

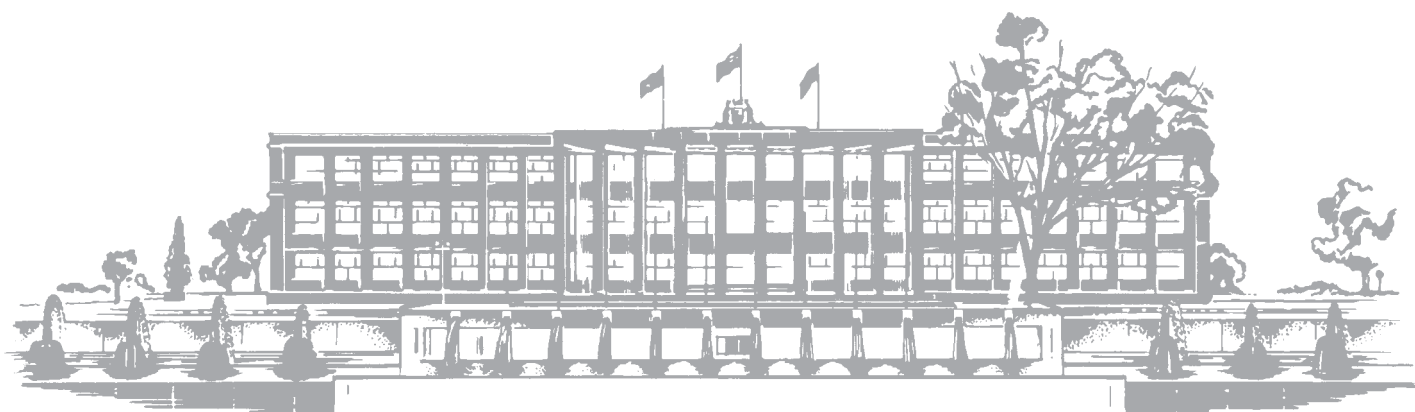


2003 - 04 BUDGET

BUDGET STATEMENTS

Volume 3

**PRESENTED TO THE LEGISLATIVE ASSEMBLY
ON 8 MAY 2003**



Budget Paper No.2

2003–04 Budget Statements
(Budget Paper No. 2 Volume 3)
© Government of Western Australia

Excerpts from this publication may be reproduced, with appropriate acknowledgement,
as permitted under the Copyright Act.

For further information please contact:

Department of Treasury and Finance
197 St George's Terrace
Perth WA 6000

Telephone: +61 8 9222 9222

Facsimile: +61 8 9222 9117

Website: <http://ourstatebudget.wa.gov.au>

Published May 2003

John A. Strijk, Government Printer

ISSN 1448–2630

BUDGET 2003-04

BUDGET STATEMENTS

TABLE OF CONTENTS

	Volume	Page
Structure and Content of the Budget Statements	1	i
Chapter 1: Consolidated Fund Expenditure Estimates	1	1
Chapter 2: Net Appropriation Determinations	1	23
Chapter 3: Agency Information in Support of the Estimates	1	35
PART 1 – PARLIAMENT		
Parliament	1	39
Parliamentary Commissioner for Administrative Investigations	1	57
PART 2 - PREMIER; MINISTER FOR PUBLIC SECTOR MANAGEMENT; FEDERAL AFFAIRS; SCIENCE; CITIZENSHIP AND MULTICULTURAL INTERESTS		
Premier and Cabinet	1	69
Royal Commission Into Whether There Has Been Any Corrupt or Criminal Conduct by Western Australian Police Officers	1	107
Anti-Corruption Commission	1	114
Governor's Establishment	1	122
Office of the Public Sector Standards Commissioner	1	129
Salaries and Allowances Tribunal	1	140
PART 3 - DEPUTY PREMIER; TREASURER; MINISTER FOR ENERGY		
Treasury and Finance	1	149
Office of the Auditor General	1	183
WA Independent Gas Pipelines Access Regulator	1	192
Western Australian Treasury Corporation	1	193
Office of Energy	1	194
Perth International Centre for Application of Solar Energy	1	211
Western Power Corporation	1	215
PART 4 - MINISTER FOR AGRICULTURE, FORESTRY AND FISHERIES; THE MID-WEST, WHEATBELT AND GREAT SOUTHERN		
Agriculture	1	219
The Agriculture Protection Board	1	248
Western Australian Meat Industry Authority	1	256
Perth Market Authority	1	257
Rural Business Development Corporation	1	258
Fisheries	1	267
Forest Products Commission	1	289
Mid West Development Commission	1	290
Wheatbelt Development Commission	1	304
Great Southern Development Commission	1	314

	Volume	Page
PART 5 - MINISTER FOR HOUSING AND WORKS; LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT; THE KIMBERLEY, PILBARA AND GASCOYNE		
Housing and Works.....	1	327
State Housing Commission	1	340
Country Housing Authority.....	1	342
Government Employees Housing Authority	1	343
State Supply Commission	1	344
Local Government and Regional Development	1	355
Fremantle Cemetery Board	1	371
Metropolitan Cemeteries Board	1	373
Kimberley Development Commission	1	375
Pilbara Development Commission	1	384
Gascoyne Development Commission	1	395
PART 6 - MINISTER FOR CONSUMER AND EMPLOYMENT PROTECTION		
Consumer and Employment Protection.....	2	407
Registrar, Western Australian Industrial Relations Commission	2	426
PART 7 - ATTORNEY GENERAL; MINISTER FOR JUSTICE AND LEGAL AFFAIRS; ELECTORAL AFFAIRS; PEEL AND THE SOUTH WEST		
Justice.....	2	439
Commissioner for Equal Opportunity	2	475
Law Reform Commission	2	484
Office of Director of Public Prosecutions	2	492
Office of the Information Commissioner	2	503
Office of the Inspector of Custodial Services	2	511
Western Australian Electoral Commission	2	519
Peel Development Commission	2	529
South West Development Commission.....	2	539
PART 8 - MINISTER FOR THE ENVIRONMENT AND HERITAGE		
Conservation and Land Management.....	2	551
Botanic Gardens and Parks Authority	2	570
Environmental Protection.....	2	581
Office of Water Regulation	2	599
Swan River Trust	2	613
Bunbury Water Board	2	625
Busselton Water Board	2	627
Water and Rivers Commission.....	2	629
Zoological Parks Authority	2	649
Heritage Council of Western Australia	2	660
The National Trust of Australia (WA)	2	668
PART 9 - MINISTER FOR POLICE AND EMERGENCY SERVICES		
Police Service.....	2	681
Fire and Emergency Services Authority of Western Australia	2	705

	Volume	Page
PART 10 - MINISTER FOR PLANNING AND INFRASTRUCTURE		
Planning and Infrastructure	2	723
Land Administration	2	744
Main Roads	2	762
Armadale Redevelopment Authority.....	2	784
East Perth Redevelopment Authority	2	785
Midland Redevelopment Authority	2	786
Subiaco Redevelopment Authority	2	788
Albany Port Authority.....	2	789
Broome Port Authority.....	2	790
Bunbury Port Authority.....	2	791
Dampier Port Authority.....	2	793
Esperance Port Authority	2	794
Fremantle Port Authority	2	795
Geraldton Port Authority.....	2	797
Port Hedland Port Authority	2	799
Western Australian Government Railways Commission	2	801
Western Australian Land Authority	2	804
Eastern Goldfields Transport Board.....	2	806
Western Australian Planning Commission.....	2	807
PART 11 - MINISTER FOR STATE DEVELOPMENT; TOURISM; SMALL BUSINESS		
Industry and Resources	3	823
Minerals and Energy Research Institute of Western Australia.....	3	852
Rottne Island Authority	3	860
Western Australian Tourism Commission	3	861
Small Business Development Corporation.....	3	888
PART 12 - MINISTER FOR EDUCATION AND TRAINING; SPORT AND RECREATION; INDIGENOUS AFFAIRS		
Education and Training	3	899
Country High School Hostels Authority	3	924
Curriculum Council.....	3	932
Education Services	3	943
Recreation Camps and Reserve Board	3	956
Sport and Recreation	3	965
Western Australian Sports Centre Trust.....	3	978
Indigenous Affairs.....	3	987
PART 13 - MINISTER FOR COMMUNITY DEVELOPMENT, WOMEN'S INTERESTS, SENIORS AND YOUTH; DISABILITY SERVICES; CULTURE AND THE ARTS		
Community Development	3	1001
Disability Services Commission	3	1027
Culture and the Arts	3	1044
PART 14 – MINISTER FOR HEALTH		
Health.....	3	1075

	Volume	Page
PART 15 - MINISTER FOR RACING AND GAMING; GOVERNMENT ENTERPRISES; GOLDFIELDS- ESPERANCE		
Racing, Gaming and Liquor	3	1125
Totalisator Agency Board	3	1138
Western Australian Greyhound Racing Authority	3	1140
Gold Corporation	3	1141
Insurance Commission of Western Australia	3	1142
Lotteries Commission	3	1143
Water Corporation.....	3	1145
Goldfields-Esperance Development Commission.....	3	1147

CHAPTER 3

AGENCY INFORMATION IN SUPPORT OF THE ESTIMATES

Part 11 – Part 15

Part 11

Minister for State Development; Tourism; Small Business

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000
823	Industry and Resources			
	– Delivery of Outputs	102,682	97,752	96,795
	– Administered Grants, Subsidies and Other Transfer Payments	60,467	71,999	38,725
	– Capital Contribution	6,411	6,946	5,773
	Total	169,560	176,697	141,293
852	Minerals and Energy Research Institute of Western Australia			
	– Delivery of Outputs	882	882	901
	Total	882	882	901
860	Rottneest Island Authority .....	...	...	...
861	Western Australian Tourism Commission			
	– Delivery of Outputs	33,333	33,533	35,310
	– Administered Grants, Subsidies and Other Transfer Payments	1,727	1,727	1,715
	– Capital Contribution	27	27	35
	Total	35,087	35,287	37,060
888	Small Business Development Corporation			
	– Delivery of Outputs	8,867	8,927	8,512
	– Capital Contribution	196	196	97
	Total	9,063	9,123	8,609
	GRAND TOTAL			
	– Delivery of Outputs	145,764	141,094	141,518
	– Administered Grants, Subsidies and Other Transfer Payments	62,194	73,726	40,440
	– Capital Contribution	6,634	7,169	5,905
	Total	214,592	221,989	187,863

INDUSTRY AND RESOURCES

PART 11 - MINISTER FOR STATE DEVELOPMENT; TOURISM; SMALL BUSINESS

DIVISION 51

APPROPRIATION AND FORWARD ESTIMATES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 89 Net amount appropriated to deliver outputs	113,065	102,154	97,224	96,267	96,030	101,341	99,210
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	565	528	528	528	528	528	528
Total appropriations provided to deliver outputs	113,630	102,682	97,752	96,795	96,558	101,869	99,738
ADMINISTERED TRANSACTIONS							
Item 90 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	114,265	45,667	54,999	20,925	12,175	12,375	12,475
Amount Authorised by Other Statutes - Petroleum (Submerged Lands) Act 1982.	15,222	14,800	17,000	17,800	8,500	4,700	3,000
CAPITAL							
Item 160 Capital Contribution	10,044	6,411	6,946	5,773	2,309	5,034	3,073
GRAND TOTAL	253,161	169,560	176,697	141,293	119,542	123,978	118,286

MISSION

To advance the responsible development of the State's industry and resources for the benefit of Western Australians.

SIGNIFICANT ISSUES AND TRENDS

- The Australian Bureau of Agricultural and Resource Economics (ABARE) has forecast that world economic growth will remain weak at 2.6 per cent in 2003, rising to a modest 3.3 per cent in 2004. Export earnings from mineral resources are forecast to rise marginally in 2002-03, to \$56.2 billion, and 2003-04, to \$56.4 billion. Prices for minerals and energy commodities will be volatile in the first half of 2003 but, if global tensions ease, from mid 2003 metals prices are likely to rise, while those of gold and oil may fall.
- While the world economy should continue to grow modestly in 2003-04, there are significant risks to this outlook. Prospects for a strengthening in the recovery in the United States' economy have become unclear in the face of war in Iraq and declining consumer and business confidence. The European economy remains weak, largely underpinned by exports growth, with domestic demand remaining sluggish. Any further weakening in the United States' economy would place further pressure on European growth. Japan's economy has achieved some growth but, as in Europe, this has been driven by exports with consumption and investment showing no real sign of recovery. Falling prices and high bad debt levels in the financial sector remain a key risk to Japan's economy. The Asian economies, notably China, have seen solid growth over the past year, reflecting both exports and strong domestic demand. The region's outlook remains reasonably positive, though weaker global growth is an important risk.
- Increased security concerns worldwide and general global uncertainties have resulted in a cautious international investment climate. Western Australia, as a stable investment location with low sovereign risk, is well positioned to benefit from the search by investors for low risk environments.

- A number of forces, including globalisation, are driving the need for improved working relationships between the States and Federal governments. It is important that Australia and Western Australia's policy positions on a range of issues are compatible in order to create a welcoming investment climate.
- World trade protocols and agreements, trade tariffs and taxation arrangements continue to influence the Western Australian investment and industry growth environment. Western Australian industry needs to continue to build international partnerships and strategic alliances to operate successfully in this environment.
- There is potential for continued improvement in the State's business innovation system such as research and development expenditure, access to pre-seed and seed venture capital, improved collaboration between education and industry on product innovation, and support through the product innovation cycle. This will foster Western Australian growth within the high-income sectors of the world economy, such as the high value manufacturing and service industries (sometimes referred to as knowledge-based industries).
- The issue of developing a sustainable economy for Western Australia is important to the development of an overall economic development strategy. Sustainability is a key issue globally, nationally and at a State level, with the focus firmly on ensuring that development of Western Australia's economy is sustainable, taking into account the triple bottom line of economic, social and environmental impacts. The need to engage the community in decision making on development, by increasing public awareness and participation in resource development is crucial.
- China's continuing strong growth translates into increased demand for commodity inputs. For example, production and sales of iron ore are growing strongly, fuelled by ever-increasing demand for feedstock by the Chinese steel industry. This situation has seen further direct investment by Chinese companies in the Western Australian iron ore industry, and commitment to new or expanded capacity.
- An increasing global awareness of Western Australia's huge gas resources has led to a continuation of new proposals for major gas and downstream processing projects. Uncommitted gas resources rose during the year as the result of a series of exploration successes to more than 100 trillion cubic feet. The companies considering gas utilisation proposals are international in outlook and Western Australia is one of a number of location options. To remain an attractive investment location, the State needs to be conscious of being competitive in our infrastructure, services and approval processes.
- While the huge gas reserves off the north west coast continue to attract potential investors to investigate new projects on the Burrup Peninsula, it is becoming clear that a major hurdle for investors is the high capital costs of development. The State needs to continue to work closely with potential investors to ensure the best use of common user infrastructure, which the State has already committed to develop.
- The Bowler Inquiry to identify strategies to increase resource exploration levels has highlighted that Western Australia's continuing competitiveness for mineral and petroleum exploration and development depends upon the State's capacity to grant secure title to land, remove the current backlog for the grant of mineral tenements and to provide project approvals in a timely and efficient manner. The certainty and timeliness of government processes for project approvals and access to land are under review by the Keating Review of Project Approvals and the Native Title Technical Task Force.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Statement of Financial Performance since publication of the 2002-03 Budget to Parliament on 16 May 2002 are outlined below.

	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
Westpac Corporation contact centre at Joondalup	580	730	880	1,090
Aboriginal heritage surveys on the Burrup	100	100	100	100
Pinjarra-Brunswick sustainable communities planning study	225	-	-	-
West Pilbara coast strategic industry land and infrastructure planning - stage 1	200	-	-	-
Recurrent component of upgrading of security measures at Kalgoorlie and Baldyvis explosives reserves	610	700	700	700
Increased subsidy to LandCorp to support increased cost of East/West service corridor on the Burrup	830	830	830	830
Australian Marine Complex facility management	2,260	1,880	760	-
Additional funding for Business Exit Assistance	5,600	-	-	-

OUTPUT AND APPROPRIATION SUMMARY

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Titles and Royalties Administration	23,463	22,062	23,147	22,771			
Output 2:							
Health, Safety and Environmental Services	18,731	18,968	20,027	20,307			
Output 3:							
Project and Infrastructure Facilitation Services	13,791	14,993	17,588	16,190			
Output 4:							
Investment Attraction Services	3,607	3,439	3,695	3,634			
Output 5:							
Geological Services	17,123	17,934	18,604	18,479			
Output 6:							
Scientific Services	8,431	8,909	8,909	9,082			
Output 7:							
Industry Development Services	48,486	40,089	45,417	36,721			
Total Cost of Outputs	133,632	126,394	137,387	127,184	120,138	124,790	122,921
<i>Less Operating revenues</i>	<i>23,713</i>	<i>21,608</i>	<i>20,413</i>	<i>31,271</i>	<i>22,004</i>	<i>22,051</i>	<i>22,095</i>
Net Cost of Outputs	109,919	104,786	116,974	95,913	98,134	102,739	100,826
Adjustments ^(a)	3,711	(2,104)	(19,222)	882	(1,576)	(870)	(1,088)
Appropriation provided to deliver Outputs	113,630	102,682	97,752	96,795	96,558	101,869	99,738
ADMINISTERED TRANSACTIONS							
Appropriation for Administered Grants, Subsidies and Transfer Payments	129,487	60,467	71,999	38,725	20,675	17,075	15,475
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	10,044	6,411	6,946	5,773	2,309	5,034	3,073
TOTAL CONSOLIDATED FUND APPROPRIATIONS	253,161	169,560	176,697	141,293	119,542	123,978	118,286

(a) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

(b) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

The following outcome, output and financial information is the subject of a Resource Agreement signed by the Minister, the Director General and the Treasurer.

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION

Relationship to Government Strategic Objectives

The following table demonstrates the linkage between the most appropriate Government strategic objective and the agency level desired outcomes and outputs.

Government Strategic Objective	Desired Outcome(s)	Output(s)
A growing and diversified economy	Responsible development of the State's industry and resources for the benefit of Western Australians	1. Titles and Royalties Administration 2. Health, Safety and Environmental Services 3. Project and Infrastructure Facilitation Services 4. Investment Attraction Services 5. Geological Services 6. Scientific Services 7. Industry Development Services

Outcomes and Key Effectiveness Indicators ^(a)

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Outcome: Responsible development of the State's industry and resources for the benefit of Western Australians.					
KEY STAKEHOLDER/CUSTOMER SATISFACTION RATINGS:					
Minister's satisfaction rating out of 10 with the quality of policy and planning advice delivered in respect to resources development and royalties	7.75	9	9	9	
Minister's rating out of 10 of performance in encouraging a climate conducive to ongoing resource development in Western Australia ...	8.6	8.6	8.6	8.7	
State agency/local authority stakeholder agreement that 'The Department of Industry and Resources encourages a climate conducive to ongoing resources development in Western Australia'	94%	90%	95%	95%	
Customer assessment out of 10 of effectiveness of seven aspects of the Department's services related to project and infrastructure facilitation and investment attraction.....	8.5	8.5	8.5	8.6	
The extent to which clients agree that the Department of Industry and Resources contributes to industry and trade development	na	70%	70%	75%	
Explosives and Dangerous Goods level of community confidence	67%	67%	67%	70%	Biennial survey - next one due in 2004.
Satisfaction from scientific services client surveys	85.5%	88%	76%	77%	Survey updated from a four to ten point scale in 2002-03.

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
CONFORMANCE WITH REGULATION AND GOVERNMENT POLICY:					
Level of compliance with expenditure conditions (Form 5) in mineral titles	89%	89%	89%	90%	
Percentage of total royalties collected during the period as compared to the total proportion of royalties due according to government policy	na	100%	100%	100%	
<i>Mines Safety and Inspection Act 1994</i> compliance index (Base year: 1998-99 = 100)	102	103	107	108	
Minerals industry environmental management assessment scores - Environmental compliance index (Base year: 1998-99 = 100)	106	107	106	107	
Petroleum industry environmental management - the performance of the industry as a percentage of audited projects with zero corrective actions reports (CAR) were issued.	88%	89%	89%	90%	
STATE DEVELOPMENT PERFORMANCE					
State's position as a favoured location by the national and international minerals and petroleum resource industry, as measured by Western Australia's share of the national and international exploration expenditure	Ranking: 1	Ranking: 1	Ranking: 1	Ranking: 1	
Level of Australian minerals exploration expenditure in Western Australia	54%	70%	60%	65%	
Level of Australian petroleum exploration expenditure in Western Australia	57.8%	na	na	60%	New measure
Area of Western Australia under petroleum exploration title (sq km)	499,686	516,300	516,300	620,000	
Minerals industry health and safety services - Lost-Time Injury Frequency Rate per million hours worked (LTIFR - surface).....	4.3	5.8	4.0	3.8	
Minerals industry health and safety services - Lost-Time Injury Frequency Rate per million hours worked (LTIFR - underground)	6.5	5.8	5.8	5.5	
Petroleum industry health and safety services - Lost-Time Injury Frequency Rate per million hours worked (LTIFR)	5.8	4.3	5.0	4.5	
Petroleum industry health and safety services - Total Injury Frequency Rate (TIFR).....	18.6	25	20	18	
Proficiency tests per Full-Time Equivalent in scientific services	5.47	7.8	5.6	6.0	

(a) More details of effectiveness indicators are provided in the annual report.

Output 1: Titles and Royalties Administration

Benefits the Western Australian community through a legislative framework, information systems and administrative processes for mineral titles, petroleum titles and mineral and petroleum resource royalties. Legislation and titles systems provide information on land availability for mineral and petroleum exploration and mining and petroleum production, encourages exploration on titles, ensures security for title holders and provides a framework for collection of royalties, to achieve a fair return to the community.

Products and services include:

- Granting and maintaining titles to explore for and mine minerals;
- Granting and maintaining titles to explore for and produce petroleum, ensure petroleum resource management promotes invitations for bids for exploration areas; and
- Collecting royalties according to legislation and government policy.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	23,463	22,062	23,147	22,771	Large one-off petroleum fee expected in 2003-04.
Less Operating Revenue ^(a)	8,493	7,339	7,284	17,800	
Net Cost of Output	14,970	14,723	15,863	4,971	
Adjustments ^(b)	1,275	(230)	(1,252)	3,144	
Appropriation for delivery of Output 1	16,245	14,493	14,611	8,115	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures ^(a)

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Mineral title service units ^(b)	24,372	23,501	23,501	27,000	New measure
Petroleum title operation and resource services	3,891	3,510	3,570	3,600	New measure
Royalty returns verified and audited.....	1,116	1,100	1,100	1,110	New measure
Quality					
Customers satisfied with mineral titles services	85%	90%	90%	92%	Biennial survey
Customers satisfied with petroleum titles services	85%	85%	85%	87%	Biennial survey
Number of internal and external audit queries for royalties.....	0	0	0	0	
Timeliness					
Mineral titles processed in target time	65%	75%	56%	77%	Biennial survey
Customer satisfaction with timeliness of petroleum title services	80%	80%	80%	82%	
Percent of royalty audits completed within target plan	81%	90%	90%	92%	
Cost (Efficiency)					
Average cost per mineral title service.....	\$775	\$756	\$793	\$679	
Average cost per petroleum title operation and resource service	\$862	\$899	\$927	\$904	
Average cost per royalty returns verified and audited	\$1,092	\$1,041	\$1,093	\$1,065	
Full Time Equivalents (FTEs)	234	229	232	229	

(a) A new measurement framework has been implemented for this output in 2003-04. Data for previous years has been recast using the new framework and values cannot be directly compared with quantities published in previous years.

(b) During 2002-03, the lack of resolution of native title issues lead to major reductions in some outputs. Resources normally used in processing mineral titles remained deployed to enter information into the Department's new Mineral Title Information System (MiTiS). Whilst good progress was made on the resolution of a number of issues relating to native title during 2002-03, the final solutions will be implemented during 2003-04 leading to increased activity in the mining industry, which will see an increase in the levels of activity and processing.

Major Achievements For 2002-03

- Completed the data capture and verification program for the mineral titles MiTiS electronic register system and MiTiS is now being used as the Department's official mineral titles register.
- Developed a revised onshore petroleum exploration promotion strategy and commenced implementation.
- Developed the Royalties Management System to support electronic lodgement of production reports and royalty returns.

Major Initiatives For 2003-04

- Implement the changes to the *Mining Act 1978* recommended by the Native Title Technical Task Force to reduce the backlog of outstanding mineral title applications.
- Implement a "best practice" approach to the Mineral Title Registration System based on the recommendations contained in the Auditor General's report 'Level Pegging' and commence a program to identify, review and document the major processes to ensure "Leadership in Regulation".
- Continue implementation of the recommendations of the Bowler Inquiry into Greenfields Exploration in Western Australia that require amendments to the *Mining Act 1978*.
- Continue onshore petroleum exploration promotion programs.

Output 2: Health, Safety and Environmental Services

Benefits the Western Australian community through a legislative framework, information systems and administrative processes to meet community standards with respect to safety for the transport and storage of explosives and dangerous goods and with respect to worker health and safety and the environment for the mineral and petroleum resources industries. Legislation, regulation and management systems provide technical and policy advice, audit and education services, information systems, assessment of safety management systems, facilitation of design proposals, environmental impact assessments and management plans and investigation of operations proposals, incidents and contingency plans. Regulatory systems also include communicating information on issues, inter-agency agreements and processes, performance guidelines, licensing, and inspection programs for premises storing and vehicles transporting dangerous goods.

Products and services include the regulation and promotion of:

- Health and safety in the mineral and petroleum industries;
- Environmental management in the mineral and petroleum industries; and
- Safe storage, handling and transport of dangerous goods.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	18,731	18,968	20,027	20,307	
Less Operating Revenue ^(a)	4,675	4,065	4,034	4,873	
Net Cost of Output	14,056	14,903	15,993	15,434	
Adjustments ^(b)	1,014	(201)	(1,080)	(52)	
Appropriation for delivery of Output 2	15,070	14,702	14,913	15,382	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures ^(a)

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Health and safety weighted units of service provided to the minerals industry ^(b)	244,413	230,600	203,820	218,500	New measure
Environmental regulatory weighted units of service provided to the minerals industry ^(b) ..	76,275	73,800	67,050	71,100	New measure
Petroleum safety and health weighted units of audits and assessment	1,791	1,840	2,100	2,175	
Petroleum environmental weighted units of audits and assessment ^(b)	573	602	645	650	New measure
Quality					
Percentage of health and safety services meeting quality standards	na	na	na	80%	New measure
Percentage of environmental services meeting quality standards	na	na	na	80%	New measure
Petroleum customers satisfied with health and safety services	85%	85%	85%	87%	
Petroleum customers satisfied with environmental services	85%	85%	85%	87%	
Timeliness					
Percentage of health and safety services meeting timeliness standards	na	na	na	80%	New measure
Percentage of environmental services meeting timeliness standards	na	na	na	75%	New measure
Petroleum customers satisfied with the timeliness of health and safety services	85%	85%	85%	87%	
Petroleum customers satisfied with the timeliness of environmental services	85%	85%	85%	87%	
Cost (Efficiency)					
Average cost per health and safety weighted service provided to the minerals industry	\$58	\$62	\$74	\$70	
Average cost per environmental regulatory weighted service provided to the minerals industry	\$25	\$26	\$31	\$29	
Average cost per petroleum safety and health weighted unit of audit and assessment	\$1,126	\$1,110	\$1,027	\$1,006	
Average cost per petroleum environmental audit	\$1,234	\$1,190	\$1,172	\$1,179	
Full Time Equivalents (FTEs)	170	166	168	165	

(a) All measures relate to the regulation of health and safety and environment in the minerals industries and public safety in the explosives and dangerous goods industries unless specifically referenced as 'petroleum' industry related.

(b) A new measurement framework has been implemented for the measures related to the regulation of health and safety and environment in the minerals industries and public safety in the explosives and dangerous goods industries. Data for previous years has been recast using the new framework and values cannot be directly compared with quantities published in previous years. The issue of a Certificate of Competency was calculated to have a work value weighting of 1 and all other related output quantities have been weighted up or down according to this benchmark.

Major Achievements For 2002-03

- Developed a rating system for fundamental underlying risk factors in individual mining operations.
- Tabled the Dangerous Goods Safety Bill in Parliament (spring session) and commenced drafting regulations for the storage and handling of dangerous goods.
- Provided Western Australian input and support for development of the National Offshore Petroleum Safety Authority (NOPSA) and for Commonwealth legislative amendments.
- Developed a guide to legislative requirements for petroleum operations and conducted a major revision of the pipeline standard.

Major Initiatives For 2003-04

- Implement government approved changes to the *Mines Safety and Inspection Act 1994*.
- Implement strategies endorsed by the Ministerial Council on Minerals and Petroleum Resources as part of the National Mine Safety Framework for a uniform and consistent approach to mine safety regulation across jurisdictions.
- Implement the *Dangerous Goods Safety Act 2002* and complete the development and implementation of new regulations for the storage and handling of dangerous goods, including special controls over Major Hazards Facilities.
- Develop and implement new regulations for the storage, use, import, sale and manufacture of explosives including fireworks.
- Finalise Western Australian legislation amendments in support of NOPSA and start to implement NOPSA.

Output 3: Project and Infrastructure Facilitation Services

Benefits the Western Australian community by assisting private sector investment in resources development through facilitating the establishment and ongoing operation of major resource development and associated infrastructure projects. Resource development projects include the production and processing of minerals and energy, wood processing and development of major land resources. Associated infrastructure projects include industrial land; transport, energy and water service facilities; and other services for the resources industry.

Products and services include:

- Facilitating and managing the interface between investors and government to ensure coordinated, timely government decision-making and approvals procedures; and
- Providing advice to the Government and agencies on policy and strategic planning issues affecting resources development in Western Australia.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	13,791	14,993	17,588	16,190	
Less Operating Revenue ^(a)	594	558	554	669	
Net Cost of Output	13,197	14,435	17,034	15,521	
Adjustments ^(b)	749	(200)	(5,594)	(51)	
Appropriation for delivery of Output 3	13,946	14,235	11,440	15,470	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Infrastructure projects facilitated	27	24	26	25	
Resource development projects facilitated.....	87	84	84	83	
Quality					
Investors satisfied with facilitation services provided.....	86%	90%	85%	87%	
Timeliness					
Infrastructure projects facilitated within an agreed timeframe	90%	90%	90%	92%	
Resource development projects facilitated within an agreed timeframe	94%	95%	95%	95%	
Cost (Efficiency) ^(a)					
Average cost per infrastructure project facilitated	\$266,018	\$390,944	\$449,637	\$412,352	
Average cost per resource development project facilitated	\$75,960	\$66,790	\$70,208	\$70,858	
Full Time Equivalents (FTEs)	69	68	69	68	

(a) Unit cost values for 2003-04 include the allocation of policy coordination. Data from previous periods has been recast and cannot be directly compared to previously published values.

Major Achievements For 2002-03

- Coordinated the detailed planning and design of multi-user infrastructure to facilitate gas processing projects seeking to locate on the Burrup Peninsula and completed "project ready" approvals for the Burrup Infrastructure corridors including environmental and Aboriginal heritage matters.
- Completed agreements and approvals to widen the Dampier to Bunbury Natural Gas Pipeline (DBNGP) corridor for the Dampier to Bullsbrook section.
- Completed the East Kimberley-Tanami Regional Minerals Study and commenced implementation of the accepted recommendations.
- Finalised the Goldfields and Esperance Water Supply Strategy.
- Coordinated assessment of the environmental, social and economic proposal to locate the Gorgon Gas Development on Barrow Island.
- Facilitated the sale of the Nifty Copper project in the East Pilbara to the Aditya Birla Group of India, which assumes responsibility for the provisions of the *Western Mining Corporation Limited (Throssell Range) Agreement Act 1983*.
- Assisted the proponents of the Sally Malay nickel project to secure project approvals for this important new mine between Halls Creek and Kununurra, which commenced construction in April 2003.
- Completed the ratification of a State Agreement for the \$80 million Wesbeam laminated veneer lumber project at the Neerabup industrial estate near Wanneroo.
- Secured a nine year extension of the end date for the *North West Gas Development (Woodside) Agreement Act 1979* to accommodate LNG sales contracts to Japanese and Chinese customers, and gas sales to domestic projects.
- Secured ratification by Parliament of the *Iron Ore Processing (Mineralogy Pty. Ltd.) Agreement Act 2002*, which became fully operational in September 2002.

Major Initiatives For 2003-04

- Complete all Ord Stage 2 heritage work and reach “in principle” agreement on the Ord Stage 2 partnership agreement with Traditional Owners, and complete the marketing phase of the Ord Stage 2 area.
- Review potential areas for the next wave of gas based projects.
- Secure full commitment to the Ravensthorpe nickel project Infrastructure Package, in association with a decision by BHP Billiton to proceed.
- Provide project support to Newcrest Mining Ltd to commission a major expansion of the Telfer gold-copper project, including construction of a gas pipeline from Port Hedland to the mine site.
- Facilitate the commissioning and operation of the Wesbeam laminated veneer lumber processing plant at Neerabup.
- Coordinate on-ground development of the State's \$137.6 million common user infrastructure package.

Output 4: Investment Attraction Services

Benefits the Western Australian community by attracting interest in Western Australia from potential private sector investors through information and advice about opportunities for new investment in resources development in Western Australia, especially in the downstream processing of resources.

Products and services include:

- Providing resource sector information services; and
- Delivering investment attraction programs.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	3,607	3,439	3,695	3,634	
Less Operating Revenue ^(a)	49	166	165	199	
Net Cost of Output	3,558	3,273	3,530	3,435	
Adjustments ^(b)	196	(38)	(197)	(9)	
Appropriation for delivery of Output 4	3,754	3,235	3,333	3,426	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Resource sector information services delivered	10	11	11	11	
Resource sector investment attraction programs delivered	10	9	9	9	
Quality					
Rating by investors of the quality of resource sector information services delivered.....	89%	80%	80%	82%	
Potential investors that consider the resource sector investment attraction programs delivered improved their view of Western Australia as an investment location.....	67%	60%	60%	65%	
Timeliness					
Resource sector information services delivered within an agreed timeframe	90%	90%	90%	92%	
Resource sector investment attraction programs completed within an agreed timeframe.....	100%	100%	100%	100%	
Cost (Efficiency)					
Average cost per resource sector information service delivered.....	\$108,210	\$93,791	\$100,773	\$99,109	
Average cost per resource sector investment attraction program delivered	\$252,490	\$267,478	\$287,389	\$282,644	
Full Time Equivalents (FTEs)	22	22	22	22	

Major Achievements For 2002-03

- Concluded a \$25 million LNG contract for China, in association with the North West Shelf Joint Venturers.
- Promoted the pulp mill business case overseas and received good interest from both the market and equity parties.
- Lead the State's review of Greenfields exploration investment and prepared the State's input to the Commonwealth review of exploration.
- Worked with new investment prospects in the gas, iron ore and timber industry sectors.

Major Initiatives For 2003-04

- Review and promote opportunities for the energy sector in the South West.
- Develop an integrated marketing plan for the new Department in conjunction with industry and resources sectors.
- Support new investment processing opportunities for potential mineral, timber and gas projects.

Output 5: Geological Services

Benefits the Western Australian community by encouraging exploration and hence the discovery of mineral and petroleum deposits through maintaining an up-to-date geological framework and archive of the State and its mineral and petroleum resources.

Products and services include:

- Publishing maps, reports and data sets; and
- Providing access to a developing archive of geoscientific and resource exploration documents, samples and data.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	17,123	17,934	18,604	18,479	
Less Operating Revenue ^(a)	162	512	508	614	
Net Cost of Output	16,961	17,422	18,096	17,865	
Adjustments ^(b)	930	(189)	(1,020)	(46)	
Appropriation for delivery of Output 5	17,891	17,233	17,076	17,819	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Weighted total published products (WTPP)	73.08	79	67	67	
Weighted data transaction units (WDTU). Transactions include data receipt, accessioning, capture, storage and retrieval ..	68,372	70,000	70,000	70,000	
Quality					
Rating (1-5) of product quality by Geological Survey Liaison Committee	4.0	4.0	4.0	4.0	
Rating (1-5) of archive processes by the Exploration Data and Information Sub- Committee of the Geological Survey Liaison Committee	4.0	4.0	4.0	4.0	
Ratio of geoscientific papers published compared to number submitted to international, peer-reviewed journals	70%	70%	70%	70%	
Timeliness					
Average time for production of 1:100,000 maps released during the year	24 months	28 months	28 months	28 months	
Open-file reports made available for viewing within 24 hours of request	100%	100%	100%	100%	
Cost (Efficiency)					
Average cost per weighted total published product	\$195,183	\$187,207	\$236,370	\$234,781	
Average cost per weighted data transaction unit	\$42	\$45	\$40	\$39	
Full Time Equivalents (FTEs)	177	173	175	172	

Major Achievements For 2002-03

- Produced over 40 reports, 34 geoscientific maps and geophysical images, and 23 digital datasets that publicised the geological framework of the State and its resource potential, with highlights illustrating the range of work including the

completion of a 1:500,000 scale digital regolith (unconsolidated surface material) map of Western Australia, the publication of a Bulletin on silica deposits in Western Australia, and the publication of a report and digital dataset on the mineralisation of the Arunta–Musgrave region.

- Published two major reports, geoscience maps and datasets on mineralisation in the North and West Kimberley regions.
- Collected airborne geophysical data over the West Musgrave and Tanami regions, and commenced mapping in the West Musgrave area.
- Completed construction and commissioning of the Perth Core Library and archival facility at Carlisle, the Perth node of an integrated Western Australian facility incorporating the Joe Lord Core Library in Kalgoorlie.
- Compiled a series of reports, maps and data packages embodying six years' work to evaluate and enhance the prospectivity of the Carnarvon Basin.
- Carried out site selection and preparatory work for a deep stratigraphic well to evaluate the petroleum prospectivity of the Gibson area of the Officer Basin.
- Publication of the first report on the Inventory of abandoned mine sites project covering the progress of the project, risk evaluation methodology and data collection and storage.

Major Initiatives For 2003-04

- Publish reports, geoscientific maps and geophysical images, and digital datasets that enhance the geological framework of the State and its resource potential from on-going mapping programs, to encourage and support exploration in the East and Central Yilgarn, Edmund, Collier and Earahedy Basins, and the Pilbara.
- Further progress mapping in the West Musgrave area to encourage and support exploration in this greenfield area.
- Begin analysis of the petroleum prospectivity of frontier areas of the onshore Canning Basin.
- Publish a bulletin on Tantalum in Western Australia.

Output 6: Scientific Services

Benefits the Western Australian community through the provision of high quality independent chemical information, advice and analytical services to government agencies, industry and research groups.

Products and services include:

- Scientific and research support in the areas of public and occupational health, conservation and the environment, industrial development, food and agriculture;
- Emergency and crises response services to government agencies and industry for chemical spills and related incidents and crises situations;
- Contributing to the development of national chemical conformance standards and guidelines; and
- Forensic scientific services support to the Police Service, State Coroner and the racing industry.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	8,431	8,909	8,909	9,082	
Less Operating Revenue ^(a)	5,759	6,387	6,387	6,259	
Net Cost of Output	2,672	2,522	2,522	2,823	
Adjustments ^(b)	81	356	356	(70)	
Appropriation for delivery of Output 6	2,753	2,878	2,878	2,753	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Chargeable hours of time involved in provision of services	67,448	69,602	72,159	72,079	
Quality					
Services provided to AS/NZS ISO 9001:2000 and ISO/IEC 17025:1999	100%	100%	100%	100%	
Timeliness					
Response rate from Client Surveys	60%	60%	60%	60%	Survey updated from a four to ten point scale in 2002-03.
Satisfaction from Client Surveys	74%	75%	62%	63%	
Cost (Efficiency)					
Average cost per chargeable hour of providing service	\$125	\$128	\$123	\$126	
Full Time Equivalents (FTEs)	93	82	92	92	

Major Achievements For 2002-03

- The Chemistry Centre's scientific business was enhanced through increased collaborations with government agencies, research groups and industry. Twenty-three funded collaborative research projects were undertaken in 2002-03. These included a new soil test for Western Australian soils and forensic characterisation of Perth Metropolitan soils. Considerable training for chemical, biological and radiological (CBR) incidents was undertaken during the year.
- A brief and schematic plans were completed for new facilities for the Chemistry Centre at Midland. The site is adjacent to the proposed Police Forensic building.

Major Initiatives For 2003-04

- Enhance the Chemistry Centre's ability to meet government agencies' expectations for emergency response to hazardous chemical incidents, chemical, biological and radiological (CBR) incidents, clandestine laboratory investigations and explosions.
- Increase the range of chemicals that can be determined in air, water, soil and biological materials and thus extend the capabilities of the Chemistry Centre in addressing issues relating to odours and emissions, residues in water and food, and drugs in police and coronial investigations.

Output 7: Industry Development Services

Benefits the Western Australian community by facilitating the growth of internationally competitive industry within Western Australia, assisting Indigenous clients to develop their business capability, and promoting Western Australia as a source of internationally competitive products and services.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	48,486	40,089	45,417	36,721	Due to carryover funding from the previous year.
Less Operating Revenue ^(a)	3,981	2,581	1,481	857	
Net Cost of Output	44,505	37,508	43,936	35,864	
Adjustments ^(b)	(534)	(1,602)	(10,435)	(2,034)	
Appropriation for delivery of Output 7	43,971	35,906	33,501	33,830	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures ^(a)

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Industry and Trade projects facilitated ^{(b) (c)}	34	18	13	14	
Aboriginal Economic Development projects facilitated	5	3	7	7	
Industry Facilities projects supported	10	10	10	12	
Quality					
Client satisfaction with quality of projects	na	75%	66%	75%	Detailed analysis indicated that the drop in 2002-03 was limited to a specific time period during the financial year.
Timeliness					
Client satisfaction with timeliness of projects..	na	75%	71%	75%	As above.
Cost (Efficiency)					
Average cost of Industry and Trade projects facilitated	\$941,010	\$1,453,859	\$2,089,000	\$1,603,990	Due to carryover funding from the previous year.
Average cost of Aboriginal Economic Development projects facilitated	\$1,688,696	\$2,285,477	\$880,857	\$611,913	Due to carryover funding from the previous year.
Average cost of Industry Facilities projects supported	\$804,817	\$706,310	\$1,209,400	\$831,812	Anticipated drop in cost for 2003-04 is due to the completion of the CSIRO relocation project.
Full Time Equivalents (FTEs)	179	216	178	163	

(a) This output comprises the Department's new industry and trade services following the formation of the Department of Industry and Resources (DoIR) in February 2003. Data from previous years has been recast and may not be directly comparable to previously published information.

