projects, including the GovNext (\$1.2 million in 2016-17 and \$3.8 million in 2017-18) and myWA (\$700,000 in 2016-17 and \$1.7 million in 2017-18) projects.

Income

Increases in grants and subsidies revenue reflects the allocation of funding from the ICT Renewal and Reform Fund during 2016-17 for projects such as GovNext and myWA.

Statement of Cashflows

The same impacts outlined above are also reflected in the movements in the Statement of Cashflows.

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)	2,739	3,085	3,805	7,403	-	-	-
Grants and subsidies ^(c)	15	-	-	-	-	-	-
Supplies and services	1,402	986	2,671	3,012	-	-	-
Accommodation	205	281	331	579	-	-	-
Other expenses.....	33	310	2,396	2,321	-	-	-
TOTAL COST OF SERVICES	4,394	4,662	9,203	13,315	-	-	-
Income							
Grants and subsidies.....	205	1,275	4,030	7,053	-	-	-
Other revenue	83	-	-	-	-	-	-
Total Income.....	288	1,275	4,030	7,053	-	-	-
NET COST OF SERVICES	4,106	3,387	5,173	6,262	-	-	-
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	3,370	3,387	6,205	3,404	-	-	-
Resources received free of charge	36	-	40	40	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	3,406	3,387	6,245	3,444	-	-	-
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	(700)	-	1,072	(2,818)	-	-	-

(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 11, 19 and 19 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
Western Australian Information Technology and Telecommunications Alliance.....	15	-	-	-	-	-	-
TOTAL	15	-	-	-	-	-	-

STATEMENT OF FINANCIAL POSITION ^{(a) (b)}
(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	581	-	3,399	-	-	-	-
Receivables	134	-	134	-	-	-	-
Total current assets	715	-	3,533	-	-	-	-
TOTAL ASSETS	715	-	3,533	-	-	-	-
CURRENT LIABILITIES							
Employee provisions	508	-	508	-	-	-	-
Payables	873	-	873	-	-	-	-
Other.....	1	-	1,747	-	-	-	-
Total current liabilities	1,382	-	3,128	-	-	-	-
NON-CURRENT LIABILITIES							
Employee provisions	33	-	33	-	-	-	-
Total non-current liabilities	33	-	33	-	-	-	-
TOTAL LIABILITIES.....	1,415	-	3,161	-	-	-	-
EQUITY							
Accumulated surplus/(deficit).....	(700)	-	372	-	-	-	-
Total equity	(700)	-	372	-	-	-	-
TOTAL LIABILITIES AND EQUITY	715	-	3,533	-	-	-	-

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

(b) At this stage, the Office will cease operations on 30 June 2018 pending a decision as part of the 2018-19 Budget process.

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.....	3,370	3,387	6,205	3,404	-	-	-
Net cash provided by State Government.....	3,370	3,387	6,205	3,404	-	-	-
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(1,992)	(3,085)	(3,805)	(7,944)	-	-	-
Supplies and services	(781)	(986)	(2,631)	(3,146)	-	-	-
Accommodation	(204)	(281)	(331)	(579)	-	-	-
Other payments.....	(130)	(379)	(719)	(2,385)	-	-	-
Receipts ^(b)							
Grants and subsidies.....	205	1,275	4,030	7,053	-	-	-
GST receipts.....	85	69	69	137	-	-	-
Other receipts	28	-	-	61	-	-	-
Net cash from operating activities	(2,789)	(3,387)	(3,387)	(6,803)	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	581	-	2,818	(3,399)	-	-	-
Cash assets at the beginning of the reporting period	-	-	581	3,399	-	-	-
Cash assets at the end of the reporting period	581	-	3,399	-	-	-	-

(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 Office. 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
Grants and Subsidies							
GovNext ICT	205	1,275	4,030	7,053	-	-	-
GST Receipts							
GST Input Credits	85	69	69	137	-	-	-
Other Receipts							
Other Receipts	28	-	-	61	-	-	-
TOTAL	318	1,344	4,099	7,251	-	-	-

(a) The moneys received and retained are to be applied to the Office'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							
Administered Grants and Transfer Payments.....	5,429	5,632	5,632	5,839	-	-	-
TOTAL ADMINISTERED INCOME	5,429	5,632	5,632	5,839	-	-	-
EXPENSES							
Other							
ICT Renewal and Reform Fund.....	205	5,632	4,690	12,005	-	-	-
TOTAL ADMINISTERED EXPENSES	205	5,632	4,690	12,005	-	-	-

Agency Special Purpose Account Details

ICT RENEWAL AND REFORM FUND

Account Purpose: To expedite the delivery of ICT reform across the Western Australian public sector in an efficient and cost-effective manner as approved by the Expenditure Review Committee and/or Cabinet.