(b) In the 2002-03 Budget Statements these were separate output measures.

(c) A move to fewer, more complex projects as part of an internal reprioritisation process was made in 2002-03.

Major Achievements For 2002-03

- Administered and coordinated a multi-agency support office through the South West Industry Support Unit to provide services to displaced timber workers, their families and other affected community members. Applications for Business Exit Assistance closed on 31st December 2002 and of the 152 applications received, 72 have now signed the Deed of Discharge and left the industry in full or partially. Financial assistance was provided to expand or upgrade seven established businesses in the region, and assistance with business plans and/or feasibility studies were provided to additional businesses. Wage and Interest Subsidy assistance was provided to numerous businesses within the Shire of Manjimup.
- Produced 'EXPORT Western Australia', outlining trade initiatives for growing Western Australia's export industries. Launched the Western Australian Export Link Hotline and the TradeStart program (both joint initiatives with Austrade) to assist potential exporters.
- Continued to build on successful strategic alliances with the 'Margaret River section' concept extended to two additional stores in the Singapore Cold Storage chain and the product range extended. Trialled the 'Western Australia Seafood Friday' in 12 additional Cold Storage outlets and continued to investigate additional opportunities to promote Western Australian products.
- Established a new trade office in Dubai, to take advantage of commercial opportunities in the Middle East, as well as those resulting from direct flights between Perth and Dubai. As part of the Office's formal opening, the Premier led the largest-ever Western Australian trade delegation of 71 business representatives to the United Arab Emirates. This was followed by a strong Western Australian participation in Gulf Food 2003, jointly organised by the Department and the Department of Agriculture. Western Australian companies made up 50 per cent of the total Australian exhibitors and the Western Australian Minister for Agriculture attended the opening ceremony as part of the official delegation.
- Undertook a mission to promote its capabilities to the United States Navy and the Military Sea Lift Command (MSC) as part of the agreed business and marketing plan for the Australian Marine Complex (previously known as Jervoise Bay).
- Cabinet approved the establishment of the Trade and Investment Coordination Group (WATICG), to provide coordination of trade and investment activities across government. Chaired by the Department, WATICG is developing a range of activities to support Western Australian export initiatives and coordinating the preparation of the Western Australian Trade and Investment Strategy.
- Organised the 'Buy WA First' campaign, encouraging consumers to source local goods and services. As a first step, a pilot was initiated, focussing on the purchase of local food and beverages. Participating stores supported the campaign by clearly identifying local produce and their five main local suppliers discounted major product lines.

Major Initiatives For 2003-04

- Develop an implementation plan for 'Building Future Prosperity' to include a Government Trade and Investment Strategy.
- Market Western Australia's industry capabilities nationally and internationally through a program of projects focussed on development of industry sector and technology clusters, and utilisation and development of international relationships and networks.
- Establish and maintain strategic partnerships aimed at fostering business opportunities and industry development for Indigenous (Aboriginal) clients.
- Continue implementation of the Protecting Our Old Growth Forests Policy in relation to South West industry adjustment through projects aimed at development of industry in the region and administration of the Business Exit Assistance Scheme.
- Prepare the North West Metro Corridor Economic Development Strategy, including incorporation of the St Andrews project.
- Establish central support facilities and associated infrastructure as part of the establishment of the Australian Marine Complex Technology Precinct, Cockburn Sound.

CAPITAL WORKS PROGRAM

The Department's capital works expenditure of \$12.895 million in 2003-04 includes continuation of funding for the Ord River Irrigation Stage Two project and migration of the Department's information systems from a mainframe to a web-based environment. Funding has also been provided for the Integrated Customer E Commerce Infrastructure project, upgrading security measures at the Kalgoorlie and Baldivis explosives reserves, and planning for the Kalgoorlie Regional Complex Stage Two. There will also be expenditure for ongoing asset replacement in accordance with the Department's asset replacement program.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
WORKS IN PROGRESS				
Migration of Information Systems from a mainframe to a web-based environment	4,100	900	900	1,800
Ord River Irrigation - Stage 2	15,539	5,439	2,716	4,250
COMPLETED WORKS				
Coogee Redevelopment Implementation	5,900	5,900	1,553	-
Drill Core Storage Facility - Metropolitan Area	5,000	5,000	4,771	-
East Rockingham Wool Processing - Rectification	6,000	6,000	2,106	-
New Chemistry Centre Building - Planning	257	257	223	-
Pemberton Sports Club	535	535	535	-
Woolscour Project	14,218	14,218	846	-
CSIRO Relocation				
Implementation	34,000	34,000	1,096	-
Jervoise Bay Infrastructure				
Enhancement	7,923	7,923	79	-
Marine Industry Technology Park	23,150	23,150	10,111	-
Southern Precinct	127,300	127,300	52,639	-
Asset Replacement Program				
Computer Hardware and Software -				
2002-03 Program	1,139	1,139	1,139	-
Furniture and Equipment -				
2002-03 Program	100	100	100	-
Scientific Equipment				
2002-03 Program	405	405	405	-
New Computer and Office Equipment				
2002-03 Program	375	375	337	-
New Scientific Equipment				
2002-03 Program	195	195	195	-
NEW WORKS				
Integrated Customer E Commerce Infrastructure -	3,200	-	-	3,200
Kalgoorlie Complex Stage 2 Planning & Construction	3,525	-	-	300
Maintenance of Chemistry Centre	300	-	-	300
Upgrading of security measures at Kalgoorlie and Baldivis explosives reserves	1,045	-	-	1,045
Asset Replacement Program				
Computer Hardware and Software -				
2003-04 Program	1,137	-	-	1,137
Furniture and Equipment -				
2003-04 Program	100	-	-	100
Scientific Equipment				
2003-04 Program	405	-	-	405
New Computer and Office Equipment				
2003-04 Program	163	-	-	163
New Scientific Equipment				
2003-04 Program	195	-	-	195
	256,206	232,836	79,751	12,895

CAPITAL CONTRIBUTION

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program.....	71,476	35,807	79,751	12,895	6,818	8,200	3,682
Working capital requirement							
Loan repayments	534	545	545	550	550	550	550
Loan advances	-	2,271	2,271	1,583	1,064	1,064	1,064
	72,010	38,623	82,567	15,028	8,432	9,814	5,296
LESS							
Funding included in output appropriations ^(a) ..	5,394	7,191	18,779	4,413	3,513	2,659	212
Holding Account ^(b)	-	1,644	1,644	1,642	1,610	1,661	2,011
Internal Funds and Balances	(15,405)	-	10,519	3,200	1,000	460	-
Commonwealth Grants	17,872	7,284	44,679	-	-	-	-
Other	54,105	16,093	-	-	-	-	-
Capital Contribution	10,044	6,411	6,946	5,773	2,309	5,034	3,073

(a) Capital works expensed through the Statement of Financial Performance.

(b) Draw down from Holding Account.

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	55,824	57,324	57,595	57,351	55,618	57,705	59,487
Superannuation	5,668	5,729	5,550	5,644	5,482	5,516	5,564
Cost of Goods Sold	336	200	200	200	200	200	200
Grants and subsidies ^(b)	13,748	6,350	11,562	7,516	8,194	7,155	7,026
Consultancies expense	13	808	808	808	808	808	808
Supplies and services	31,994	34,640	39,066	32,244	26,652	29,383	26,745
Accommodation	6,968	5,593	5,593	5,689	5,785	5,785	5,785
Borrowing costs	856	596	596	521	426	345	297
Capital User Charge	6,929	6,368	6,368	6,549	6,787	7,040	7,040
Depreciation	3,484	4,044	3,507	4,142	3,617	3,980	3,122
Administration	6,993	3,486	6,479	6,457	6,510	6,812	6,786
Net loss on disposal of non-current assets	9	-	-	-	-	-	-
Other expenses	810	1,256	63	63	59	61	61
TOTAL COST OF SERVICES	133,632	126,394	137,387	127,184	120,138	124,790	122,921
Revenues from ordinary activities							
User charges and fees ^(c)	12,333	12,363	11,203	11,206	10,957	11,004	11,048
Regulatory Fees and Fines	10,810	9,063	9,063	19,908	10,908	10,908	10,908
Net Profit on disposal of non-current assets	-	58	58	68	68	68	68
Interest	36	-	-	-	-	-	-
Rent	34	-	-	-	-	-	-
Other Revenue	500	124	89	89	71	71	71
Total Revenues from Ordinary Activities	23,713	21,608	20,413	31,271	22,004	22,051	22,095
NET COST OF SERVICES	109,919	104,786	116,974	95,913	98,134	102,739	100,826
REVENUES FROM STATE GOVERNMENT							
Appropriations	113,630	102,682	97,752	96,795	96,558	101,869	99,738
Liabilities assumed by the Treasurer	1,265	176	176	73	42	42	42
TOTAL REVENUES FROM STATE GOVERNMENT	114,895	102,858	97,928	96,868	96,600	101,911	99,780
CHANGE IN EQUITY RESULTING FROM OPERATIONS	4,976	(1,928)	(19,046)	955	(1,534)	(828)	(1,046)
Change in Equity arising from transfer of assets/liabilities	3,017	(8,730)	610	1,272	1,114	-	-
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	7,993	(10,658)	(18,436)	2,227	(420)	(828)	(1,046)

(a) The Full Time Equivalents (FTEs) for 2001-02 Actual, 2002-03 Estimated Actual and 2003-04 Estimate are 944, 936 and 911 respectively.

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

(c) Includes resources received free of charge. This treatment may differ from the agency's annual report.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	24,702	5,911	7,450	7,253	6,262	5,453	5,211
Restricted cash.....	271	-	271	271	-	-	-
Receivables.....	4,629	2,979	4,635	4,646	4,196	4,246	4,246
Inventories.....	6,025	5,763	4,654	4,057	3,896	3,735	3,603
Amounts receivable for outputs.....	1,485	1,692	1,643	1,611	1,661	2,011	-
Prepayments.....	359	503	374	389	404	419	419
Other.....	701	741	701	701	701	701	701
Total current assets.....	38,172	17,589	19,728	18,928	17,120	16,565	14,180
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	2,370	4,563	4,075	6,607	8,564	10,533	13,655
Land and Buildings.....	51,746	47,604	55,774	59,923	59,072	58,221	58,634
Plant, equipment and vehicles.....	6,100	6,258	5,894	7,166	6,580	8,636	8,055
Loans and Advances.....	22,178	23,016	22,678	23,178	22,339	22,789	23,239
Other.....	8,097	11,280	7,098	6,156	7,423	7,722	8,197
Total non-current assets.....	90,491	92,721	95,519	103,030	103,978	107,901	111,780
TOTAL ASSETS.....	128,663	110,310	115,247	121,958	121,098	124,466	125,960
CURRENT LIABILITIES							
Payables.....	4,403	3,738	4,337	4,319	4,471	4,623	4,623
Provision for employee entitlements.....	8,571	7,576	7,222	7,208	7,199	7,189	7,189
Interest-bearing liabilities (Borrowings).....	1,546	700	1,346	946	646	646	646
Monies in trust.....	-	173	-	-	-	-	-
Interest payable.....	184	144	170	156	142	128	128
Accrued Salaries.....	2,790	1,528	3,008	3,041	2,604	2,506	2,567
Other.....	1,541	372	1,541	1,541	1,541	1,541	1,541
Total current liabilities.....	19,035	14,231	17,624	17,211	16,603	16,633	16,694
NON-CURRENT LIABILITIES							
Provision for employee entitlements.....	6,147	5,375	6,137	5,818	5,532	5,245	5,245
Interest-bearing liabilities (Borrowings).....	8,764	8,565	8,219	7,662	5,807	5,226	4,632
Total non-current liabilities.....	14,911	13,940	14,356	13,480	11,339	10,471	9,877
TOTAL LIABILITIES.....	33,946	28,171	31,980	30,691	27,942	27,104	26,571
EQUITY							
Contributed Equity.....	10,044	16,455	16,990	22,763	25,072	30,106	33,179
Accumulated surplus/(deficit).....	49,910	32,889	31,514	33,741	33,321	32,493	31,447
Asset revaluation reserve.....	34,763	32,795	34,763	34,763	34,763	34,763	34,763
Total equity.....	94,717	82,139	83,267	91,267	93,156	97,362	99,389
TOTAL LIABILITIES AND EQUITY.....	128,663	110,310	115,247	121,958	121,098	124,466	125,960

STATEMENT OF CASH FLOWS
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Appropriations.....	109,775	98,638	94,245	92,653	92,941	97,889	96,616
Capital Contribution	10,044	6,411	6,946	5,773	2,309	5,034	3,073
Holding Account.....	-	1,644	1,644	1,642	1,610	1,661	2,011
Net cash provided by State government.....	119,819	106,693	102,835	100,068	96,860	104,584	101,700
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs.....	(53,978)	(57,468)	(58,673)	(57,665)	(56,360)	(58,110)	(59,426)
Superannuation.....	(4,395)	(5,768)	(5,589)	(5,786)	(5,655)	(5,689)	(5,772)
Supplies and services.....	(30,649)	(33,209)	(37,646)	(30,933)	(25,305)	(28,036)	(25,463)
Grants and subsidies	(13,227)	(4,579)	(9,791)	(6,433)	(7,580)	(6,541)	(6,412)
Borrowing costs.....	(840)	(610)	(610)	(535)	(440)	(359)	(297)
Accommodation.....	(6,717)	(5,609)	(5,649)	(5,722)	(5,745)	(5,745)	(5,745)
Administration.....	(4,983)	(3,486)	(6,383)	(6,369)	(6,327)	(6,629)	(6,629)
Capital User Charge.....	(6,955)	(6,368)	(6,368)	(6,549)	(6,787)	(7,040)	(7,040)
Goods and Services Tax	(14,726)	(9,082)	(9,082)	(10,079)	(9,663)	(10,323)	(10,323)
Other.....	(880)	(1,200)	(63)	(63)	(59)	(61)	(61)
Receipts							
Regulatory fees and fines.....	10,375	9,063	9,063	19,908	10,908	10,908	10,908
User charges and fees	11,142	10,060	8,900	8,933	8,726	8,773	8,817
Interest.....	36	-	-	-	-	-	-
Goods and Services Tax	13,701	9,124	9,124	10,098	10,157	10,317	10,317
Other.....	500	124	89	89	71	71	71
Net cash from operating activities.....	(101,596)	(99,008)	(112,678)	(91,106)	(94,059)	(98,464)	(97,055)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(3,342)	(5,295)	(6,330)	(8,621)	(3,447)	(5,484)	(3,429)
Purchase of investments.....	(450)	-	(2,271)	(1,583)	(1,064)	(1,064)	(1,064)
Proceeds from sale of non-current assets	15	190	1,429	730	200	200	200
Proceeds from sale of investments.....	16	-	-	-	-	-	-
Net cash from investing activities.....	(3,761)	(5,105)	(7,172)	(9,474)	(4,311)	(6,348)	(4,293)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(534)	(745)	(745)	(957)	(2,155)	(581)	(594)
Other payments for financing activities	-	(2,271)	-	-	-	-	-
Other proceeds from financing activities	-	-	-	-	1,289	-	-
Net cash from financing activities.....	(534)	(3,016)	(745)	(957)	(866)	(581)	(594)
NET INCREASE/(DECREASE) IN CASH HELD	13,928	(436)	(17,760)	(1,469)	(2,376)	(809)	(242)
Cash assets at the beginning of the reporting period	12,659	15,177	24,973	7,721	7,524	6,262	5,453
Net cash transferred to/from other agencies.....	(1,614)	(8,830)	508	1,272	1,114	-	-
Cash assets at the end of the reporting period.....	24,973	5,911	7,721	7,524	6,262	5,453	5,211

SCHEDULE OF ADMINISTERED EXPENSES AND REVENUES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
EXPENSES							
Grants and subsidies	66,327	44,288	79,430	41,225	22,175	17,075	15,475
Supplies and services	6,825	220	(1,444)	(1,272)	(1,114)	-	-
Borrowing costs	292	160	-	-	-	-	-
Depreciation	-	10	-	-	-	-	-
Receipts paid into Consolidated Fund	1,066,051	1,026,040	1,166,792	1,076,989	1,061,500	1,092,849	1,084,462
Transfer of Assets/Liabilities	-	-	11,728	1,272	1,114	-	-
TOTAL ADMINISTERED EXPENSES ^(a) ..	1,139,495	1,070,718	1,256,506	1,118,214	1,083,675	1,109,924	1,099,937
REVENUES							
Regulatory Fees and Fines	-	40	40	40	40	40	40
Mining royalties	1,058,730	1,034,000	1,191,282	1,062,521	1,062,539	1,088,316	1,076,856
Grants and subsidies	18,242	7,284	57,178	2,500	1,500	-	-
Interest	137	160	160	140	140	140	140
Fines and penalties	24	-	-	-	-	-	-
Appropriations	129,487	60,467	71,999	38,725	20,675	17,075	15,475
Transfer of Assets/Liabilities	9,093	-	-	-	-	-	-
TOTAL ADMINISTERED REVENUES	1,215,713	1,101,951	1,320,659	1,103,926	1,084,894	1,105,571	1,092,511

(a) Further information is provided in the table "Details of the Administered Transactions Expenses".

SCHEDULE OF ADMINISTERED ASSETS AND LIABILITIES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
ADMINISTERED CURRENT ASSETS							
Cash.....	36,815	2,526	13,534	13,534	13,534	13,534	13,534
Restricted cash.....	5,541	-	5,541	5,541	5,541	5,541	5,541
Receivables.....	183,453	189,283	209,135	195,850	198,083	194,793	188,443
Other.....	8	-	8	8	8	8	8
Total Administered Current Assets	225,817	191,809	228,218	214,933	217,166	213,876	207,526
ADMINISTERED NON-CURRENT ASSETS							
Land and Buildings.....	330	310	330	330	330	330	330
Plant, equipment and vehicles.....	-	305	-	-	-	-	-
Loans and Advances.....	24,869	3,396	23,877	22,874	21,860	20,797	19,721
Other.....	90,330	186,582	153,074	153,074	153,074	153,074	153,074
Total Administered Non-Current Assets	115,529	190,593	177,281	176,278	175,264	174,201	173,125
TOTAL ADMINISTERED ASSETS	341,346	382,402	405,499	391,211	392,430	388,077	380,651
ADMINISTERED CURRENT LIABILITIES							
Payables.....	911	3,963	911	911	911	911	911
Interest-bearing liabilities (Borrowings)	-	1,000	-	-	-	-	-
Monies in trust.....	12,512	4,797	12,512	12,512	12,512	12,512	12,512
Total Administered Current Liabilities	13,423	9,760	13,423	13,423	13,423	13,423	13,423
ADMINISTERED NON-CURRENT LIABILITIES							
Interest-bearing liabilities (Borrowings)	-	3,396	-	-	-	-	-
Total Administered Non-Current Liabilities	-	3,396	-	-	-	-	-
TOTAL ADMINISTERED LIABILITIES..	13,423	13,156	13,423	13,423	13,423	13,423	13,423

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Supplies and services.....	(6,875)	(220)	1,444	1,272	1,114	-	-
Grants and subsidies	(66,023)	(42,288)	(77,430)	(36,225)	(22,175)	(17,075)	(15,475)
Borrowing costs.....	(287)	(160)	-	-	-	-	-
Goods and Services Tax	(62)	-	-	-	-	-	-
Receipts paid into Consolidated Fund.....	(1,066,014)	(1,026,040)	(1,166,792)	(1,076,989)	(1,061,500)	(1,092,849)	(1,084,462)
Transfer of Assets/Liabilities.....	9,286	-	(11,728)	(1,272)	(1,114)	-	-
Financing Activities							
Repayment of borrowings.....	(1,000)	(443)	-	-	-	-	-
Other payments for financing activities	-	(2,000)	(2,000)	(5,000)	-	-	-
Investing Activities							
Purchase of non-current assets.....	(51,025)	(23,243)	(62,744)	-	-	-	-
Purchase of investments.....	(1,421)	-	-	-	-	-	-
TOTAL ADMINISTERED CASH OUTFLOWS.....	(1,183,421)	(1,094,394)	(1,319,250)	(1,118,214)	(1,083,675)	(1,109,924)	(1,099,937)
CASH INFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Mining royalties.....	1,065,300	1,026,000	1,165,600	1,075,806	1,060,306	1,091,606	1,083,206
Regulatory fees and fines.....	12	40	40	40	40	40	40
Interest.....	137	160	160	140	140	140	140
Goods and Services Tax	14	-	-	-	-	-	-
Grants and subsidies	18,242	7,284	57,178	2,500	1,500	-	-
Appropriations.....	129,487	60,467	71,999	38,725	20,675	17,075	15,475
Financing Activities							
Other proceeds from financing activities	-	443	992	1,003	1,014	1,063	1,076
Investing Activities							
Proceeds from sale of investments.....	739	-	-	-	-	-	-
TOTAL ADMINISTERED CASH INFLOWS.....	1,213,931	1,094,394	1,295,969	1,118,214	1,083,675	1,109,924	1,099,937
NET CASH INFLOWS/(OUTFLOWS) FROM ADMINISTERED TRANSACTIONS	30,510	-	(23,281)	-	-	-	-

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
Industry Development Financial Assistance	11,995	5,578	10,790	6,730	7,538	6,499	6,370
Chamber of Commerce - Industrial Supplies Office.....	552	566	566	580	450	450	450
School of Mines Scholarships	56	56	56	56	56	56	56
Resource projects	1,145	150	150	150	150	150	150
TOTAL	13,748	6,350	11,562	7,516	8,194	7,155	7,026

DETAILS OF THE ADMINISTERED TRANSACTIONS EXPENSES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
GRANTS TO CHARITABLE AND OTHER PUBLIC BODIES							
Western Australian Minerals and Petroleum Education and Research Institute	50	-	825	-	-	-	-
STATUTORY AUTHORITIES							
Bunbury Port Authority - interest costs	87	95	103	95	95	95	95
Western Power - gas lateral line to the Murchison area - interest costs	832	832	832	832	832	832	832
Western Power - Onslow gas fired power station - interest costs	181	183	185	183	183	183	183
Westrail - Albany woodchip mill - interest costs	-	124	-	-	-	-	-
Western Australian Land Authority - Oakajee industrial estate buffer expansion	2,444	-	-	-	-	-	-
Western Australian Land Authority - Kemerton industrial estate	1,038	-	81	-	-	-	-
Western Australian Land Authority - Kemerton industrial estate - expansion study	100	100	100	-	-	-	-
Western Australian Land Authority - service corridor Hearson Cove to Dampier Port - subsidy	-	700	-	1,930	1,930	1,930	1,930
Water Corporation - Burrup water system - subsidy	-	-	-	-	6,500	6,700	6,800
Dampier Port Authority - multi-user infrastructure - subsidy	-	520	-	520	520	520	520
Western Australian Land Authority - Oakajee to Narngulu rail corridor	-	-	1,174	-	-	-	-
Western Australian Land Authority - BHP land - Kwinana	5,000	-	-	-	-	-	-
OTHER STATE SERVICES							
Refunds of Previous Years' Revenues	5,846	1,960	1,960	1,960	1,960	1,960	1,960
Aboriginal Lands Trust - Remuneration for mining on Aboriginal lands	182	155	155	155	155	155	155
Petroleum (Submerged Lands) Act 1982	15,222	14,800	17,000	17,800	8,500	4,700	3,000
Main Roads - Cape Lambert infrastructure	242	-	-	-	-	-	-
Hearson Cove Road upgrade	-	2,500	2,500	-	-	-	-
BHP - hot briquetted iron plant	2,937	4,200	4,752	3,300	-	-	-
Goldfields eastern bypass road relocation	-	1,400	1,750	-	-	-	-
Leeuwin Centre - interest expense	292	160	-	-	-	-	-
Receipts paid into Consolidated Fund	1,066,051	1,026,040	1,166,792	1,076,989	1,061,500	1,092,849	1,084,462
Regional Headworks Scheme	4,637	-	-	-	-	-	-
WA Dairy Industry Scheme	-	564	1,611	-	-	-	-
Wittenoom Clean-up	4	2,100	2,096	-	-	-	-
"Protecting Our Old Growth Forests" Policy ...	22,739	14,285	44,526	13,178	386	-	-
Net Assets Transferred Out	-	-	10,064	1,272	1,114	-	-
CSIRO relocation	6,118	-	-	-	-	-	-
Marine Industry Technology Park	5,493	-	-	-	-	-	-
TOTAL	1,139,495	1,070,718	1,256,506	1,118,214	1,083,675	1,109,924	1,099,937

DETAILS OF THE ADMINISTERED TRANSACTIONS REVENUE

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
ROYALTIES							
Petroleum - Commonwealth	370,441	323,600	456,800	355,300	334,700	358,300	384,300
Petroleum - State	46,436	45,900	58,982	53,015	30,133	20,810	17,350
Iron ore	276,466	307,000	293,500	291,500	307,000	302,000	298,000
Alumina	59,975	62,500	50,000	53,500	60,000	61,000	62,000
Diamonds	66,054	62,000	72,500	68,500	78,500	89,000	57,000
Mineral Sands	25,065	27,000	26,500	23,500	25,000	26,000	26,500
Nickel	48,988	49,500	59,000	46,000	51,000	53,000	53,000
Gold	80,746	80,000	82,500	76,000	72,000	76,000	76,000
Other	47,383	40,000	55,000	57,500	66,500	64,500	65,000
Lease Rentals	37,176	36,500	36,500	37,706	37,706	37,706	37,706
FINES							
Regulatory Fines	24	40	40	40	40	40	40
OTHER							
Commonwealth Contribution - Jervoise Bay ...	17,872	7,284	44,678	-	-	-	-
Contribution from Regional Investment Fund .	-	-	12,500	2,500	1,500	-	-
Appropriations	129,487	60,467	71,999	38,725	20,675	17,075	15,475
Net Assets Transferred In	9,093	-	-	-	-	-	-
Other Revenue	507	160	160	140	140	140	140
TOTAL	1,215,713	1,101,951	1,320,659	1,103,926	1,084,894	1,105,571	1,092,511

TRUST ACCOUNT DETAILS**Wittenoom Relocation Trust Account**

The Wittenoom Relocation Trust Account is primarily controlled through the Industry Development Services Output. It is utilised to allow for the relocation of residents from Wittenoom and the purchase of land in Wittenoom.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000
Opening Balance	171	163	162	46
Receipts:				
Appropriations	-	-	-	-
Other	-	-	-	-
	171	163	162	46
Payments	9	163	116	46
CLOSING BALANCE	162	-	46	-

Forest Residue Utilisation Levy Trust Fund

The Forest Residue Utilisation Levy Trust Fund is controlled through the Project and Infrastructure Facilitation Services Output. It is utilised for the purpose of funding studies and programs which add value to forest residues. Funding is provided from monies received under the *Wood Chipping Industry Agreement Act*.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000
Opening Balance	88	48	61	61
Receipts:				
Appropriations.....	-	-	-	-
Other	-	-	-	-
	88	48	61	61
Payments	27	48	-	-
CLOSING BALANCE.....	61	-	61	61

WA Government/China Economic and Technical Research Trust Fund

The WA Government/China Economic and Technical Research Trust Fund is controlled through the Investment Attraction Services Output. It is utilised for the purpose of funding joint studies to promote economic co-operation between China and Western Australia in the development, processing and marketing of the State's mineral resources.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000
Opening Balance	668	-	652	-
Receipts:				
Appropriations.....	-	-	-	-
Other	-	-	(600)	-
	668	-	52	-
Payments	16	-	52	-
CLOSING BALANCE.....	652	-	-	-

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23A of the *Financial Administration and Audit Act*, provides for the retention of the following cash receipts by the Department:

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000
Proceeds from petroleum permits and licences.....	6,391	4,750	4,750	14,812
Proceeds from prospecting, exploration and other mining licences	3,420	3,275	3,275	4,026
Proceeds from dangerous goods and explosives regulations.....	999	1,038	1,038	1,070
Proceeds from departmental fees and charges	1,726	1,638	1,673	2,033
Proceeds from the provision of chemical, mineralogical, metallurgical and related scientific investigative and advisory services.....	5,324	5,997	5,902	6,209
Interest.....	36	-	-	-
Goods and services tax	13,701	9,124	9,124	10,098
TOTAL.....	31,597	25,822	25,762	38,248

The monies received and retained are to be applied to the Department's outputs as specified in the Budget Statements.

MINERALS AND ENERGY RESEARCH INSTITUTE OF WESTERN AUSTRALIA

PART 11 - MINISTER FOR STATE DEVELOPMENT; TOURISM; SMALL BUSINESS

DIVISION 52

APPROPRIATION AND FORWARD ESTIMATES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 91 Net amount appropriated to deliver outputs	875	882	882	901	905	911	917
Total appropriations provided to deliver outputs	875	882	882	901	905	911	917

MISSION

To encourage the development of minerals and energy industries within the State by fostering and promoting all aspects of minerals and energy research.

SIGNIFICANT ISSUES AND TRENDS

Minerals Research

- Mineral and oil/gas deposits are finite and new discoveries must continue to be identified and developed to replace depleted deposits, otherwise the industry will not sustain itself and will degenerate. The effect on the State's economy would be substantial. The mineral and petroleum industries must continue to increase their technical efficiency, both in exploration and in all phases of mining and mineral processing, by increased research activity. A continuing need also exists for research in health and safety issues, in conservation and rehabilitation of mine workings, dumps and tailings.
- Cost pressures and commodity price cycles continue shaping investments in research. Company expenditure on exploration and research and development appears to have reached a turning point with a slow increase being evident. The increased level of research into exploration methods both in mining and petroleum geology continues. The trend continues for research organisations to cover administration and overheads, but the costs in these areas are rising rapidly, eroding funds available for research.

Energy Research

- In October 2002, Cabinet approved the transfer of the Minerals and Energy Research Institute of Western Australia's (MERIWA's) renewable energy function (Output 2) to the Office of Energy, consistent with the transfer of alternative energy research and development activities to the Alternative Energy Development Board (AEDB) on 1 July 1995. The Energy Legislation Amendment Bill 2003 is currently being drafted to give effect to this transfer. However, until this legislation is in place, MERIWA will maintain financial control of these activities.
- The Cooperative Research Centre for Renewable Energy and Greenhouse Gas Abatement Technologies at Murdoch University continues to engender interest in research and development in this field.
- Alternative energy is an emerging technology which requires significant additional support over and above that which can be provided by the small local industry to allow effective research and development to be undertaken in Western Australia and useful results to emerge.

OUTPUT AND APPROPRIATION SUMMARY

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Finance and co-ordinate minerals research	2,353	1,655	1,735	1,754			
Output 2:							
Finance and co-ordinate alternative energy research and development.....	263	265	265	270			
Total Cost of Outputs.....	2,616	1,920	2,000	2,024	2,028	2,034	2,190
<i>Less Operating revenues</i>	<i>1,647</i>	<i>1,038</i>	<i>1,118</i>	<i>1,123</i>	<i>1,123</i>	<i>1,123</i>	<i>1,273</i>
Net Cost of Outputs.....	969	882	882	901	905	911	917
Adjustments ^(a)	(94)	-	-	-	-	-	-
TOTAL CONSOLIDATED FUND APPROPRIATIONS	875	882	882	901	905	911	917

(a) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

RESOURCE AGREEMENT

The following outcome, output and financial information is the subject of a Resource Agreement signed by the Minister, the Executive Officer, the Chairperson and the Treasurer.

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION**Relationship to Government Strategic Objectives**

The following table demonstrates the linkage between the most appropriate Government strategic objective and the agency level desired outcomes and outputs.

Government Strategic Objective	Desired Outcome(s)	Output(s)
A growing and diversified economy	Promote all aspects of minerals research	1. Finance and co-ordinate minerals research
	Promote all aspects of research and development of alternative energy	2. Finance and co-ordinate alternative energy research and development

Outcomes and Key Effectiveness Indicators ^(a)

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Outcome: Promote all aspects of minerals research.					
Average cost of grant administered	\$5,276	\$8,200	\$5,625	\$5,750	
Outcome: Promote all aspects of research and development of alternative energy.					
Average cost of grant administered for AEDB, Office of Energy	\$27	\$20	\$32	\$30	

(a) More details of effectiveness indicators are provided in the annual report.

Output 1: Finance and co-ordinate minerals research

To co-ordinate research in various areas of the mineral and petroleum industry and to fund such research.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	2,353	1,655	1,735	1,754	
Less Operating Revenue ^(a)	1,647	1,038	1,118	1,123	
Net Cost of Output	706	617	617	631	
Adjustments ^(b)	(94)	-	-	-	
Appropriation for delivery of Output 1	612	617	617	631	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Grants approved	9	10	8	10	
Quality					
Satisfaction level of MERIWA's administration capability.....	85%	85%	85%	85%	
Timeliness					
Not applicable	na	na	na	na	
Cost (Efficiency)					
Average all up cost of grants (including administration and scholarships).....	\$261,000	\$165,500	\$216,900	\$175,400	One large value project was sponsored in 2002-03
Full Time Equivalents (FTEs)	3	3	3	3	

Major Achievements For 2002-03

- The Board has been active in promoting the value of MERIWA and has prepared and published a history of the operation of MERIWA. The history outlines the enduring commitment of government to fund, in partnership with industry, strategically important minerals and energy research. The book charts the effect that MERIWA has had on growing the economic and intellectual stocks of the State.
- MERIWA continued throughout the year to support diverse minerals and energy research with the strong support of industry.

Major Initiatives For 2003-04

- MERIWA will be promoting its business through the research institutions and with industry representative bodies throughout the year.

Output 2: Finance and co-ordinate alternative energy research and development

To co-ordinate research and development of alternative energy sources and to fund such activities.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	263	265	265	270	
Less Operating Revenue ^(a)	-	-	-	-	
Net Cost of Output	263	265	265	270	
Adjustments ^(b)	-	-	-	-	
Appropriation for delivery of Output 2	263	265	265	270	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Grants made.....	8	24	4	8	Low number of suitable projects funded in 2002-03.
Quality					
Assessment of researchers' satisfaction with the co-ordination and administration of grants.	90%	90%	90%	90%	
Timeliness					
Not applicable	na	na	na	na	
Cost (Efficiency)					
Average value of grant made.....	\$32,875	\$11,000	\$66,250	\$33,750	
Full Time Equivalents (FTEs)	3	3	3	3	

Major Achievements For 2002-03

- Grants continue to be made in the area of renewable energy research. The appointment of new board members and consolidation of the AEDB administration within the Office of Energy occurred.

Major Initiatives For 2003-04

- Transfer of the responsibility for the functions and financial arrangements of the AEDB to the Office of Energy is proposed in the Energy Legislation Amendment Bill 2003 and, if passed, will take effect during 2003-04. There will be the continuation of the research grants program for renewable energy research.

FINANCIAL STATEMENTS**STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)**

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	97	120	120	125	128	131	139
Superannuation	8	12	12	13	13	13	13
Grants and subsidies ^(b)	2,360	1,679	1,759	1,777	1,777	1,777	1,921
Supplies and services	4	15	15	15	15	15	15
Capital User Charge	34	34	34	34	34	34	34
State Taxes	1	2	2	2	2	2	2
Other expenses	112	58	58	58	59	62	66
TOTAL COST OF SERVICES	2,616	1,920	2,000	2,024	2,028	2,034	2,190
Revenues from ordinary activities							
User charges and fees ^(c)	18	15	18	18	18	18	18
Grants and subsidies	1,545	923	1,000	1,000	1,000	1,000	1,150
Interest	81	95	95	100	100	100	100
Other Revenue	3	5	5	5	5	5	5
Total Revenues from Ordinary Activities	1,647	1,038	1,118	1,123	1,123	1,123	1,273
NET COST OF SERVICES	969	882	882	901	905	911	917
REVENUES FROM STATE GOVERNMENT							
Appropriations	875	882	882	901	905	911	917
TOTAL REVENUES FROM STATE GOVERNMENT	875	882	882	901	905	911	917
CHANGE IN EQUITY RESULTING FROM OPERATIONS	(94)	-	-	-	-	-	-
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	(94)	-	-	-	-	-	-

(a) The Full Time Equivalents (FTEs) for 2001-02 Actual, 2002-03 Estimated Actual and 2003-04 Estimate are 3, 3 and 3 respectively.

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

(c) Includes resources received free of charge. This treatment may differ from the agency's annual report.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	91	10	10	10	10	10	10
Investments.....	1,630	1,734	1,734	1,734	1,734	1,734	1,734
Receivables.....	972	855	877	881	885	889	889
Interest receivable.....	8	10	10	10	10	10	10
Total current assets.....	2,701	2,609	2,631	2,635	2,639	2,643	2,643
NON-CURRENT ASSETS							
Receivables.....	631	312	312	316	320	324	324
Total non-current assets.....	631	312	312	316	320	324	324
TOTAL ASSETS.....	3,332	2,921	2,943	2,951	2,959	2,967	2,967
CURRENT LIABILITIES							
Other.....	1,804	1,763	1,763	1,771	1,779	1,787	1,787
Total current liabilities.....	1,804	1,763	1,763	1,771	1,779	1,787	1,787
NON-CURRENT LIABILITIES							
Payables.....	1,202	738	854	854	854	854	854
Total non-current liabilities.....	1,202	738	854	854	854	854	854
TOTAL LIABILITIES.....	3,006	2,501	2,617	2,625	2,633	2,641	2,641
EQUITY							
Accumulated surplus/(deficit).....	326	420	326	326	326	326	326
Total equity.....	326	420	326	326	326	326	326
TOTAL LIABILITIES AND EQUITY.....	3,332	2,921	2,943	2,951	2,959	2,967	2,967

STATEMENT OF CASH FLOWS
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Appropriations.....	875	882	882	901	905	911	917
Net cash provided by State government.....	875	882	882	901	905	911	917
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs	(87)	(120)	(120)	(125)	(128)	(131)	(139)
Superannuation	(8)	(12)	(12)	(13)	(13)	(13)	(13)
Grants and subsidies	(1,855)	(2,125)	(2,125)	(2,140)	(2,140)	(2,140)	(2,172)
Capital User Charge.....	(34)	(34)	(34)	(34)	(34)	(34)	(34)
State Taxes	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Goods and Services Tax	(184)	(168)	(168)	(168)	(168)	(168)	(173)
Other.....	(97)	(100)	(100)	(100)	(101)	(104)	(113)
Receipts							
Interest	82	110	110	110	110	110	110
Goods and Services Tax	149	168	168	168	168	168	173
Grants and subsidies	1,135	1,393	1,416	1,393	1,393	1,393	1,435
Other.....	3	8	8	10	10	10	11
Net cash from operating activities	(898)	(882)	(859)	(901)	(905)	(911)	(917)
NET INCREASE/(DECREASE) IN CASH HELD	(23)	-	23	-	-	-	-
Cash assets at the beginning of the reporting period	1,744	1,744	1,721	1,744	1,744	1,744	1,744
Cash assets at the end of the reporting period.....	1,721	1,744	1,744	1,744	1,744	1,744	1,744

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
Research Grants.....	2,320	1,629	1,709	1,727	1,727	1,727	1,871
Scholarships	40	50	50	50	50	50	50
TOTAL	2,360	1,679	1,759	1,777	1,777	1,777	1,921

ROTTNEST ISLAND AUTHORITY

CAPITAL WORKS PROGRAM

The Rottne Island Authority's capital works program addresses the identified need to upgrade the Island's facilities.

The Government has continued support of the accommodation upgrade program, public facilities improvement works and heritage and environmental projects.

The Authority's planned capital works expenditure for 2003-04 includes \$2.0 million for the construction of a wind turbine, designed to reduce the Island's reliance on diesel consumption and gas for its power generation. This project is a joint State/Commonwealth initiative.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
COMPLETED WORKS				
Tourist Facilities				
2002-03 Program	1,727	1,727	1,727	-
NEW WORKS				
Conservation and Preservation				
2003-04 Program	65	-	-	65
Holiday and Tourism Facilities				
2003-04 Program	896	-	-	896
Infrastructure and Operation				
2003-04 Program	2,075	-	-	2,075
	4,763	1,727	1,727	3,036

CAPITAL CONTRIBUTION

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	1,728	1,727	1,727	3,036	3,296	3,247	3,468
	1,728	1,727	1,727	3,036	3,296	3,247	3,468
LESS							
Specific Contributions	1,728	1,727	1,727	1,715	2,200	2,200	2,200
Internal Funds and Balances	-	-	-	1,321	1,096	1,047	1,268
Capital Contribution	-	-	-	-	-	-	-

WESTERN AUSTRALIAN TOURISM COMMISSION

PART 11 - MINISTER FOR STATE DEVELOPMENT; TOURISM; SMALL BUSINESS

DIVISION 53

APPROPRIATION AND FORWARD ESTIMATES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 92 Net amount appropriated to deliver outputs	32,096	33,333	33,533	35,310	34,685	33,921	33,375
Total appropriations provided to deliver outputs	32,096	33,333	33,533	35,310	34,685	33,921	33,375
ADMINISTERED TRANSACTIONS							
Item 93 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	1,728	1,727	1,727	1,715	2,200	2,200	2,200
CAPITAL							
Item 161 Capital Contribution	482	27	27	35	1,515	-	-
GRAND TOTAL.....	34,306	35,087	35,287	37,060	38,400	36,121	35,575

MISSION

To accelerate the sustainable growth of the tourism industry for the long-term social and economic benefit of the State.

SIGNIFICANT ISSUES AND TRENDS

GLOBAL EVENTS – THE CONTINUING IMPACT ON TOURISM

- The war in Iraq and the continued unrest in the Middle East, together with the current tension on the Korean Peninsula and the ongoing threat of terrorism have affected the confidence in the international tourism industry. The recent outbreak of Severe Acute Respiratory Syndrome (SARS) has further impacted on the levels of international and interstate inbound tourism to Western Australia as many European travellers undertaking long distance travel to Australia are worried of making stop-overs in Asian destinations.
- To counter such an impact, the Western Australian Tourism Commission (WATC) remains committed to working in partnership with the tourism industry to identify and capitalise on opportunities through national tourism and targeted international markets to accelerate recovery from these recent events. Campaigns originating from the \$5 million Crisis Marketing funds that had been provided following the events of September 2001 have now been successfully implemented with positive outcomes. As such, the WATC is proactively looking at new initiatives that would provide a similar positive result to counter current crises faced.
- On a more positive note, Western Australia's economic growth is expected to surpass 6% in 2002-03 and over 4% in 2003-04. These growth projections augers well in terms of continuing demand from Western Australians to take holidays. Western Australian's holidaying in their own State will inject approximately \$1.7 billion a year into the economy.

- Global aviation crises indicate that many airlines around the world are teetering on the edge of bankruptcy. The events of September 11 in 2001 plunged the world's airlines and aircraft manufacturers into crisis with many carriers reducing capacity and the aviation industry cutting jobs totalling in excess of 210,000 employees. Australia suffered a double blow in 2001, with Ansett collapsing only three days after the September 11 event. Whilst Qantas and Virgin Blue responded quickly to fill the void left by Ansett, some domestic routes are still without competition and vulnerable to increased prices and lack of customer choice. Subsequent events such as the Bali bombings, the effects of SARS in Asia and Canada and now the war in Iraq have resulted in some airlines cutting their capacity by as much as 15% (on the already reduced figures) with the possibility of further cuts looming large. Both Qantas and Singapore Airlines have announced capacity reductions in and out of Perth. Whilst the short-term outlook is grim, Western Australia should be able to 'ride out' the crisis without incurring long-term damage to its core international tourism or business markets.
- In order to remain competitive and assist with the recovery phase, the WATC needs to inject some short-term promotional funds into key international markets as they become prospective. Whilst a coordinated effort with the Australian Tourist Commission is essential internationally, Western Australia should also expect other States to be very active in trying to stimulate their respective markets following the crisis.
- The lack of airline competition due to the collapse of Ansett posed an issue for Western Australia in terms of airfare discounts and access. The WATC is part of a State Government Aviation Committee set up to address aviation issues, with the first positive step implemented through the commencement of Virgin Blue services operating out of Perth in 2002-03. In March and April 2003, both Qantas Airways and Virgin Blue announced a range of competitive airfares in the marketplace to stimulate domestic holiday travel.
- Other key issues likely to impact on domestic marketing strategies in the coming year include;
 - on-going competition from other States/Territories and close international destinations;
 - increased public liability insurance;
 - reduced fare between Eastern States capitals;
 - potential reductions in financial involvement of strategic partners in WATC campaigns;
 - the volatility of the Australian dollar and escalating media rates resulting in diminished reach of WATC marketing and advertising spend internationally;
 - global economics, particularly the current uncertainty of both the United States and Japanese economies; and
 - lack of consumer confidence.
- Tourism in Western Australia must focus on keeping one step ahead of the market by delivering demand led investment and infrastructure initiatives that induce, feed and sustain market growth.
- Sustainability is now a key issue globally, nationally and at a State level. The focus for the future will be on the development of an environmentally viable tourism sector. The need to engage informed and balanced community debate on tourism development will become paramount in order for development to occur.
- Since 2001, an additional \$614 million of capital investment has been injected into the accommodation sector resulting in availability of an additional 793 rooms.
- In real terms, the average room rates (for Perth) have declined between 1988 and 2002. The extent to which the tourism industry can improve profitability through improvements in product quality and service delivery will become increasingly important.
- The future potential of the tourism industry can be further enhanced through better integration into mainstream industry development, for example, through alliances and partnerships with the education, food and wine sectors and others tourism sectors.
- The tourism industry and its consumers are becoming increasingly reliant on the electronic medium for tourism information, marketing and distribution.
- The reduction in the value of many superannuation funds due to falling markets in recent times has implications for the tourism industry in the short term. This decline in value will encourage those employees approaching retirement age to either extend their working careers and postpone retirement, or accept that their discretionary expenditure levels have been reduced. In the second scenario, there may be a decision to either defer or limit their travel intentions.

DESTINATION MARKETING - THE CHANGING MARKET PLACE

- The above-mentioned global events continue to undermine tourism industry confidence, presenting major challenges for the WATC. With diminished consumer confidence and changing travelling patterns, new market opportunities such as New Zealand have emerged while other markets have softened. These issues force short term planning to focus on short haul markets, particularly the domestic market where there is a higher likelihood for the individual's propensity to travel.

Australia

- While international markets remain volatile as a result of the current global crisis, the WATC's short-term focus will be on the domestic market. The interstate and intrastate markets account for 70% of total visitor expenditure and it is important that these markets perform strongly to compensate for any downturn in international visitors.
- Competition for interstate markets particularly Sydney and Melbourne will be fierce as state tourism organisations will be focussing on larger domestic markets given the current status of international markets.

Western Hemisphere

- The United Kingdom, and to some extent continental Europe, will continue to be strong markets for travel to Western Australia in the mid to long term. Despite a postponement of activity at present, the WATC will maintain its marketing focus in UK/Europe with more targeted and segmented marketing activities aimed at maximising the return on investment. Critical to this will be the on-going support of cooperative partners in UK/Europe, as well as the Western Australian tourism industry's support for planned initiatives.
- The WATC is continuing to work with the travel trade in the Middle East to build capacity on the non-stop Dubai to Perth air services. New marketing activities include participation with Emirates Holidays in new brochure launches and trade and media familiarisation programs. The WATC will continue its participation in trade shows, training for trade groups, and trade familiarisations to increase Western Australia's presence in the UAE and capitalise on this potentially lucrative outbound market.
- Market information suggests that the South African market has remained a lucrative prospect for Western Australia. The WATC has participated in recent times in major trade initiatives with influential South African cooperative partners.
- The WATC's New Zealand campaign in 2002 was a major success with over 900 passenger bookings. To further build on this success, a similar campaign was launched in April 2003. Although Air New Zealand continues to indicate that increased capacity on the Auckland-Perth route is a strong likelihood, the proposed merger with Qantas may delay this process.

Eastern Hemisphere

- The major Asian source markets of Singapore and Malaysia, where the WATC markets the State as a short break destination to high yield segments, continue to provide the bulk of visitors into Western Australia. However the major mid to long-term growth markets for Western Australia are China and Hong Kong. Progressive work to develop strategic alliances with influential trade and build awareness of the destination will prove, in the long run, to be beneficial for the State.
- In Japan, the commitment by Qantas Airways to maintain the non-stop service between Tokyo and Perth continues to present the WATC with real challenges and great opportunities. While number of Japanese tourists to Western Australia has grown despite a decline for the rest of Australia, it continues to be a challenge to build on this success. Strategic partners such as Qantas, the Australian Tourist Commission and influential wholesalers in Japan are working cooperatively with the WATC to increase traffic to Western Australia. However, critical market forces such as pressure on international airline routes, foreign exchange rates, the Japanese economy, and global tourism competition will present the WATC with significant hurdles to overcome in order to achieve further results from this market.

Cross-Market

- The WATC is strengthening its media relations and publicity activities in all international markets to ensure a high level of consumer and trade awareness of Western Australia as an attractive, friendly and safe destination.
- Airline access and airfares continue to be a major issue. The WATC will continue to work with all airlines, international airline alliances, Westralia Airports Corporation and the Department for Planning and Infrastructure to develop additional direct international air services from “high priority” regions. Routes identified as “high priority” include Western Japan, New Zealand, Malaysia, Singapore, Taiwan, Peoples Republic of China, the Middle East and domestic routes.
- The WATC is working on the development of niche marketing strategies for identified niche segments including the backpacker, education, culture and arts, indigenous, wine tourism and the adventure markets.

EVENTS

- Globally there have been significant increases in the cost of attracting and sanctioning of major events, in particularly those aligned with international sporting associations. Destinations need to have either large base populations or provide significant travel incentives to attract such events.
- There is a growing expectation that those countries bidding will cover competitor expenses including accommodation and airfares. With the global uncertainty relating to the Iraq War and terrorism, event costs are expected to rise significantly in the areas of insurance and security.
- Competition for event bidding has intensified with more countries and cities devoting resources to the attraction of events. As it is expected that competition for global events will continue, EventsCorp will continue to diversify its product mix to include global events, as well as building Western Australian based events supported by national and international marketing. EventsCorp will also continue to develop strategic relationships with national and international sporting federations and organisations in order to avoid the bidding process and to develop and target niche events suited to this state.
- Events continue to be considered an important influencer on a tourist’s decision to visit a destination and to extend the length of their stay in the State, thereby increasing visitor expenditure. This will be better achieved by striking an improved balance between city based and regional events and applying a festival approach to events, where relevant. This can be achieved by incorporating other complementary events such as tradeshows, conferences, exhibitions and city and town festivities.
- The objective of the commercial and television rights owner of the World Rally Championship (WRC), International Sports Communicators (ISC), is to make rallying one of the top five most-watched sports on television. This is ambitious, but not unachievable, given Rallying has in the past held the position of poor cousin to Formula One. This presents an excellent opportunity for EventsCorp to work with ISC to incorporate more promotional material on Western Australia’s tourist attractions.
- Convenient and affordable access to Western Australia has a significant impact on events. If airlines are unable to meet capacity for events such as Rugby World Cup in 2003, the full value of an event from increased spectator visitation cannot be realised.

MEETINGS AND CONVENTIONS

- The opening of the Perth Convention and Exhibition Centre in July 2004 will significantly change the State’s capability to generate meetings, incentives, conventions and exhibition business. Comprehensive cross government planning, in partnership with industry, is essential to capitalise on this opportunity.
- Global instability and uncertainty continues to impact on business materialisation, lead times and conversion from long haul markets. However, additional and improved infrastructure has opened up new market opportunities for large conferences and exhibitions.

- The Convention Assistance Support Team (CAST) initiative was launched in 2002-03 and is a \$300,000 government and industry partnership to attract large high profile national and international conferences to Western Australia. The term of this new initiative may require an evaluation of the success of the campaigns launched to attract large, high yield conventions with a major conference already secured using CAST funding and assessments.
- International Associations have proven their resilience through periods of global instability, and they remain risk averse and require greater financial support from host destinations to attract their business meetings. Increased emphasis on safety and security arrangements for speakers and delegates is requiring host destinations to demonstrate increased security measures.
- Western Australia's dependence on air access in a turbulent aviation climate continues to impact on sales performance. In the domestic market, Western Australia remains a "high risk" choice in the minds of meeting planners due to the perceived high cost of travel.
- In the Asian corporate meeting sector, Western Australia's ability to respond appropriately to altered regional situations will be critical to the State's ongoing success.
- A whole of government and industry approach is needed to develop and secure sponsorship funding to attract major international conferences and exhibitions in an increasingly competitive and somewhat uncertain environment.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Statement of Financial Performance since publication of the 2002-03 Budget to Parliament on 16 May 2002 are outlined below.

	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
Rally Australia - Extension of International Television Rights.....	-	-	-	2,150
Tourism Strategic Plan	1,000	-	-	-
Funding to EventsCorp - Future Events Funding.....	-	1,000	-	1,206
Australian Surf Life Savings Championships 2007, 2008 and 2009	-	-	200	1,670
World Indoor Athletics Championships 2006.....	-	1,000	1,300	-

OUTPUT AND APPROPRIATION SUMMARY

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
OUTPUTS							
<i>Output 1:</i>							
Destination Marketing	21,355	17,059	18,615	15,294			
<i>Output 2:</i>							
Event Tourism	14,960	14,377	14,764	16,913			
<i>Output 3:</i>							
Convention and Incentive Travel	1,076	1,050	1,260	1,052			
<i>Output 4:</i>							
Industry Development	4,858	4,502	6,058	5,754			
<i>Output 5:</i>							
Visitor Servicing	4,038	3,529	4,658	3,522			
Total Cost of Outputs	46,287	40,517	45,355	42,535	41,925	41,161	40,615
<i>Less Operating revenues</i>	<i>12,707</i>	<i>7,189</i>	<i>7,246</i>	<i>7,240</i>	<i>7,240</i>	<i>7,240</i>	<i>7,240</i>
Net Cost of Outputs	33,580	33,328	38,109	35,295	34,685	33,921	33,375
Adjustments ^(a)	(1,484)	5	(4,576)	15	-	-	-
Appropriation provided to deliver Outputs.	32,096	33,333	33,533	35,310	34,685	33,921	33,375
ADMINISTERED TRANSACTIONS							
Appropriation for Administered Grants, Subsidies and Transfer Payments	1,728	1,727	1,727	1,715	2,200	2,200	2,200
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	482	27	27	35	1,515	-	-
TOTAL CONSOLIDATED FUND APPROPRIATIONS	34,306	35,087	35,287	37,060	38,400	36,121	35,575

(a) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

(b) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

The following outcome, output and financial information is the subject of a Resource Agreement signed by the Minister, the Chief Executive Officer and the Treasurer.

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION**Relationship to Government Strategic Objectives**

The following table demonstrates the linkage between the most appropriate Government strategic objective and the agency level desired outcomes and outputs.

Government Strategic Objective	Desired Outcome(s)	Output(s)
A growing and diversified economy	Western Australia is promoted as an attractive destination	Destination Marketing Event Tourism Convention and Incentive Travel
	An enhanced tourist industry, infrastructure and product base	Industry Development Visitor Servicing

Outcomes and Key Effectiveness Indicators ^{(a) (b)}

2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Outcome: Western Australia is promoted as an attractive destination.				
The effectiveness indicators for the Commission in achieving this outcome are measured by:				
The extent to which campaigns and promotional activities improved the level of 'consumer awareness' of Western Australia as an attractive tourist destination.....				
				See Quality measure for Output 1
The extent to which activities of the Western Australian Tourism Commission improved the level of 'trade awareness' of Western Australia as an attractive tourist destination.				
				See Quality measure for Output 1
The extent to which visitor expenditure is generated from incremental tourism initiatives, i.e. Western Australia convention and incentive travel, Tourist Centre, events and tactical campaigns.....				
				See Quality measure for Output 3
The extent to which bids were successful for meetings, incentive travel, conventions and events.				
				See Quality measure for Output 3
Level of industry support and revenue generated.				
				See Quality measure for Outputs 1, 2 & 3
Outcome: An enhanced tourist industry, infrastructure and product base.				
The effectiveness indicators for the Commission in achieving this outcome are measured by:				

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
The number of infrastructure project sites worked on and progressed to the agreed stage.....					See Quality measure for Output 4
The number of tourism product and projects developed.....					See Quality measure for Output 4
The level of customer satisfaction with tourism industry development services provided.					See Quality measure for Output 4
The number of Western Australian tourism operators registered and accredited to the national tourism accreditation program.....					See Quality measure for Output 4

- (a) The effectiveness measures are detailed in the Output Performance Measures of Quality for each of the Outputs
 (b) More details of effectiveness indicators are provided in the annual report.

Output 1: Destination Marketing

In partnership with the tourism and travel industry and the Australian Tourist Commission, the WATC promotes Western Australia as a desirable holiday destination in the core intrastate, interstate and international target market segments and in future international market segments, and undertakes marketing strategies that will maximise the economic benefit to the State.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	21,355	17,059	18,615	15,294	
Less Operating Revenue ^(a)	6,784	1,720	1,920	1,771	
Net Cost of Output	14,571	15,339	16,695	13,523	
Adjustments ^(b)	1,761	5	(1,351)	(61)	
Appropriation for delivery of Output 1	16,332	15,344	15,344	13,462	

- (a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.
 (b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Number of consumer awareness strategies	1	1	1	1	
Number of trade awareness strategies.....	1	1	1	1	
Number of incremental business strategies.....	1	1	1	1	
Number of information enquiries serviced	65,597	66,000	66,000	65,000	
Number of increased air transport seats into Western Australia	-484,956	28,200	28,200	30,000	
Number of international markets reviewed against criteria	21	21	21	21	
Number of educational seminars conducted	3	4	4	4	
Number of advices provided to Government...	416	130	130	200	
Quality					
Consumer Awareness – Intrastate:					
- Perceived Knowledge: Percentage of people with knowledge of Western Australia as a holiday destination (for category 'a lot').....	4.8%	6.0%	4.8%	4.8%	

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
- Long Trip Preference: % of Western Australians with a preference to travel within WA for 3 nights or more.....	15.8%	18.0%	17.5%	16.7%	
- Level of unprompted advertising awareness of Western Australia as a holiday destination.	9.4%	12.0%	12.0%	10.7%	
Consumer Awareness – Interstate:					
- Perceived Knowledge: Percentage of people with knowledge of WA as a holiday destination (for category 'a lot').....	31.2%	35.0%	37.0%	34.1%	
- Long Trip Preference: % of Western Australians with a preference to travel within WA for 3 nights or more.....	47.0%	27.0%	29.5%	38.2%	
Consumer Awareness – International:					
- Perceived knowledge: Percentage of people aware of WA as a tourism destination (for category "a lot"):-					
Singapore.....	4%	8%	8%	8%	
Japan.....	n/a	3%	3%	3%	
Malaysia	7%	4%	4%	5%	
UK.....	6%	5%	5%	5.5%	
- Propensity to consider: Percentage of people who will consider a trip to WA (for the category of "definitely consider"):-					
Singapore.....	15%	15%	15%	15%	
Japan.....	n/a	2%	2%	2%	
Malaysia	16%	15%	15%	15%	
UK.....	27%	34%	34%	31%	
Trade Awareness:					
- Knowledge levels of WA product (using rating 8 and above on 10-point scale).	Domestic 48%, International 72%	Domestic 60%, International 70%	Domestic 60%, International 70%	Domestic 54%, International 71%	
- WATC's contribution to current knowledge levels (rated significant or above).....	Domestic 71%, International 94%	Domestic 80%, International 70%	Domestic 80%, International 70%	Domestic 75%, International 82%	
- Likelihood of recommending WA as a holiday destination compared with the previous 12 months (using the rating 'more likely now')	Domestic 54%, International 55%	Domestic 70%, International 50%	Domestic 70%, International 50%	Domestic 62%, International 52%	
The extent to which visitor expenditure is generated by incremental tourism initiatives.	Domestic \$5.46m, International \$6.16m	Domestic \$4.89m, International \$12m	Domestic \$4.89m, International \$12m	Domestic \$4.17m, International \$7m	
Overall level of customer satisfaction with information accessed	Domestic 89%, International 93.5%	Domestic 80%, International 80%	Domestic 80%, International 80%	Domestic 85%, International 86.5%	
Proportion of targeted air transport seats into Western Australia achieved	0%	100%	100%	100%	
Accuracy of market reviews	100%	100%	100%	100%	
Participant satisfaction with educational seminars conducted.....	85%	80%	80%	82%	
Proportion of first drafts accepted	96%	90%	90%	92%	
Timeliness					
Delivered according to Operational Plan timeframes.....	100%	100%	100%	100%	

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Cost (Efficiency)					
Cost per consumer awareness strategy.....	\$14,553,479	\$10,769,195	\$11,895,657	\$8,974,604	2001-02 and 2002-03 include crisis fund activities
Cost per trade awareness strategy	\$4,092,141	\$3,436,221	\$3,760,415	\$3,469,944	
Cost per incremental business strategy	\$1,645,605	\$1,999,833	\$1,900,961	\$1,965,188	
Cost per enquiry serviced	\$14.84	11.47	\$14.22	\$11.87	
Cost per seat targeted.....	-0.049	1.68	\$1.64	\$1.45	
Cost per market review.....	\$453.90	\$195	\$429.63	\$422.81	
Cost per educational seminar conducted.....	\$9,532	\$3,074	\$6,767	\$6,659	
Average cost per advice provided.....	\$73.75	\$252	\$288.00	\$167.81	
Full Time Equivalents (FTEs)	62	67	67	67	

- (a) The WATC is strategically reviewing all outputs delivered and also the output measures used to measure Quantity, Quality, Timeliness and Cost of the Outputs. It is expected that the number of measures used will be reduced to better reflect the outputs delivered.

Major Achievements For 2002-03

International

- In the face of global events, the WATC has focused its marketing strategies in 2002-03 on short-term tactical initiatives to derive tourist activities to the State. The highly successful implementation of the \$5 million Crisis Marketing funds has resulted in significant economic impact for the State with an increase of 16.3% (\$237 million) in visitor expenditure during the campaign period being reported. Strategic international campaigns have been launched by the WATC in conjunction with international and Western Australian tourism industry partners with simultaneous projects in progress, including the updating of WATC's image library.
- The WATC hosted 163 media visits to the State in 2002-03 involving influential journalists and broadcasters, as compared to 103 media visits in 2001-02. Media familiarisation tours from Asia are increasingly adopting innovative linkages to Internet sites, opening up opportunities to develop and promote the WATC web site www.westernaustralia.net. Heightened demand from the media to visit Western Australia and a strengthening of relationship with the ATC's Visiting Journalist Program will ensure the media familiarisation program remains an integral component of the WATC's marketing activities.
- The WATC hosted 89 influential inbound tour operators to its annual Inbound Tour Operators Workshop (ITOW) in August 2002. Supported by a record number of Western Australian sellers, the 2002 ITOW achieved the best industry rating ever and was also rated by inbound operators as one of the best trade shows in Australia. The ITOW (a WATC initiative) has evolved to be one of the principal trade activities for industry on the annual inbound tour calendar. The 2002 workshop was primarily self-funded through industry contributions and in-kind support.
- The WATC, in conjunction with the Western Australian tourism industry successfully bid to host the 2003 Australian Tourism Export Council (ATEC) Symposium and Workshop. Planned for May 2003, the ATEC Symposium and Workshop is one of Australia's premier travel trade events attracting over 700 delegates from across Australia including 150 influential Inbound Tour Operators plus Australian suppliers, VIP and Political dignitaries. This is the first time in the events 23 year history that it has been hosted in Western Australia. The ATEC Symposium will provide the State with a direct benefit of \$2 million in delegate spend, significant national media exposure and the opportunity to grow inbound tourism in the State. Previous host destinations have all reported strong growth in inbound tourism bookings after hosting the conference.

National

- The WATC undertook several major cooperative advertising campaigns during 2002-03 including a Perth Pamper Campaign, Magnetic North Campaign, Perth Summer campaign, Autumn campaign and the highly successful Winter Breaks. These campaigns were aimed at driving business in the shoulder or off-peak seasons and generated in excess of 50,000 room nights.
- With interstate markets, the WATC continues to promote Western Australia as a premier nature-based tourism destinations offering a value-for-money experience. Marketing activities are aimed at increasing visitor numbers to specific parts of the State during off-peak times of the year.

- \$500,000 was allocated to regional tourism associations through the Western Australian Regional and Rural Marketing Assistance Scheme (WARRMAS) for new marketing and promotional activities. An additional \$50,000 in funding was also allocated for similar marketing initiatives in the Perth metropolitan area.
- The WATC produced three new television commercials featuring Perth, Fremantle and Broome in February 2003. These have been specifically developed for intrastate marketing activities. The initial 'quicktime' series of commercials has generated significant business for the State and has played an integral part in increasing intrastate visitor nights by 7.9% to 21.177 million visitor nights, worth \$1.652 billion in visitor expenditure during 2002.
- The WATC continued to work closely with domestic airlines to develop new routes and to increase capacity on existing routes. Qantas Airways introduced a new non-stop service from Melbourne to Broome in 30 March 2003 and Virgin Blue followed with non-stop flights to Broome from Adelaide in early April 2003. The WATC supported the introduction of these services through cooperative advertising with the airlines and tour wholesalers. Other activities supported by the WATC included media and mega travel agents familiarisations with both Qantas and Virgin to Broome and the South West. As part of the Qantas campaign, a Melbourne tram was decorated with Broome imagery to promote the introduction of the Broome services.
- Further enhancement of the wildflower campaign and annual wildflower holiday guide allowed participation by more operators. This was possible through a greater range of advertising options and development of mechanisms to measure consumer usage/business conversion.
- In line with government policy, the WATC expanded its marketing strategies to target the backpacker market and capitalise on the Free Itinerary Traveller within the national market. This included participation at the Sydney Backpacker Expo, Australia's largest backpacker show.
- A major program to commission the shooting of new photography for the WATC image library is on-going. This now includes a wider range of transparency and digital images for more advanced application, as well as video footage.

Major Initiatives For 2003-04

- The WATC is reviewing its marketing effectiveness to ensure the greatest possible return on investment and resources. This process is part of the development of a three-year proposed strategic plan that is to be implemented from 2003-04. The plan will include a detailed outline of the WATC's core strategies and identified target markets and segments. It has been targeted by the WATC Board of Commissioners for implementation in July 2003.
- In light of the significant global events impacting on the Western Australian tourism industry, the WATC will continue to strive to identify cost effective marketing opportunities to broaden the potential to increase awareness of and visitation to Western Australia from intrastate, interstate and international markets.

International

- Together with other state tourism organisations and the Australian Tourist Commission, the WATC will continue to seek opportunities to gain better alignment of its operational and marketing activities to provide greater efficiencies and return on investment.
- Rising media costs and a volatile foreign exchange rate will result in the adoption (by the WATC) of a more aggressive targeted media relations campaign in 2003-04. Influential journalists and broadcast media from across the globe will continue to be targeted to ensure brand awareness amongst Western Australia's target segments remains high. The WATC will continue to work closely with the ATC on its Visiting Journalist Programme (VJP) activities, as well as establish closer relationships with the media through its international offices.
- The WATC will maintain a high profile at influential consumer and trade shows around the globe and continue to work with industry to ensure appropriate Western Australian product is represented under the Brand WA banner.
- The WATC will continue to work with airlines to develop increased seat capacity from high priority markets into the State.
- Through the strategic planning process, the WATC will develop strategies for marketing campaigns specifically targeting niche market segments such as backpackers, wine tourism, adventure tourism and arts and culture.

National

- The continuing issue with regard to adequate air services from the east coast to Perth will present a major challenge in 2003-04. The WATC will continue negotiations with Qantas and Virgin Blue to ensure that current capacity levels are maintained and where possible, increased.
- Predicated on the New Concept for State Tourism proceeding, the WATC will devolve all responsibility for intrastate marketing to the Zone Tourism Associations (ZTAs). The WATC will work with the ZTAs to ensure that this important market continues to flourish.
- Co-operative advertising campaigns will be undertaken in the major interstate markets to increase visitation and maximise the return on investment for the State during shoulder and off peak periods.
- A regular program of retail training will be undertaken to ensure travel agents are aware of Western Australia as a premier nature-based holiday destination.
- A product familiarisation program to and within Western Australia will be developed for interstate and intrastate travel agents who join the Western Australian Tourism Network as booking centres.
- A regular program of trade advertising will be undertaken to ensure travel agents are aware of Western Australia as a premier nature-based holiday destination and key campaign timeframes for booking periods relevant to Western Australia.

Output 2: Event Tourism

The Commission develops, attracts, supports and, where appropriate, manages events that are capable of generating substantial economic benefit and visitor expenditure and also market Western Australia cost-effectively nationally and internationally.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	14,960	14,377	14,764	16,913	2003-04 includes funding for conducting the Rugby World Cup.
Less Operating Revenue ^(a)	4,824	4,488	4,181	4,488	
Net Cost of Output	10,136	9,889	10,583	12,425	
Adjustments ^(b)	(750)	-	(494)	(19)	
Appropriation for delivery of Output 2	9,386	9,889	10,089	12,406	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Number of bids for events and regular events retained	4	6	6	8	
Number of consumer awareness strategies (equates to number of events hosted)	4	5	5	8	
Number of strategies for incremental tourism business through hosted events (equates to the number of events hosted)	6	6	6	8	
Number of event products and packages developed	35	45	45	38	
Number of advices provided to Government ...	207	100	100	100	
Quality					
Estimated economic impact of successful bids for events and events retained	\$44.4 million	\$28 million	\$30 million	\$28 million	
Value (\$) of television media coverage in core tourism markets for events hosted	\$7.128 million	\$9 million	\$6 million	\$9 million	
The value of economic impact generated by incremental tourism activity, i.e. events hosted	\$42.0 million	\$35 million	\$30 million	\$35 million	
Value of visitor expenditure generated by event products	\$1.5 million	\$2 million	\$1.7 million	\$2 million	
Proportion of first drafts accepted	98%	95%	95%	95%	
Timeliness					
Bids made for events according to Operational Plan timelines	100%	95%	95%	95%	
Proportion of consumer awareness strategies implemented in conjunction with events hosted	100%	100%	100%	100%	
Proportion of events held on time	100%	100%	100%	100%	
Proportion of event products and packages developed on time	100%	100%	100%	100%	
Proportion of advices provided within agreed timeframes	95%	95%	95%	95%	
Cost (Efficiency)					
Cost per bid submitted	\$103,973	\$90,665	\$99,481	\$69,777	
Cost per consumer awareness strategy for events hosted	\$90,110	\$81,652	\$90,824	\$52,573	
Cost per incremental business strategy (equates to the number of events hosted)	\$2,331,745	\$2,198,382	\$2,251,288	\$1,968,043	
Cost per event product and package developed	4,788	\$4,874	\$4,155	\$4,581	
Cost per advice provided	\$122	\$153	\$185	\$162	
Full Time Equivalents (FTEs)	23	25	25	25	

- (a) The WATC is strategically reviewing all outputs delivered and also the output measures used to measure Quantity, Quality, Timeliness and Cost of the Outputs. It is expected that the number of measures used will be reduced to better reflect the outputs delivered.

Major Achievements For 2002-03

- EventsCorp events will generate approximately \$35.5 million in direct spend in 2002-03.
- Of those events measured, EventsCorp events will generate approximately \$12.1 million in media impact into many of the WATC's core international markets. A sample of individual event contributions include:
 - Lacrosse World Championships: \$11.5 million direct expenditure, media impact not measured;
 - Women's World of Hockey: \$8 million direct expenditure and \$1million media impact;
 - Telstra Rally Australia - \$6.7 million direct expenditure and \$500,000 media impact;
 - Hopman Cup: \$2.2 million direct spend and \$2.4 million media impact;
 - Johnnie Walker Classic (JWC) - the only JWC event held in the one location for two consecutive years: \$5.8 million expected direct expenditure and \$2.6 million expected media impact; and
 - Soloman Masters at Margaret River: \$1.2 million expected direct spend and \$155,000 expected media impact.
- EventsCorp chaired a "whole of government" taskforce for the staging of the 2003 Rugby World Cup in Perth. This approach will be developed into a template for all future major events. This initiative is to ensure that events are leveraged appropriately from a tourism, as well as a State trade and investment perspective.
- EventsCorp supported several regional events in 2002-03 including Blues at Bridgetown, Margaret River Wine Region Festival, Crabfest Mandurah, Respect Yourself Forest Rally, Leeuwin Estate Concert, and the Landrover G4 Challenge in the Pilbara. These events were expected to generate significant incremental visitor expenditure and profile for the regions which hosted the events.
- A new contract has been signed with the Confederation of Australian Motor Sports Limited (CAMS) which gives the WATC the rights to the World Rally Championship (WRC) in Western Australia for 15 years, with a further five 10 year options as well as a service level agreement for CAMS' active involvement in the management of the sporting component of Rally Australia. A new Board, called the Rally Australia Board, has been formed for the strategic management of the event.
- A new advisory body, known as the EventsCorp Committee, has been established to assist with the strategic direction and event funding activities of EventsCorp. This Committee operates under delegated authority from the WATC Board to streamline decision making for speed and flexibility.
- A new five-year contract has been signed between WATC and the Perth Convention Bureau (PCB). This relationship will be managed by EventsCorp to ensure there is a focus on large scale conferences and exhibitions and to ensure that events are leveraged in terms of incentive travel business and where possible, complementary exhibitions, meetings and conferences are scheduled around the time of major events.

Major Initiatives For 2003-04

- The direct spend generated by EventsCorp events in 2003-04 is forecast to reach \$30.4 million.
- Annual international events including Hopman Cup, Telstra Rally Australia, Solomon Masters at Margaret River, Perth International Golf Tournament and a Rugby World Cup test will be staged in Western Australia.
- The on-line Western Australian Statewide Event Calendar will be officially launched as an event tourism-marketing tool.
- New regional events under evaluation that showcase Western Australia's tourist attractions include a food & wine festival, cycling event through Margaret River and a number of extreme sporting events.
- Greater synergies between the Perth Convention Bureau (PCB), Perth Convention and Exhibition Centre (PCEC) and EventsCorp will be pursued to leverage events and attract larger conferences and exhibitions suited to the PCEC.
- EventsCorp will continue to leverage television coverage of its events to create awareness of Western Australia as a tourism destination. Events are Western Australia's only international television vehicle in terms of Brand WA promotion.

Output 3: Convention and Incentive Travel

The Commission has contracted the Perth Convention Bureau to identify, develop and convert leads for potential new national and international meetings and incentive travel business, bid for new business, support the tourist industry and work with meeting planners and the local tourist industry to boost delegate numbers at confirmed national and international conferences and increase pre and post conference touring activities.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	1,076	1,050	1,260	1,052	2002-03 includes funding to conduct a destination marketing campaign to attract conventions to the Perth Convention and Exhibition Centre.
Less Operating Revenue ^(a)	5	-	100	-	
Net Cost of Output	1,071	1,050	1,160	1,052	
Adjustments ^(b)	(100)	-	(110)	1	
Appropriation for delivery of Output 3	971	1,050	1,050	1,053	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Bids for conventions and incentive travel groups.....	213	165	170	194	
Incremental tourism activities, i.e. conventions and incentive travel groups hosted.....	198	131	130	141	
Advices provided to Government.....	1	15	15	15	
Quality					
Projected visitor expenditure from successful bids for conventions and incentive travel.....	\$66.5 million	\$81 million	\$81 million	\$81.5 million	
Actual visitor expenditure from incremental tourism activities, i.e. conventions and incentive travel groups hosted	\$42.3 million	\$65 million	\$65 million	\$60 million	
Proportion of first drafts accepted	na	90%	90%	90%	
Timeliness					
Bids for conventions and incentives made according to operational plan timeframes	100%	100%	100%	100%	
Proportion of conventions and incentive travel groups held as planned.....	100%	100%	100%	100%	
Proportion of advices provided within agreed timeframes.....	n/a	100%	100%	100%	
Cost (Efficiency)					
Average cost of convention and incentive bid .	\$4,646	\$5,839	\$6,895	\$4,976	
Average cost of incremental tourism activity, i.e. convention or incentive travel group hosted	\$436	\$623	\$634	\$580	
Average cost per advice provided.....	\$329	\$340	\$343	\$341	
Full Time Equivalents (FTEs)	1	1	1	1	

(a) The WATC is strategically reviewing all outputs delivered and also the output measures used to measure Quantity, Quality, Timeliness and Cost of the Outputs. It is expected that the number of measures used will be reduced to better reflect the outputs delivered.

Major Achievements For 2002-03

- The Convention Assistance Support Team (CAST) initiative was launched in 2002-03 and is a \$300,000 government and industry partnership to attract large high profile national and international conferences to Western Australia. The program is designed to assist in securing conferences that will attract a minimum of 900 out of State attendees. It is supported by a \$60,000 press and radio campaign and is targeting a minimum of 6 new conferences, by providing bid support packages of up to \$40,000 per conference. Already one conference of 1,400 delegates has been secured and assessments are currently being made on a further four applications.
- Further development of the successful Convention Ambassador program was undertaken to generate increased business leads.
- A whole of government approach to securing more conventions business for Western Australia was presented to the Director Generals of all State government agencies in November 2002. This initiative included the establishment of central contact points, reporting mechanisms and the development of a government agency education program to stimulate more government hosted conference bidding activity.

Major Initiatives For 2003-04

- A new delegate boosting and research tool in electronic, CD-rom and printed format will be developed. The program will be able to be used prior to the bid decision to survey members on the choice of Western Australia and after confirmation, to maximise attendance at confirmed conferences.
- An intensive CRM program targeting the top ten industry sectors in Western Australia will be developed to source local champions who are in a position to bid to host a national or international meeting in the State. The program links local achievers with potential international conferences to develop new bid leads for Western Australia.
- An on-line calendar of confirmed conferences, accessible by industry members and meeting planners, as part of an expanded web site will be launched. The information will also be compatible with the Australian Tourism Data Warehouse requirements.
- The successful local host campaign will be extended into regional Western Australia under the banner of the Western Australian Convention Bureau to encourage more meetings to be held in regional Western Australia.

Output 4: Industry Development

The objective of this output is to promote, foster and facilitate investment in and the development of new tourist infrastructure and products, and the improvement of existing tourist facilities and services in Western Australia.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	4,858	4,502	6,058	5,754	2002-03 includes additional funding for implementing the tourism zone concept.
Less Operating Revenue ^(a)	203	38	19	37	
Net Cost of Output	4,655	4,464	6,039	5,717	
Adjustments ^(b)	(1,126)	-	(1,575)	(26)	
Appropriation for delivery of Output 4	3,529	4,464	4,464	5,691	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Regional Tourism Development Plans reviewed and updated	11	11	11	11	
Number of Tourism Investment Registers produced	2	2	2	2	
Number of strategic tourism development plans developed	1	1	1	1	
Number of infrastructure projects worked on ..	30	36	36	36	
Number of common good information requests	1576	500	500	500	
Number of products, including specialist/sustainable tourism products developed	25	24	24	24	
Number of additional operators Accredited for the National Tourism Industry Accreditation Scheme	41	350	100	100	
Number of RTA Agreements Managed	10	10	10	10	
Number of advices provided to Government ...	600	550	550	550	
Quality					
Produced annually	80%	80%	80%	80%	
Produced twice yearly	100%	100%	100%	100%	
Strategic Tourism Development Plan produced annually	100%	100%	100%	100%	
Value of infrastructure projects worked on	\$7.5 million	>\$50 million	>\$50 million	>\$50 million	
Level of customer satisfaction with service provided	95%	80%	80%	80%	
Customer satisfaction with products developed	88%	80%	80%	80%	
Number of operators passing verification audit under the National Tourism Industry Accreditation Scheme Value of infrastructure projects worked on	203	166	166	166	
Proportion of RTA contract conditions met	100%	100%	100%	100%	
Proportion of first drafts accepted	95%	90%	90%	90%	
Timeliness					
Provided within agreed timeframe	100%	100%	100%	100%	
Percentage of infrastructure projects progressed to the agreed stage.	100%	100%	100%	100%	
Proportion of advices provided within agreed timeframes	98%	95%	95%	95%	
Cost (Efficiency)					
Cost per annual stakeholders and infrastructure plan reviewed	\$15,310	\$11,964	\$15,588	\$12,506	
Cost per Tourism Investment Register	\$42,103	\$32,900	\$42,866	\$34,392	
Cost per strategic tourism development plan produced	\$84,206	\$65,800	\$85,732	\$68,784	
Cost per infrastructure project worked on	\$16,692	\$12,207	\$18,742	\$12,672	
Cost per information request	\$318	\$879	\$1,349	\$912	
Cost per product developed	\$60,094	\$54,935	\$84,339	\$57,024	
Cost per additional accredited operator	\$9,371	\$902	\$4,115	\$3,302	
Cost per RTA Contract managed	\$146,872	\$159,454	\$175,859	\$273,012	Additional funding for implementing the tourism zone concept.
Average cost per advice provided	\$274	\$239	\$312	\$250	
Full Time Equivalents (FTEs)	29	29	29	29	

- (a) The WATC is strategically reviewing all outputs delivered and also the output measures used to measure Quantity, Quality, Timeliness and Cost of the Outputs. It is expected that the number of measures used will be reduced to better reflect the outputs delivered.

Major Achievements For 2002-03

- The WATC assisted current or potential small tourism businesses with specialist tourism advice on more than 1300 occasions in 2002-03. This advice took the form of:
 - provision of relevant research for use in the feasibility and business planning stage of the formation of a small tourism business;
 - in-depth involvement in the planning and set up of a small tourism business;
 - provision of capacity building training and advice to grow small tourism businesses; and
 - a range of other industry development and marketing services.
- A record number of nearly 600 Western Australian tourism businesses were accredited under the National Tourism Accreditation Program, an increase of 20% over the previous year. This program is conducted in association with the Tourism Council of Western Australia (TCWA), which also conducted a product audit with more than 150 of the accredited businesses.
- The Tourism Precinct Program was developed and launched and submissions for \$30,000 in funding were received from community groups in both Northbridge and Fremantle to implement initiatives to promote these popular tourism precincts.
- Memoranda of Understanding were signed with the five northern most Regional Development Commissions (RDCs) in a 12 month pilot program of co-location and closer cooperation between the WATC's Regional Managers and their relevant RDC. Given the interest in and significant support of tourism in regional communities by programs such as the governments Regional Investment Fund (RIF) program, this enhanced relationship is seen as essential.
- The WATC is currently reviewing how it markets, develops and administers tourism across the regions in Western Australia. After releasing a Discussion Paper for a ten week comment period in December 2003, the WATC has reviewed the feedback and is currently finalising a position paper. Some of the objectives of this review and the changes being evaluated in it are to:
 - more effectively market Western Australia as a tourism destination, leading to greater market recognition and demand for travel to Western Australia;
 - support the development and promotion of Western Australia around key man-made and natural icons; and
 - support the tourism industry in Western Australia with the freedom to chart the future of their local region.
- The Community Insurance Fund was facilitated and successfully applied to tourism bodies such as the Hotham Valley Tourist Railway.
- Successfully managed performance agreements with ten Regional Tourism Associations for the delivery of core marketing services in and for tourism in regional Western Australia.
- Re-established the Brand WA website and membership database and partnered with internal and external parties to significantly increase the use of Brand WA and the consistency of that use with Brand WA guidelines.
- An Attraction Based Tourism Development Strategy Model has commenced for Purnululu (Bungle Bungle) National Park.
- To ensure an across government approach, the WATC has instigated a program of seconding officers from other government agencies to assist in the development of niche tourism product. In 2002-03 the development of additional indigenous tourism products resulting in the launch of two new tourism ventures was a direct result of the secondment of an officer from the Department of Industry & Resources and the development of a cultural tourism strategy can be attributed to the secondment of an officer from the Department of Culture and the Arts.
- An additional three Environmental Tourism Packages were launched bringing to date a total of eight packages available to consumers. New packages included 'Frogwatch', 'King's Park Discovery Walk', and 'Ocean Giants Look Out Kit'.
- In partnership with the TCWA, the World Wide Fund for Nature and the Department of Conservation and Land Management, a 'green module' has been developed to enhance the National Tourism Accreditation Program (NTAP).
- Perth Education City is now co-located with the WATC and is working to develop linkages between mainstream tourism and the education sector.