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000
Opening Balance	-	5,224	5,224	6,166
Receipts:				
Appropriations.....	5,429	5,632	5,632	5,839
	5,429	10,856	10,856	12,005
Payments	205	1,275	4,690	12,005
CLOSING BALANCE	5,224	9,581	6,166	-

Division 47 Chemistry Centre (WA)

Part 23 Minister for Water; Forestry; Innovation and ICT; Science

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 87 Net amount appropriated to deliver services	7,559	6,459	7,126	6,943	6,410	6,310	6,218
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	246	251	251	251	251	251	251
Total appropriations provided to deliver services.....	7,805	6,710	7,377	7,194	6,661	6,561	6,469
CAPITAL							
Item 129 Capital Appropriation.....	1,300	1,500	1,848	940	1,000	1,000	1,000
TOTAL APPROPRIATIONS	9,105	8,210	9,225	8,134	7,661	7,561	7,469
EXPENSES							
Total Cost of Services.....	24,498	24,971	25,853	26,725	26,519	26,652	26,752
Net Cost of Services (a)	8,546	7,961	8,043	8,496	7,945	7,778	7,572
CASH ASSETS (b)	1,867	2,799	1,967	2,046	1,783	1,531	1,311

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

(b) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Agency Expenditure Review					
National Measurement Institute Perth Transaction.....	459	1,825	1,480	1,524	1,570
Salary Savings	-	(65)	(66)	(67)	(68)
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(7)	(13)	(20)	(20)
Revision to Indexation for Non-Salary Expenses	-	(78)	(151)	(180)	(209)

Significant Issues Impacting the Agency

- Developing new and innovative analytical methods to respond to the escalating range of new substances entering the illegal drug market place to support the Office of the Coroner, Western Australia Police, the Office of the Director of Public Prosecutions and various other entities.
- Ensuring the State has adequate emergency response capabilities in place to respond to major hazardous events such as chemical spills/fires and clandestine drug laboratory dismantling. This is reinforced by collaboration with other State, national and international agencies.

- Undertaking an independent review of the Centre's enabling legislation, the *Chemistry Centre (WA) Act 2007*. The review will assess the effectiveness of the Centre's operations over the last five years and provide recommendations for its future.
- Managing the reduction in non-government revenue to minimise reliance on the Consolidated Account. The cyclical nature of the mining and energy sectors, and their consequence on the economy more broadly, has led to a decrease in demand for some of the Centre's services.
- Investing in research and development (R&D) activities is essential to ensure that the Centre's analytical capabilities are kept current and deliver the most effective and efficient services to the State, whilst maintaining the Centre's standing in the analytical community. To maintain these services, the Centre is also required to invest in staff recruitment, training, and skills development to attract and retain suitably qualified and experienced staff capable of undertaking R&D activities.

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 Goals	Desired Outcomes	Services
Strong Communities:	Quality scientific advice.	1. Commercial and Scientific Information and Advice
Safe communities and supported families.	Quality emergency response.	2. Emergency Response Management
Future Jobs and Skills: Grow and diversify the economy, create jobs and support skills development.	Quality research and development.	3. Research and Development

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. Commercial and Scientific Information and Advice.....	21,416	21,742	21,892	22,008	21,707	21,744	21,746
2. Emergency Response Management.....	1,894	1,635	2,346	3,070	3,132	3,194	3,258
3. Research and Development	1,188	1,594	1,615	1,647	1,680	1,714	1,748
Total Cost of Services	24,498	24,971	25,853	26,725	26,519	26,652	26,752

Outcomes and Key Effectiveness Indicators (a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: Quality scientific advice:					
Client satisfaction.....	85%	80%	84%	80%	
Proficiency rating.....	92%	95%	92%	95%	
Outcome: Quality emergency response:					
Average resolution time	2.4 hours	4 hours	3.3 hours	4 hours	
Outcome: Quality research and development:					
Aggregate value of the Centre's components	46/54	60/40	29/71	60/40	1
Quality of research and development	84%	80%	80%	80%	

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

Explanation of Significant Movements

(Notes)

- During the 2016-17 financial year, the method of recording operating subsidy expenses was amended to reflect the full cost of delivering statutory obligations (as defined in the *Chemistry Centre (WA) Act 2007*). It now captures all expenses associated with research and development. This has resulted in a lower ratio than reported in previous years. The ratio would have been 49/51 if the operating subsidy for 2016-17 were recorded on same basis as 2015-16. This indicates an improved performance over the previous year.

Services and Key Efficiency Indicators

1. Commercial and Scientific Information and Advice

Development and delivery of quality scientific information and advice, on a commercial basis, to government, industry and the community.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 21,416	\$'000 21,742	\$'000 21,892	\$'000 22,008	
Less Income.....	15,054	16,054	16,578	16,972	
Net Cost of Service.....	6,362	5,688	5,314	5,036	
Employees (Full Time Equivalents).....	85	85	87	104	1
Efficiency Indicators					
Billable Hours	96,941	93,720	99,694	118,404	
Average Cost per Chargeable Hour	\$221	\$232	\$219	\$186	

Explanation of Significant Movements

(Notes)

- The increase in Full Time Equivalents reflects the resources necessary to service the new business that has resulted from the Centre's acquisition of the National Measurement Institute. These resources are managed in proportion to the revenue retained.

2. Emergency Response Management

Specialist technical advice and support to government and industry in managing the risks arising from unmanaged chemical-biological-radiological releases.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 1,894	\$'000 1,635	\$'000 2,346	\$'000 3,070	1
Less Income.....	-	-	-	-	
Net Cost of Service.....	1,894	1,635	2,346	3,070	2
Employees (Full Time Equivalents).....	6	5	7	8	
Efficiency Indicators					
Billable Hours	6,508	5,500	7,440	7,970	
Average Cost per Chargeable Hours.....	\$291	\$297	\$315	\$385	

Explanation of Significant Movements

(Notes)

- The Total Cost of Service expenditure is to fulfil the Centre's obligations in 'Emergency Response Management', as described in section 9(a)(iv) of the *Chemistry Centre (WA) Act 2007*. The cost is attributable to the five core expert positions in the Emergency Response (ER) section and the necessary plant and equipment. In addition, to enable a full 24/7 service the Centre utilises non-core ER staff from other areas within the Centre. Staff are paid appropriate allowances to enable a 24 hour, State-wide response.
- The Centre receives no external income for the provision of ER services, as such the Net Cost of Service and Total Cost of Service amounts are identical.

3. Research and Development

Delivery of quality project-based developed knowledge, know-how and/or Intellectual Property relevant to State development, public health and safety, or the delivery of the Centre's other services.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 1,188	\$'000 1,594	\$'000 1,615	\$'000 1,647	
Less Income.....	898	956	1,232	1,257	
Net Cost of Service.....	290	638	383	390	
Employees (Full Time Equivalents).....	5	6	6	6	
Efficiency Indicators					
Billable Hours	5,278	6,600	6,945	6,831	
Average Cost per Chargeable Hour	\$225	\$242	\$233	\$241	

Asset Investment Program

The Centre's Asset Investment Program is in line with its strategic goals, which are linked to Government's goals. The Centre will spend \$1.5 million on replacement and acquisition of new scientific equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement Program - Capital Equipment							
Replacement Program 2016-17.....	1,845	1,845	1,845	-	-	-	-
NEW WORKS							
Capital Equipment Replacement							
2017-18 Program.....	1,500	-	-	1,500	-	-	-
2018-19 Program.....	1,000	-	-	-	1,000	-	-
2019-20 Program.....	1,000	-	-	-	-	1,000	-
2020-21 Program.....	1,000	-	-	-	-	-	1,000
Total Cost of Asset Investment Program.....	6,345	1,845	1,845	1,500	1,000	1,000	1,000
FUNDED BY							
Capital Appropriation.....			1,848	940	1,000	1,000	1,000
Drawdowns from the Holding Account.....			-	560	-	-	-
Internal Funds and Balances.....			(3)	-	-	-	-
Total Funding.....			1,845	1,500	1,000	1,000	1,000

Financial Statements

Income Statement

Expenses

The Total Cost of Services for the 2017-18 Budget Estimate, shows an increase of \$872,000 over the 2016-17 Estimated Actual. This is mainly due to salary increases associated with a greater number of staff to address a larger sample size.

Income

Fee for service revenue from the provision of service to clients is estimated to increase in the 2017-18 Budget Estimate by \$419,000 compared to the 2016-17 Estimated Actual. This increase flows from the transaction with the National Measurement Institute Perth, which resulted in the Centre purchasing their equipment and servicing their clients. However, it is anticipated that this will be partially offset by a reduction in revenue from other analytical services.

Statement of Financial Position

The equity contribution from Government will increase by \$940,000 in the 2017-18 Budget Estimate compared to the 2016-17 Estimated Actual. The funds will be used to acquire essential equipment to provide essential statutory obligations outlined in the *Chemistry Centre (WA) Act 2007*.