Major Initiatives For 2003-04

- In partnership with relevant government agencies, identify and map strategically important tourism development opportunities, evaluate the infrastructure required and undertake pre-feasibility studies for eventual distribution to potential developers. Planning for the development of clusters of small businesses around strategically important locations in conjunction with relevant agencies will also be a key part of this initiative.
- In association with the TCWA, complete the production of a strategic plan for the National Tourism Accreditation Program in Western Australia. Initiatives such as the investigation of intellectual property revenue sources and enhancements in the areas of risk management and customer satisfaction will be undertaken to broaden the tourism industry's participation in this program.
- To enhance the service provided when specialist tourism advice is sought from the WATC, the "quick start CD guide" was developed. The quick start CD will be distributed to all potential tourism operators looking to establish their business and existing operators looking to expand their operation.
- Set up "Tourism Investment Link WA". This will be a one-stop shop for tourism business commencement and capacity building advice by telephone, electronically and in person. This initiative will include the development of a distribution of a 'quick start CD guide'.
- In partnership with the Western Australian Indigenous Tourism Operators Committee (WAITOC) an Aboriginal Tourism Marketing Strategy will be developed to establish the State as a leader in delivering Aboriginal cultural experiences.

Output 5: Visitor Servicing

This output ensures the provision of destination and product information and booking facilities throughout Western Australia to increase the likelihood of visitors travelling within the State and to encourage them to increase their length of stay.

The Commission co-ordinates a Statewide visitor servicing network and operates a central "call centre" so as to provide the necessary coordination at the default location for all enquiries.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	4,038	3,529	4,658	3,522	
Less Operating Revenue ^(a)	891	943	1,026	944	
Net Cost of Output	3,147	2,586	3,632	2,578	
Adjustments ^(b)	(1,269)	-	(1,046)	120	
Appropriation for delivery of Output 5	1,878	2,586	2,586	2,698	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Number of enquiries serviced by the Western Australian Visitor Centre	418,803	389,972	390,000	375,000	
Number of enquiries serviced by other Network Visitor Centres (virtual calls diverted)	37,436	55,000	50,000	48,000	
Number of passengers booked	16,800	17,216	17,200	17,500	
Quality					
Overall customer satisfaction with level of service: Counter and Telephone	96%	80%	80%	80%	
Visitor expenditure generated	\$18.3 million	\$19.5 million	\$19.5 million	\$20 million	
Timeliness					
Customer satisfaction with timeliness	85%	80%	80%	80%	
Cost (Efficiency)					
Cost per enquiry serviced by the Western Australian Visitor Centre	\$5.706	\$6.077	\$6.61	\$5.013	
Cost per enquiry serviced by other Network Visitor Centres	\$7.09	\$4.79	\$12.89	\$9.792	
Cost per passenger	\$82.29	\$52.04	\$83.49	\$66.95	
Full Time Equivalents (FTEs)	24	25	25	25	

- (a) The WATC is strategically reviewing all outputs delivered and also the output measures used to measure Quantity, Quality, Timeliness and cost of the outputs. It is expected that the number of measures used will be reduced to better reflect the outputs delivered.

Major Achievements For 2002-03

- Programming enhancements and booking software to increase staff productivity and improve customer service times were made in late 2002-03.
- Improved processes for the distribution of brochures and other collateral to approximately 2000 customers per month were successfully introduced increasing the professionalism of the Western Australian Visitor Centre.
- Strengthening tourism industry participation in local Visitor Centre, Regional Tourism Associations and Western Australian Tourism Network as part of the sustainable Visitor Servicing framework has seen 40 visitor centres strategically located around Western Australia participating in the Western Australian Tourism Network.
- The Western Australian Tourism Network contracted Central TAFE to undertake training of staff in regional Visitor Centres to improve service standards and sales skills. Training was held in eight major centres throughout the State.
- The successful rollout of the Western Australian Tourism Network, including a 90% re-subscription rate to membership of the Network, within one month of the start of the 2002-03 financial year.
- Release of the second stage of the Country Visitor Centre Sustainability Enhancement Scheme and the first stage of the Metropolitan Visitor Centre Sustainability Enhancement Scheme, which made available a total of \$565,000 to visitor centres throughout the State.
- The number of tourism businesses in the State Tourism Data Warehouse is growing, providing the platform for a significant WA tourism product database which will link to the global Australian Tourism Data Warehouse under the ATC's Brand Australia website. All State Tourism Organisations are linked to this site. A 100% increase in saleable tourism product listings (400 to 829) on the WATC's database and an 800% increase in saleable product displayed on the ATC website (103 to 829) was achieved.
- Successful negotiation of the Australian Tourism Data Warehouse, for a fixed fee which enabled a more flexible marketing approach to membership of the Western Australian Tourism Network and provides an opportunity for non-core tourism product to be promoted nationally and internationally.

Major Initiatives For 2003-04

- Conduct a high level review of Visitor Servicing facilities throughout the State in cooperation with local government, regional/zone tourism organisations, visitor centres and the TCWA.
- Implement a new marketing strategy for the rollout of the Western Australian Tourism Network.
- Increased sales and customer servicing resources within the Western Australian Tourism Network to deliver greater benefits to tourism operators and visitor centres with a greater in-field presence.
- Introduction of a tourism monitoring service in regional areas in conjunction with Curtin University of Technology. This will enable the collection of statistical information and provide strategic data to participating tourism operators, visitor centres and the WATC. Valuable information for marketing and industry development purposes will be available to tourism business to better manage and market their businesses.
- The implementation of the State Tourism Data Warehouse within the WATC will enable the development of data exchange alliances with other tourism and non-tourism related organisations, including government departments and agencies, to provide a single entry of data with multiple distribution channels which will substantially reduce the cost of data collection for all stakeholders.
- The WATC will introduce a program of Volunteer Tourist Assistance Officers (VTAO's). These volunteers will be placed in strategic locations throughout Perth such as the domestic and international airport arrival terminals, East Perth railway terminal, Fremantle Port (for cruise and navy visits) and Perth tourist coach ranks for peak departure times. The objective of VTAO's will be to give tourists basic directions and assist with minor incidents plus provide a warm and caring welcome to Western Australia in a cost effective manner and be a highly visual symbol of the WATC.

CAPITAL WORKS PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
COMPLETED WORKS				
Purchase of Computer Hardware				
2001-02 Program	424	424	95	-
2002-03 program	424	424	424	-
Capital Grants -				
Contribution to Rottnest Island Authority 2002-03	1,727	1,727	1,727	-
NEW WORKS				
Capital Grants -				
Contribution to Rottnest Island Authority 2003-04	1,715	-	-	1,715
Consolidation of Leased Office Accommodation	1,550	-	-	35
Purchase of Computer Hardware				
2003-04 Program	424	-	-	424
	6264	2,575	2,246	2,174

CAPITAL CONTRIBUTION

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	2,057	2,151	2,246	2,174	4,139	2,624	2,624
Working capital requirement							
Loan repayments	33	27	27	-	-	-	-
Superannuation Liability	25	-	-	-	-	-	-
	2,115	2,178	2,273	2,174	4,139	2,624	2,624
LESS							
Holding Account ^(b)	-	424	424	424	424	424	424
Internal Funds and Balances	(95)	-	95	-	-	-	-
Funding included in output appropriations ^(a) ..	1,728	1,727	1,727	1,715	2,200	2,200	2,200
Capital Contribution	482	27	27	35	1,515	-	-

(a) Capital works expensed through the Statement of Financial Performance.

(b) Draw down from Holding Account.

FINANCIAL STATEMENTS**STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)**

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	7,803	8,945	8,704	9,020	9,335	9,660	9,998
Superannuation	482	874	874	906	943	943	943
Grants and subsidies ^(b)	2,752	2,497	2,884	3,407	2,407	1,494	1,494
Supplies and services	28,514	21,591	25,838	22,984	23,222	22,985	22,101
Accommodation	1,326	1,727	1,343	1,343	1,493	1,493	1,493
Borrowing costs	3	2	2	-	-	-	-
Capital User Charge	426	421	421	114	176	237	237
Depreciation	416	424	424	424	424	424	424
Administration	4,032	3,311	4,335	3,807	3,380	3,130	3,130
State Taxes	494	472	490	490	505	505	505
Other expenses	39	253	40	40	40	290	290
TOTAL COST OF SERVICES	46,287	40,517	45,355	42,535	41,925	41,161	40,615
Revenues from ordinary activities							
User charges and fees ^(c)	581	870	732	752	772	772	772
Net Profit on disposal of non-current assets	7	-	-	-	-	-	-
Grants and subsidies	3,000	-	-	-	-	-	-
Interest	322	225	225	225	225	225	225
Other Revenue	8,797	6,094	6,289	6,263	6,243	6,243	6,243
Total Revenues from Ordinary Activities	12,707	7,189	7,246	7,240	7,240	7,240	7,240
NET COST OF SERVICES	33,580	33,328	38,109	35,295	34,685	33,921	33,375
REVENUES FROM STATE GOVERNMENT							
Appropriations	32,096	33,333	33,533	35,310	34,685	33,921	33,375
TOTAL REVENUES FROM STATE GOVERNMENT	32,096	33,333	33,533	35,310	34,685	33,921	33,375
CHANGE IN EQUITY RESULTING FROM OPERATIONS	(1,484)	5	(4,576)	15	-	-	-
Change in Equity arising from transfer of assets/liabilities	(3,052)	-	-	-	-	-	-
Extraordinary items	20	-	-	-	-	-	-
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	(4,516)	5	(4,576)	15	-	-	-

(a) The Full Time Equivalents (FTEs) for 2001-02 Actual, 2002-03 Estimated Actual and 2003-04 Estimate are 139, 147 and 147 respectively.

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

(c) Includes resources received free of charge. This treatment may differ from the agency's annual report.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	9	279	279	288	288	288	288
Restricted cash.....	152	-	-	-	-	-	-
Investments.....	3,510	4,566	487	1,260	1,327	1,751	2,175
Receivables.....	4,683	1,251	1,136	629	1,075	651	727
Amounts receivable for outputs.....	424	424	424	424	424	424	424
Prepayments.....	1,965	159	159	159	159	159	159
Total current assets.....	10,743	6,679	2,485	2,760	3,273	3,273	3,773
NON-CURRENT ASSETS							
Land and Buildings.....	2,640	2,610	2,610	2,610	2,610	2,610	2,610
Plant, equipment and vehicles.....	767	474	736	676	638	638	638
Other.....	153	392	279	374	1,927	1,927	1,927
Total non-current assets.....	3,560	3,476	3,625	3,660	5,175	5,175	5,175
TOTAL ASSETS.....	14,303	10,155	6,110	6,420	8,448	8,448	8,948
CURRENT LIABILITIES							
Payables.....	234	1,012	208	205	205	205	205
Provision for employee entitlements.....	1,139	840	1,130	1,125	1,120	1,115	1,115
Interest-bearing liabilities (Borrowings).....	27	-	-	-	-	-	-
Accrued Salaries.....	172	242	103	33	310	280	259
Other.....	4,261	25	701	959	1,110	1,043	1,469
Total current liabilities.....	5,833	2,119	2,142	2,322	2,745	2,643	3,048
NON-CURRENT LIABILITIES							
Superannuation.....	1,347	1,519	1,392	1,442	1,502	1,562	1,622
Payables.....	-	101	-	-	-	-	-
Provision for employee entitlements.....	1,146	1,107	1,178	1,208	1,238	1,280	1,315
Other.....	-	29	-	-	-	-	-
Total non-current liabilities.....	2,493	2,756	2,570	2,650	2,740	2,842	2,937
TOTAL LIABILITIES.....	8,326	4,875	4,712	4,972	5,485	5,485	5,985
EQUITY							
Contributed Equity.....	482	509	509	544	2,059	2,059	2,059
Accumulated surplus/(deficit).....	2,855	2,161	(1,721)	(1,706)	(1,706)	(1,706)	(1,706)
Asset revaluation reserve.....	2,640	2,610	2,610	2,610	2,610	2,610	2,610
Total equity.....	5,977	5,280	1,398	1,448	2,963	2,963	2,963
TOTAL LIABILITIES AND EQUITY.....	14,303	10,155	6,110	6,420	8,448	8,448	8,948

STATEMENT OF CASH FLOWS
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Appropriations.....	31,576	32,909	33,109	34,886	34,261	33,497	32,951
Capital Contribution	482	27	27	35	1,515	-	-
Holding Account.....	-	424	424	424	424	424	424
Net cash provided by State government.....	32,058	33,360	33,560	35,345	36,200	33,921	33,375
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs.....	(7,618)	(8,948)	(8,750)	(9,065)	(9,033)	(9,653)	(9,984)
Superannuation.....	(716)	(858)	(829)	(856)	(883)	(883)	(883)
Supplies and services.....	(26,141)	(19,977)	(23,206)	(20,586)	(22,005)	(21,532)	(20,661)
Grants and subsidies	(2,852)	(1,994)	(4,684)	(3,563)	(2,407)	(1,494)	(1,494)
Borrowing costs.....	(3)	(2)	(2)	-	-	-	-
Accommodation.....	(1,741)	(1,609)	(1,629)	(1,630)	(1,780)	(1,780)	(1,780)
Administration.....	(3,128)	(3,546)	(3,698)	(3,782)	(2,953)	(2,953)	(2,953)
Capital User Charge.....	(426)	(421)	(421)	(114)	(176)	(237)	(237)
State Taxes	(524)	(391)	(480)	(480)	(480)	(480)	(480)
Goods and Services Tax	(3,327)	(1,462)	(3,433)	(3,410)	(3,410)	(3,410)	(3,410)
Other.....	(5)	(3,272)	(50)	(41)	(41)	(56)	(50)
Receipts							
User charges and fees	563	838	680	700	720	720	720
Interest.....	335	225	225	225	225	225	225
Goods and Services Tax	3,828	1,734	3,190	3,410	3,410	3,410	3,410
Grants and subsidies	-	-	3,000	-	-	-	-
Other.....	4,568	5,466	4,168	5,088	4,619	5,050	5,050
Net cash from operating activities	(37,187)	(34,217)	(35,919)	(34,104)	(34,194)	(33,073)	(32,527)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(329)	(424)	(519)	(459)	(1,939)	(424)	(424)
Proceeds from sale of non-current assets	7	17	-	-	-	-	-
Proceeds from sale of investments.....	12	-	-	-	-	-	-
Net cash from investing activities.....	(310)	(407)	(519)	(459)	(1,939)	(424)	(424)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(33)	(27)	(27)	-	-	-	-
Net cash from financing activities	(33)	(27)	(27)	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(5,472)	(1,291)	(2,905)	782	67	424	424
Cash assets at the beginning of the reporting period	12,087	6,136	3,671	766	1,548	1,615	2,039
Net cash transferred to/from other agencies.....	(2,944)	-	-	-	-	-	-
Cash assets at the end of the reporting period.....	3,671	4,845	766	1,548	1,615	2,039	2,463

SCHEDULE OF ADMINISTERED EXPENSES AND REVENUES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
EXPENSES							
Grants and subsidies	1,728	1,727	1,727	1,715	2,200	2,200	2,200
TOTAL ADMINISTERED EXPENSES ^(a)..	1,728	1,727	1,727	1,715	2,200	2,200	2,200
REVENUES							
Appropriations.....	1,728	1,727	1,727	1,715	2,200	2,200	2,200
TOTAL ADMINISTERED REVENUES	1,728	1,727	1,727	1,715	2,200	2,200	2,200

(a) Further information is provided in the table "Details of the Administered Transactions Expenses".

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Grants and subsidies	(1,728)	(1,727)	(1,727)	(1,715)	(2,200)	(2,200)	(2,200)
Financing Activities							
Investing Activities							
TOTAL ADMINISTERED CASH OUTFLOWS.....	(1,728)	(1,727)	(1,727)	(1,715)	(2,200)	(2,200)	(2,200)
CASH INFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Appropriations.....	1,728	1,727	1,727	1,715	2,200	2,200	2,200
TOTAL ADMINISTERED CASH INFLOWS.....	1,728	1,727	1,727	1,715	2,200	2,200	2,200

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
Travel Compensation Fund	497	-	-	-	-	-	-
Crisis Fund	270	-	-	-	-	-	-
Country Visitor Centre Sustainability Enhancement Scheme.....	320	500	680	500	500	-	-
WA Rural & Regional Marketing Assistance Scheme	293	500	707	500	500	-	-
Regional Tourism Authorities	1,372	1,497	1,497	2,407	1,407	1,494	1,494
TOTAL	2,752	2,497	2,884	3,407	2,407	1,494	1,494

DETAILS OF THE ADMINISTERED TRANSACTIONS EXPENSES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
STATUTORY AUTHORITY							
Rottnest Island Authority - Capital Grant	1,728	1,727	1,727	1,715	2,200	2,200	2,200
TOTAL	1,728	1,727	1,727	1,715	2,200	2,200	2,200

DETAILS OF THE ADMINISTERED TRANSACTIONS REVENUE

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
STATUTORY AUTHORITY							
Rottnest Island Authority - Capital Grant	1,728	1,727	1,727	1,715	2,200	2,200	2,200
TOTAL	1,728	1,727	1,727	1,715	2,200	2,200	2,200

SMALL BUSINESS DEVELOPMENT CORPORATION

PART 11 - MINISTER FOR STATE DEVELOPMENT; TOURISM; SMALL BUSINESS

DIVISION 54

APPROPRIATION AND FORWARD ESTIMATES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 94 Net amount appropriated to deliver outputs	8,345	8,617	8,677	8,512	8,200	8,393	8,576
Amount Authorised by Other Statutes - Small Business Guarantee Act 1984	-	250	250	-	-	-	-
Total appropriations provided to deliver outputs	8,345	8,867	8,927	8,512	8,200	8,393	8,576
CAPITAL							
Item 162 Capital Contribution	120	196	196	97	313	184	134
GRAND TOTAL	8,465	9,063	9,123	8,609	8,513	8,577	8,710

MISSION

To create opportunity and wealth for small to medium sized businesses in Western Australia.

SIGNIFICANT ISSUES AND TRENDS

- Following a year characterised by continued resilience and solid growth in the Western Australian economy, the likelihood of moderating economic growth in 2003-04 will prove challenging for Western Australian small businesses. This will be brought about by factors such as a less vibrant housing sector, an associated softening of consumer demand, the impact of drought, and of international events on tourism and petrol prices.
- Adverse weather conditions across much of the South East of regional Western Australia have reduced cash flow for many of the State's farmers. This, in turn, has had a 'flow-on' effect to many non-farm small businesses in the regions, detrimentally affecting their trading terms and income earning capacity.
- Western Australia has maintained its standing as a preferred destination for business migrants coming to Australia. Changes to the business skills visa arrangements which came into effect on 1 March 2003, and in particular, those which enhance arrangements relating to State sponsorship of business migrants, offer Western Australia the potential to attract a greater share of business migrants.
- The State's commitment to export growth, complemented by that of the Commonwealth Government, will see an increased focus on small business exporting supported by the goal to double the number of exporters in the next five years. Exporting brings significant opportunities for small businesses across a range of industry sectors to seize new markets and expand their business potential.
- Many small businesses have been adversely impacted upon by rising premiums and, in some cases, limited availability of public liability and professional indemnity insurance. The effect of legislative reforms to reduce the cost and address the availability of these types of insurance will take time to be experienced by business. Consequently, insurance for small business is likely to remain an issue in the forthcoming year.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Statement of Financial Performance since publication of the 2002-03 Budget to Parliament on 16 May 2002 are outlined below.

	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
Functional Review Taskforce - Small Business Improvement Program Cessation.....	(581)	(581)	(581)	(581)

OUTPUT AND APPROPRIATION SUMMARY

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Information, Guidance, Referral and Business Development Services	10,149	10,548	10,692	9,451			
Total Cost of Outputs	10,149	10,548	10,692	9,451	8,845	8,839	9,021
<i>Less Operating revenues</i>	761	519	541	431	431	431	431
Net Cost of Outputs	9,388	10,029	10,151	9,020	8,414	8,408	8,590
Adjustments ^(a)	(1,043)	(1,162)	(1,224)	(508)	(214)	(15)	(14)
Appropriation provided to deliver Outputs.	8,345	8,867	8,927	8,512	8,200	8,393	8,576
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	120	196	196	97	313	184	134
TOTAL CONSOLIDATED FUND APPROPRIATIONS	8,465	9,063	9,123	8,609	8,513	8,577	8,710

(a) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

(b) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

The following outcome, output and financial information is the subject of a Resource Agreement signed by the Minister, the Chief Executive Officer and the Treasurer.

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION

Relationship to Government Strategic Objectives

The following table demonstrates the linkage between the most appropriate Government strategic objective and the agency level desired outcomes and outputs.

Government Strategic Objective	Desired Outcome(s)	Output(s)
A growing and diversified economy	Development of new and existing Small Business in Western Australia.	1. Information, Guidance, Referral and Business Development Services

Outcomes and Key Effectiveness Indicators ^(a)

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Outcome: Development of new and existing Small Business in Western Australia.					
A random sample of Small Business Development Corporation (SBDC) clients asked about the usefulness of the information/guidance provided to them by SBDC					
Very or somewhat useful.....	90%	90%	92%	90%	
Not very or not at all useful.....	6%	0%	4%	0%	
Neutral.....	4%	10%	4%	10%	

(a) More details of effectiveness indicators are provided in the annual report.

Output 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.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	10,149	10,548	10,692	9,451	The reduction in 2003-04 generally relates to the cessation of the Small Business Improvement Program
Less Operating Revenue ^(a)	761	519	541	431	
Net Cost of Output	9,388	10,029	10,151	9,020	
Adjustments ^(b)	(1,043)	(1,162)	(1,224)	(508)	
Appropriation for delivery of Output 1	8,345	8,867	8,927	8,512	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Clients - direct advice ^(a)	103,236	80,000	120,000	120,000	The variation is the result of the cessation of the Small Business Improvement Program in 2003-04 together with changes to the eligibility criteria under the Business Migrant Incentive Program.
Clients - indirect advice ^(b)	40,403	50,000	40,000	40,000	
Clients of Business Enterprise Centres	107,600	85,000	100,000	105,000	
Grants given ^(c)	347	350	400	60	
Policy advice unit ^(d)	1	1	1	1	
Quality					
Satisfaction with services	92%	90%	90%	90%	
Timeliness					
Satisfaction with services	92%	90%	90%	90%	
Cost (Efficiency)					
Average cost per direct client contact	\$45.53	\$61.44	\$41.23	\$33.66	
Average cost per indirect client contact	\$3.12	\$2.63	\$3.35	\$3.01	
Average cost per Business Enterprise Centre client contact	\$32.80	\$40.86	\$35.94	\$39.17	
Average grant per client	\$2,745.83	\$2,498.45	\$2,520.20	\$2,938.90	
Cost of policy advice	\$840,831	\$1,153,997	\$1,008,338	\$1,002,676	
Full Time Equivalents (FTEs)	46	48	47	47	

- (a) Direct clients include those who use the Small Business Services, the Business Information and Licence Centre, those who visited the SBDC website for 4 minutes or more, or visited the Business Licence Information Service website for 2 minutes or more.
- (b) Indirect clients include those who have attended forums, events, expos and Small Business Awards sponsored by SBDC, attended functions addressed by an SBDC representative on small business matters, or have accessed the SBDC website for 2-4 minutes, the Small Business Research website for 2 minutes or more or the b-generation website.
- (c) Grants include those given under the Small Business Improvement Program, the Business Innovations Development Scheme and the Business Migrant Incentive Program. The Small Business Improvement Program is abolished with effect from 2003/04.
- (d) Policy advice includes policy submissions, investigative research, ministerial drafts, cabinet submissions, parliamentary questions and briefing notes.

Major Achievements For 2002-03

- Conducted an audit of key business licences held on the SBDC's Business Licence Information System (BLIS) to identify possible issues of concern such as licences attracting unusually high fees and licences with short renewal periods. No major areas of duplication or unnecessary complexity were found through this process although a number of minor issues were identified and followed up with relevant agencies.
- Completed the report on the review of the *Commercial Tenancy (Retail Shops) Agreement Act 1985*.
- Trialed a new program, "Supa Shop", in village-sized shopping centres to assist the local small business shop keepers to improve their skills in merchandising, marketing and customer service.
- Launched the E-Com Entry Point as a new initiative and produced a further two on-line interactive E-Commerce learning resources on "E-Marketing" and "E-Trade" in conjunction with Central TAFE. These products are available on-line and on CD's through the E-Com Entry Point and are being marketed as part of the "First Steps Online" Program.
- Introduced an export-ready program to encourage and assist small business to start exporting for the first time. The program offers a service to get export ready and complements the joint SBDC/Austrade TradeStart program.
- Assisted the co-ordination of the delivery of the Small Business Smart Business program across all regions of the State using the Business Enterprise Centre Network as a delivery point. A total of \$1.3 million was distributed to small business in the form of training vouchers to the value of \$200 each.

- Initiated a review and evaluation of the Business Enterprise Centre program and its effectiveness in service delivery to the small business sector in Western Australia.
- Analysed the results of a review, undertaken by the SBDC in close consultation with local government representatives, that explored the feasibility of standardising business licence application forms across local government. The Review determined that local government licence application form standardisation is not a feasible option in the short term.
- Produced a kit to guide mature aged people starting a small business for the first time. The kit is available in hard copy and on-line through SBDC's website.
- Developed an on-line self diagnostic service to enable small business to identify steps to further develop their business.

Major Initiatives For 2003-04

- Implement a home based business program involving workshops, network events and a suite of customised products incorporating elements of starting and growing a business, exporting and the use of technology.
- Maintain the State's standing as a preferred destination for business migrants under the revised business visa requirements. This will include capitalising on the new requirements through the enhanced use of state sponsorship as part of the Western Australian incentive to prospective migrants.
- Develop and deliver a series of regional "Working With Government" forums across Western Australia, focusing on assisting small business operators to make the most of their interactions with Government. In particular, the forums will highlight and extend the activities of the State Government's Small Business Advocacy Service to the regions and will also include an emphasis on Government purchasing, approvals and opportunities.
- Deliver the TradeStart program in conjunction with Austrade to increase the number of small businesses exporting for the first time.
- Develop a new workshop on "Employment Today" for small business employing people for the first time, which will be offered throughout the State through the Business Enterprise Centre Network.
- Increase the level of take up of E-Commerce by small business by providing workshops on "E-Start", "E-Marketing" and "E-Trade".
- Assist in the development of a pilot growth program for small businesses within the tourism industry. This program will be module based and made available throughout the State through the Tourism Commission.

CAPITAL WORKS PROGRAM

The Small Business Development Corporation's planned Capital Works expenditure is primarily for the replacement of office equipment, furniture and information technology equipment to support the delivery of the Corporation's output.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
COMPLETED WORKS				
Business Information and Licence Centre - Refurbishment.....	150	150	150	-
Furniture and Office Equipment Replacement - 2001-02 Program	120	120	2	-
2002-03 Program	150	150	150	-
NEW WORKS				
Furniture and Office Equipment Replacement - 2003-04 Program	212	-	-	212
	632	420	302	212

CAPITAL CONTRIBUTION

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program.....	120	300	302	212	435	300	250
	120	300	302	212	435	300	250
LESS							
Internal Funds and Balances.....	-	-	2	-	-	-	-
Holding Account ^(a)	-	104	104	115	122	116	116
Capital Contribution.....	120	196	196	97	313	184	134

(a) Draw down from Holding Account.

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	3,062	2,979	2,982	2,924	2,981	3,025	3,134
Superannuation	261	281	281	276	282	285	289
Cost of Goods Sold	69	80	80	80	80	80	80
Grants and subsidies ^(b)	3,163	3,201	3,391	2,815	2,415	2,415	2,415
Supplies and services	2,650	3,275	3,117	2,569	2,321	2,256	2,323
Accommodation	414	326	435	444	444	444	444
Capital User Charge	297	166	166	102	80	91	91
Depreciation	112	117	117	117	116	116	116
State Taxes	121	123	123	124	126	127	129
TOTAL COST OF SERVICES	10,149	10,548	10,692	9,451	8,845	8,839	9,021
Revenues from ordinary activities							
User charges and fees ^(c)	191	189	191	191	191	191	191
Net Profit on disposal of non-current assets	3	-	-	-	-	-	-
Grants and subsidies	57	60	100	60	60	60	60
Interest	173	170	130	100	100	100	100
Other Revenue	337	100	120	80	80	80	80
Total Revenues from Ordinary Activities	761	519	541	431	431	431	431
NET COST OF SERVICES	9,388	10,029	10,151	9,020	8,414	8,408	8,590
REVENUES FROM STATE GOVERNMENT							
Appropriations	8,345	8,867	8,927	8,512	8,200	8,393	8,576
TOTAL REVENUES FROM STATE GOVERNMENT	8,345	8,867	8,927	8,512	8,200	8,393	8,576
CHANGE IN EQUITY RESULTING FROM OPERATIONS	(1,043)	(1,162)	(1,224)	(508)	(214)	(15)	(14)
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	(1,043)	(1,162)	(1,224)	(508)	(214)	(15)	(14)

(a) The Full Time Equivalents (FTEs) for 2001-02 Actual, 2002-03 Estimated Actual and 2003-04 Estimate are 46, 47 and 47 respectively.

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

(c) Includes resources received free of charge. This treatment may differ from the agency's annual report.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	147	750	751	617	417	417	417
Investments.....	2,500	1,000	747	-	-	-	-
Receivables.....	195	112	133	133	133	133	133
Inventories.....	39	31	39	39	39	39	39
Interest receivable.....	9	14	9	-	-	-	-
Amounts receivable for outputs	104	115	115	122	116	116	116
Prepayments	248	200	248	248	248	248	248
Total current assets.....	3,242	2,222	2,042	1,159	953	953	953
NON-CURRENT ASSETS							
Amounts receivable for outputs	19	36	36	46	61	76	91
Plant, equipment and vehicles.....	313	505	498	593	912	1,096	1,230
Total non-current assets.....	332	541	534	639	973	1,172	1,321
TOTAL ASSETS	3,574	2,763	2,576	1,798	1,926	2,125	2,274
CURRENT LIABILITIES							
Superannuation	3	6	3	3	3	3	3
Payables.....	441	532	441	57	57	57	57
Provision for employee entitlements.....	423	390	435	446	458	470	481
Accrued Salaries.....	59	81	69	69	79	89	99
Other.....	127	-	127	127	127	127	127
Total current liabilities	1,053	1,009	1,075	702	724	746	767
NON-CURRENT LIABILITIES							
Superannuation	16	15	18	18	20	22	24
Provision for employee entitlements.....	214	141	220	226	231	237	243
Total non-current liabilities	230	156	238	244	251	259	267
TOTAL LIABILITIES	1,283	1,165	1,313	946	975	1,005	1,034
EQUITY							
Contributed Equity	120	316	316	413	726	910	1,044
Accumulated surplus/(deficit).....	2,171	1,282	947	439	225	210	196
Total equity	2,291	1,598	1,263	852	951	1,120	1,240
TOTAL LIABILITIES AND EQUITY	3,574	2,763	2,576	1,798	1,926	2,125	2,274

STATEMENT OF CASH FLOWS
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Appropriations.....	8,222	8,735	8,795	8,380	8,069	8,262	8,445
Capital Contribution	120	196	196	97	313	184	134
Holding Account.....	-	104	104	115	122	116	116
Net cash provided by State government.....	8,342	9,035	9,095	8,592	8,504	8,562	8,695
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs	(2,906)	(2,954)	(2,954)	(2,907)	(2,954)	(2,997)	(3,107)
Superannuation	(256)	(281)	(281)	(276)	(282)	(284)	(289)
Supplies and services	(2,759)	(3,344)	(3,184)	(2,638)	(2,388)	(2,324)	(2,390)
Grants and subsidies	(3,326)	(3,201)	(3,391)	(3,199)	(2,415)	(2,415)	(2,415)
Accommodation.....	(423)	(326)	(435)	(444)	(444)	(444)	(444)
Capital User Charge.....	(297)	(166)	(166)	(102)	(80)	(91)	(91)
State Taxes	(121)	(123)	(123)	(124)	(126)	(127)	(129)
Goods and Services Tax	(652)	(720)	(750)	(660)	(630)	(630)	(630)
Receipts							
User charges and fees	181	180	180	180	180	180	180
Interest.....	177	170	130	109	100	100	100
Goods and Services Tax	614	720	812	660	630	630	630
Grants and subsidies	57	60	100	60	60	60	60
Other.....	342	100	120	80	80	80	80
Net cash from operating activities	(9,369)	(9,885)	(9,942)	(9,261)	(8,269)	(8,262)	(8,445)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(118)	(300)	(302)	(212)	(435)	(300)	(250)
Proceeds from sale of non-current assets	6	-	-	-	-	-	-
Net cash from investing activities	(112)	(300)	(302)	(212)	(435)	(300)	(250)
CASH FLOWS FROM FINANCING ACTIVITIES							
Net cash from financing activities	-	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(1,139)	(1,150)	(1,149)	(881)	(200)	-	-
Cash assets at the beginning of the reporting period	3,786	2,900	2,647	1,498	617	417	417
Cash assets at the end of the reporting period.....	2,647	1,750	1,498	617	417	417	417

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
Business Enterprise Centre Operational Grant.	2,454	2,361	2,428	2,680	2,280	2,280	2,280
Business Innovation Development	182	40	70	90	90	90	90
Small Business Improvement Program.....	527	550	513	-	-	-	-
Business Migrant Incentive Program.....	-	-	130	45	45	45	45
Small Business Guarantee Act.....	-	250	250	-	-	-	-
TOTAL	3,163	3,201	3,391	2,815	2,415	2,415	2,415

Part 12

Minister for Education and Training; Sport and Recreation; Indigenous Affairs

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000
899	Education and Training			
	– Delivery of Outputs	2,315,428	2,315,696	2,407,485
	– Capital Contribution	86,036	86,036	94,823
	Total	2,401,464	2,401,732	2,502,308
924	Country High School Hostels Authority			
	– Delivery of Outputs	5,318	5,061	5,331
	– Capital Contribution	371	571	517
	Total	5,689	5,632	5,848
932	Curriculum Council			
	– Delivery of Outputs	10,034	10,248	11,039
	– Capital Contribution	1,509	1,509	1,079
	Total	11,543	11,757	12,118
943	Education Services			
	– Delivery of Outputs	11,218	11,718	13,651
	– Administered Grants, Subsidies and Other Transfer Payments	175,577	175,077	191,693
	Total	186,795	186,795	205,344
956	Recreation Camps and Reserve Board			
	– Delivery of Outputs	2,640	2,777	2,609
	Total	2,640	2,777	2,609

Part 12

Minister for Education and Training; Sport and Recreation; Indigenous Affairs — *continued*

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000
965	Sport and Recreation			
	– Delivery of Outputs	34,866	28,806	36,447
	– Capital Contribution	-	-	1,070
	Total	34,866	28,806	37,517
978	Western Australian Sports Centre Trust			
	– Delivery of Outputs	13,278	16,573	13,948
	– Capital Contribution	-	-	300
	Total	13,278	16,573	14,248
987	Indigenous Affairs			
	– Delivery of Outputs	17,314	17,356	17,563
	– Capital Contribution	100	100	42
	Total	17,414	17,456	17,605
	GRAND TOTAL			
	– Delivery of Outputs	2,410,096	2,408,235	2,508,073
	– Administered Grants, Subsidies and Other Transfer Payments	175,577	175,077	191,693
	– Capital Contribution	88,016	88,216	97,831
	Total	2,673,689	2,671,528	2,797,597

EDUCATION AND TRAINING

PART 12 - MINISTER FOR EDUCATION AND TRAINING; SPORT AND RECREATION; INDIGENOUS AFFAIRS

DIVISION 55

APPROPRIATION AND FORWARD ESTIMATES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 95 Net amount appropriated to deliver outputs	2,201,665	2,315,024	2,315,292	2,407,260	2,466,623	2,512,866	2,583,680
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	404	404	404	225	225	225	225
Total appropriations provided to deliver outputs	2,202,069	2,315,428	2,315,696	2,407,485	2,466,848	2,513,091	2,583,905
CAPITAL							
Item 163 Capital Contribution	88,961	86,036	86,036	94,823	86,951	92,048	75,000
GRAND TOTAL	2,291,030	2,401,464	2,401,732	2,502,308	2,553,799	2,605,139	2,658,905

MISSION

To ensure that all government school students and all adults have an ongoing opportunity to develop the skills, knowledge and confidence to achieve their individual potential and contribute to the social and economic development of Western Australia.

SIGNIFICANT ISSUES AND TRENDS

- National research shows that the need for young people to complete secondary education or its equivalent is more pressing than ever before.
- Competence in literacy and numeracy continue to be essential to effective participation and success in schooling, further education and the work force. Strong foundations need to be established in the early years of schooling and maintained through the middle and senior years.
- Differences in performance and participation between Aboriginal and non-Aboriginal students continue, despite significant efforts to effect improvement.
- The behaviour of a minority of students impacts on teaching and learning, and intervention is necessary to maintain positive learning environments.
- Commonwealth legislative requirements for students with disabilities are likely to place increasing resource burdens on the school system.
- There is a need to ensure that retirements from an ageing workforce are balanced by the recruitment of quality entrants.
- There is increased community demand for information about the performance of schools and the school system.
- The need to upgrade facilities within or to replace old schools, as well as build new schools in rapidly expanding urban areas, is a challenge for the capital works program.

- Demand for vocational education and training continues to increase due to population growth, the need to increase the retention of 15 to 19 year olds in education and training, providing services to meet regional needs, and changes in technology.
- Over the past 12 months, Western Australia recorded the strongest employment growth in the following industry sectors: manufacturing, retail/wholesale trade, personal/other services, Government administration/defence, education and mining.
- In the 12 months to February 2003, Western Australia's youth unemployment rate declined to an average of 20.9% from 21.6% recorded 12 months earlier. The number of unemployed 15-19 year olds looking for full-time work declined to 7,100 from 8,100 during the same period.
- The merger of the former departments of Education and Training provides significant opportunities to improve education and training outcomes for 15-19 year olds.

Major Achievements for 2002-2003

- Government schooling was provided to an estimated 254,529 students (February 2003 figures excluding part-time secondary students). Kindergarten education was provided to an estimated 16,752 students (excluding students enrolled in kindergarten programs at community kindergartens); and pre-primary education to an estimated 20,575 students.
- 350 additional primary teachers were appointed in 2003 to enable schools to have class sizes of 24 in years 1 to 3.
- A \$100 per secondary student subsidy was introduced to help reduce the cost of attending Government secondary schools.
- The 'Getting it Right' Literacy and Numeracy Strategy continued with the appointment of 118 (66 FTE) additional specially trained teachers for 2003, focusing on early intervention, and support was provided for students most at risk of not meeting literacy and numeracy standards.
- Draft statements of standards in English and Mathematics at years 3, 5, 7 and 9 are being trialled in 30 schools.
- A review of different approaches to reporting to parents has been conducted, to provide the basis for the construction of a common format.
- In 2002, 14,542 students in 133 government schools (45.9 per cent of the years 11 and 12 cohort) participated in Vocational Education and Training (VET) in Schools, compared with 13,093 students in 133 schools in 2001.
- The Application Service Provider (ASP) infrastructure trial, part of the e2c (Education to Community) initiative involving 12 primary schools, 332 teachers and 3,500 students in the Fremantle education district, concluded.
- The 100 Schools Project commenced, with 35 schools creating professional learning and technical implementation plans which were incorporated into their school plans.
- By December 2002, 11,545 teachers had leased computers under the Notebooks for Teachers project.
- The rollout of broadband telecommunications to school sites continued (the service being extended to 597 schools) and is due for completion in September 2003.
- The tender process to introduce the satellite infrastructure to replace the Royal Flying Doctor Service's HF radio service to the Schools of the Air and Schools of Isolated and Distance Education was completed.
- The Behaviour Management and Discipline initiative provided additional staff to selected secondary schools to reduce the size of those classes in years 8 and 9 in which behaviour problems were affecting learning outcomes.
- Strategies to recruit and retain Aboriginal staff at all levels continued, including the Aboriginal Internship Program, the Aboriginal Mentoring Program and Aboriginal Cadetships.

- 518 government schools offered Aboriginal Studies in 2002, and over 11,500 staff at 510 schools had participated in the Aboriginal cultural-awareness training program, *Our Story*, by December 2002.
- In the Ngaanyatjarra Education Area, two permanent area directors were appointed and a consultant contracted to design curriculum materials relating specifically to the language and culture of the Ngaanyatjarra community.
- A tertiary aspirations strategy for Aboriginal students, called *Follow the Dream*, was introduced. This strategy is based on industry and cross-agency collaboration.
- A health consultant was appointed to provide professional development on how to improve the literacy and numeracy of Aboriginal students with Conductive Hearing Loss.
- Extensive consultation and consideration of legislative requirements and societal expectations of services for children with disabilities has occurred, and a report on the review of education services for children with disabilities is being produced.
- Inclusion programs for children with intellectual disabilities were extended to include additional places in mainstream classes for students in years 1 to 10, with provision for a total of 187 places in 2003 compared with 87 in 2002.
- Statewide implementation of the cross-sectoral Student Tracking System continued in accordance with the memorandum of agreement signed by all stakeholders and the Minister for Education in June 2002. The effectiveness of the process was improved by the adoption of cross-sectoral protocols for dealing with students moving between sectors.
- Under the Family Links initiative, school-based community liaison officers were appointed to all districts to develop links between home and school and to assist access to school and community services.
- The financial management and information system of the former Department of Education, which is based on Oracle Financials®, was upgraded to a Web-based system to provide wider and more cost-effective access to the system. The human resources management information system is also being upgraded.
- A \$6 million program, called *Operation Refresh*, involving external painting and replacement of floor coverings in almost every Government high school in Western Australia, was initiated. The individual projects were identified from formal building condition assessments.
- Security measures were increased, with \$600,000 allocated for implementing risk management initiatives in schools identified as high risk, \$1,250,000 allocated for the installation and upgrading of intruder alarm systems, and \$358,000 allocated for the provision of four additional security vehicles. School Watch received funding of \$80,000.
- In the VET sector, 26.7 million student curriculum hours were delivered in 2002.
- The recommendations of the Review of the Western Australian Training Sector (the *McRae Review*) have been implemented.
- The First Click Program provided more than \$1 million in grants to 77 organisations for the provision of basic computer literacy courses throughout Western Australia
- A number of initiatives to improve retention rates for 15-19 year olds have been implemented, including the 'Return to Learn' and 'Greater Access to School based Traineeships' programs.
- 233 Registered Training Organisations were audited for compliance with the Australian Recognition Framework/Australian Quality Training Framework and Departmental contractual requirements.
- The Graded Performance initiative has moved to staged implementation across the Western Australian VET sector.
- TAFE International has secured a contract for the provision of technical instructors for training programs in the State of Qatar (Qatar Petroleum Corporation) over the next four years with a potential gross turnover of \$40 - \$50 million.
- The Overseas Qualifications Unit has developed a register of Skills Assessors to provide cost, timeframe and contact information to clients and training providers.

- Local Learning and Employment Partnerships are being piloted in the Peel, Mid-West, Great Southern and North Metropolitan regions, enabling stakeholders in those areas to take an active developmental role in training and employment plans that assist young people in their transition from school to work.
- Over 200 online modules in a variety of VET subject areas are now available as a part of the expansion in e learning. Over 10,000 active online accounts, for students and teachers, allow access to these online products with an estimated increase rate of 500 per month.
- A review of labour market programs was used to develop the Employment Directions Strategy, which involves a significant shift from employment placement programs to regionally based services aimed at assisting people and communities to determine their own future through: enhancing employability, supporting entrepreneurship, a culture of inclusion, and a futures orientation.
- The Employment Directions Strategy subsumed the State Employment Assistance Strategy in January 2003. Approximately 45,000 job seekers were assisted by these strategies, of which 12,000 were supported into employment, education or training.
- The Employment Directions Network (EDN), which is a network of agencies throughout the State to implement the Employment Directions Strategy, was established. (The EDN consists of a central resource in each region, for expert advice and technical assistance, and a range of other access points or EDN partners.)
- The Department supported approximately 21,700 people in apprenticeships or traineeships, across approximately 9,400 employers.
- The Priority Access initiative, which aims to use Government contracting and procurement policy to increase apprenticeships and traineeships, registered 1,899 employers.
- The School Leaver Program identified the intentions of more than 45,000 year 10, 11 and 12 students in government schools, and provided support to those students identified as at risk of making a successful transition to further education, training or employment.
- The Old Growth Forest Workers Assistance Package (WAP) assisted workers directly affected by the Government's forest policy through redundancy top-ups, retraining, relocation, and mortgage and rent assistance.
- A 12 part television program entitled Choices TV, which provides information on employment and vocational education programs for mature aged career changers as well as school leavers, was completed.
- A State-wide strategy to increase the number of indigenous people working in the Government VET sector was launched: Working Together: Indigenous Employment and Career Development Strategy for the Government Vocational Education and Training 2003-2005.
- The integration of the separate corporate services sections of the former Departments of Education and Training commenced.

Major Initiatives for 2003-2004

- A new Certified Agreement for teaching staff in schools will be negotiated.
- New departmental policies and action plans will be prepared to encourage the participation of 15-19 year olds in education and training, career guidance and counselling services.
- A plan will be prepared for the management of the 'half cohort' created by the raising of the school entry age, through the primary and lower secondary years.
- The rollout of increased bandwidth to all school sites, including the Schools of Isolated and Distance Education and the Schools of the Air, will be completed and the delivery of on-line education services, including access to curriculum services, to support the integration of technology into learning programs, will be expanded.

- To improve outcomes for Aboriginal students, the Follow the Dream initiative will be operational in twelve locations; three additional Early Literacy and Numeracy (ELAN) specialists will be appointed; and staff will be trained in the identification of children who have been subjected to sexual abuse.
- The establishment of an annual Award for the Western Australian Teacher of the Year.
- Explicit standards in English, mathematics and science will be introduced based on the findings of the trial conducted in 2002-03.
- An Assessment Literacy initiative will be introduced to assist schools in analysing and using student performance data to improve their teaching and learning programs. An annual award for reading and other literacy resources will be made to the government school which demonstrates the best effort towards improving the reading skills of its students.
- The Premier's Summer Reading Challenge will be introduced to encourage school students to keep up their reading during the holidays.
- A common approach to reporting to parents will be provided to all schools.
- The Behaviour Management and Discipline initiative will continue to provide additional resources to schools with significant numbers of 'difficult-to-manage' students.
- Initiatives, including scholarships and advertising, for recruiting and retaining teachers will be expanded; and improvements will be made to the selection processes for promotional positions.
- The first e2c learning gateway will be opened, providing access to on-line learning and information sharing for teachers, students and parents. Based on the proof of concept developed for the first 35 schools in the 100 Schools Project, implementation strategies will be developed.
- 300 notebook computers will be distributed to year 8 students under the Notebooks for Geraldton Secondary College (Highbury Campus) Project, and targeted professional development in the use of information and communication technologies to enhance student learning will commence.
- 26.7 million student curriculum hours (adjusted) of VET will be delivered during 2003.
- A further \$1 million will be allocated to the First Click Program to provide grants to community-based not-for-profit organisations for initiatives to increase computer literacy.
- The current trial of four Local Learning and Employment Partnerships will be evaluated and plans for the future of this strategy decided accordingly.
- The Burrup action plan set out in the Burrup Skills Taskforce Report will be implemented, to address skills priorities and also to assess the feasibility of a specialised oil and gas training facility, including the potential for a Government-industry partnership.
- A TAFE-University Pathways initiative that has guidelines for credit transfer and articulation arrangements between universities and TAFE colleges will be implemented.
- The Employment Directions Network to ensure that the Employment Directions Strategy is available throughout Western Australia will be further developed.
- Assistance under the Old Growth Forest Workers Assistance Package (WAP) to redundant native forest hardwood industry workers will continue to be provided.
- The Building Skills Policy Initiative to incorporate the Priority Access and Homeswest Apprentice Policies, to provide for a compulsory minimum apprenticeship and traineeship training requirement within the majority of large State Government contracts, will be expanded.
- The number of apprentices and trainees in training will be increased by at least 1,250.

- A School Based Traineeship Strategy to facilitate school to work transition and promote school retention will be implemented. This will include expanding the Aboriginal School Based Traineeship Program to target 350 students State wide over the next two years.
- The integration of the separate corporate services sections of the former Departments of Education and Training will be completed.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Statement of Financial Performance since publication of the 2002-03 Budget to Parliament on 16 May 2002 are outlined below.

	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
Industry Training and Advisory Boards.....	430	430	430	430
Functional Review Taskforce:				
- Merger of Departments of Education and Training.....	(5,000)	(30,000)	(30,000)	(30,000)
- Science and Innovation Grants.....	(1,000)	(1,000)	(1,000)	(1,000)
- Revenue increases.....	-	(1,925)	(3,850)	(5,775)
Wages policy – TAFE Lecturers' Certified Agreement.....	4,500	4,500	4,500	4,500
Educational priorities.....	6,555	43,064	56,850	71,163
ANTA matching obligations.....	560	560	560	560

OUTPUT AND APPROPRIATION SUMMARY

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Primary education.....	1,281,182	1,341,024	1,361,971	1,402,271			
Output 2:							
Secondary education.....	863,825	909,436	937,566	961,380			
Output 3:							
Vocational education and training services.....	406,841	413,246	416,875	434,392			
Output 4:							
Employment programs.....	32,906	37,802	35,350	24,499			
Total Cost of Outputs.....	2,584,754	2,701,508	2,751,762	2,822,542	2,874,823	2,930,382	2,992,838
<i>Less Operating revenues.....</i>	<i>429,220</i>	<i>391,463</i>	<i>416,393</i>	<i>423,223</i>	<i>427,499</i>	<i>439,016</i>	<i>440,389</i>
Net Cost of Outputs.....	2,155,534	2,310,045	2,335,369	2,399,319	2,447,324	2,491,366	2,552,449
Adjustments ^(a)	46,535	5,383	(19,673)	8,166	19,524	21,725	31,456
Appropriation provided to deliver Outputs.	2,202,069	2,315,428	2,315,696	2,407,485	2,466,848	2,513,091	2,583,905
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b).....	88,961	86,036	86,036	94,823	86,951	92,048	75,000
TOTAL CONSOLIDATED FUND APPROPRIATIONS.....	2,291,030	2,401,464	2,401,732	2,502,308	2,553,799	2,605,139	2,658,905

(a) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

(b) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

The following outcome, output and financial information is the subject of a Resource Agreement signed by the Minister, the Director General and the Treasurer.

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION**Relationship to Government Strategic Objectives**

The following table demonstrates the linkage between the most appropriate Government strategic objective and the agency level desired outcomes and outputs.

Government Strategic Objective	Desired Outcome(s)	Output(s)
An educated and skilled future for all Western Australians	Quality education for all Western Australians who choose government schooling.	1. Primary education 2. Secondary education
	Maximise training and employment opportunities for Western Australians.	3. Vocational education and training services 4. Employment programs

Outcomes and Key Effectiveness Indicators ^(a)

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Outcome: Quality education for all Western Australians who choose government schooling.					
Secondary Graduation rate (proportion of year 8 cohort achieving Secondary Graduation in year 12)	51%	51%	53%	53%	
Outcome: Maximise training and employment opportunities for Western Australians.					
Graduate achieved or partly achieved main reason for undertaking the course.....	79.5%	80%	77%	80%	
People assisted into employment, education and training	11,399	12,000	12,000	12,000	

(a) More details of effectiveness indicators are provided in the annual report.

Output 1: Primary education

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	1,281,182	1,341,024	1,361,971	1,402,271	
Less Operating Revenue ^(a)	177,589	130,869	161,125	165,693	
Net Cost of Output	1,103,593	1,210,155	1,200,846	1,236,578	
Adjustments ^(b)	39,850	3,580	(6,500)	3,261	
Appropriation for delivery of Output 1	1,143,443	1,213,735	1,194,346	1,239,839	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Student FTE ^(a)	160,836	159,912	158,390	157,874	
Quality					
Year 3 students achieving national benchmarks:					
Reading	92%	92%	94%	94%	
Writing ^(b)	82%	82%	84%	84%	
Spelling ^(b)	80%	80%	83%	83%	
Numeracy	90%	90%	85%	90%	
Year 5 students achieving national benchmarks:					
Reading	93%	93%	93%	93%	
Writing ^(b)	81%	81%	86%	86%	
Spelling ^(b)	80%	80%	78%	80%	
Numeracy	86%	86%	84%	86%	
Year 7 students achieving national benchmarks:					
Reading ^(b)	82%	82%	83%	83%	
Writing ^(b)	76%	76%	75%	76%	
Spelling ^(b)	78%	78%	75%	78%	
Numeracy ^(b)	76%	76%	79%	79%	
Timeliness					
Primary education is delivered during the four terms comprising the designated government schools year					
Cost (Efficiency)					
Cost per student FTE	\$7,965	\$8,386	\$8,599	\$8,882	
Full Time Equivalents (FTEs)	15,742	16,137	16,339	16,642	

- (a) The estimated student FTEs value for 2002-03 is the average of semester two, 2002 actual and semester one, 2003 estimate, and for 2003-04, the average of semester two, 2003 and semester one, 2004.
- (b) The data for Writing and Spelling for Years 3 and 5 and all Year 7 data are based on provisional benchmarks because national agreement has not been reached on their locations on the measuring scales.

Supplementary information on Quantity, Quality and Effectiveness

	2001-02 Actual	2002-03 Estimated
Quantity		
Student FTE, Aboriginal	11,844	12,188
Student FTE, non-Aboriginal	148,992	146,202
Student FTE, metropolitan	107,337.5	105,711
Student FTE, non-metropolitan	53,498.5	52,679
Student FTE, with disabilities	4,799.5	4,977
Other information		
Number of primary schools	548	552
Number of district high schools	60	60
Number of education support schools and centres with primary students	52	53
Number of other schools with primary students	1	1
Student-teacher ratio, primary	17.5	17.6
Quality and Effectiveness (Details of subgroups and detail over time)		
Year 3 students achieving the national benchmark in Reading:		
All students	92%	94%
Female students	94%	95%
Male students	91%	93%
Aboriginal students	76%	79%
Students from a language background other than English students (LBOTE)	92%	93%
Year 3 students achieving the national benchmark in Writing:		
All students	82%	84%
Female students	87%	89%
Male students	77%	80%
Aboriginal students	52%	53%
Students from a language background other than English students (LBOTE)	82%	84%
Year 3 students achieving the national benchmark (provisional) in Spelling:		
All students	80%	83%
Female students	84%	87%
Male students	77%	80%
Aboriginal students	48%	52%
Students from a language background other than English students (LBOTE)	80%	82%
Year 3 students achieving the national benchmark in Numeracy:		
All students	90%	85%
Female students	90%	85%
Male students	90%	86%
Aboriginal students	70%	58%
Students from a language background other than English students (LBOTE)	88%	82%
Year 5 students achieving the national benchmark in Reading:		
All students	93%	94%
Female students	95%	95%
Male students	90%	92%
Aboriginal students	72%	73%
Students from a language background other than English students (LBOTE)	89%	90%
Year 5 students achieving the national benchmark (provisional) in Writing:		
All students	81%	86%
Female students	87%	91%
Male students	74%	81%
Aboriginal students	50%	58%
Students from a language background other than English students	77%	82%
Year 5 students achieving the national benchmark (provisional) in Spelling:		
All students	80%	78%
Female students	85%	84%
Male students	74%	73%
Aboriginal students	50%	48%
Students from a language background other than English students (LBOTE)	77%	75%
Year 5 students achieving the national benchmark in Numeracy:		
All students	86%	84%
Female students	87%	85%
Male students	86%	84%
Aboriginal students	57%	48%
Students from a language background other than English students (LBOTE)	83%	78%

	2001-02 Actual	2002-03 Estimated
Year 7 students achieving the national benchmark (provisional) in Reading:		
All students.....	82%	83%
Female students	86%	86%
Male students.....	78%	80%
Aboriginal students.....	40%	43%
Students from a language background other than English students (LBOTE)	74%	75%
Year 7 students achieving the national benchmark in Writing:		
All students.....	76%	75%
Female students	83%	83%
Male students.....	68%	68%
Aboriginal students.....	39%	39%
Students from a language background other than English students (LBOTE)	73%	73%
Year 7 students achieving the national benchmark (provisional) in Spelling:		
All students.....	78%	75%
Female students	83%	80%
Male students.....	72%	69%
Aboriginal students.....	47%	41%
Students from a language background other than English students (LBOTE)	75%	73%
Year 7 students achieving the national benchmark in Numeracy:		
All students.....	76%	79%
Female students	75%	78%
Male students.....	76%	79%
Aboriginal students.....	37%	38%
Students from a language background other than English students (LBOTE)	70%	72%

Supplementary information on Quality and Effectiveness - latest Monitoring Standards in Education data

	Female	Male	Aboriginal	LBOTE	All
Year 3 students tested by Monitoring Standards in Education achieving at or above Level 2 ^(a) in Viewing ^(b) :	96%	93%	76%	84%	94%
Year 7 students tested by Monitoring Standards in Education achieving at or above Level 3 ^(a) in Viewing ^(b) :	88%	80%	56%	74%	84%

(a) Monitoring Standards in Education measures student performance against the Outcomes and Standards Framework, which is consistent with the Curriculum Framework and which describes expected outcomes for each Learning Area. Each learning area is divided into Strands, and the outcomes are described within a framework of eight levels of increasing difficulty within each Strand. The results for Year 3 are reported against Level 2, and for Year 7 Level 3, in each strand.

(b) Different learning areas are measured each year.

Output 2: Secondary education

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output ^(a)	863,825	909,436	937,566	961,380	
Less Operating Revenue ^(b)	134,968	138,181	133,755	131,184	
Net Cost of Output	728,857	771,255	803,811	830,196	
Adjustments ^(c)	5,865	2,447	(11,332)	2,189	
Appropriation for delivery of Output 2	734,722	773,702	792,479	832,385	

- (a) Total Cost of Output in 2001-02 Actual, 2002-03 Budget and 2002-03 Estimated Actual have been adjusted for comparability purposes to reflect the transfer of Senior Colleges between Output 2 and Output 3 in 2003-04 and the outyears.
- (b) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.
- (c) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

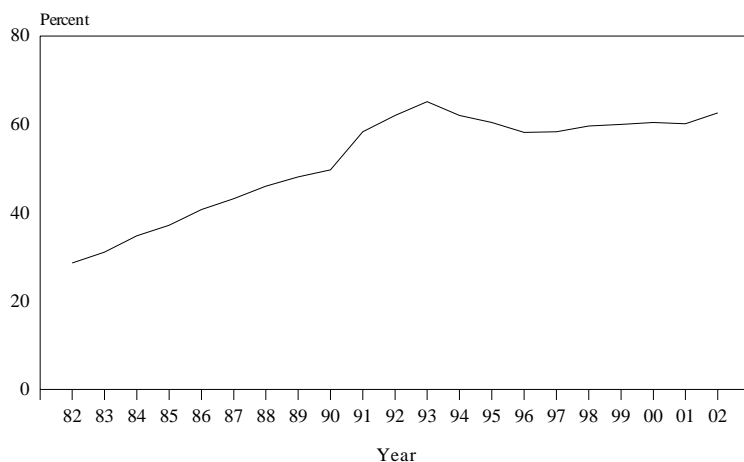
Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Student FTE ^(a)	83,330	83,461	83,463	82,078	
Quality					
Year 10 students tested by Monitoring Standards in Education achieving at or above Level 4 ^(b) in:					
Reading	- ^(c)	- ^(c)	88%	- ^(d)	
Essay writing	- ^(c)	- ^(c)	87%	- ^(d)	
Viewing	- ^(c)	- ^(c)	66%	- ^(d)	
Apparent retention rate (proportion of Year 8 cohort studying in Year 12) ^(e)	60%	60%	63%	63%	
Timeliness					
Secondary education is delivered during the four terms comprising the designated government schools year.					
Cost (Efficiency)					
Cost per student FTE	\$10,366	\$10,896	\$11,233	\$11,713	
Full Time Equivalents (FTEs)	9,607	9,782	9,898	10,047	

- (a) Estimated student FTEs for 2002-03 is the average of semester two, 2002 actual and semester one, 2003 estimate, and for 2003-04, the average of semester two, 2003 estimate and semester one, 2004 estimate. Student FTEs for 2001-02 Actual, 2002-03 Budget and 2002-03 Estimated Actual have been adjusted for comparability purposes to reflect the transfer of Senior Colleges between Output 2 and Output 3 in 2003-04 and the outyears.
- (b) Monitoring Standards in Education measures student performance against the Outcomes and Standards Framework, which is consistent with the Curriculum Framework and which describes expected outcomes for each Learning Area. Each learning area is divided into Strands, and the outcomes are described within a framework of eight levels of increasing difficulty within each Strand. The results for Year 10 are reported against Level 4 in each strand.
- (c) Data are not available because Monitoring Standards in Education does not measure performance in English every year.
- (d) Measurement of the quality of outputs using Monitoring Standards in Education enables comparisons of trends over time but does not provide for the construction of targets as different subject mixes are measured each year.
- (e) The 2003-04 Target is based on the 2002-03 Estimated as there is no basis on which to set a target for improvement.

Supplementary information on Quantity, Quality and Effectiveness

	2001-02 Actual	2002-03 Estimated
Quantity		
Student FTE, Aboriginal	4,448	4,455
Student FTE, non-Aboriginal	78,882	79,008
Student FTE, metropolitan	57,480	57,572
Student FTE, , non-metropolitan	25,850	25,892
Student FTE, with disabilities.....	2,360	2,257
Other information		
Number of senior high, high and community high schools.....	84	84
Number of district high schools.....	60	60
Number of education support schools and centres with secondary students	29	30
Number of other schools with secondary students	44	44
Student-teacher ratio, secondary.....	12.6	12.4
Quality and Effectiveness (Details of subgroups and detail over time)		
Secondary graduation rates (proportion of year 8 cohort achieving secondary graduation in year 12):		
Female students	57.7	59.2
Male students.....	44.4	47.5
Apparent retention rates (proportion of year 8 cohort studying in year 12):		
Female students	65.5	67.5
Male students.....	55.2	58.0
Aboriginal students.....	18.0	20.4
Non-Aboriginal students.....	62.8	65.5
Metropolitan students	66.4	69.2
Non-metropolitan students.....	47.7	49.7
Apparent retention rate trends, 1982-2002 (proportion of year 8 cohort studying in year 12):		

**Supplementary information on Quality and Effectiveness - latest Monitoring Standards in Education data**

	Female	Male	Aboriginal	LBOTE	All
Year 10 students tested by Monitoring Standards in Education achieving at or above Level 4 ^(a) in:					
Reading ^(b)	93%	83%	70%	75%	88%
Essay writing ^(b)	92%	82%	70%	82%	87%
Viewing ^(b)	74%	58%	42%	54%	66%

(a) Monitoring Standards in Education measures student performance against the Outcomes and Standards Framework, which is consistent with the Curriculum Framework and which describes expected outcomes for each Learning Area. Each learning area is divided into Strands, and the outcomes are described within a framework of eight levels of increasing difficulty within each Strand. The results for Year 10 are reported against Level 4 in each strand.

(b) Different learning areas are measured each year.

Output 3: Vocational education and training services

	2001-02 Actual	2002-03 Budget	2002-03 Estimated Actual	2003-04 Budget Estimate	Reason for Significant Variation
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Output ^(a)	406,841	413,246	416,875	434,392	
Less Operating Revenue ^(b)	115,244	118,989	118,256	122,786	
Net Cost of Output	291,597	294,257	298,619	311,606	
Adjustments ^(c)	1,635	(580)	(1,790)	2,534	
Appropriation for delivery of Output 3	293,232	293,677	296,829	314,140	

(a) Total Cost of Output in 2001-02 Actual, 2002-03 Budget and 2002-03 Estimated Actual have been adjusted for comparability purposes to reflect the transfer of Senior Colleges between Output 2 and Output 3 in 2003-04 and the outyears.

(b) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(c) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Student Curriculum Hours (SCH) delivered - Apprentices/Trainees ^{(a) (b)}	4,102,894	5,000,000	4,600,000	4,600,000	
SCH delivered - Other students ^(a)	22,192,467	21,700,000	22,100,000	22,100,000	
Participation rate (15 - 64 year olds) ^(c)	9.4%	9.6%	9.8%	9.8%	
Quality					
Successful training completions - Module Load Completion Rate (MLCR) - Apprentices/Trainees ^(d)	83.2%	80%	82%	80%	
Successful training completions - (MLCR) - Other students ^(d)	70.5%	69%	70%	69%	
Employers feedback on relevance of skills and knowledge - Apprentices/Trainees ^(e)	71.8%	80%	56%	- ^(e)	
Employers feedback on relevance of skills and knowledge - Other students ^(e)	69.6%	71%	65%	- ^(e)	
Student satisfaction - Apprentices/Trainees ^(f)	82.9%	84%	81%	84%	
Student satisfaction - Other students ^(f)	79.3%	80%	78%	80%	
Timeliness					
College Delivery and Performance Agreements issued	November	November	December	November	
Cost (Efficiency)					
Average cost per SCH - Apprentices/ Trainees ^(g)	\$16.73	\$16.75	\$15.73	\$16.37	
Average cost per SCH - Other students ^(h)	\$15.24	\$15.18	\$15.59	\$16.25	
Full Time Equivalents (FTEs)	317	324	365	365	

(a) These performance measures are adjusted for Invalid Module Enrolments (IME) and calculated from calendar year data. The 2003-04 estimate assumes the same IME rate as for 2002, i.e. 3.2%. The target for 2003-04 assumes an IME rate of 3.2%. The SCH delivered in 2001-02 Actual, 2002-03 Budget and 2002-03 Estimated Actual have been adjusted for comparability purposes to reflect the transfer of Senior Colleges between Output 2 and Output 3 in 2003-04 and the outyears.

(b) It is estimated that 23,000 apprentices/trainees will be in training at any point in time during the course of 2003-04.

(c) The participation rate is the proportion of Western Australians aged 15 - 64 years enrolled in VET courses funded by the Department of Education and Training. It is a measure of the Department's responsiveness in meeting industry and community needs for a highly skilled workforce.

(d) Successful training completions, or MLCR, is the sum of SCH for successfully completed modules expressed as a proportion of total SCH across all module enrolments, for which a definite outcome could be expected. Historically, students undertaking an apprenticeship/traineeship where their studies are linked to an employment contract, have higher MLCR than other award course students.

(e) The percentage is based on those employers responding 'agree/strongly agree' in response to the question 'the vocational education and training system is providing graduates with skills appropriate to employers needs' in the national Survey of Employer Views. In the 2001-02 budget papers, the figure for Apprentices/Trainees from the 1999 survey was incorrectly reported at 79% and the target for 2002-03 of 80% was over-estimated as a result. Notwithstanding this, the Department will take steps to address the decline in employer ratings of satisfaction across the board. No targets are set for 2003-04 as the next national survey will not take place until 2004.

(f) A student satisfaction survey is undertaken across the State, including apprentices and trainees, annually with 10,846 respondents in 2002. The percentages represent those apprentices/trainees or other students responding 'satisfied/very satisfied' to the question 'how satisfied are you overall with your course of study'. Further information on survey results is presented in the Department's annual report. Caution should be used in comparing information across the survey years due to changes in survey methodologies and populations.

- (g) The average cost per SCH is calculated by dividing the total expenditure for publicly funded VET by the total SCH. The total expenditure includes costs associated with labour market, regional and community analyses; policy research and development; and delivery profiling and contracts purchasing, quality monitoring and support services.
- (h) The average cost per SCH (apprentices and trainees) is similar to the formula outlined in (g) above. However, there are an additional number of services/costs for apprentices/trainees including: the training records system (which involves the collection, monitoring and central administration of reporting of employment contracts) and travel costs.

Output 4: Employment programs

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	32,906	37,802	35,350	24,499	
Less Operating Revenue ^(a)	1,419	3,424	3,257	3,560	
Net Cost of Output	31,487	34,378	32,093	20,939	
Adjustments ^(b)	(815)	(64)	(51)	182	
Appropriation for delivery of Output 4	30,672	34,314	32,042	21,121	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
People assisted through employment strategies ^(a)	35,576	45,000	45,000	45,000	
People supported in apprenticeships and traineeships ^(b)	21,690	19,000	21,700	23,000	
People assisted through Regional Forest Workers Assistance Package ^(c)	417	600	600	156	The Workers Assistance Package is a three-year program that will assist approximately 1,000 people. Generally people receive assistance over two years.
Quality					
In development for 2004-05 ^(d)	na	na	na	na	
Timeliness					
Labour market programs funded annually at commencement of financial year	Yes	Yes	Yes	Yes	
Cost (Efficiency)					
Average cost per person assisted through employment strategies	\$473	\$336	\$299	\$325	
Average cost per person supported in apprenticeships and traineeships ^(e)	\$347	\$352	\$272	\$277	
Average cost per person assisted through Regional Forest Workers Assistance Package.....	\$20,768	\$26,667	\$26,667	\$22,500	
Full Time Equivalents (FTEs)	94	117	121	121	

(a) This figure is a combined count from all employment programs and activities and may include people who receive assistance from more than one of the services offered. The aim of Employment Strategies is to maximise employment opportunities for Western Australians by creating more employment opportunities for clients and assisting them to become more employable.

(b) This is an estimated point in time figure as at 30 June for the relevant year. The number of persons supported in apprenticeships and traineeships has been amended to include those on suspension on that day as to be consistent with data standards used in the national system by the Australian National Training Authority and the National Centre for Vocational Education Research.

(c) The Department will manage the Old Growth Forest Workers Assistance Package from 2001-02 to 2004-05 with a total budget of \$30.6 million. Government made available a total of \$22.412 million towards this initiative in 2001-02, \$12 million of which was deferred to 2002-03. By the end of 2003-04, the package will have assisted approximately 1,000 workers in the native forest hardwood timber industry directly affected by the Government's new forest policy and includes redundancy payments, relocation allowances, re-skilling and retraining initiatives.

(d) An appropriate quality measure is currently in development for 2004-05.

(e) Costs were affected by the change in criteria as outlined in (b) above.

CAPITAL WORKS PROGRAM

Education

The planned capital works expenditure for schools in 2003-04 is \$133.0 million and relates primarily to the provision of adequate infrastructure for government schools throughout the State. The program includes:

- Completion of five replacement primary schools at Bunbury (Djidi Djidi), East Maylands, Koongamia, Midvale and West Midlands (Woodbridge) and four new primary schools at Butler (Brighton), Dalyellup, Ellenbrook and South Atwell. The nine primary schools will be completed at a total cost of \$44.8 million.
- Funding to commence the construction of four new primary schools and five replacement primary schools. The four new schools will be constructed at Canning Vale (North), Carramar, East Marangaroo and Landsdale (Ashdale Gardens). The replacement schools will be constructed at Coolbellup (Koorilla), Melville, Onslow, Wanneroo and Willagee. The nine primary schools, which will be constructed at a total cost of \$50.1 million, will open in 2005.
- Completion of Canning Vale College, at a total cost of \$15.8 million with expenditure totalling \$8.4 million in 2003-04. The school will open in February 2004 and initially provide for students in Years 8 and 9.
- A commitment of \$4.0 million to major additions at Warnbro Community High School.
- The redevelopment of Mount Lawley Senior High School will continue with a new commitment of \$8.0 million in 2003-04. The redevelopment of the school will be completed in 2006 at a total cost of \$27.9 million.
- The primary school upgrade program will continue in 2003-04 with an allocation of \$6.5 million. The 2003-04 budget will also commit \$6.0 million over two years to a secondary school upgrade program. \$3.0 million of this allocation will be spent in 2003-04.
- Major additions, extensions and improvements at a number of primary and secondary schools throughout the State.
- \$7.5 million for the third stage of the \$40.0 million Secondary Schools Refurbishment Program. Seven secondary schools will benefit from this program.
- The 2003-04 budget provides \$2.0 million to continue the covered assembly area program (\$8.0 million over 4 years) and \$1.3 million to continue the air cooling program (\$7.4 million over 4 years).
- An allocation of \$2.6 million to continue the automatic reticulation program in schools.
- A new commitment of \$1.0 million to improve traffic management and parking around schools.
- \$5.3 million new works commitment to provide library resource centres, upgrade administration and staff facilities and replace or upgrade toilet facilities in schools.
- \$12.5 million to purchase and develop land for the construction of new schools.

Training

The planned capital works expenditure supporting the delivery of vocational education and training services in 2003-04 is \$33.8 million. The program includes the following major capital works, currently underway or commencing in 2003-04:

- Central TAFE – e-Central Campus land acquisition: The consolidation of site acquisition for e-Central campus at East Perth will cost \$6.0 million and will be completed in 2003-04.
- Central TAFE, East Perth - New Centre Stage 1: A new facility is to be constructed to accommodate nursing, community services, complementary therapies and child care, all of which are fundamental to the long term restructuring of Central TAFE. Planning will commence in 2003-04 and the project is to be completed in 2005-06 at a cost of \$5.6 million.

- Central TAFE, Perth – Redevelopment Stage 1: Central TAFE building portfolio is to be refurbished and refreshed to upgrade the customer service facilities at the Central, e-Central and Leederville Campuses and also align access and equity programs. The central library is also to be relocated. The project is to be completed in 2004-05 at a cost of \$4.5 million (\$725,000 in 2003-04).
- Central West College of TAFE - Marine Fishing Industry Education and Training Centre, Geraldton: The total estimated cost of the project, which will be completed in 2004-05, is \$5.2 million, including \$3.7 million in 2003-04. The project will provide training and research to support current and future needs in the Mid West/Gascoyne fishing aquaculture industry.
- Challenger TAFE – Henderson Maritime Centre: \$250,000 has been provided for preliminary planning to relocate the Marine Training Centre Henderson from leased property in Egmont Road, Henderson into a facility provided by the Department of Industry and Resources within the proposed Jervoise Bay Marine Technology Park. The project is planned to be completed in 2005-06 at a cost of \$4.1 million.
- Challenger TAFE – Additions to Western Australian Centre for Maritime Studies: The current facilities in Fremantle will be extended and upgraded at a total cost of \$5.9 million, including \$3.4 million in 2003-04. The project is to be completed in 2004-05.
- South West Regional College of TAFE - Margaret River Wine Centre: The Department of Education and Training is working with Curtin and Edith Cowan Universities to establish a Centre for Wine Excellence at Margaret River for VET, higher learning and research to support the wine industry. The total project contributions are \$5.0 million from the Department and \$4.5 million from the universities. \$2.5 million will be spent in 2003-04 and it is anticipated that the project will be operational for the second semester of 2004.
- Swan TAFE – new headquarters: The new headquarters, to be located at the Midland workshops, will accommodate the college administration. The cost of the project is estimated at \$2.0 million and will be completed during 2004-05.
- West Coast College of TAFE - Hospitality Training Institute: A new world class Training Institute is to be provided that will offer a seamless pathway from school through to vocational education and training to replace the Carine facilities. \$4.2 million has been allocated to commence construction on the site in Joondalup in 2004. The project is due to be completed in 2004-05 at an estimated total cost of \$5.5 million.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
WORKS IN PROGRESS				
Education				
New High Schools -				
Canning Vale College (Stage 1).....	15,822	7,413	6,826	8,409
Additions and Improvements to High Schools -				
John Curtin College of the Arts	2,500	1,000	1,000	1,500
John Forrest	250	172	171	78
Mandurah Senior College	3,000	500	500	2,500
Mount Lawley - Stage 1.....	4,000	2,000	1,069	2,000
Mount Lawley - Stage 2.....	10,900	1,000	1,000	5,000
Tom Price Sports Hall	4,130	2,180	2,157	1,950
New Primary Schools -				
Brighton.....	5,000	1,000	1,000	4,000
Dalyellup	5,000	1,000	1,000	4,000
Djidi Djidi replacement	5,000	1,500	1,484	3,500
East Maylands replacement	5,000	1,600	1,585	3,400
Ellenbrook	5,000	2,000	1,980	3,000
Koongamia replacement	4,500	2,000	1,985	2,500
Midvale replacement	4,000	2,000	1,985	2,000
South Atwell.....	6,500	2,000	1,985	4,500
West Midland replacement (Woodbridge).....	4,800	1,000	920	3,800
Additions and Improvements to Primary Schools -				
2002-03 Upgrade Program.....	12,100	5,600	5,600	6,500
Roebuck.....	3,500	1,000	1,000	2,500
Upper Swan	1,500	100	100	1,400

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
Other School Facilities -				
Administration Upgrade - 2002-03 Program	2,000	400	400	1,600
Central Reserve Schools - 2002-03 Program	400	50	50	350
Communication Upgrades - 2002-03 Program	500	50	50	450
Covered Assembly Areas 2001-02	8,000	4,000	3,518	2,000
Ground Developments - 2002-03 Program	1,550	500	500	1,050
Library Resource Centres - 2002-03 Program	1,300	800	800	500
Rural Integration Program 2002-03 Program	2,000	1,000	1,000	1,000
Student Services - Improvements 2002-03 Program	1,100	500	500	600
Toilet Replacement Program - 2002-03 Program	1,400	600	600	800
Miscellaneous -				
Air Cooling - 2001-02 Program	7,400	4,100	2,294	1,300
Automatic Reticulation - 2002-03 Program	5,000	1,000	1,000	2,600
Secondary School Refurbishment Program -				
John Curtin COA	2,500	1,800	1,484	700
Mt Lawley SHS	5,000	1,000	1,000	2,000
Rossmoyne SHS	2,000	1,000	929	1,000
Training				
New Buildings and Additions at TAFE Colleges and Centres -				
Central TAFE				
Internal Shared Services - Perth	400	100	100	300
Central West College -				
Geraldton - Marine and Fishing Centre	5,170	440	423	3,740
Training Vessel	1,550	1,410	1,400	140
Challenger TAFE				
Fremantle Stage 1 - Maritime	5,906	406	200	3,350
Henderson Maritime	4,100	46	-	250
Great Southern Regional College -				
Albany - Agriculture and Landcare	750	100	100	650
Canteen - Student Services	800	350	350	450
Pilbara College				
Pundulmurra - Upgrade existing facilities	610	410	300	200
Workshop Building - Roebourne Campus	400	50	50	350
South West Regional College -				
Margaret River Campus	5,000	2,460	2,291	2,540
West Coast College -				
DT - Hospitality Centre	5,500	200	200	4,200
Joondalup Site Realignment with Education Precinct	1,200	300	300	900
COMPLETED WORKS				
Education				
New High Schools -				
Eaton Community College	18,050	18,050	9,635	-
Kinross College	15,097	15,097	9,320	-
Mindarie Senior College	14,306	14,306	9,862	-
Additions and Improvements to District High Schools -				
Cunderdin	1,080	1,080	346	-
Additions and Improvements to High Schools -				
Albany	6,521	6,521	60	-
Halls Head Community College	1,276	1,276	40	-
New Primary Schools -				
South Busselton	6,181	6,181	69	-
Stanford Gardens	5,425	5,425	4,904	-
Waikiki Gardens	198	198	50	-
Additions and Improvements to Primary Schools -				
Dunsborough	1,295	1,295	1,251	-
Yale	200	200	200	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
Local Area Education Planning Implementation -				
Albany Primary School.....	6,095	6,095	61	-
Shenton College Buildings	24,770	24,770	88	-
Other School Facilities -				
Administration Upgrade -				
2001-02 Program	2,155	2,155	1,565	-
Canteens -				
2001-02 Program	152	152	44	-
2002-03 Program	50	50	50	-
Communication Upgrades -				
2001-02 Program	500	500	384	-
Early Childhood Program -				
2002-03 Program	6,928	6,928	6,928	-
Library Resource Centres -				
2001-02 Program	1,952	1,952	789	-
Student Services - Improvements				
2001-02 Program	1,000	1,000	699	-
Toilet Replacement Program -				
2001-02 Program	1,246	1,246	566	-
Miscellaneous -				
Computers in Schools -				
1998-99 Program	80,000	80,000	10,857	-
Consultants Fees				
2002-03 Program	500	500	500	-
Contingencies -				
2002-03 Program	500	500	500	-
Fire Compliance Upgrade -				
2001-02 Program	107	107	11	-
2002-03 Program	200	200	200	-
Land Acquisition -				
2002-03 Program	5,166	5,166	5,166	-
Motor Vehicles -				
2002-03 Program	250	250	250	-
Office Refurbishment -				
2002-03 Program	500	500	500	-
Security Alarm Systems -				
2002-03 Program	500	500	500	-
Sewer Connections -				
2001-02 Program	643	643	130	-
2002-03 Program	500	500	500	-
Smoke Detectors in Schools	500	500	500	-
Traffic Management 2002-03 Program.....	1,000	1,000	1,000	-
Transportable Classrooms -				
2002-03 Program	3,200	3,200	3,200	-
Transportable Relocation -				
2002-03 Program	5,100	5,100	5,100	-
Secondary School Refurbishment Program -				
Armada SHS	750	750	309	-
Beverley DHS	509	509	455	-
Bunbury SHS	1,812	1,812	365	-
Busselton SHS	1,500	1,500	1,481	-
Exmouth DHS	1,026	1,026	27	-
Geraldton Secondary College	2,500	2,500	2,395	-
Gosnells SHS	2,273	2,273	1,225	-
Hamilton SHS	1,250	1,250	1,196	-
Harvey SHS	500	500	416	-
Katanning SHS	1,000	1,000	957	-
Kwinana SHS	1,055	1,055	602	-
Morley SHS	1,019	1,019	215	-
Newton Moore SHS	942	942	138	-
Swan View SHS	1,030	1,030	421	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
Training				
New Buildings and Additions at TAFE Colleges and Centres -				
Central TAFE				
IT Relocation - East Perth.....	500	500	500	-
Photography Relocation - Central TAFE.....	200	200	200	-
Challenger TAFE				
Murdoch Stage 4A - Environmental Sciences.....	5,400	5,400	787	-
Kimberley College -				
Broome Stage 2.....	1,900	1,900	85	-
Office Accommodation - Halls Creek.....	120	120	120	-
Swan TAFE -				
Addition to Cafeteria - Bentley Campus.....	300	300	300	-
Bentley - Administration Demountables.....	300	300	300	-
Bentley - Signage.....	50	50	50	-
Parking and Entrance Upgrade - Balga Campus.....	200	200	200	-
Thornlie Signwriting.....	450	450	450	-
West Coast College -				
Decant Carine Campus to Joondalup.....	1,000	1,000	1,000	-
Other Projects -				
Disability Services Program -				
2000-01 - 2002-03 Program.....	1,770	1,770	1,038	-
Land Acquisition - Mandurah.....	323	323	35	-
Minor Works -				
2000-01 - 2002-03 Program.....	5,809	5,809	2,800	-
Ngaanyatjarra Training Facility.....	100	100	100	-
Plant and Equipment -				
2001-02 Program.....	9,608	9,608	2,814	-
2002-03 Program.....	7,713	7,713	7,713	-
Project Initiation Planning -				
2000-01 - 2002-03 Program.....	746	746	485	-
Skills Centres -				
2000 - 01 Program.....	434	434	142	-
2002 - 03 Program.....	2,000	2,000	2,000	-
Systemwide Upgrades of Roofing and Plant -				
2000-01 - 2002-03 Program.....	2,564	2,564	930	-
WA Academy of Performing Arts -				
Stage 1.....	7,900	7,900	2,225	-
NEW WORKS				
Education				
Additional Stages at High Schools -				
Warnbro CHS.....	4,000	-	-	2,000
Additions and Improvements to District High Schools -				
Kununurra.....	2,500	-	-	500
Additions and Improvements to High Schools -				
Gosnells.....	5,000	-	-	1,000
Mt Lawley - Stage 3.....	8,000	-	-	500
South Fremantle - Music Centre.....	1,500	-	-	100
Thornlie.....	3,000	-	-	1,000
Upgrade Program (Election commitment).....	6,000	-	-	3,000
New Primary Schools -				
Canning Vale (North).....	5,000	-	-	1,000
Carramar.....	5,000	-	-	1,000
East Marangaroo.....	5,000	-	-	1,000
Koorilla replacement.....	5,300	-	-	300
Landsdale (Ashdale Gardens).....	5,000	-	-	1,000
Melville replacement.....	5,500	-	-	1,000
Onslow replacement.....	7,000	-	-	482
Wanneroo replacement.....	6,800	-	-	300
Willagee replacement.....	5,500	-	-	300
Interim schools				
2003-04 Program.....	500	-	-	500
Remote Community Schools				
2003-04 Program.....	400	-	-	400

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
Additions and Improvements to Primary Schools -				
South Kalgoorlie	2,000	-	-	500
Other School Facilities -				
Administration Upgrade -				
2003-04 Program	1,900	-	-	100
Canteens -				
2003-04 Program	50	-	-	50
Central Reserve Schools -				
2003-04 Program	400	-	-	400
Communication Upgrades -				
2003-04 Program	500	-	-	500
Early Childhood Program -				
2003-04 Program	1,650	-	-	1,650
Ground Developments -				
2003-04 Program	200	-	-	200
Library Resource Centres -				
2003-04 Program	2,000	-	-	381
Rural Integration Program				
2003-04 Program	500	-	-	500
Student Services - Improvements				
2003-04 Program	1,000	-	-	100
Toilet Replacement Program -				
2003-04 Program	1,400	-	-	800
Miscellaneous -				
Automatic Reticulation -				
2003-04 Program	100	-	-	100
Consultants Fees				
2003-04 Program	700	-	-	700
Contingencies -				
2003-04 Program	500	-	-	500
Fire Compliance Upgrade -				
2003-04 Program	500	-	-	500
Land Acquisition -				
2003-04 Program	12,500	-	-	12,500
Motor Vehicles -				
2003-04 Program	250	-	-	250
Office Refurbishment -				
2003-04 Program	500	-	-	500
Planning Fees - New High Schools -				
2003-04 Program	700	-	-	700
Security Alarm Systems -				
2003-04 Program	500	-	-	500
Sewer Connections -				
2003/04 Program	500	-	-	500
Traffic Management 2003-04 Program.....	1,000	-	-	500
Transportable Classrooms -				
2003-04 Program	3,500	-	-	3,500
Transportable Relocation -				
2003-04 Program	5,700	-	-	5,700
Secondary School Refurbishment Program -				
Esperance SHS	1,500	-	-	1,500
Fitzroy Crossing DHS.....	1,500	-	-	1,500
Girrawheen SHS	1,000	-	-	1,000
Hampton SHS	1,000	-	-	1,000
Karratha SHS	500	-	-	500
Kent St SHS.....	1,000	-	-	1,000
Safety Bay SHS	1,000	-	-	1,000

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
Training				
New Buildings and Additions at TAFE Colleges and Centres -				
Central TAFE				
East Perth - New Centre Stage 1	5,650	-	-	100
Land Acquisition from EPRA - E Central.....	6,000	-	-	6,000
Perth Campus - Redevelopment Stage 1	4,550	-	-	725
Central West College -				
Exmouth Facilities Upgrade	390	-	-	390
Geraldton - Sea Water Intake.....	500	-	-	500
Kalgoorlie College				
Esperance - VTEC	1,600	-	-	50
Kimberley College -				
Kununurra - College Administration Accommodation	350	-	-	350
Pilbara College				
Program of Works	1,000	-	-	1,000
Swan TAFE -				
Midland	2,000	-	-	200
Other Projects -				
Disability Services Program -				
2003-04 Program	900	-	-	900
DT/Colleges- Shared Services Prospect Place	2,300	-	-	800
Minor Works -				
2003-04 Program	1,500	-	-	1,500
Plant and Equipment -				
20003-04 Program	1,423	-	-	1,423
Project Initiation Planning -				
2003-04 - 2005-06 Program.....	190	-	-	190
Skills Centres -				
2003-04 Program	2,000	-	-	2,000
Systemwide Upgrades of Roofing and Plant -				
2003-04 - 2005-06 Program.....	620	-	-	620
	611,757	337,833	163,487	166,818

CAPITAL CONTRIBUTION

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	169,005	159,973	163,487	166,818	166,172	165,051	137,526
	169,005	159,973	163,487	166,818	166,172	165,051	137,526
LESS							
Commonwealth Grants	39,933	44,263	44,263	42,868	38,512	41,454	36,716
Asset Sales	7,739	-	275	140	18,000	5,500	-
Funding included in output appropriations ^(a) ..	24,347	13,345	13,345	7,831	3,804	6,905	6,666
Holding Account ^(b)	-	16,329	16,329	18,156	18,905	19,144	19,144
Specific Contributions	1,041	-	2,046	3,000	-	-	-
Internal Funds and Balances	6,894	-	1,193	-	-	-	-
Other	90	-	-	-	-	-	-
Capital Contribution	88,961	86,036	86,036	94,823	86,951	92,048	75,000

(a) Capital works expensed through the Statement of Financial Performance.