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)	13,001	13,262	13,737	14,769	14,816	15,076	15,351
Supplies and services	1,930	2,024	2,173	2,227	2,218	2,209	2,200
Accommodation	5,770	5,790	5,722	5,749	5,735	5,731	5,722
Depreciation and amortisation	1,289	1,218	1,253	1,302	1,284	1,218	1,103
Other expenses.....	2,508	2,677	2,968	2,678	2,466	2,418	2,376
TOTAL COST OF SERVICES	24,498	24,971	25,853	26,725	26,519	26,652	26,752
Income							
Sale of goods and services.....	15,920	16,946	17,778	18,196	18,540	18,839	19,144
Other revenue	32	64	32	33	34	35	36
Total Income.....	15,952	17,010	17,810	18,229	18,574	18,874	19,180
NET COST OF SERVICES	8,546	7,961	8,043	8,496	7,945	7,778	7,572
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	7,805	6,710	7,377	7,194	6,661	6,561	6,469
TOTAL INCOME FROM STATE GOVERNMENT	7,805	6,710	7,377	7,194	6,661	6,561	6,469
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	(741)	(1,251)	(666)	(1,302)	(1,284)	(1,217)	(1,103)

(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 117, 121 and 137 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	1,867	2,799	1,967	2,046	1,783	1,531	1,311
Holding account receivables	560	560	560	-	-	-	-
Receivables	2,111	1,176	2,525	2,536	2,557	2,574	2,591
Other	372	250	380	250	250	250	250
Total current assets	4,910	4,785	5,432	4,832	4,590	4,355	4,152
NON-CURRENT ASSETS							
Property, plant and equipment	2,671	3,200	3,864	4,139	3,995	3,790	3,694
Intangibles	778	643	596	519	379	366	359
Other	2,924	3,376	3,211	3,500	3,789	4,079	4,370
Total non-current assets	6,373	7,219	7,671	8,158	8,163	8,235	8,423
TOTAL ASSETS	11,283	12,004	13,103	12,990	12,753	12,590	12,575
CURRENT LIABILITIES							
Employee provisions	2,638	2,631	2,638	2,638	2,638	2,638	2,638
Payables	300	592	783	808	808	808	808
Other	1,228	1,107	1,383	1,607	1,654	1,708	1,796
Total current liabilities	4,166	4,330	4,804	5,053	5,100	5,154	5,242
NON-CURRENT LIABILITIES							
Employee provisions	796	808	796	796	796	796	796
Total non-current liabilities	796	808	796	796	796	796	796
TOTAL LIABILITIES	4,962	5,138	5,600	5,849	5,896	5,950	6,038
EQUITY							
Contributed equity	7,438	8,938	9,286	10,226	11,226	12,226	13,226
Accumulated surplus/(deficit)	(1,117)	(2,072)	(1,783)	(3,085)	(4,369)	(5,586)	(6,689)
Total equity	6,321	6,866	7,503	7,141	6,857	6,640	6,537
TOTAL LIABILITIES AND EQUITY	11,283	12,004	13,103	12,990	12,753	12,590	12,575

(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.....	7,805	6,710	7,377	7,194	6,661	6,561	6,469
Capital appropriation.....	1,300	1,500	1,848	940	1,000	1,000	1,000
Holding account drawdowns.....	-	-	-	560	-	-	-
Receipts paid into Consolidated Account.....	(5)	-	-	-	-	-	-
Net cash provided by State Government.....	9,100	8,210	9,225	8,694	7,661	7,561	7,469
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(14,459)	(13,212)	(13,586)	(14,641)	(14,683)	(14,894)	(15,213)
Supplies and services.....	(1,493)	(2,002)	(2,176)	(2,237)	(2,218)	(2,226)	(2,209)
Accommodation.....	(5,720)	(6,045)	(5,977)	(5,955)	(5,942)	(5,938)	(5,930)
Other payments.....	(3,817)	(4,285)	(4,712)	(4,330)	(4,243)	(4,241)	(4,148)
Receipts							
Sale of goods and services.....	14,645	17,111	17,583	18,406	18,519	18,822	19,127
GST receipts.....	1,465	1,579	1,588	1,642	1,643	1,664	1,684
Net cash from operating activities.....	(9,379)	(6,854)	(7,280)	(7,115)	(6,924)	(6,813)	(6,689)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(841)	(1,500)	(1,845)	(1,500)	(1,000)	(1,000)	(1,000)
Net cash from investing activities.....	(841)	(1,500)	(1,845)	(1,500)	(1,000)	(1,000)	(1,000)
NET INCREASE/(DECREASE) IN CASH HELD.....	(1,120)	(144)	100	79	(263)	(252)	(220)
Cash assets at the beginning of the reporting period.....	2,987	2,943	1,867	1,967	2,046	1,783	1,531
Cash assets at the end of the reporting period.....	1,867	2,799	1,967	2,046	1,783	1,531	1,311

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