(b) Draw down from Holding Account.

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	1,262,505	1,308,386	1,301,622	1,362,234	1,405,805	1,454,082	1,486,234
Superannuation	111,627	127,092	127,549	133,407	145,039	146,350	152,541
Grants and subsidies ^(b)	360,014	377,023	377,503	382,585	361,202	356,744	355,496
Capital User Charge.....	302,110	303,512	303,768	308,524	315,451	324,951	333,944
Depreciation	72,454	79,234	75,938	81,190	83,518	76,732	80,819
Direct schools expenses	177,016	174,558	192,265	189,044	192,050	195,572	197,001
School Support Services	117,432	127,531	136,028	141,015	143,050	141,516	140,489
Net loss on disposal of non-current assets.....	644	795	497	245	15	71	795
Other expenses.....	180,952	203,377	236,592	224,298	228,693	234,364	245,519
TOTAL COST OF SERVICES	2,584,754	2,701,508	2,751,762	2,822,542	2,874,823	2,930,382	2,992,838
Revenues from ordinary activities							
User charges and fees ^(c)	21,270	20,495	22,369	21,756	21,575	21,842	22,050
Grants and subsidies	311,983	303,146	311,717	317,425	324,243	334,960	335,445
Education fees and recoveries.....	81,556	58,987	66,220	66,877	67,544	68,217	68,897
Other Revenue	14,411	8,835	16,087	17,165	14,137	13,997	13,997
Total Revenues from Ordinary Activities.....	429,220	391,463	416,393	423,223	427,499	439,016	440,389
NET COST OF SERVICES	2,155,534	2,310,045	2,335,369	2,399,319	2,447,324	2,491,366	2,552,449
REVENUES FROM STATE GOVERNMENT							
Appropriations	2,202,069	2,315,428	2,315,696	2,407,485	2,466,848	2,513,091	2,583,905
Liabilities assumed by the Treasurer.....	4,166	3,148	4,201	4,270	4,341	4,412	4,485
TOTAL REVENUES FROM STATE GOVERNMENT	2,206,235	2,318,576	2,319,897	2,411,755	2,471,189	2,517,503	2,588,390
CHANGE IN EQUITY RESULTING FROM OPERATIONS	50,701	8,531	(15,472)	12,436	23,865	26,137	35,941

(a) The Full Time Equivalents (FTEs) for 2001-02 Actual, 2002-03 Estimated Actual and 2003-04 Estimate are 25,760, 26,723 and 27,175 respectively.

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

(c) Includes resources received free of charge. This treatment may differ from the agency's annual report.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	209,069	140,752	170,219	159,506	169,343	165,965	168,092
Restricted cash.....	11,678	56,138	11,934	64,012	11,934	11,934	11,934
Receivables.....	17,609	19,335	19,623	20,384	20,709	20,888	21,071
Inventories.....	2,070	1,737	2,082	2,082	2,082	2,082	2,082
Amounts receivable for outputs.....	17,782	18,156	19,609	20,358	20,597	20,597	20,597
Prepayments.....	10,347	7,914	11,783	11,985	12,182	12,299	12,343
Other.....	652	-	652	652	652	652	652
Total current assets.....	269,207	244,032	235,902	278,979	237,499	234,417	236,771
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	60,828	127,251	126,383	197,474	270,347	337,113	408,659
Land and Buildings.....	3,680,832	3,679,219	3,711,945	3,733,946	3,823,810	3,885,510	3,920,965
Plant, equipment and vehicles.....	65,750	40,190	60,528	53,036	47,611	51,989	53,247
Other.....	51,522	59,668	59,591	53,092	36,353	39,708	44,117
Restricted cash.....	39,587	-	46,391	1,717	1,717	7,217	13,017
Total non-current assets.....	3,898,519	3,906,328	4,004,838	4,039,265	4,179,838	4,321,537	4,440,005
TOTAL ASSETS.....	4,167,726	4,150,360	4,240,740	4,318,244	4,417,337	4,555,954	4,676,776
CURRENT LIABILITIES							
Payables.....	31,120	31,077	35,861	36,483	54,643	55,465	56,021
Provision for employee entitlements.....	174,242	168,247	183,128	187,768	190,305	193,386	196,632
Accrued Salaries.....	29,836	36,142	36,498	48,503	719	6,332	6,462
Other.....	7,569	3,084	7,569	7,569	7,569	7,569	7,569
Total current liabilities.....	242,767	238,550	263,056	280,323	253,236	262,752	266,684
NON-CURRENT LIABILITIES							
Provision for employee entitlements.....	149,368	137,662	148,245	153,057	157,921	163,337	169,286
Finance leases.....	3	-	3	3	3	3	3
Total non-current liabilities.....	149,371	137,662	148,248	153,060	157,924	163,340	169,289
TOTAL LIABILITIES.....	392,138	376,212	411,304	433,383	411,160	426,092	435,973
EQUITY							
Contributed Equity.....	88,961	174,997	158,281	201,270	298,721	396,269	471,269
Accumulated surplus/(deficit).....	404,352	317,502	388,881	401,317	425,182	451,319	487,260
Asset revaluation reserve.....	3,282,275	3,281,649	3,282,274	3,282,274	3,282,274	3,282,274	3,282,274
Total equity.....	3,775,588	3,774,148	3,829,436	3,884,861	4,006,177	4,129,862	4,240,803
TOTAL LIABILITIES AND EQUITY.....	4,167,726	4,150,360	4,240,740	4,318,244	4,417,337	4,555,954	4,676,776

STATEMENT OF CASH FLOWS
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Appropriations.....	2,123,459	2,230,849	2,231,890	2,317,753	2,374,829	2,427,462	2,493,491
Capital Contribution	88,961	86,036	86,036	94,823	86,951	92,048	75,000
Holding Account.....	-	16,329	16,329	18,156	18,905	19,144	19,144
Net cash provided by State government.....	2,212,420	2,333,214	2,334,255	2,430,732	2,480,685	2,538,654	2,587,635
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs	(1,226,562)	(1,295,494)	(1,288,197)	(1,340,778)	(1,433,569)	(1,439,636)	(1,476,520)
Superannuation	(107,267)	(123,348)	(123,348)	(129,137)	(135,789)	(141,819)	(147,941)
Grants and subsidies	(359,297)	(377,023)	(377,503)	(382,585)	(368,702)	(356,744)	(355,496)
Direct schools payments	(177,665)	(174,558)	(191,812)	(189,044)	(192,050)	(195,572)	(197,001)
Schools Support Services.....	(120,802)	(127,573)	(135,470)	(140,934)	(142,970)	(141,470)	(140,470)
Capital User Charge.....	(301,727)	(303,512)	(303,768)	(308,524)	(315,451)	(324,951)	(333,944)
Goods and Services Tax	(53,349)	(46,117)	(60,741)	(59,828)	(62,023)	(62,405)	(63,150)
Other.....	(175,824)	(202,625)	(233,352)	(223,340)	(227,480)	(233,570)	(244,638)
Receipts							
User charges and fees	19,022	19,212	19,746	20,225	20,660	20,945	21,143
Goods and Services Tax	53,057	47,088	62,553	60,798	62,814	63,324	64,077
Grants and subsidies	311,750	303,146	311,717	317,425	324,243	334,960	335,445
Education fees and recoveries.....	66,722	58,593	66,145	66,804	67,470	68,142	68,821
Other.....	19,239	7,835	15,087	16,165	13,137	12,997	12,997
Net cash from operating activities	(2,052,703)	(2,214,376)	(2,238,943)	(2,292,753)	(2,389,710)	(2,395,799)	(2,456,677)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(132,960)	(127,566)	(127,102)	(141,288)	(143,716)	(146,233)	(123,031)
Proceeds from sale of non-current assets	281	-	-	-	10,500	5,500	-
Net cash from investing activities	(132,679)	(127,566)	(127,102)	(141,288)	(133,216)	(140,733)	(123,031)
NET INCREASE/(DECREASE) IN CASH HELD	27,038	(8,728)	(31,790)	(3,309)	(42,241)	2,122	7,927
Cash assets at the beginning of the reporting period	233,296	205,618	260,334	228,544	225,235	182,994	185,116
Cash assets at the end of the reporting period.....	260,334	196,890	228,544	225,235	182,994	185,116	193,043

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
Contracts and agreements for delivery of training and employment services.....	360,014	377,023	377,503	382,585	361,202	356,744	355,496
TOTAL	360,014	377,023	377,503	382,585	361,202	356,744	355,496

TRUST ACCOUNT DETAILS**School Development and Improvement Trust Account**

The School Development and Improvement Trust Account is controlled through all the Department's Outputs. It is utilised to provide for the maintenance and renovation of school facilities.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000
Opening Balance	8,428	-	912	-
Receipts:				
Appropriations.....	6,185	3,000	3,500	3,564
Other	5,051	70	200	70
	19,664	3,070	4,612	3,634
Payments	18,752	3,070	4,612	3,634
CLOSING BALANCE.....	912	-	-	-

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23A of the *Financial Administration and Audit Act*, provides for the retention of the following cash receipts by the Department:

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000
Departmental:				
Fees - Agricultural Colleges	2,461	2,571	2,515	2,613
Fees - Senior Colleges	3,093	2,400	3,031	3,292
Fees - Swimming Classes	1,080	1,143	1,180	1,246
Fees - Other	586	689	625	535
Farm School Revenue.....	3,162	2,500	3,200	3,200
Physical Education Camp Schools Revenue	1,379	1,402	1,388	1,442
Proceeds from Commercial Activities of Institutions	18,126	11,044	11,901	12,041
Recoveries and Refunds - Teachers Salaries.....	3,010	900	1,970	1,970
Refunds - Workers Compensation	3,504	901	3,945	3,945
Revenue - Other.....	692	3,497	3,032	3,106
Revenue - Other Capital	1,168	-	2,046	3,000
Commonwealth Programs:				
Aboriginal School Education.....	8,995	9,212	9,212	9,466
Aboriginal Training Programs	3,846	3,766	3,800	3,800
Adult Migrant Education Programs	673	673	673	673
Employment Related Programs	1,191	1,200	1,200	1,200
Indian Ocean Territories.....	7,869	7,100	7,996	8,154
Schools Assistance	161,058	152,456	161,031	162,094
Schools Capital Program	23,125	23,000	23,000	23,000
Special Projects	7,564	2,983	2,983	2,483
Vocational Education and Training	81,566	81,493	80,559	86,687
Vocational Education and Training - Capital Program	15,863	21,263	21,263	19,868
GST input credits.....	49,956	46,304	60,782	58,991
GST receipts on sales	3,101	784	1,771	1,807
TOTAL.....	403,068	377,281	409,103	414,613

The monies received and retained are to be applied to the Department's outputs as specified in the Budget Statements.

COUNTRY HIGH SCHOOL HOSTELS AUTHORITY

PART 12 - MINISTER FOR EDUCATION AND TRAINING; SPORT AND RECREATION; INDIGENOUS AFFAIRS

DIVISION 56

APPROPRIATION AND FORWARD ESTIMATES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 96 Net amount appropriated to deliver outputs	4,824	5,318	5,061	5,331	5,397	5,757	6,143
Total appropriations provided to deliver outputs	4,824	5,318	5,061	5,331	5,397	5,757	6,143
CAPITAL							
Item 164 Capital Contribution	409	371	571	517	542	549	675
GRAND TOTAL	5,233	5,689	5,632	5,848	5,939	6,306	6,818

MISSION

To provide an opportunity for students in remote areas to attend primary and secondary schools and TAFE colleges by providing affordable, good quality, supervised student accommodation, care and services in strategic locations.

SIGNIFICANT ISSUES AND TRENDS

- The change to the school entry age will see a reduction in the school population and a slight drop in demand for boarding as the affected 2003 Year 1 cohort progresses through to Year 12. On the other hand, if there is an extra year of secondary schooling, there will be an increase in the number of students eligible for boarding allowances and looking for accommodation.
- With the demand for quality post-primary education increasing from indigenous students living in remote locations, the Authority expects to see increased requests for accommodation.
- Drought and its impact on agricultural industry are seeing more families move from rural areas. In the medium term any resultant loss of local secondary school services will maintain, if not increase, the demand on boarding facilities.

OUTPUT AND APPROPRIATION SUMMARY

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Establishment, operation and maintenance of residential colleges	9,739	10,321	9,959	10,549			
Total Cost of Outputs	9,739	10,321	9,959	10,549	10,783	11,129	11,746
<i>Less Operating revenues</i>	4,929	5,023	5,072	5,192	5,322	5,452	5,582
Net Cost of Outputs	4,810	5,298	4,887	5,357	5,461	5,677	6,164
Adjustments ^(a)	14	20	174	(26)	(64)	80	(21)
Appropriation provided to deliver Outputs.	4,824	5,318	5,061	5,331	5,397	5,757	6,143
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	409	371	571	517	542	549	675
TOTAL CONSOLIDATED FUND APPROPRIATIONS	5,233	5,689	5,632	5,848	5,939	6,306	6,818

(a) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

(b) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

The following outcome, output and financial information is the subject of a Resource Agreement signed by the Minister, the Chief Executive Officer, the Chairperson and the Treasurer.

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION**Relationship to Government Strategic Objectives**

The following table demonstrates the linkage between the most appropriate Government strategic objective and the agency level desired outcomes and outputs.

Government Strategic Objective	Desired Outcome(s)	Output(s)
An educated and skilled future for all Western Australians	Quality accommodation, care and services for isolated students who have to board away from home to attend school.	1. Establishment, operation and maintenance of residential colleges

Outcomes and Key Effectiveness Indicators ^(a)

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Outcome: Quality accommodation, care and services for isolated students who have to board away from home to attend school.					
Average Residential College Occupancy Rate.	71%	75%	81%	81%	

(a) More details of effectiveness indicators are provided in the annual report.

Output 1: Establishment, operation and maintenance of residential colleges

The establishment, operation and maintenance of residential colleges that provide good quality accommodation, care and services for isolated students who have to board away from home to attend school. The Authority operates residential colleges in eight country centres in close proximity to senior high schools and primary schools, and in some cases non-government schools and Technical and Further Education (TAFE) colleges.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	9,739	10,321	9,959	10,549	
Less Operating Revenue ^(a)	4,929	5,023	5,072	5,192	
Net Cost of Output	4,810	5,298	4,887	5,357	
Adjustments ^(b)	14	20	174	(26)	
Appropriation for delivery of Output 1	4,824	5,318	5,061	5,331	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Students.....	684	685	688	688	
Quality					
Families rating accommodation, care and services as good or better.....	90%	90%	90%	90%	
Timeliness					
Not applicable	na	na	na	na	
Cost (Efficiency)					
Average cost per student.....	\$14,238	\$15,067	\$14,475	\$15,333	
Full Time Equivalents (FTEs)	99	100	100	100	

Major Achievements For 2002-03

- All residential colleges operated with an annual improvement plan, underwent formal performance monitoring and prepared an annual report on their performance. The residential colleges maintained their high parent approval rating with 90% of parents rating college care and services as of good, very high or exceptionally high quality.
- The information technology resources for residential college students were upgraded in accordance with the first year of a five-year information technology plan.
- After twelve months of operation, the new boarding facilities in Geraldton have been recognised by boarders, parents and staff as having delivered an outstanding boarding environment and excellent functionality.
- The boarding service in Northam was successfully relocated into an upgraded facility and arrangements initiated for the disposal of the vacated facility.
- A new residence for the on-site residential college manager was erected in Katanning.
- A costed masterplan for the redevelopment of the Albany Residential College was completed in November 2002.
- A review of the Authority was completed as part of the Government's review of the machinery of government and a report provided to the Minister for Education and Training.
- The Authority has completed an upgrade of its records management across its operations to ensure that its policies and procedures meet the Government's requirements and are in alignment with the Department of Education and Training's records management processes.
- The Authority reviewed and revised its enrolment, student transport and aquatic activities policies.

Major Initiatives For 2003-04

- The Authority will develop its strategic plan for the 2004-2007 triennium in cognisance of decisions that may be made as a result of the recent Machinery of Government review.
- The Authority will commence implementation of any new arrangements for the delivery of high quality student residential services that flow from the review of its operations.
- The Authority will complete a review of its residential college care and supervision standards that were developed and came into effect from the commencement of the 2002 school year.
- All residential college supervisory staff will be supported to enable them to complete an accredited Residential Care Certificate course.
- The redevelopment of the Narrogin Residential College will be completed in time for the commencement of school in 2004.
- Pending the sale of assets in Geraldton and Northam, the Authority will undertake the re-roofing of the Esperance Residential College incorporating an upgrade to the entrance.
- A new staff residence will be erected at the St James Residential College in Moora.

CAPITAL WORKS PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
COMPLETED WORKS				
Albany Residential College -				
Planning, design and analysis	25	25	25	-
Replacement of hot water system	45	45	45	-
Computing and Office Equipment Replacement -				
2002-03 Program	12	12	12	-
Geraldton Residential College -				
College Improvements	5,409	5,409	389	-
Dormitory Extensions and Improvements - Stage 1	180	180	159	-
Katanning Residential College -				
Staff Accommodation	160	160	48	-
Merredin Residential College -				
Planning, design and analysis	25	25	25	-
Motor Vehicles -				
Purchase of College Buses 2002-03 Program	100	100	100	-
Narrogin Residential College -				
College Improvements - Stage 1	6,769	6,769	6,373	-
Operational Equipment -				
Fire Safety Upgrade	892	892	393	-
NEW WORKS				
Computing and Office Equipment Replacement -				
2003-04 Program	9	-	-	9
Family Accommodation for Residential Managers -				
Moora	300	-	-	300
Maintenance Program - Residential Hostels -				
2003-04 Program	300	-	-	300
Additional Maintenance Program (Esperance)	620	-	-	620
Motor Vehicles -				
Purchase of College Buses 2003-04 Program	102	-	-	102
	14,948	13,617	7,569	1,331

CAPITAL CONTRIBUTION

The Authority's planned capital works expenditure for 2003-04 caters for the construction of family accommodation at Moora, major upgrade at Esperance, minor works at other hostels and the Authority's self-funded bus replacement program.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	5,132	3,939	7,569	1,331	524	1,167	5,377
Working capital requirement							
Loan repayments	177	264	464	508	518	533	675
	5,309	4,203	8,033	1,839	1,042	1,700	6,052
LESS							
Borrowings	3,000	3,592	7,200	300	-	500	4,720
Internal Funds and Balances	1,900	240	262	102	100	151	157
Asset Sales	-	-	-	620	-	-	-
Funding included in output appropriations ^(a) ..	-	-	-	60	80	100	100
Holding Account ^(b)	-	-	-	240	320	400	400
Capital Contribution	409	371	571	517	542	549	675

(a) Capital works expensed through the Statement of Financial Performance.

(b) Draw down from Holding Account.

FINANCIAL STATEMENTS**STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)**

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	3,681	3,600	3,774	3,855	3,920	4,010	4,167
Superannuation	269	282	292	300	310	320	330
Supplies and services	2,582	2,408	2,533	2,650	2,710	2,780	2,830
Borrowing costs	322	1,044	550	864	918	999	1,339
Capital User Charge	1,440	1,542	1,462	1,480	1,500	1,550	1,600
Depreciation	896	1,058	1,058	1,100	1,115	1,150	1,150
Doubtful Debts	37	-	-	-	-	-	-
Other expenses	512	387	290	300	310	320	330
TOTAL COST OF SERVICES	9,739	10,321	9,959	10,549	10,783	11,129	11,746
Revenues from ordinary activities							
User charges and fees ^(b)	4,416	4,718	4,748	4,856	4,976	5,086	5,197
Interest	21	26	22	25	25	25	25
Other Revenue	492	279	302	311	321	341	360
Total Revenues from Ordinary Activities	4,929	5,023	5,072	5,192	5,322	5,452	5,582
NET COST OF SERVICES	4,810	5,298	4,887	5,357	5,461	5,677	6,164
REVENUES FROM STATE GOVERNMENT							
Appropriations	4,824	5,318	5,061	5,331	5,397	5,757	6,143
TOTAL REVENUES FROM STATE GOVERNMENT	4,824	5,318	5,061	5,331	5,397	5,757	6,143
CHANGE IN EQUITY RESULTING FROM OPERATIONS	14	20	174	(26)	(64)	80	(21)
Extraordinary items	140	-	-	-	-	-	-
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	154	20	174	(26)	(64)	80	(21)

(a) The Full Time Equivalents (FTEs) for 2001-02 Actual, 2002-03 Estimated Actual and 2003-04 Estimate are 99, 100 and 100 respectively.

(b) Includes resources received free of charge. This treatment may differ from the agency's annual report.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	1,349	3,073	1,459	1,334	1,197	1,188	1,065
Receivables.....	315	413	367	373	379	395	400
Amounts receivable for outputs.....	-	-	240	320	400	400	400
Prepayments.....	8	6	10	10	10	10	10
Total current assets.....	1,672	3,492	2,076	2,037	1,986	1,993	1,875
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	907	1,965	1,748	2,539	3,264	4,035	4,785
Land and Buildings.....	21,663	29,194	28,306	27,950	27,368	27,249	31,352
Plant, equipment and vehicles.....	625	606	424	331	242	278	302
Total non-current assets.....	23,195	31,765	30,478	30,820	30,874	31,562	36,439
TOTAL ASSETS.....	24,867	35,257	32,554	32,857	32,860	33,555	38,314
CURRENT LIABILITIES							
Payables.....	193	660	295	260	208	194	245
Provision for employee entitlements.....	237	87	253	257	261	272	272
Interest-bearing liabilities (Borrowings).....	403	472	632	981	883	725	2,440
Interest payable.....	101	85	161	186	236	336	436
Accrued Salaries.....	93	74	86	90	91	93	93
Other.....	459	500	477	482	506	492	385
Total current liabilities.....	1,486	1,878	1,904	2,256	2,185	2,112	3,871
NON-CURRENT LIABILITIES							
Superannuation.....	161	165	171	181	191	195	211
Provision for employee entitlements.....	236	239	243	250	256	266	266
Interest-bearing liabilities (Borrowings).....	6,020	14,850	12,527	11,970	11,550	11,675	14,005
Total non-current liabilities.....	6,417	15,254	12,941	12,401	11,997	12,136	14,482
TOTAL LIABILITIES.....	7,903	17,132	14,845	14,657	14,182	14,248	18,353
EQUITY							
Contributed Equity.....	409	780	980	1,497	2,039	2,588	3,263
Accumulated surplus/(deficit).....	6,735	6,793	6,909	6,883	6,819	6,899	6,878
Asset revaluation reserve.....	9,820	10,552	9,820	9,820	9,820	9,820	9,820
Total equity.....	16,964	18,125	17,709	18,200	18,678	19,307	19,961
TOTAL LIABILITIES AND EQUITY.....	24,867	35,257	32,554	32,857	32,860	33,555	38,314

STATEMENT OF CASH FLOWS
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Appropriations.....	3,917	4,260	3,980	4,220	4,272	4,586	4,993
Capital Contribution	409	371	571	517	542	549	675
Holding Account.....	-	-	-	240	320	400	400
Net cash provided by State government.....	4,326	4,631	4,551	4,977	5,134	5,535	6,068
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs	(3,506)	(3,558)	(3,758)	(3,840)	(3,909)	(3,987)	(4,167)
Superannuation	(269)	(236)	(286)	(292)	(298)	(304)	(310)
Supplies and services.....	(2,871)	(2,485)	(2,371)	(2,579)	(2,641)	(2,731)	(2,810)
Borrowing costs.....	(295)	(1,056)	(490)	(839)	(868)	(899)	(1,239)
Capital User Charge.....	(1,440)	(1,542)	(1,462)	(1,480)	(1,500)	(1,550)	(1,600)
State Taxes	-	(6)	-	-	-	-	-
Goods and Services Tax	(202)	(160)	(156)	(170)	(170)	(170)	(170)
Other.....	-	(351)	(351)	(380)	(390)	(400)	(410)
Receipts							
User charges and fees	4,169	4,782	4,700	4,820	4,940	5,060	5,190
Interest.....	21	27	22	25	25	25	25
Goods and Services Tax	191	160	170	170	170	170	170
Other.....	445	203	305	322	332	342	362
Net cash from operating activities	(3,757)	(4,222)	(3,677)	(4,243)	(4,309)	(4,444)	(4,959)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	-	(3,939)	(7,500)	(1,271)	(444)	(1,067)	(5,277)
Purchase of investments.....	(5,132)	-	-	-	-	-	-
Proceeds from sale of non-current assets	-	-	-	620	-	-	-
Net cash from investing activities	(5,132)	(3,939)	(7,500)	(651)	(444)	(1,067)	(5,277)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(177)	(264)	(464)	(508)	(518)	(533)	(675)
Proceeds from borrowings	3,000	3,592	7,200	300	-	500	4,720
Net cash from financing activities	2,823	3,328	6,736	(208)	(518)	(33)	4,045
NET INCREASE/(DECREASE) IN CASH HELD	(1,740)	(202)	110	(125)	(137)	(9)	(123)
Cash assets at the beginning of the reporting period	3,089	3,275	1,349	1,459	1,334	1,197	1,188
Cash assets at the end of the reporting period.....	1,349	3,073	1,459	1,334	1,197	1,188	1,065

CURRICULUM COUNCIL

PART 12 - MINISTER FOR EDUCATION AND TRAINING; SPORT AND RECREATION; INDIGENOUS AFFAIRS

DIVISION 57

APPROPRIATION AND FORWARD ESTIMATES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 97 Net amount appropriated to deliver outputs	8,954	10,034	10,248	11,039	10,975	11,599	11,753
Total appropriations provided to deliver outputs	8,954	10,034	10,248	11,039	10,975	11,599	11,753
CAPITAL							
Item 165 Capital Contribution	1,136	1,509	1,509	1,079	579	79	9
GRAND TOTAL.....	10,090	11,543	11,757	12,118	11,554	11,678	11,762

MISSION

To set curriculum policy directions for Kindergarten to Year 12 schooling in Western Australia.

SIGNIFICANT ISSUES AND TRENDS

- Outcomes-focused accountability and standards benchmarking are significant national and international trends, which are impacting on curriculum provision, accreditation, assessment and certification.
- The five-year phasing in period for the implementation of the new Curriculum Framework commenced in 1999. The Curriculum Framework, which shifts the emphasis in curriculum from course inputs to the learning outcomes that students are expected to achieve, represents a major challenge to teachers and to schools.
- Schools require significant assistance in the form of curriculum support materials and professional development advice to enable them to implement the Curriculum Framework.
- Implementation of the Kindergarten to Year 12 (K-12) Curriculum Framework in Years 11 and 12 represents a major challenge, as the current inputs-based subject structure needs to be changed to be consistent with the learning outcomes approach of the Curriculum Framework.
- As a consequence of a three-year review into post-compulsory education, resources have been provided to develop and implement a new system as outlined in the report *Our Youth, Our Future*. The system is to be piloted and tested over the next five years. This is a major reform intended to implement the Curriculum Framework in Years 11 and 12, whilst at the same time addressing issues such as:
 - changing school-leaver labour market requirements;
 - the need to cater for all students staying on into Year 12;
 - more flexible university entrance requirements;
 - new national requirements for the recognition of vocational education and training;
 - the emergence of vocational education in schools, the need to accommodate this within the Western Australian Certificate of Education and to implement quality assurance measures;
 - absence of explicit and public educational standards against which student achievement is measured and reported; and
 - the impact of technology.

- There is significant public interest in the provision and maintenance of a fair and equitable system for assessing and reporting student achievement. At the end of schooling in Western Australia, student achievement must be reported in a manner that is valid and which recognises school leaver destinations.
- There is a strong expectation that there will be widespread consultation on all matters concerning implementation of the Curriculum Framework and the Curriculum Council's review of post-compulsory education.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Statement of Financial Performance since publication of the 2002-03 Budget to Parliament on 16 May 2002 are outlined below.

	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
Vocational Education and Training in Schools - ensure nationally consistent data	580	-	-	-

OUTPUT AND APPROPRIATION SUMMARY

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Curriculum Implementation and Maintenance.	4,299	4,458	4,745	4,851			
Output 2:							
Course Development and Approval.....	1,264	869	1,300	1,428			
Output 3:							
Student Assessment and Certification	4,382	5,543	5,316	5,572			
Total Cost of Outputs.....	9,945	10,870	11,361	11,851	11,782	12,406	12,571
<i>Less Operating revenues</i>	<i>1,182</i>	<i>794</i>	<i>794</i>	<i>824</i>	<i>807</i>	<i>807</i>	<i>818</i>
Net Cost of Outputs.....	8,763	10,076	10,567	11,027	10,975	11,599	11,753
Adjustments ^(a)	191	(42)	(319)	12	-	-	-
Appropriation provided to deliver Outputs.	8,954	10,034	10,248	11,039	10,975	11,599	11,753
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	1,136	1,509	1,509	1,079	579	79	9
TOTAL CONSOLIDATED FUND APPROPRIATIONS	10,090	11,543	11,757	12,118	11,554	11,678	11,762

(a) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

(b) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

The following outcome, output and financial information is the subject of a Resource Agreement signed by the Minister, the Chief Executive Officer, the Chairperson and the Treasurer.

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION

Relationship to Government Strategic Objectives

The following table demonstrates the linkage between the most appropriate Government strategic objective and the agency level desired outcomes and outputs.

Government Strategic Objective	Desired Outcome(s)	Output(s)
An educated and skilled future for all Western Australians	Continuous development of student learning and curriculum for Western Australian schools.	1. Curriculum Implementation and Maintenance 2. Course Development and Approval
	An equitable student assessment system to ensure confidence is maintained in Western Australian education standards.	3. Student Assessment and Certification

Outcomes and Key Effectiveness Indicators ^(a)

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Outcome: Continuous development of student learning and curriculum for Western Australian schools.					
Teachers who have commenced implementation of Curriculum Framework	98%	100%	100%	100%	
Acceptance by stakeholders that the courses developed or reviewed and approved were relevant to student learning needs	100%	100%	100%	100%	
Outcome: An equitable student assessment system to ensure confidence is maintained in Western Australian education standards.					
Acceptance by stakeholders that the measures of student achievement were valid and credible	100%	100%	100%	100%	

(a) More details of effectiveness indicators are provided in the annual report.

Output 1: Curriculum Implementation and Maintenance

The development and support provided for implementation of the curriculum framework for schooling, which, taking account of the needs of students, sets out the knowledge, understandings, skills, values and attitudes that students are expected to acquire.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	4,299	4,458	4,745	4,851	
Less Operating Revenue ^(a)	140	73	49	50	
Net Cost of Output	4,159	4,385	4,696	4,801	
Adjustments ^(b)	323	(17)	(417)	(282)	
Appropriation for delivery of Output 1	4,482	4,368	4,279	4,519	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Teachers provided with documents, advice, information, consultation and monitoring.....	30,000	30,000	30,000	30,000	
Teachers provided with professional development	30,000	30,000	30,000	30,000	
Quality					
Satisfaction with documents, information, consultation and monitoring advice (including advice for professional development)	78%	90%	90%	90%	
Timeliness					
Satisfaction with response and delivery time...	84%	85%	85%	85%	
Cost (Efficiency)					
Average cost per teacher for documents, advice, information, consultation and monitoring	\$99	\$99	\$110	\$115	
Average cost per teacher for professional development	\$45	\$50	\$48	\$47	
Full Time Equivalents (FTEs)	20	20	20	21	

Major Achievements For 2002-03

- Documents were developed and disseminated (Making Progress series) to support teachers and schools with the implementation of the Curriculum Framework. A website designed around the Making Progress materials was electronically launched to all schools.
- Collaboration with school sector/systems resulted in a concept plan for the development of curriculum guides to support teachers and schools in implementing the Curriculum Framework. Phase 1 of the project to develop the scope and sequence of what students need to learn completed.
- Agreement reached on the reporting requirements for the implementation of the Curriculum Framework and details communicated to schools, including guidelines for exemptions.

- Curriculum Framework Progress Maps – Working Version completed and endorsed for use in curriculum development and for school sector/systems to use in supporting the implementation of the Curriculum Framework.
- Our Youth, Our Future Report recommendations communicated to stakeholders. The curriculum design brief for the courses of study endorsed and used to develop 11 courses for consultation with schools during 2004. Initial development of a further 20 courses of study commenced.

Major Initiatives For 2003-04

- Continued development of curriculum guides for distribution in print and electronic form to support teachers and schools with the implementation of the Curriculum Framework.
- Curriculum Framework Progress Maps - Working Version will be further refined, endorsed and published for use by teachers and schools.
- Reporting on implementation of the Curriculum Framework for 2003-04 will be completed based on requirements negotiated with school sector/systems.
- Design of post-compulsory courses of study evaluated as part of the development process to ensure the design enables students to achieve Curriculum Framework outcomes.

Output 2: Course Development and Approval

Course development facilitates the adjustment of courses to ensure they are relevant to the continuously changing requirements of student learning needs.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	1,264	869	1,300	1,428	The budgeted cost for 2002-03 did not provide for the Post-Compulsory Education Review.
Less Operating Revenue ^(a)	124	35	35	36	
Net Cost of Output	1,140	834	1,265	1,392	
Adjustments ^(b)	(618)	(6)	(93)	(61)	
Appropriation for delivery of Output 2	522	828	1,172	1,331	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Courses developed or reviewed and approved.	398	390	390	390	
Quality					
Support of the stakeholders for courses developed or reviewed and approved.....	79%	70%	70%	70%	
Timeliness					
Courses developed or reviewed in time for approval and notification	100%	100%	100%	100%	
Cost (Efficiency)					
Average cost per course developed or reviewed and approved	\$3,160	\$2,228	\$3,333	\$3,662	Variation due to inclusion of the costs of implementation of the recommendations of the Post-Compulsory Education Review.
Full Time Equivalents (FTEs)	10	10	10	12	

Major Achievements For 2002-03

- All existing post-compulsory courses of study were reviewed and where necessary amended to make them more relevant to student learning needs.
- There was wide consultation on the first 11 post-compulsory courses of study.
- Support materials were developed for the initial 11 post-compulsory courses of study.
- The Joint Ministerial Policy Statement for Vocational Education and Training (VET) in Schools was implemented and materials developed to support school delivery of VET competencies as part of general education programs.

Major Initiatives For 2003-04

- Contribution to review of the Joint Ministerial Policy Statement for VET in Schools.
- Consultation and evaluation of the initial 11 post-compulsory courses of study will be completed and endorsed for implementation.
- There will be wide consultation on the next 20 post-compulsory courses of study in preparation for endorsement.
- Support materials will be developed for the next 20 post-compulsory courses of study.
- Materials to support school course development for delivery of VET competencies will be developed.

Output 3: Student Assessment and Certification

To ensure that valid and credible information on student achievement of schooling in their post-compulsory courses of study is provided to facilitate their post school choice and to inform the community.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	4,382	5,543	5,316	5,572	
Less Operating Revenue ^(a)	918	686	710	738	
Net Cost of Output	3,464	4,857	4,606	4,834	
Adjustments ^(b)	486	(19)	191	355	
Appropriation for delivery of Output 3	3,950	4,838	4,797	5,189	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
School subject combinations awarding numerical assessment and/or grades	11,868	11,400	11,400	12,000	Implementation of strategies to increase post-compulsory student retention rate.
Students receiving a Statement of Results	41,144	43,000	43,000	44,000	
Quality					
Support of stakeholders for comparability of assessment and grading.....	73%	75%	75%	75%	
Timeliness					
Investigation of appeals against assessments are completed within agreed timeframes	100%	100%	100%	100%	
Cost (Efficiency)					
Average cost per school subject combination..	\$103	\$135	\$131	\$130	
Average cost per student receiving a Statement of Results	\$77	\$93	\$89	\$91	
Full Time Equivalents (FTEs)	38	38	38	39	

Major Achievements For 2002-03

- Moderation strategies were implemented for Year 11 and Year 12 to ensure subjects have stakeholders' acceptance of school assessment and grading.
- Outcomes-focused assessment strategies and moderation processes were developed, in line with the directions of the report, Our Youth, Our Future.
- A major research project on defining standards for English Language Competencies was completed.
- Quality assurance arrangements negotiated under the Joint Ministerial Policy Statement for Vocational Education and Training (VET) in Schools were implemented.
- In 2002, 19,806 Year 12 students received a Statement of Results, 17,202 students achieved secondary graduation, and 13,596 students sat for at least one TEE subject.
- VET qualifications were issued for the first time in accordance with the Joint Ministerial Policy for VET in schools.
- Detailed specifications were developed in preparation for the development of a new Student Records System.

Major Initiatives For 2003-04

- Continue to implement negotiated moderation strategies and at the same time adapt moderation procedures to implement the report, Our Youth, Our Future.
- Negotiate procedures for registering non-school and overseas providers of Western Australian Certificate of Education.
- Quality assurance strategies for VET in Schools will be further developed to ensure comparability of assessment of student achievement of competencies to be included on the Western Australian Certificate of Education.
- The relationship between external examination and school assessment will be further developed and the implications of changing technology for the conduct of external examinations will be researched.
- A new standard for English Language Competence will be developed and agreed to ensure consistency with the outcomes focus in the report, Our Youth, Our Future.

- Procedures for collecting data on VET achievement will be reviewed in order to progressively meet the Australian Vocational Education and Training Management Information System Standards for national reporting purposes.
- Development of the student database to incorporate data collection for the new courses of study will continue.
- A new standardised distribution will be incorporated into the marks adjustment process. A communication strategy will be designed and applied, and documentation will be edited to include this change.

CAPITAL WORKS PROGRAM

\$1.0 million is provided in 2003-04 to continue with the modifications to the Student Records System to cater for the requirements of the implementation of the recommendations of the Post-Compulsory Education Review.

The program also provides \$70,000 for the ongoing replacement and upgrade of computer hardware and software and \$80,000 to meet the long term asset replacement plan for the migration of the financial information system to that operated by the Department of Education and Training.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
WORKS IN PROGRESS				
Post Compulsory Education Review				
Replacement of Student Records - Stage 2	3,000	1,500	1,500	1,000
COMPLETED WORKS				
Computer Hardware and Software -				
2001-02 Program	69	69	22	-
2002-03 Program	70	70	70	-
Furniture and Equipment-				
2002-03 Program	2	2	2	-
Post Compulsory Education Review				
Replacement of Student Records - Stage 1	1,211	1,211	989	-
NEW WORKS				
Computer Hardware and Software -				
2003-04 Program	70	-	-	70
Information Technology Upgrade and Replacement				
2003-04 Program	80	-	-	80
	4,502	2,852	2,583	1,150

CAPITAL CONTRIBUTION

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	1,130	1,572	2,583	1,150	650	150	147
Working capital requirement							
Loan repayments	8	9	9	9	9	9	9
	1,138	1,581	2,592	1,159	659	159	156
LESS							
Asset Sales	2	2	2	-	-	-	-
Holding Account ^(a)	-	70	70	80	80	80	147
Internal Funds and Balances	-	-	1,011	-	-	-	-
Capital Contribution	1,136	1,509	1,509	1,079	579	79	9

(a) Draw down from Holding Account.

FINANCIAL STATEMENTS**STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)**

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	3,547	4,203	4,203	4,788	4,456	4,549	4,646
Superannuation	466	443	657	493	473	474	500
Grants and subsidies ^(b)	1,346	1,503	1,503	1,503	1,503	1,503	1,503
Supplies and services	3,724	3,681	4,026	3,978	4,252	4,351	4,445
Accommodation	424	457	457	460	460	460	465
Borrowing costs	13	13	13	11	11	11	11
Capital User Charge	-	89	89	151	173	160	160
Depreciation	118	156	88	139	126	569	512
State Taxes	307	325	325	328	328	329	329
TOTAL COST OF SERVICES	9,945	10,870	11,361	11,851	11,782	12,406	12,571
Revenues from ordinary activities							
User charges and fees ^(c)	1,125	754	754	784	767	767	778
Net Profit on disposal of non-current assets	2	-	-	-	-	-	-
Grants and subsidies	55	40	40	40	40	40	40
Total Revenues from Ordinary Activities	1,182	794	794	824	807	807	818
NET COST OF SERVICES	8,763	10,076	10,567	11,027	10,975	11,599	11,753
REVENUES FROM STATE GOVERNMENT							
Appropriations	8,954	10,034	10,248	11,039	10,975	11,599	11,753
TOTAL REVENUES FROM STATE GOVERNMENT	8,954	10,034	10,248	11,039	10,975	11,599	11,753
CHANGE IN EQUITY RESULTING FROM OPERATIONS	191	(42)	(319)	12	-	-	-
Transfer to reserve	(11)	(12)	(12)	(12)	-	-	-
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	180	(54)	(331)	-	-	-	-

(a) The Full Time Equivalents (FTEs) for 2001-02 Actual, 2002-03 Estimated Actual and 2003-04 Estimate are 68, 68 and 72 respectively.

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

(c) Includes resources received free of charge. This treatment may differ from the agency's annual report.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	1,465	124	122	134	134	134	143
Receivables.....	28	57	28	28	28	28	28
Inventories.....	222	219	222	222	222	222	222
Amounts receivable for outputs.....	70	-	80	80	80	147	147
Prepayments	24	67	24	24	24	24	15
Total current assets	1,809	467	476	488	488	555	555
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	137	225	145	204	250	672	1,037
Plant, equipment and vehicles.....	104	1,138	107	118	142	3,808	3,443
Other.....	96	1,500	2,585	3,585	4,085	-	-
Total non-current assets.....	337	2,863	2,837	3,907	4,477	4,480	4,480
TOTAL ASSETS	2,146	3,330	3,313	4,395	4,965	5,035	5,035
CURRENT LIABILITIES							
Payables.....	142	48	142	142	142	142	142
Provision for employee entitlements.....	465	349	410	410	410	410	410
Interest-bearing liabilities (Borrowings)	7	9	7	7	8	9	9
Accrued Salaries.....	78	86	78	78	78	78	78
Other.....	155	160	155	155	155	155	155
Total current liabilities	847	652	792	792	793	794	794
NON-CURRENT LIABILITIES							
Superannuation	895	1,060	895	895	895	895	895
Provision for employee entitlements.....	174	259	215	215	215	215	215
Interest-bearing liabilities (Borrowings)	135	123	126	117	107	97	88
Total non-current liabilities	1,204	1,442	1,236	1,227	1,217	1,207	1,198
TOTAL LIABILITIES.....	2,051	2,094	2,028	2,019	2,010	2,001	1,992
EQUITY							
Reserve	110	123	122	134	134	134	134
Contributed Equity	1,136	2,645	2,645	3,724	4,303	4,382	4,391
Accumulated surplus/(deficit).....	(1,151)	(1,532)	(1,482)	(1,482)	(1,482)	(1,482)	(1,482)
Total equity	95	1,236	1,285	2,376	2,955	3,034	3,043
TOTAL LIABILITIES AND EQUITY.....	2,146	3,330	3,313	4,395	4,965	5,035	5,035

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Appropriations.....	8,747	9,946	10,160	10,900	10,849	11,030	11,241
Capital Contribution	1,136	1,509	1,509	1,079	579	79	9
Holding Account.....	-	70	70	80	80	80	147
Net cash provided by State government.....	9,883	11,525	11,739	12,059	11,508	11,189	11,397
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs	(3,768)	(4,217)	(4,217)	(4,788)	(4,456)	(4,549)	(4,646)
Superannuation	(466)	(443)	(657)	(493)	(473)	(474)	(474)
Supplies and services.....	(3,283)	(3,659)	(4,004)	(3,955)	(4,229)	(4,328)	(4,442)
Grants and subsidies	(1,346)	(1,503)	(1,503)	(1,503)	(1,503)	(1,503)	(1,503)
Borrowing costs.....	(10)	(13)	(13)	(11)	(11)	(11)	(11)
Accommodation.....	(424)	(457)	(457)	(460)	(460)	(460)	(460)
Capital User Charge.....	-	(89)	(89)	(151)	(173)	(160)	(160)
State Taxes	(307)	(324)	(324)	(328)	(328)	(329)	(329)
Goods and Services Tax	(465)	(607)	(607)	(614)	(615)	(615)	(615)
Receipts							
User charges and fees	871	731	731	761	744	744	753
Goods and Services Tax	493	607	607	614	615	615	615
Grants and subsidies	55	40	40	40	40	40	40
Net cash from operating activities.....	(8,650)	(9,934)	(10,493)	(10,888)	(10,849)	(11,030)	(11,232)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(103)	(1,570)	(2,580)	(1,150)	(650)	(150)	(147)
Proceeds from sale of non-current assets	2	-	-	-	-	-	-
Net cash from investing activities.....	(101)	(1,570)	(2,580)	(1,150)	(650)	(150)	(147)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(6)	(9)	(9)	(9)	(9)	(9)	(9)
Net cash from financing activities	(6)	(9)	(9)	(9)	(9)	(9)	(9)
NET INCREASE/(DECREASE) IN CASH HELD	1,126	12	(1,343)	12	-	-	9
Cash assets at the beginning of the reporting period	339	112	1,465	122	134	134	134
Cash assets at the end of the reporting period.....	1,465	124	122	134	134	134	143

	2001-02 Actual	2002-03 Budget	2002-03 Estimated Actual	2003-04 Budget Estimate	2004-05 Forward Estimate	2005-06 Forward Estimate	2006-07 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Professional Development Grants	1,336	1,500	1,493	1,500	1,500	1,500	1,500
Scholarships and other grants	10	3	10	3	3	3	3
TOTAL	1,346	1,503	1,503	1,503	1,503	1,503	1,503

EDUCATION SERVICES

PART 12 - MINISTER FOR EDUCATION AND TRAINING; SPORT AND RECREATION; INDIGENOUS AFFAIRS

DIVISION 58

APPROPRIATION AND FORWARD ESTIMATES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 98 Net amount appropriated to deliver outputs	9,300	11,078	11,578	13,511	15,128	16,663	18,024
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	140	140	140	140	140	140	140
Total appropriations provided to deliver outputs	9,440	11,218	11,718	13,651	15,268	16,803	18,164
ADMINISTERED TRANSACTIONS							
Item 99 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	167,338	175,577	175,077	191,693	208,914	231,919	255,251
CAPITAL							
Capital Contribution	50	-	-	-	-	-	-
GRAND TOTAL	176,828	186,795	186,795	205,344	224,182	248,722	273,415

MISSION

To contribute to the development of an accessible, efficient, forward looking, integrated, responsive and quality system of education.

SIGNIFICANT ISSUES AND TRENDS

- The growth and development of higher education in Western Australia involves working with the five Western Australian universities to achieve their strategic objectives and presenting a forceful State perspective in negotiating with the Commonwealth on higher education matters.
- There is an ongoing requirement to research, evaluate and document intersectoral issues in recognition of the increasing importance of 'seamless' provision of services involving the higher, vocational education and training, and secondary schooling sectors, particularly in regional Western Australia.
- Annual enrolment growth in the non-government school sector was 2.6% between 2001 and 2002. The non-government sector's share of total enrolments in Kindergarten to Year 12 was 30.2% in August 2002, an increase of 0.8% on the previous year.
- Continued collaboration by State, Territory and Commonwealth Governments ensures that the quality of education and training services to overseas students is maintained. Moreover, the protection and enhancement of Western Australia's international reputation, and the legislative requirement to protect students' fees, is enhanced. Through introduction of mandatory compliance audits, the State has continued to improve its system of quality assurance and has identified issues of non-compliance with State and Commonwealth jurisdictions.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Statement of Financial Performance since publication of the 2002-03 Budget to Parliament on 16 May 2002 are outlined below.

	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
Higher Education Accreditation	160	220	160	160

OUTPUT AND APPROPRIATION SUMMARY

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
OUTPUTS							
<i>Output 1:</i>							
Education Policy and Planning	1,986	2,054	2,721	2,824			
<i>Output 2:</i>							
Education Services	7,917	13,956	15,263	15,798			
Total Cost of Outputs	9,903	16,010	17,984	18,622	20,714	22,482	24,178
<i>Less Operating revenues</i>	<i>3,904</i>	<i>4,779</i>	<i>4,308</i>	<i>4,740</i>	<i>5,160</i>	<i>5,488</i>	<i>5,828</i>
Net Cost of Outputs	5,999	11,231	13,676	13,882	15,554	16,994	18,350
Adjustments ^(a)	3,441	(13)	(1,958)	(231)	(286)	(191)	(186)
Appropriation provided to deliver Outputs.	9,440	11,218	11,718	13,651	15,268	16,803	18,164
ADMINISTERED TRANSACTIONS							
Appropriation for Administered Grants, Subsidies and Transfer Payments	167,338	175,577	175,077	191,693	208,914	231,919	255,251
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	50	-	-	-	-	-	-
TOTAL CONSOLIDATED FUND APPROPRIATIONS	176,828	186,795	186,795	205,344	224,182	248,722	273,415

(a) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

(b) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

The following outcome, output and financial information is the subject of a Resource Agreement signed by the Minister, the Chief Executive Officer and the Treasurer.

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION**Relationship to Government Strategic Objectives**

The following table demonstrates the linkage between the most appropriate Government strategic objective and the agency level desired outcomes and outputs.

Government Strategic Objective	Desired Outcome(s)	Output(s)
An educated and skilled future for all Western Australians	A high quality integrated, responsive forward looking and efficient education system.	1. Education Policy and Planning 2. Education Services

Outcomes and Key Effectiveness Indicators ^(a)

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Outcome: A high quality integrated, responsive forward looking and efficient education system.					
Extent to which the Minister accepts policy advice and submissions	95%	95%	95%	95%	

(a) More details of effectiveness indicators are provided in the annual report.

Output 1: Education Policy and Planning

Provision of objective, independent and timely advice to the Minister for Education and Training on higher education, non-government education, international education and cross-sectoral education.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	1,986	2,054	2,721	2,824	
Less Operating Revenue ^(a)	31	29	27	27	
Net Cost of Output	1,955	2,025	2,694	2,797	
Adjustments ^(b)	1,091	(586)	(1,047)	(94)	
Appropriation for delivery of Output 1	3,046	1,439	1,647	2,703	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Portfolio-wide policy and planning projects	10	7	10	10	
Universities provided with State strategic and planning support	5	5	5	5	
Submissions prepared for negotiations with the Commonwealth	4	3	4	4	
Policy advice units	724	660	724	724	
Ministerial advisory councils/committees	5	5	5	5	
Quality					
The extent to which the Minister endorses policy advice and submissions	95%	95%	95%	95%	
Timeliness					
Ministerial response times met to agreed standards	95%	95%	95%	95%	
Cost (Efficiency)					
Average cost per portfolio-wide initiative	\$21,273	\$87,030	\$73,794	\$74,892	
Average cost per university for provision of strategic and planning support	\$112,000	\$96,146	\$125,268	\$131,054	
Average cost per Commonwealth submission .	\$9,135	\$28,320	\$10,217	\$10,690	
Average cost per policy advice unit	\$817.73	\$691.67	\$914.63	\$956.86	
Average cost per council/committee	\$116,894	\$84,508	\$130,744	\$136,782	
Full Time Equivalents (FTEs)	14	10	14	14	

Major Achievements For 2002-03

- Provided policy analysis and advice which led to the granting of \$5.5 million additional Commonwealth funding from the Capital Development Pool for 2005 for the universities to expand the provision of higher education in Western Australia including rural areas.
- Completed drafting of the Higher Education Bill 2003 to implement the "National Protocols for Higher Education Processes" in Western Australia. The Bill deals with registration/accreditation and quality assurance standards in higher education with the main emphasis being on non-university higher education providers.
- The Acts Amendment (Student Guilds and Associations) Bill 2002 completed its passage through Parliament and was gazetted, together with the required amending university Statutes on 24 January 2003.
- Completed State submissions to the Commonwealth national review of higher education: "Higher Education at the Crossroads".
- Completed the draft of a Bill to establish the Western Australian College of Teaching and established an interim board.
- The Non-Government Schools Planning Advisory Committee recommended to the Minister for Education and Training that planning approval be given for the opening of one new non-government school. Recommendations were also made for the re-location of two schools. As a result of appeals against previous planning decisions, the Minister approved the establishment of another four schools.
- The Aboriginal Education and Training Council completed the 2001 monitoring report on the implementation of the Western Australian Strategic Plan for Aboriginal Education and Training. The report collated and analysed Aboriginal education and training data from systems and institutions from the Western Australian schools, vocational education and training, and higher education sectors.

Major Initiatives For 2003-04

- Develop strategies, in concert with the Office of Training, to improve articulation between the Vocation Education Training and higher education sectors of education following the amalgamation of the Departments of Education and Training.
- Provide advice on the expansion of opportunities for access to higher education for people living in outer metropolitan, rural and remote parts of the State, in particular to facilitate the delivery of higher education in Geraldton and Mandurah.
- Participate in national multilateral consultations on higher education policy issues by active involvement in the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA) Joint Committee on Higher Education to achieve effective outcomes for Western Australia in relation to the Commonwealth national review of higher education: "Higher Education at the Crossroads" and the MCEETYA/State/Territories initiated "Independent Study of the Higher Education Review".
- Participate in national multilateral consultations on higher education accreditation/registration and standards and the implementation of the "National Protocols for Higher Education Processes" in the forum of the Higher Education Recognition Officers, which comprises representation from, States/Territories and the Commonwealth and reports to the Joint Committee on Higher Education.
- Progress the passage of the College of Teaching Bill 2003 through Parliament, establish the permanent Board and implement teacher registration procedures.
- Progress the passage of the Higher Education Bill 2003 through Parliament, implement fully the "National Protocols for Higher Education Approval Processes", and develop and implement procedures and guidelines for accreditation and registration of non-university higher education private providers to ensure compliance.

Output 2: Education Services

Registration of non-government schools; provision of funding to facilitate students' access to non-government schools; regulation of providers of international education services; and provision of funding for contracted services.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	7,917	13,956	15,263	15,798	
Less Operating Revenue ^(a)	3,873	4,750	4,281	4,713	
Net Cost of Output	4,044	9,206	10,982	11,085	
Adjustments ^(b)	2,350	573	(911)	(137)	
Appropriation for delivery of Output 2	6,394	9,779	10,071	10,948	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Registrations, non-government schools	306	309	309	311	
Administration, per capita funding	105,115	108,000	109,765	115,059	
Administration, low interest loans (including interest expense)	801	830	835	850	
Registrations/re-registrations, international education	144	135	144	144	
Disputations mediated, international education	76	60	76	76	
Quality					
Customer satisfaction with services provided (including contracts, registrations, grants, loans, allowances, scholarships and mediation of disputes)	95%	95%	95%	95%	
Timeliness					
Customer satisfaction with response times (including payment of contracts, grant administration, loan administration, allowances and scholarships, and processing of registrations and disputes)	95%	95%	95%	95%	
Cost (Efficiency)					
Average cost per registration, non-government schools	\$491.50	\$418	\$544	\$566	
Average cost per grant	\$1.95	\$1.50	\$2.09	\$2.08	
Average cost per low interest loan (including interest expense)	\$8,817	\$16,006	\$17,134	\$17,410	Increasing loans incur additional interest that, prior to 2002-03, had been netted off against additional interest receipts received from schools.
Average cost per registration/re-registration, international education	\$2,851	\$2,442	\$3,189	\$3,336	
Average cost per mediated dispute	\$1,169	\$843	\$1,307	\$1,367	
Full Time Equivalents (FTEs)	9	9	9	9	

Major Achievements For 2002-03

- Responsibility for accreditation and registration of non-university private providers to offer higher education courses in Western Australia to ensure compliance with the Commonwealth's "National Protocols for Higher Education Approval Processes" (National Protocols), endorsed by MCEETYA.
- Managed the promotion and selection processes and administered two groups of scholarships: (a) State Government funded scholarships for Western Australians to attend universities in Japan; (b) "Millennium Aboriginal Teaching Scholarships" for enabling Aboriginal people to undertake teacher education courses at Western Australian universities.
- Inspected and registered five new non-government schools, nine established non-government schools introducing new education levels, two established non-government schools at new locations, one established non-government school for an additional campus and re-inspected 13 established non-government schools. One established non-government school was re-inspected as a result of a formal complaint.
- The registrations for 28 Catholic schools were renewed, two Catholic schools were registered at new locations and two former dual-campus Catholic schools were registered following consolidation onto a single campus, in terms of the arrangements covered by the "system agreement" between the Minister for Education and Training and the Catholic Education Office, the documentation for which was finalised during this period.
- Recommended \$35.0 million in low interest loans for capital works at 59 non-government schools (\$33.5 million) and The University of Notre Dame Australia (\$1.5 million).

- Registered five new institutions and re-registered 30 existing institutions catering for full fee overseas students.

Major Initiatives For 2003-04

- Continue to phase-in implementation of new procedures for the renewal of registration of non-government schools consistent with the requirements of the *School Education Act 1999* which took effect from the beginning of 2001.
- Undertake a review of the Dependents of Overseas Students Scheme, which gives the dependents free access to 200 places at designated government schools.
- Provide recommendations to the Minister on a model for allocating State Government funds to non-government schools following consideration of external technical advice and internal review processes undertaken in consultation with representatives of the non-government sector.

CAPITAL WORKS PROGRAM

An amount of \$237,000 will be provided to replace furniture and equipment and for development of a database containing a list of all registered teachers.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
WORKS IN PROGRESS				
Office Equipment and Computer Replacement Program.....	240	100	85	37
NEW WORKS				
College of Teaching Database	200	-	-	200
	440	100	85	237

CAPITAL CONTRIBUTION

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program.....	5,050	50	85	237	43	60	60
	5,050	50	85	237	43	60	60
LESS							
Funding included in output appropriations ^(a) ..	5,000	-	-	-	-	-	-
Holding Account ^(b)	-	50	50	37	43	60	60
Internal Funds and Balances	-	-	35	200	-	-	-
Capital Contribution	50	-	-	-	-	-	-

(a) Capital works expensed through the Statement of Financial Performance.

(b) Draw down from Holding Account.

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	1,534	1,485	1,929	1,921	1,958	1,979	1,853
Superannuation	213	300	300	300	300	300	300
Grants and subsidies ^(b)	31	-	215	200	200	200	200
Supplies and services	1,233	1,176	1,478	1,666	1,796	1,715	1,697
Borrowing costs	6,739	12,939	13,945	14,420	16,340	18,168	20,008
Capital User Charge	31	30	30	35	40	40	40
Depreciation	29	50	50	50	50	50	50
Other expenses	93	30	37	30	30	30	30
TOTAL COST OF SERVICES	9,903	16,010	17,984	18,622	20,714	22,482	24,178
Revenues from ordinary activities							
User charges and fees ^(c)	169	84	84	144	144	144	144
Grants and subsidies	486	425	540	525	525	525	525
Interest	3,155	4,250	3,601	3,981	4,401	4,729	5,069
Other Revenue	94	20	83	90	90	90	90
Total Revenues from Ordinary Activities	3,904	4,779	4,308	4,740	5,160	5,488	5,828
NET COST OF SERVICES	5,999	11,231	13,676	13,882	15,554	16,994	18,350
REVENUES FROM STATE GOVERNMENT							
Appropriations	9,440	11,218	11,718	13,651	15,268	16,803	18,164
Liabilities assumed by the Treasurer	64	68	68	61	54	54	54
TOTAL REVENUES FROM STATE GOVERNMENT	9,504	11,286	11,786	13,712	15,322	16,857	18,218
CHANGE IN EQUITY RESULTING FROM OPERATIONS	3,505	55	(1,890)	(170)	(232)	(137)	(132)
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	3,505	55	(1,890)	(170)	(232)	(137)	(132)

(a) The Full Time Equivalents (FTEs) for 2001-02 Actual, 2002-03 Estimated Actual and 2003-04 Estimate are 23, 23 and 23 respectively.

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

(c) Includes resources received free of charge. This treatment may differ from the agency's annual report.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	249	130	765	595	363	229	100
Investments.....	9,910	11,314	13,947	14,778	15,275	16,140	17,390
Receivables.....	31	18	69	69	69	66	63
Interest receivable.....	443	600	600	600	600	600	600
Amounts receivable for outputs.....	50	37	37	43	60	60	50
Prepayments	1,824	-	-	-	-	-	-
Total current assets.....	12,507	12,099	15,418	16,085	16,367	17,095	18,203
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	-	13	13	20	10	-	-
Land and Buildings.....	430	580	450	470	490	510	530
Plant, equipment and vehicles.....	41	55	77	64	57	67	77
Loans and Advances.....	140,198	162,534	157,751	173,973	185,198	195,558	204,668
Total non-current assets.....	140,669	163,182	158,291	174,527	185,755	196,135	205,275
TOTAL ASSETS.....	153,176	175,281	173,709	190,612	202,122	213,230	223,478
CURRENT LIABILITIES							
Payables.....	37	18	-	-	-	-	-
Provision for employee entitlements.....	323	240	235	235	235	235	235
Interest-bearing liabilities (Borrowings)	9,910	11,314	13,947	14,778	15,275	16,140	17,390
Interest payable.....	-	796	-	-	-	-	-
Accrued Salaries.....	-	40	-	-	-	-	-
Total current liabilities	10,270	12,408	14,182	15,013	15,510	16,375	17,625
NON-CURRENT LIABILITIES							
Provision for employee entitlements.....	174	185	174	174	174	174	174
Interest-bearing liabilities (Borrowings)	139,260	162,534	157,751	173,973	185,198	195,558	204,668
Total non-current liabilities	139,434	162,719	157,925	174,147	185,372	195,732	204,842
TOTAL LIABILITIES.....	149,704	175,127	172,107	189,160	200,882	212,107	222,467
EQUITY							
Contributed Equity	50	50	50	50	50	50	50
Accumulated surplus/(deficit).....	3,422	24	1,532	1,362	1,130	993	861
Asset revaluation reserve	-	80	20	40	60	80	100
Total equity.....	3,472	154	1,602	1,452	1,240	1,123	1,011
TOTAL LIABILITIES AND EQUITY.....	153,176	175,281	173,709	190,612	202,122	213,230	223,478

STATEMENT OF CASH FLOWS
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Appropriations.....	9,390	11,168	11,668	13,601	15,218	16,753	18,114
Capital Contribution	50	-	-	-	-	-	-
Holding Account.....	-	50	50	37	43	60	60
Net cash provided by State government.....	9,440	11,218	11,718	13,638	15,261	16,813	18,174
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs	(1,534)	(1,485)	(2,000)	(1,921)	(1,958)	(1,979)	(1,853)
Superannuation	(149)	(232)	(232)	(239)	(246)	(246)	(246)
Supplies and services	(1,058)	(1,136)	(1,466)	(1,626)	(1,756)	(1,675)	(1,657)
Grants and subsidies	(31)	-	(215)	(200)	(200)	(200)	(200)
Borrowing costs.....	(10,631)	(12,939)	(12,132)	(14,420)	(16,340)	(18,168)	(20,008)
Capital User Charge.....	(26)	(30)	(35)	(35)	(40)	(40)	(40)
Goods and Services Tax	(155)	(185)	(155)	(150)	(156)	(155)	(155)
Other.....	(29)	(30)	(30)	(30)	(30)	(30)	(30)
Receipts							
User charges and fees	32	44	44	104	104	104	104
Interest.....	3,259	4,250	3,443	3,981	4,401	4,729	5,069
Goods and Services Tax	170	189	95	150	156	158	158
Grants and subsidies	486	425	540	525	525	525	525
Other.....	89	20	88	90	90	90	90
Net cash from operating activities	(9,577)	(11,109)	(12,055)	(13,771)	(15,450)	(16,887)	(18,243)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(15)	(50)	(86)	(37)	(43)	(60)	(60)
Net cash from investing activities	(15)	(50)	(86)	(37)	(43)	(60)	(60)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(8,218)	(11,314)	(9,910)	(13,947)	(14,778)	(15,275)	(16,140)
Other payments for financing activities	(27,939)	(26,500)	(31,500)	(31,000)	(26,500)	(26,500)	(26,500)
Proceeds from borrowings	27,000	26,500	32,439	31,000	26,500	26,500	26,500
Other proceeds from financing activities	8,218	11,314	9,910	13,947	14,778	15,275	16,140
Net cash from financing activities	(939)	-	939	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(1,091)	59	516	(170)	(232)	(134)	(129)
Cash assets at the beginning of the reporting period	1,340	71	249	765	595	363	229
Cash assets at the end of the reporting period.....	249	130	765	595	363	229	100

SCHEDULE OF ADMINISTERED EXPENSES AND REVENUES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
EXPENSES							
Grants and subsidies	166,938	175,577	176,453	191,693	208,914	231,919	255,251
Borrowing costs	2,758	2,526	2,225	1,895	1,553	1,230	912
TOTAL ADMINISTERED EXPENSES (a) ..	169,696	178,103	178,678	193,588	210,467	233,149	256,163
REVENUES							
Interest	2,758	2,526	2,225	1,895	1,553	1,230	912
Appropriations	167,338	175,577	175,077	191,693	208,914	231,919	255,251
TOTAL ADMINISTERED REVENUES	170,096	178,103	177,302	193,588	210,467	233,149	256,163

(a) Further information is provided in the table "Details of the Administered Transactions Expenses".

SCHEDULE OF ADMINISTERED ASSETS AND LIABILITIES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
ADMINISTERED CURRENT ASSETS							
Cash	1,526	105	129	131	133	135	137
Investments	14,843	14,241	14,120	12,194	10,382	8,564	7,288
Receivables	251	-	251	251	251	251	251
Interest receivable	204	250	163	138	114	90	67
Total Administered Current Assets	16,824	14,596	14,663	12,714	10,880	9,040	7,743
ADMINISTERED NON-CURRENT ASSETS							
Loans and Advances	71,650	58,481	57,530	45,336	34,954	26,390	19,102
Total Administered Non-Current Assets	71,650	58,481	57,530	45,336	34,954	26,390	19,102
TOTAL ADMINISTERED ASSETS	88,474	73,077	72,193	58,050	45,834	35,430	26,845
ADMINISTERED CURRENT LIABILITIES							
Interest-bearing liabilities (Borrowings)	14,843	14,241	14,120	12,194	10,382	8,564	7,288
Monies in trust	32	34	35	37	39	41	43
Interest payable	204	250	163	138	114	90	67
Other	24	-	-	-	-	-	-
Total Administered Current Liabilities	15,103	14,525	14,318	12,369	10,535	8,695	7,398
ADMINISTERED NON-CURRENT LIABILITIES							
Interest-bearing liabilities (Borrowings)	71,650	58,481	57,530	45,336	34,954	26,390	19,102
Total Administered Non-Current Liabilities	71,650	58,481	57,530	45,336	34,954	26,390	19,102
TOTAL ADMINISTERED LIABILITIES..	86,753	73,006	71,848	57,705	45,489	35,085	26,500

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Grants and subsidies	(166,953)	(175,577)	(176,477)	(191,693)	(208,914)	(231,919)	(255,251)
Borrowing costs	(2,842)	(2,526)	(2,266)	(1,920)	(1,578)	(1,253)	(935)
Goods and Services Tax	(16,243)	(13,061)	(17,698)	(19,219)	(20,941)	(23,242)	(23,242)
Financing Activities							
Repayment of borrowings	(15,607)	(14,859)	(14,843)	(14,120)	(12,194)	(10,382)	(8,564)
TOTAL ADMINISTERED CASH OUTFLOWS	(201,645)	(206,023)	(211,284)	(226,952)	(243,627)	(266,796)	(287,992)
CASH INFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Interest	2,842	2,526	2,266	1,920	1,578	1,253	935
Goods and Services Tax	16,102	13,063	17,698	19,219	20,941	23,242	23,242
Appropriations	167,338	175,577	175,077	191,693	208,914	231,919	255,251
Financing Activities							
Other proceeds from financing activities	15,607	14,859	14,843	14,120	12,194	10,382	8,564
TOTAL ADMINISTERED CASH INFLOWS	201,889	206,025	209,884	226,952	243,627	266,796	287,992
NET CASH INFLOWS/(OUTFLOWS) FROM ADMINISTERED TRANSACTIONS	244	2	(1,400)	-	-	-	-

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
Other Scholarships	31	-	215	200	200	200	200
TOTAL	31	-	215	200	200	200	200

DETAILS OF THE ADMINISTERED TRANSACTIONS EXPENSES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
GRANTS TO CHARITABLE AND OTHER PUBLIC BODIES							
Per Capita Grants to Non-Government							
Schools	151,156	165,101	166,503	181,386	198,548	221,183	244,110
Grants for Special Education Students.....	2,146	2,012	2,012	2,155	2,330	2,520	2,725
Australian Music Examinations Board	100	100	100	100	100	100	100
Computers in Schools - Capital Grants.....	5,000	-	-	-	-	-	-
All other grants.....	4,136	2,934	2,408	2,626	2,636	2,777	3,077
STATUTORY AUTHORITIES							
Curtin University of Technology - Debt Charges	77	63	63	59	-	-	-
SUBSIDIES AND CONCESSIONS							
Interest Subsidy (on loans taken out before commencement of Low Interest Loan Scheme)	473	667	667	567	400	300	200
OTHER STATE SERVICES							
Superannuation - Higher Education Institutions.....	3,850	4,700	4,700	4,800	4,900	5,039	5,039
TOTAL	166,938	175,577	176,453	191,693	208,914	231,919	255,251

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23A of the *Financial Administration and Audit Act*, provides for the retention of the following cash receipts by the Department:

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000
Registration Fees	32	44	44	104
Commonwealth Specific Purpose Program - Aboriginal Education and Training Council	172	325	325	325
Commonwealth Specific Purpose Program - The Millennium Indigenous Teacher Scholarship Programme	314	100	215	200
Borrowings from WA Treasury Corporation	27,000	26,500	32,439	31,000
Interest Repayments	3,259	4,250	3,443	3,981
Principal Repayments	8,218	11,314	9,910	13,947
Miscellaneous Revenue	89	20	88	90
GST input credits.....	16,242	13,226	17,763	19,345
GST Receipts.....	30	26	30	24
TOTAL.....	55,356	55,805	64,257	69,016

The monies received and retained are to be applied to the Department's outputs as specified in the Budget Statements.

RECREATION CAMPS AND RESERVE BOARD

PART 12 - MINISTER FOR EDUCATION AND TRAINING; SPORT AND RECREATION; INDIGENOUS AFFAIRS

DIVISION 59

APPROPRIATION AND FORWARD ESTIMATES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 100 Net amount appropriated to deliver outputs	2,534	2,640	2,777	2,609	2,514	2,514	2,412
Total appropriations provided to deliver outputs	2,534	2,640	2,777	2,609	2,514	2,514	2,412
CAPITAL							
Capital Contribution	105	-	-	-	-	-	-
GRAND TOTAL	2,639	2,640	2,777	2,609	2,514	2,514	2,412

MISSION

To manage all camps and reserves under the Board's control and to assist in meeting the objectives of the Department of Sport and Recreation.

SIGNIFICANT ISSUES AND TRENDS

- The Noalimba Accommodation and Conference Centre closed as of 31 October 2002. In March 2003 the Board appointed LandCorp to dispose of the site on behalf of the Government. The site will be formally handed over to LandCorp in July 2003. The Board is preparing a capital refurbishment program for all camps.
- Work has continued in the removal of asbestos from camps in advance of the major refurbishment works. Notably, work was completed at Ern Halliday Recreation Camp in Hillarys and Woodman Point Recreation Camp to remove all asbestos roofing in the camps.
- During the course of the past year the issue of public safety and liability responsibility has adversely affected the growth of programs in comparison to previous years (40% in 2001-02). In the current year, program participation is expected to fall due to reduced expenditure by schools on external activities, the impact of the public liability issue on the delivery of outdoor recreation programs, particularly amongst major clients such as schools and community organisations, and a general fall in demand.
- The demand for suitably qualified and accredited staff is growing within the outdoor recreation sector. The requirement for staff to be qualified and accredited remains a critical factor in managing the risk associated with outdoor activities.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Statement of Financial Performance since publication of the 2002-03 Budget to Parliament on 16 May 2002 are outlined below.

	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
Wages policy	152	152	152	152

OUTPUT AND APPROPRIATION SUMMARY

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
OUTPUTS							
<i>Output 1:</i>							
Recreation camps management	4,499	4,682	4,842	4,668			
Total Cost of Outputs	4,499	4,682	4,842	4,668	4,768	4,806	4,671
<i>Less Operating revenues</i>	2,111	2,037	2,060	2,120	2,184	2,247	2,317
Net Cost of Outputs	2,388	2,645	2,782	2,548	2,584	2,559	2,354
 Adjustments ^(a)	146	(5)	(5)	61	(70)	(45)	58
Appropriation provided to deliver Outputs.	2,534	2,640	2,777	2,609	2,514	2,514	2,412
 CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	105	-	-	-	-	-	-
 TOTAL CONSOLIDATED FUND APPROPRIATIONS	2,639	2,640	2,777	2,609	2,514	2,514	2,412

(a) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

(b) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

The following outcome, output and financial information is the subject of a Resource Agreement signed by the Minister, the President and the Treasurer.

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION

Relationship to Government Strategic Objectives

The following table demonstrates the linkage between the most appropriate Government strategic objective and the agency level desired outcomes and outputs.

Government Strategic Objective	Desired Outcome(s)	Output(s)
Safe, healthy and supportive communities	Board camps and reserves for use by groups, organisations and individuals for recreational purposes.	1. Recreation camps management

Outcomes and Key Effectiveness Indicators ^(a)

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Outcome: Board camps and reserves for use by groups, organisations and individuals for recreational purposes.					
Clients who are satisfied with the quality of the venue and accommodation	91%	90%	90%	90%	
Clients who are satisfied with camp management	98%	98%	98%	98%	
Clients who are satisfied with program delivery	97%	97%	97%	97%	
Clients who are satisfied with the catering	96%	95%	95%	95%	

(a) More details of effectiveness indicators are provided in the annual report.

Output 1: Recreation camps management

The Recreation Camps and Reserve Board is responsible for seven recreation camps, of which it operates six. One camp, Camp Quararup, is leased to a private operator. All camps, other than Noalimba, offer outdoor recreation programs which are designed to provide experiential opportunities to the community.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	4,499	4,682	4,842	4,668	
Less Operating Revenue ^(a)	2,111	2,037	2,060	2,120	
Net Cost of Output	2,388	2,645	2,782	2,548	
Adjustments ^(b)	146	(5)	(5)	61	
Appropriation for delivery of Output 1	2,534	2,640	2,777	2,609	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Bed occupancy is represented by the bednights which are the number of nights stayed multiplied by the number of people staying..	78,406	80,000	70,000	64,000	The Noalimba Camp was closed in October 2002 causing a significant decrease in bed occupancy, the full effect of which will be realised in 2003-04. Bed occupancy for 2002-03 was also impacted by the closure of Ern Halliday camp for asbestos removal.
Program participations are a measure of the number of program activities undertaken across all camps	70,936	74,500	60,000	63,000	Participation figures will only marginally increase in 2003-04 due to the cessation of programs at Tone River and a downturn in the marketplace.
Quality					
Bed occupancy achieved as a percentage of the total possible bed occupancy.....	19%	18%	19%	21%	
Percentage of clients who were satisfied with programs provided.....	98%	98%	98%	98%	
Timeliness					
Accommodation is available for guests at the agreed time	100%	100%	100%	100%	
Programs offered are available for guests at the agreed time	100%	100%	100%	100%	
Cost (Efficiency)					
Average cost per bednight	\$37.87	\$38.63	\$45.65	\$48.14	
Average cost per participation	\$21.56	\$21.37	\$27.44	\$25.19	
Full Time Equivalents (FTEs)	25	26	24	22	

Major Achievements For 2002-03

- A restructure of the Board's staffing positions was completed in September 2002 and new staff were recruited and appointed in January/February 2003. Three Assistant Managers have been employed to work on the development and provision of outdoor recreation programs at Bickley, Point Walter and Ern Halliday Recreation camps.
- The Noalimba Accommodation and Conference Centre was closed on 31 October 2002 and is planned for disposal.
- A new ten-year lease extension with the operator of Camp Quaranup in Albany was negotiated and finalised during the year. Negotiations with Water Corporation have resulted in an in-principle agreement to a new ten-year lease for the Bickley Outdoor Recreation Camp.
- Program development has continued at Ern Halliday Recreation Camp, Point Walter Recreation Camp and Bickley Outdoor Recreation Camp. Additional equipment has been purchased and facilities upgraded to expand outdoor recreation programs.
- Capital expenditure in the past year has included the completion of asbestos removal programs at Woodman Point and Ern Halliday Recreation camps, the ongoing bed replacement program in all camps with bunks to meet new Australian Standards, and the improvement of facilities and amenities in accommodation and dining areas. At the Bickley Outdoor Centre the essential kitchen and dining facilities were upgraded.
- A detailed capital investment program to refurbish all existing accommodation and provide new facilities for program activities was completed.

Major Initiatives For 2003-04

- Consolidate the camp chain operations to focus on the delivery of programs at the four metropolitan camps and the provision of support to the operator of Camp Quaranup in Albany.
- Handover the Noalimba Accommodation and Conference Centre site to LandCorp for disposal and review the operations at Tone River.
- Prepare master plans at all camps to enable restorative maintenance programs and new works, as identified in the Board's forward capital works program.
- Begin reviewing camp operations and commence the initiation of Australian Campsite and Outdoor Activity Provider Accreditation Program under the aegis of the Australian Camping Association benchmarks with the aim of achieving accreditation at all camps within two years.
- Develop new programs initiatives for leadership and corporate development markets. Develop structured adventure activities that can be constructed in the camps utilising existing resources.
- Transfer of the vesting for the Point Peron Reserve and the Woodman Point Recreation Reserve to the Department of Conservation and Land Management, as part of the regional parks network in the metropolitan area, will be completed in late 2004.

CAPITAL WORKS PROGRAM

The Board is continuing with its bed replacement program to Australian standards across the camps.

Work is proceeding on upgrading program equipment and facilities in each camp.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
COMPLETED WORKS				
Bickley Camp Improvements	200	200	200	-
Ern Halliday Camp - Asbestos Removal.....	250	250	250	-
Facility Upgrade	100	100	29	-
New Computer Booking System.....	150	150	42	-
Removal of Asbestos at Woodman Point.....	539	539	129	-
Bed Replacement -				
2001-02 Program	15	15	3	-
2002-03 Program	15	15	15	-
Camps Upgrade General -				
2002-03 Program	250	250	250	-
NEW WORKS				
Bed Replacement -				
2003-04 Program	15	-	-	15
Camps Upgrade General -				
2003-04 Program	250	-	-	250
	1,784	1,519	918	265

CAPITAL CONTRIBUTION

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program.....	444	560	918	265	265	265	65
	444	560	918	265	265	265	65
LESS							
Funding included in output appropriations ^(a) ..	271	410	410	240	125	125	-
Holding Account ^(b)	-	150	150	25	140	140	65
Internal Funds and Balances	68	-	358	-	-	-	-
Capital Contribution	105	-	-	-	-	-	-

(a) Capital works expensed through the Statement of Financial Performance.

(b) Draw down from Holding Account.

FINANCIAL STATEMENTS**STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)**

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	1,049	924	1,236	1,229	1,248	1,244	1,387
Superannuation	117	110	110	114	110	110	114
Supplies and services	630	1,102	962	810	924	994	707
Accommodation	125	201	117	117	121	125	129
Capital User Charge	1,006	969	969	949	926	904	904
Depreciation	1,018	947	947	945	935	925	925
Administration	386	348	360	360	360	360	360
Doubtful Debts	25	-	-	-	-	-	-
Other expenses	143	81	141	144	144	144	145
TOTAL COST OF SERVICES	4,499	4,682	4,842	4,668	4,768	4,806	4,671
Revenues from ordinary activities							
User charges and fees ^(b)	2,108	196	2,060	2,120	2,184	2,247	2,317
Net Profit on disposal of non-current assets	3	-	-	-	-	-	-
Rent	-	1,841	-	-	-	-	-
Total Revenues from Ordinary Activities	2,111	2,037	2,060	2,120	2,184	2,247	2,317
NET COST OF SERVICES	2,388	2,645	2,782	2,548	2,584	2,559	2,354
REVENUES FROM STATE GOVERNMENT							
Appropriations	2,534	2,640	2,777	2,609	2,514	2,514	2,412
Liabilities assumed by the Treasurer	28	-	-	-	-	-	-
TOTAL REVENUES FROM STATE GOVERNMENT	2,562	2,640	2,777	2,609	2,514	2,514	2,412
CHANGE IN EQUITY RESULTING FROM OPERATIONS	174	(5)	(5)	61	(70)	(45)	58
Extraordinary items	6	-	-	-	-	-	-
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	180	(5)	(5)	61	(70)	(45)	58

(a) The Full Time Equivalents (FTEs) for 2001-02 Actual, 2002-03 Estimated Actual and 2003-04 Estimate are 25, 24 and 22 respectively.

(b) Includes resources received free of charge. This treatment may differ from the agency's annual report.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	395	134	380	436	432	362	362
Receivables.....	132	130	129	152	152	152	152
Amounts receivable for outputs.....	150	25	25	140	140	65	-
Total current assets.....	677	289	534	728	724	579	514
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	811	1,736	1,736	2,529	3,349	4,263	5,242
Land and Buildings.....	14,961	10,693	14,049	13,119	12,199	11,289	10,409
Plant, equipment and vehicles.....	32	60	12	12	12	12	32
Other.....	-	125	125	125	265	405	405
Restricted cash.....	32	-	36	40	-	4	8
Total non-current assets.....	15,836	12,614	15,958	15,825	15,825	15,973	16,096
TOTAL ASSETS	16,513	12,903	16,492	16,553	16,549	16,552	16,610
CURRENT LIABILITIES							
Payables.....	53	61	50	74	74	84	84
Provision for employee entitlements.....	69	84	70	58	83	90	65
Accrued Salaries.....	23	12	15	20	-	20	20
Other.....	165	151	157	140	201	212	237
Total current liabilities.....	310	308	292	292	358	406	406
NON-CURRENT LIABILITIES							
Provision for employee entitlements.....	87	73	89	89	89	89	89
Total non-current liabilities.....	87	73	89	89	89	89	89
TOTAL LIABILITIES	397	381	381	381	447	495	495
EQUITY							
Contributed Equity.....	105	105	105	105	105	105	105
Accumulated surplus/(deficit).....	766	618	761	822	752	707	765
Asset revaluation reserve.....	15,245	11,799	15,245	15,245	15,245	15,245	15,245
Total equity.....	16,116	12,522	16,111	16,172	16,102	16,057	16,115
TOTAL LIABILITIES AND EQUITY	16,513	12,903	16,492	16,553	16,549	16,552	16,610

**STATEMENT OF CASH FLOWS
(Controlled)**

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Appropriations.....	1,573	1,690	1,827	1,676	1,554	1,535	1,433
Capital Contribution	105	-	-	-	-	-	-
Holding Account.....	-	150	150	25	140	140	65
Net cash provided by State government.....	1,678	1,840	1,977	1,701	1,694	1,675	1,498
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs	(1,029)	(921)	(1,233)	(1,216)	(1,239)	(1,282)	(1,358)
Superannuation	(89)	(110)	(110)	(114)	(110)	(110)	(114)
Supplies and services.....	(602)	(987)	(930)	(796)	(816)	(857)	(691)
Accommodation.....	(118)	(201)	(117)	(117)	(121)	(125)	(129)
Administration.....	-	(308)	(75)	(75)	(75)	(75)	(75)
Capital User Charge.....	(1,006)	(969)	(969)	(949)	(926)	(904)	(904)
Goods and Services Tax	(246)	(365)	(354)	(373)	(381)	(383)	(376)
Other.....	(466)	(59)	(141)	(144)	(144)	(144)	(145)
Receipts							
User charges and fees	2,011	1,844	1,727	1,785	1,848	1,911	1,981
Goods and Services Tax	191	365	354	373	381	383	382
Net cash from operating activities	(1,354)	(1,711)	(1,848)	(1,626)	(1,583)	(1,586)	(1,429)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(38)	(140)	(140)	(15)	(155)	(155)	(65)
Net cash from investing activities	(38)	(140)	(140)	(15)	(155)	(155)	(65)
NET INCREASE/(DECREASE) IN CASH HELD	286	(11)	(11)	60	(44)	(66)	4
Cash assets at the beginning of the reporting period	141	145	427	416	476	432	366
Cash assets at the end of the reporting period.....	427	134	416	476	432	366	370

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23A of the *Financial Administration and Audit Act*, provides for the retention of the following cash receipts by the Department:

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000
Revenue received for provision of accommodation and recreation programs.....	2,011	1,844	1,727	1,785
GST input credits.....	28	181	198	217
GST receipts on sales	163	184	156	156
TOTAL.....	2,202	2,209	2,081	2,158

The monies received and retained are to be applied to the Department's outputs as specified in the Budget Statements.

SPORT AND RECREATION

PART 12 - MINISTER FOR EDUCATION AND TRAINING; SPORT AND RECREATION; INDIGENOUS AFFAIRS

DIVISION 60

APPROPRIATION AND FORWARD ESTIMATES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 101 Net amount appropriated to deliver outputs	14,132	13,031	13,031	16,311	20,516	12,721	16,044
Item 102 Contribution to Community Sporting and Recreation Facilities Fund...	5,050	12,700	6,700	10,750	13,250	9,250	9,000
Amount Authorised by Other Statutes							
- Lotteries Commission Act 1990	8,845	9,000	8,940	9,251	9,530	9,670	9,820
- Salaries and Allowances Act 1975	135	135	135	135	135	135	135
Total appropriations provided to deliver outputs	28,162	34,866	28,806	36,447	43,431	31,776	34,999
CAPITAL							
Item 166 Capital Contribution	150	-	-	1,070	200	200	200
GRAND TOTAL	28,312	34,866	28,806	37,517	43,631	31,976	35,199

MISSION

Enhance the quality of life of Western Australians through their participation and achievement in sport and recreation.

SIGNIFICANT ISSUES AND TRENDS

- Physical activity - Research continues to support the benefits that moderate intensity physical activity provides to the individual, society and the nation. The data demonstrates a strong relationship between the level of inactivity and increased health costs to the nation and individual. More recently, the research indicates that almost one-third of Australian children are obese.
- Sport and Recreation Facilities - There are ongoing community demands for improved sports facilities at all levels. The State Sporting Facilities Plan (SSFP) provides a strategic and systematic approach for the future development of Western Australia's infrastructure at the national and international level, based on community needs and sustainability. The concepts of joint provision and shared use are embraced in all aspects of facility development, inclusive of planning, functionality and ongoing management.
- Sport and recreation planning – Sport and recreation activities and facilities contribute to the well being of a community and as such, all infrastructure planning should be incorporated into broader community infrastructure planning as well as those amenities eligible for funding broadened to recognise the informal types of recreation infrastructure.
- Demographics - There will be a 5% increase in the population of Western Australia by 2010 (ABS Catalogue 3222.0) and this will present additional challenges in service provision for sport, recreation and physical activity. The challenge is extended when such services need to be provided statewide and to meet the needs of a diverse population, e.g. Indigenous people in isolated communities, people with disabilities, increased number of seniors, multicultural groups and the impact of the baby boomers upon supply and demand. Subtle demographic shifts e.g. increasing proportion of mature age persons, immigration from non-traditional localities have specific challenges and opportunities for sport and recreation planners.

- Urban development – There is considerable urban in-fill occurring in metropolitan Perth and frequent take-up of lifestyle friendly urban planning innovations e.g. Liveable Neighbourhoods. Both present new challenges for sport and recreation planners. On a broader front, the linear development of Perth along the coastal plain remains resource intensive for service providers.
- Drugs in sport - The elite sport arena continues to be tainted by some athletes using performance enhancing drugs and illegal strategies, such as blood doping and potentially gene technology in the future. The Government has implemented legislation to strengthen drug testing in sport in Western Australia and this initiative supports the international efforts of eradicating artificial means of enhancing performance by elite athletes. The ongoing education and monitoring programs will continue to ensure a sustainable drug free sport and recreation environment.
- Social policies - Sport and recreation are critical components of the social fabric of any society, and especially in the country areas of Western Australia. Through sport and recreation, social values, norms and policies need to be upheld and reflected so that a safe and enjoyable environment is provided for those who participate, especially within the more vulnerable sectors of our community, such as children, young women and non-English speaking people. Social statements supporting child protection, harassment free sport, anti-racism, disability access, gender equity and age appropriate activities need to be reflected throughout the industry in policies and operations.
- Commonwealth Government - The Australian Sports Commission continues its centralist focus of the development of sport through national sporting organisations and intends to work directly with sports and some local governments, with potentially minimal liaison with the State Government. There are implications for service duplication and reduced funding to the State. The Commonwealth Government retains no policy interest in recreation, outdoor recreation or fitness service providers.
- Industry partnerships – Inclusive approaches involving stakeholders from within the sport and recreation industry and reaching out to related disciplines and interests is vital to support continual maturing of a young industry. This approach to the future of sport and recreation is being reflected in the Physical Activity Task Force implementation and formulation of the new sport and recreation industry policy framework, *Strategic Directions III*.
- Volunteers - Volunteers continue to provide essential support to sport and recreation at all levels throughout the State and are crucial to the maintenance of services statewide. Volunteers contribute significantly to the social fabric and ongoing sustainability of our communities, especially in regional and rural communities.
- Insurance - Increased insurance premiums and, in some instances, the non-availability of cover is adversely impacting sport and recreation service providers. Tort law reforms now being finalised will bring stability to the market to ensure availability of affordable public liability insurance to sport and recreation service providers.
- Water safety - Western Australia has an extensive coastline and thousands of inland water venues all of which are very popular with domestic recreation participants and overseas visitors. These environments have inherent risk factors that need to be managed through beach safety, pool safety, scuba diving safety, boating safety and fishing safety.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Statement of Financial Performance since publication of the 2002-03 Budget to Parliament on 16 May 2002 are outlined below.

	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
State Athletics Centre - AK Reserve	-	4,800	-	-
State Sporting Facilities Infrastructure Fund	-	-	-	3,000

OUTPUT AND APPROPRIATION SUMMARY

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Infrastructure and organisational development	29,449	32,847	26,660	31,684			
Output 2:							
People development in sport and recreation	4,106	3,932	4,822	5,809			
Total Cost of Outputs	33,555	36,779	31,482	37,493	44,079	32,309	35,532
<i>Less Operating revenues</i>	<i>1,603</i>	<i>774</i>	<i>1,537</i>	<i>961</i>	<i>341</i>	<i>341</i>	<i>341</i>
Net Cost of Outputs	31,952	36,005	29,945	36,532	43,738	31,968	35,191
Adjustments ^(a)	(3,790)	(1,139)	(1,139)	(85)	(307)	(192)	(192)
Appropriation provided to deliver Outputs.	28,162	34,866	28,806	36,447	43,431	31,776	34,999
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	150	-	-	1,070	200	200	200
TOTAL CONSOLIDATED FUND APPROPRIATIONS	28,312	34,866	28,806	37,517	43,631	31,976	35,199

(a) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

(b) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

The following outcome, output and financial information is the subject of a Resource Agreement signed by the Minister, the Director General and the Treasurer.

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION**Relationship to Government Strategic Objectives**

The following table demonstrates the linkage between the most appropriate Government strategic objective and the agency level desired outcomes and outputs.

Government Strategic Objective	Desired Outcome(s)	Output(s)
Safe, healthy and supportive communities	Enhanced lifestyle of Western Australians through their participation and achievement in sport and recreation.	1. Infrastructure and organisational development 2. People development in sport and recreation

Outcomes and Key Effectiveness Indicators ^(a)

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Outcome: Enhanced lifestyle of Western Australians through their participation and achievement in sport and recreation.					
Available grant funds allocated (SLA and CSRFF)	94%	100%	100%	100%	
Stakeholders reflecting social policy in their operations	58%	55%	60%	60%	
Satisfaction rating of the agency's consultation advice to clients	84%	85%	80%	80%	

(a) More details of effectiveness indicators are provided in the annual report.

Output 1: Infrastructure and organisational development

Provide industry leadership and support for infrastructure and organisational development, through funding and advice to sport and recreation organisations statewide, including state and local government.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output	29,449	32,847	26,660	31,684	Increase in total cost in 2003-04 is mainly due to \$4.5 million for Perth Oval Redevelopment plus \$2.0 million in CSRFF deferrals
Less Operating Revenue ^(a)	1,313	305	133	122	
Net Cost of Output	28,136	32,542	26,527	31,562	
Adjustments ^(b)	(4,499)	(1,139)	(1,139)	(85)	
Appropriation for delivery of Output 1	23,637	31,403	25,388	31,477	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Grants managed and provided each year	1,281	1,400	1,200	1,200	
Organisations provided consultancy support ...	732	800	1,000	1,000	
Quality					
Satisfaction rating of recipients regarding the management of grants	83%	80%	80%	80%	
Satisfaction rating of organisations provided consultancy	84%	90%	85%	85%	
Timeliness					
Grants managed within time frames	100%	90%	95%	95%	
Public perception of Department being punctual to meetings, returning phone calls ..	94%	90%	90%	90%	

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Cost (Efficiency)					
Average cost to manage grants	\$1,640	\$2,166	\$2,138	\$2,023	The actual cost of the grants has been excluded from this measure to accurately reflect the cost of managing each grant.
Average cost of grants provided	\$17,946	\$18,246	\$17,143	\$21,487	This measure represents the average cost of grants provided to recipients.
Average cost of providing consultancy to organisations.....	\$5,955	\$5,336	\$3,523	\$3,471	
Full Time Equivalents (FTEs)	77	76	76	76	

Major Achievements For 2002-03

- Commenced implementation of the State Sporting Facilities Plan ensuring all stated projects adhered to the stringent feasibility process as identified within the Plan, and partnerships for the provision of facilities were developed.
- Major facilities developments continued to be monitored, progressed and supported through the Capital Works Program Bids and consultancy advice from Department officers; e.g. rectangular multi-use stadium, Perry Lakes precinct.
- The Department's sport management consultancy service was delivered statewide to sport and recreation organisations and local governments (client satisfaction in June 2002 was rated at 85%).
- \$9 million from the Community Sporting and Recreation Facilities Fund (CSRFF) was allocated to local governments and sport and recreation organisations. Additionally, project management was completed for the \$500,000 per annum Lotteries Trails Funding program.
- The CSRFF 'Special Assistance Policy' to support smaller local governments was implemented.
- \$9 million from the Sports Lotteries Account (SLA) was responsibly distributed to support sporting organisations in their delivery of participation, development and achievement initiatives.
- Contributed to implementation of the Premier's Physical Activity Taskforce strategic plan (one and four year plans finalised) and to all working parties of the Taskforce i.e. communications, local government, research and evaluation.
- Implemented a change in strategic direction of Sport International Western Australia from event procurement to the development of sport related business opportunities for Western Australia.
- Delivered Active 2002 sport and recreation industry conference (30% increase in registrations).
- Provided leadership to the development of key policy initiatives directly relevant to the sport and recreation portfolio e.g. statewide water safety plan, tort law reform and risk management education strategies across Government for not-for-profit clients.
- Completed Future Directions for Outdoor Pursuits, a strategic plan for policy and operations developments required for outdoor recreation. Ongoing support now underway to implement key recommendations. Hosted the National Trails Conference.
- Finalised and launched Strategic Directions 2003-2005, a sport and recreation industry strategic framework.
- Hosted the second National Trails Conference (Mandurah).

Major Initiatives For 2003-04

- The State Sporting Facilities Plan will continue to be used as a tool to encourage well planned facilities that meet both the training and competition requirements of Western Australian sport.
- Capital Works Program bids will continue to be developed and submitted for consideration in an effort to assist Government make more informed decisions regarding capital investment into major facilities needs and developments.
- \$4.8 million has been committed towards building a \$10 million facility to replace ageing athletic facilities at Perry Lakes.
- The Department's sport management consultancy service will be delivered statewide to sport and recreation organisations and local governments to support improved governance standards.
- \$9 million will be disseminated to local governments and sport and recreation organisations from the CSRFF.
- The Lotteries Trails Funding program (\$500,000) will be project managed to support trails development and marketing initiatives.
- Sporting organisations will be assisted to implement participation, development and achievement initiatives through dissemination of funding from the Sports Lottery Account.
- Contribute to actively support the implementation plan for the statewide Physical Activity Strategy across government and community, eg research into children's physical activity levels, club development initiatives.
- Sport International Western Australia will continue to attract visits from overseas sporting groups as part of the development of sport related business opportunities for Western Australia.
- Actively support the implementation of a statewide water safety plan in partnership with the Departments of Health and Education.
- Actively work with sport and recreation groups on the development of risk management planning and to support service providers adapting to tort law reforms expected to be finalised by Government.
- Support recreation, outdoor recreation and fitness peak bodies to build their respective administration, policy and operational capacities.
- Lead the implementation of Strategic Directions 2003-2005, a sport and recreation industry strategic framework.
- Continue to provide leadership to the development of a statewide water safety plan. Stakeholders then to be convened to finalise an implementation plan.
- Develop in partnership with other states/territories and the Commonwealth an industry statistical framework.
- Publish the Sport and Recreation Industry Directory.
- Fully implement the funding assessment system for all contracts with external clients.
- Maintain a relevant and effective consultancy service to the sport and recreation industry.

Output 2: People development in sport and recreation

Provide information, advice and education support to personnel involved in sport and recreation service delivery (e.g. coaches, officials, administrators and volunteers).

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	4,106	3,932	4,822	5,809	The MOU for ATSIC funding in 2003-04 of \$621,000 has not been signed and is therefore not included in the 2003-04 budget estimate
Less Operating Revenue ^(a)	290	469	1,404	839	
Net Cost of Output	3,816	3,463	3,418	4,970	
Adjustments ^(b)	709	-	-	-	
Appropriation for delivery of Output 2	4,525	3,463	3,418	4,970	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Industry representatives with whom the Department has contact each year.....	8,601	5,227	7,000	8,500	
Quality					
Satisfaction rating with forums, seminars and programs.....	81%	80%	80%	80%	
Timeliness					
Clients rating of service responsiveness	94%	90%	90%	90%	
Cost (Efficiency)					
Average cost of providing the contact type services	\$477	\$752	\$689	\$683	
Full Time Equivalents (FTEs)	33	32	32	32	

Major Achievements For 2002-03

- Provided policy and program implementation support to the Premier's Physical Activity Task Force.
- Continued to support the delivery of the Club Development Scheme to support sport and recreation volunteers.
- Further enhancements including development of on-line support trialled and program sponsorship developed.
- Supported industry in completing the development of a Strategic Plan for High Performance Sport in Western Australia. The document, Future Success, provides recommendations in two key areas: Athlete Development Pathways and in Governance and Management.
- Enhanced services in support of coaches, officials, indigenous people, women, seniors and youth.
- Continued implementation of the Drugs in Sport education program and launched the Drugs in Sport policy.

- Developed an industry peak body for underwater diving and reviewed the draft codes of practice (updated second edition published).
- Supported the outdoor recreation sector major initiatives such as the implementation of the practitioner registration system and the accreditation training programs.
- Ongoing improvements to the Department's website now ensures every resource from any of the agency's programs and services is immediately accessible on a statewide basis.
- The 2002 Sport and Recreation Industry Conference presented an exceptional range of domestic and international speakers and attracted record registrations.
- New and innovative indigenous sport programs have been developed to deal with a wide range of issues within the aboriginal community including, for example, working with the Royal Lifesaving Society in the establishment, programming and maintenance of activities in swimming pools in various aboriginal communities.

Major Initiatives For 2003-04

- Implement specific initiatives in direct support of the Premier's Physical Activity Task Force e.g. workplace initiatives and programs for target populations (indigenous, seniors).
- Strengthen the partnership with the corporate sponsors of the volunteer initiative in an effort to increase the penetration of the Club Development Scheme throughout the State.
- Pilot extension on-line support initiatives to build capacity and improve governance standards of sport and recreation clubs.
- Commence implementation of Future Success (High Performance plan) and associated programs for sport in Western Australia.
- Build capacity of coaches, officials and administrators through formal and informal training and accreditation schemes. Provided additional support for these initiatives in target population's e.g. indigenous people, women and seniors.
- Partner two proposed national conferences e.g. Parks and Leisure Australia 2003 National Conference and the 2003 National Physical Activity Conference.
- Conduct the 2003-2004 Sport and Recreation Industry Awards program.
- Continue implementation of the Drugs in Sport education program and ensure State sporting associations have appropriate policies implemented.
- Develop sporting and business linkages through Western Australia Sport International.

CAPITAL WORKS PROGRAM

Allocation of \$200,000 for computer hardware and software and \$90,000 for regional information access program relate to the ongoing replacement of network hardware and software consistent with industry standards and to ensure regional offices continue to have access to a contemporary communications environment.

Allocation of \$1.05 million relates to fit-out costs in relocating the Department from its current accommodation at Perry Lakes Stadium.

Allocation of \$4.5 million relates to the Government's contribution to the costs of developing soccer and rugby facilities at Perth Oval.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
COMPLETED WORKS				
Capital Grants -				
Community Sporting and Recreation Facilities Fund	10,000	10,000	405	-
Computer Hardware and Software -				
2001-02 Program	150	150	19	-
2002-03 Program	150	150	150	-
Regional Information Access Program -				
2002-03 Program	70	70	70	-
State Sporting Facilities Plan -				
Tom Bateman Reserve Baseball	1,500	1,500	1,500	-
NEW WORKS				
Computer Hardware and Software -				
2003-04 Program	200	-	-	200
Office Accommodation - Relocation from Perry Lakes				
Fit-Out	1,050	-	-	1,050
Regional Information Access Program -				
2003-04 Program	90	-	-	90
State Sporting Facilities Plan -				
Perth Oval Redevelopment	6,079	-	-	4,500
	19,289	11,870	2,144	5,840

CAPITAL CONTRIBUTION

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	5,566	6,620	2,144	5,840	8,349	270	3,347
	5,566	6,620	2,144	5,840	8,349	270	3,347
LESS							
Funding included in output appropriations ^(a) ..	5,416	1,570	1,570	4,590	8,149	70	3,090
Holding Account ^(b)	-	150	150	180	-	-	57
Internal Funds and Balances	-	-	424	-	-	-	-
Other	-	4,900	-	-	-	-	-
Capital Contribution	150	-	-	1,070	200	200	200

(a) Capital works expensed through the Statement of Financial Performance.

(b) Draw down from Holding Account.

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	5,412	6,165	6,148	6,416	6,621	6,730	6,865
Superannuation	640	484	555	579	596	608	608
Grants and subsidies ^(b)	22,989	25,545	20,572	26,150	32,335	20,429	23,496
Supplies and services	3,058	3,130	3,054	3,064	2,777	2,725	2,733
Accommodation	469	576	512	579	1,064	1,092	1,105
Capital User Charge	416	396	396	390	366	396	396
Depreciation	293	195	195	258	270	279	279
Net loss on disposal of non-current assets	71	-	-	-	-	-	-
Other expenses	29	288	50	57	50	50	50
TOTAL COST OF SERVICES	33,377	36,779	31,482	37,493	44,079	32,309	35,532
Revenues from ordinary activities							
User charges and fees ^(c)	49	29	66	56	56	56	56
Net Profit on disposal of non-current assets	95	-	-	-	-	-	-
Grants and subsidies	1,277	665	1,228	665	45	45	45
Other Revenue	182	80	243	240	240	240	240
Total Revenues from Ordinary Activities	1,603	774	1,537	961	341	341	341
NET COST OF SERVICES	31,774	36,005	29,945	36,532	43,738	31,968	35,191
REVENUES FROM STATE GOVERNMENT							
Appropriations	27,984	34,866	28,806	36,447	43,431	31,776	34,999
Liabilities assumed by the Treasurer	150	-	-	-	-	-	-
TOTAL REVENUES FROM STATE GOVERNMENT	28,134	34,866	28,806	36,447	43,431	31,776	34,999
CHANGE IN EQUITY RESULTING FROM OPERATIONS	(3,640)	(1,139)	(1,139)	(85)	(307)	(192)	(192)
Extraordinary items	-	-	179	-	-	-	-
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	(3,640)	(1,139)	(960)	(85)	(307)	(192)	(192)

(a) The Full Time Equivalents (FTEs) for 2001-02 Actual, 2002-03 Estimated Actual and 2003-04 Estimate are 110, 108 and 108 respectively.

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

(c) Includes resources received free of charge. This treatment may differ from the agency's annual report.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	705	458	474	435	472	304	304
Restricted cash.....	7,319	3,900	6,550	6,443	5,838	4,616	4,073
Receivables.....	1,334	1,076	1,382	1,445	1,510	1,575	1,575
Inventories.....	12	29	9	6	6	6	6
Amounts receivable for outputs.....	150	180	180	-	-	57	-
Prepayments.....	5	5	5	5	5	5	5
Total current assets.....	9,525	5,648	8,600	8,334	7,831	6,563	5,963
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	45	51	51	309	579	801	1,080
Plant, equipment and vehicles.....	470	390	425	1,387	1,467	1,508	1,486
Restricted cash.....	183	-	200	220	-	20	40
Total non-current assets.....	698	441	676	1,916	2,046	2,329	2,606
TOTAL ASSETS.....	10,223	6,089	9,276	10,250	9,877	8,892	8,569
CURRENT LIABILITIES							
Payables.....	3,890	283	3,902	3,905	3,856	2,642	2,311
Provision for employee entitlements.....	520	505	545	552	549	561	561
Accrued Salaries.....	219	154	219	219	-	219	219
Other.....	96	278	98	84	86	88	88
Total current liabilities.....	4,725	1,220	4,764	4,760	4,491	3,510	3,179
NON-CURRENT LIABILITIES							
Provision for employee entitlements.....	474	485	448	441	444	432	432
Total non-current liabilities.....	474	485	448	441	444	432	432
TOTAL LIABILITIES.....	5,199	1,705	5,212	5,201	4,935	3,942	3,611
EQUITY							
Contributed Equity.....	328	328	328	1,398	1,598	1,798	1,998
Accumulated surplus/(deficit).....	4,696	4,056	3,736	3,651	3,344	3,152	2,960
Total equity.....	5,024	4,384	4,064	5,049	4,942	4,950	4,958
TOTAL LIABILITIES AND EQUITY.....	10,223	6,089	9,276	10,250	9,877	8,892	8,569

STATEMENT OF CASH FLOWS
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Appropriations.....	27,789	34,680	28,620	36,189	43,161	31,497	34,720
Capital Contribution	328	-	-	1,070	200	200	200
Holding Account.....	-	150	150	180	-	-	57
Net cash provided by State government.....	28,117	34,830	28,770	37,439	43,361	31,697	34,977
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs	(5,508)	(6,274)	(6,149)	(6,416)	(6,840)	(6,611)	(6,865)
Superannuation	(489)	(484)	(555)	(579)	(596)	(608)	(608)
Supplies and services	(3,056)	(2,708)	(2,948)	(3,071)	(2,823)	(2,610)	(2,873)
Grants and subsidies	(22,364)	(25,299)	(20,574)	(26,150)	(32,411)	(21,845)	(23,476)
Accommodation.....	(487)	(946)	(439)	(579)	(1,064)	(1,092)	(1,105)
Capital User Charge.....	(237)	(396)	(396)	(390)	(366)	(396)	(396)
Goods and Services Tax	(1,044)	(1,929)	(1,111)	(1,070)	(1,229)	(983)	(1,232)
Other.....	-	(288)	(50)	(57)	(50)	(50)	(50)
Receipts							
User charges and fees	141	3	40	190	190	190	190
Goods and Services Tax	874	1,114	1,127	1,082	1,115	1,013	1,047
Grants and subsidies	1,142	665	1,228	665	45	45	45
Other.....	81	80	243	80	80	80	80
Net cash from operating activities	(30,947)	(36,462)	(29,584)	(36,295)	(43,949)	(32,867)	(35,243)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(147)	(150)	(169)	(1,270)	(200)	(200)	(257)
Net cash from investing activities	(147)	(150)	(169)	(1,270)	(200)	(200)	(257)
NET INCREASE/(DECREASE) IN CASH HELD	(2,977)	(1,782)	(983)	(126)	(788)	(1,370)	(523)
Cash assets at the beginning of the reporting period	11,184	6,140	8,207	7,224	7,098	6,310	4,940
Cash assets at the end of the reporting period.....	8,207	4,358	7,224	7,098	6,310	4,940	4,417

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
Community Sporting and Recreation Facilities Fund.....	8,505	12,426	6,996	10,250	12,630	8,754	9,001
Sports Lotteries Account	8,431	9,644	9,547	9,251	9,530	9,170	9,520
State Level Sporting Facilities.....	5,428	2,950	3,419	6,024	9,550	1,880	4,350
Sports Financial Grants	625	525	610	625	625	625	625
TOTAL	22,989	25,545	20,572	26,150	32,335	20,429	23,496

TRUST ACCOUNT DETAILS**Community Sporting and Recreation Facilities Trust Fund**

The Fund holds moneys appropriated for the purpose of making grants for the development of public sporting and recreational facilities and for the management and administration of those grants.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000
Opening Balance	7,609	3,665	4,275	4,111
Receipts:				
Appropriations.....	5,050	12,700	6,700	10,750
Other	-	-	-	-
	12,659	16,365	10,975	14,861
Payments	8,384	13,621	6,864	10,311
CLOSING BALANCE.....	4,275	2,744	4,111	4,550

Sports Lotteries Trust Fund

The purpose of the Account is to hold moneys received, pursuant to section 22(2)(c) and 22(3) of the *Lotteries Commission Act*, to be applied in such proportions and among such bodies engaged in the conduct of sport in the State.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000
Opening Balance	2,181	1,800	2,846	2,239
Receipts:				
Appropriations.....	8,845	9,000	8,940	9,251
Other	-	-	-	-
	11,026	10,800	11,786	11,490
Payments	8,180	9,644	9,547	9,797
CLOSING BALANCE.....	2,846	1,156	2,239	1,693

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23A of the *Financial Administration and Audit Act*, provides for the retention of the following cash receipts by the Department:

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000
Proceeds from the provision of sport participation services to the Commonwealth	771	620	771	620
Proceeds from the provision of sport development services to industry bodies	371	45	457	45
Other	222	83	283	270
GST input credits.....	627	1,039	1,063	1,007
GST receipts on sales	247	75	64	75
TOTAL.....	2,238	1,862	2,638	2,017

The monies received and retained are to be applied to the Department's outputs as specified in the Budget Statements.

WESTERN AUSTRALIAN SPORTS CENTRE TRUST

PART 12 - MINISTER FOR EDUCATION AND TRAINING; SPORT AND RECREATION; INDIGENOUS AFFAIRS

DIVISION 61

APPROPRIATION AND FORWARD ESTIMATES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 103 Net amount appropriated to deliver outputs	12,748	13,278	16,573	13,948	13,834	14,048	14,505
Total appropriations provided to deliver outputs	12,748	13,278	16,573	13,948	13,834	14,048	14,505
CAPITAL							
Item 167 Capital Contribution	2,044	-	-	300	890	900	-
GRAND TOTAL.....	14,792	13,278	16,573	14,248	14,724	14,948	14,505

MISSION

To manage and promote major state owned sporting, recreation and entertainment facilities for the benefit of all West Australians by delivering excellence in venue presentation, customer service and financial management.

SIGNIFICANT ISSUES AND TRENDS

- As a recommendation of the State Sporting Facilities Plan, a feasibility study into the redevelopment of Challenge Stadium will be completed by June 2003. This will provide Government with a ten-year development plan for Challenge Stadium.
- The closure and uncertain future of the Perth Entertainment Centre will provide opportunities for the staging of entertainment style events at Challenge Stadium.
- The decision by the Town of Cambridge to construct an athletic stadium, basketball centre and rugby field on land adjacent to Challenge Stadium provides the opportunity for the integrated expansion of the Challenge Stadium precinct.
- The construction of the Perth Convention Centre may impact on the number of events and functions held at Challenge Stadium.
- The Trust is seeking a replacement naming rights sponsor for Challenge Stadium and a new naming rights sponsor for Arena Joondalup.
- The development or upgrading of major aquatic centres in Brisbane, Sydney, Melbourne and Adelaide together with a requirement by Australian Swimming for 10 Lane pools and a minimum of 4,000 spectator seats significantly impacts on the ability to host major national or international swim meets at Challenge Stadium.
- The continuing demands from sporting organisations for greater venue access at reduced fees and charges impacts on the Trust's ability to minimise the cost to Government for venue operations.

OUTPUT AND APPROPRIATION SUMMARY

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Management of elite sport facilities.....	11,221	10,718	11,400	11,776			
Output 2:							
Management of community sport, entertainment and recreation facilities	12,743	11,351	16,149	13,506			
Total Cost of Outputs	23,964	22,069	27,549	25,282	25,774	26,253	26,960
<i>Less Operating revenues</i>	10,940	8,751	10,999	11,344	11,940	12,205	12,455
Net Cost of Outputs	13,024	13,318	16,550	13,938	13,834	14,048	14,505
Adjustments ^(a)	(276)	(40)	23	10	-	-	-
Appropriation provided to deliver Outputs.	12,748	13,278	16,573	13,948	13,834	14,048	14,505
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	2,044	-	-	300	890	900	-
TOTAL CONSOLIDATED FUND APPROPRIATIONS	14,792	13,278	16,573	14,248	14,724	14,948	14,505

(a) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

(b) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

The following outcome, output and financial information is the subject of a Resource Agreement signed by the Minister, the Chief Executive Officer, the Chairperson and the Treasurer.

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION**Relationship to Government Strategic Objectives**

The following table demonstrates the linkage between the most appropriate Government strategic objective and the agency level desired outcomes and outputs.

Government Strategic Objective	Desired Outcome(s)	Output(s)
Safe, healthy and supportive communities	Provision of facilities for elite sports training and competition.	1. Management of elite sport facilities
	Provision of facilities for community sport, entertainment and recreation.	2. Management of community sport, entertainment and recreation facilities

Outcomes and Key Effectiveness Indicators ^(a)

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Outcome: Provision of facilities for elite sports training and competition.					
Survey of participants of elite sports training facilities	82%	81%	82%	82%	
Outcome: Provision of facilities for community sport, entertainment and recreation.					
Revenue from community sport, entertainment and recreation.....	\$10,265,162	\$8,119,000	\$10,299,000	\$10,594,000	

(a) More details of effectiveness indicators are provided in the annual report.

Output 1: Management of elite sport facilities

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

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	11,221	10,718	11,400	11,776	
Less Operating Revenue ^(a)	675	632	700	750	
Net Cost of Output	10,546	10,086	10,700	11,026	
Adjustments ^(b)	(138)	(20)	12	5	
Appropriation for delivery of Output 1	10,408	10,066	10,712	11,031	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Hours of elite training and competition	35,376	33,083	35,456	35,713	
Quality					
Customer satisfaction	82%	80%	82%	82%	
Timeliness					
Facilities are available on a timely basis.....	86%	82%	85%	85%	
Cost (Efficiency)					
Average cost per hour of elite training and competition.....	\$317.18	\$323.97	\$321.52	\$329.74	
Full Time Equivalents (FTEs)	85	85	90	90	

Major Achievements For 2002-03

- Staged the 13th Federation Internationale De Natation Amateur (FINA) Women's Water Polo World Cup at Challenge Stadium, in December 2002.
- Hosted the National Aquatic Centre Managers Association Conference.
- Provided facilities at Challenge Stadium for the staging of the World Lacrosse Championships.
- Staged an inaugural Perth International Track Riding Grand Prix at the SpeedDome involving Japanese and Australian riders.
- Assisted in the State Sporting Facilities Plan processes.
- Hosted the Wildcat's National Basketball League home fixtures at Challenge Stadium.
- Hosted the Perth Oriel's Commonwealth Bank Trophy National Netball League fixtures at Challenge Stadium.

Major Initiatives For 2003-04

- Stage the National Aged Swimming Championships at Challenge Stadium.
- Stage the Western Pacific Rim Junior Diving Championships at Challenge Stadium.
- Host the Wildcat's National Basketball League home fixtures at Challenge Stadium.
- Host the Perth Oriel's Commonwealth Bank Trophy National Netball League fixtures at Challenge Stadium.
- Stage the Perth International Track Riding Grand Prix at the SpeedDome.
- Stage the National In - Line Hockey Championships at the SpeedDome.

Output 2: Management of community sport, entertainment and recreation facilities

Manage and market facilities that encourage community sport, entertainment and recreation to maximise utilisation, revenue and reduce net operating cost.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	12,743	11,351	16,149	13,506	2002-03 includes the purchase of land at Kwinana Motorplex previously owned by LandCorp for \$3,002,000.
Less Operating Revenue ^(a)	10,265	8,119	10,299	10,594	
Net Cost of Output	2,478	3,232	5,850	2,912	
Adjustments ^(b)	(138)	(20)	11	5	
Appropriation for delivery of Output 2	2,340	3,212	5,861	2,917	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Annual patron visits to Challenge Stadium.....	904,818	895,000	920,000	930,000	
Annual patron visits to Arena Joondalup.....	679,719	800,000	800,000	840,000	
Annual patron visits to SpeedDome	28,799	25,000	25,500	27,500	
Quality					
Customer satisfaction at Challenge Stadium....	82%	83%	83%	84%	
Customer satisfaction at Arena Joondalup.....	84%	85%	85%	85%	
Customer satisfaction at SpeedDome	86%	81%	85%	85%	
Timeliness					
Facilities are available on a timely basis at Challenge Stadium.....	78%	78%	79%	79%	
Facilities are available on a timely basis at Arena Joondalup	85%	82%	85%	85%	
Facilities are available on a timely basis at SpeedDome	93%	87%	88%	88%	
Cost (Efficiency)					
Average cost per patron to Challenge Stadium	\$7.60	\$6.74	\$7.36	\$7.32	
Average cost per patron visit to Arena Joondalup.....	\$7.89	\$6.24	\$7.33	\$7.31	
Average cost per patron visit to SpeedDome...	\$17.47	\$13.08	\$20.00	\$20.30	
Full Time Equivalents (FTEs)	85	85	90	90	

(a) Estimated cost measures for 2002-03 excludes a one off compensation payment of \$3,002,000 for the purchase of land at Kwinana Motorplex from LandCorp.

Major Achievements For 2002-03

- Staged a Rock iT concert at Arena Joondalup that was attended by 17,000 people.
- Staged two sundown music events at Arena Joondalup featuring international groups.
- Staged two major boxing events at Challenge Stadium featuring international fighters.
- Staged the Perth Wildcats fixtures and finals at Challenge Stadium.

Major Initiatives For 2003-04

- Stage major rock concerts and regular community entertainment events at Arena Joondalup.
- Stage major concerts at Challenge Stadium.
- Seek a major venue naming rights sponsor for Challenge Stadium and Arena Joondalup.
- Provide training facilities at Arena Joondalup for teams competing in the Rugby World Cup in October 2003.

CAPITAL WORKS PROGRAM

The Capital Works Program for 2003-04 includes funding of \$867,000 for capital upgrades and maintenance at the Trust's venues, comprising Arena Joondalup \$210,000, Challenge Stadium \$602,000 and Midvale Speed Dome \$55,000.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
WORKS IN PROGRESS				
Office Equipment and Computer Replacement Program.....	245	225	96	10
COMPLETED WORKS				
Capital Upgrades and Maintenance 2002-03				
Arena Joondalup.....	264	264	264	-
Challenge Stadium.....	456	456	456	-
Midvale Speed Dome	80	80	80	-
Capital Maintenance.....	800	800	33	-
Kwinana Motorplex.....	1,108	1,108	106	-
NEW WORKS				
Capital Maintenance.....	557	-	-	557
Capital Upgrades and Maintenance 2003-04 Program	300	-	-	300
	3,810	2,933	1,035	867

CAPITAL CONTRIBUTION

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program.....	2,044	889	1,035	867	900	900	1,350
	2,044	889	1,035	867	900	900	1,350
LESS							
Funding included in output appropriations ^(a) ..	-	-	-	-	-	-	325
Holding Account ^(b)	-	889	889	567	10	-	1,025
Internal Funds and Balances.....	-	-	146	-	-	-	-
Capital Contribution.....	2,044	-	-	300	890	900	-

(a) Capital works expensed through the Statement of Financial Performance.

(b) Draw down from Holding Account.

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	6,082	5,828	6,227	6,351	6,471	6,591	6,723
Superannuation	491	406	516	520	530	530	530
Cost of Goods Sold	1,480	1,650	1,500	1,500	1,600	1,700	1,800
Grants and subsidies ^(b)	-	-	3,002	-	-	-	-
Supplies and services	1,184	1,847	1,660	1,670	1,670	1,670	1,995
Accommodation	1,173	1,150	1,205	1,210	1,210	1,210	1,210
Capital User Charge	7,366	7,390	7,390	8,015	8,067	8,159	8,159
Depreciation	2,558	2,525	2,555	2,541	2,531	2,531	2,531
Administration	2,798	1,011	2,614	2,575	2,795	2,962	3,112
State Taxes	374	262	380	400	400	400	400
Other expenses	458	-	500	500	500	500	500
TOTAL COST OF SERVICES	23,964	22,069	27,549	25,282	25,774	26,253	26,960
Revenues from ordinary activities							
User charges and fees ^(c)	8,840	7,906	9,779	10,144	10,470	10,735	10,985
Net Profit on disposal of non-current assets	782	-	-	-	-	-	-
Grants and subsidies	156	95	150	130	400	400	400
Interest	75	100	70	70	70	70	70
Other Revenue	1,087	650	1,000	1,000	1,000	1,000	1,000
Total Revenues from Ordinary Activities	10,940	8,751	10,999	11,344	11,940	12,205	12,455
NET COST OF SERVICES	13,024	13,318	16,550	13,938	13,834	14,048	14,505
REVENUES FROM STATE GOVERNMENT							
Appropriations	12,748	13,278	16,573	13,948	13,834	14,048	14,505
TOTAL REVENUES FROM STATE GOVERNMENT	12,748	13,278	16,573	13,948	13,834	14,048	14,505
CHANGE IN EQUITY RESULTING FROM OPERATIONS	(276)	(40)	23	10	-	-	-
Change in Equity arising from transfer of assets/liabilities	456	-	-	-	-	-	-
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	180	(40)	23	10	-	-	-

(a) The Full Time Equivalents (FTEs) for 2001-02 Actual, 2002-03 Estimated Actual and 2003-04 Estimate are 170, 180 and 180 respectively.

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

(c) Includes resources received free of charge. This treatment may differ from the agency's annual report.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	870	868	970	1,070	1,170	1,270	1,370
Receivables.....	567	511	447	447	447	447	347
Inventories.....	292	264	292	300	300	300	300
Amounts receivable for outputs.....	889	567	567	10	-	1,025	1,025
Prepayments	100	63	100	100	100	100	100
Total current assets	2,718	2,273	2,376	1,927	2,017	3,142	3,142
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	1,516	3,504	3,527	6,068	8,609	10,125	11,641
Land and Buildings.....	96,802	87,738	94,968	93,134	91,300	89,466	87,632
Receivables.....	400	-	300	200	100	-	-
Plant, equipment and vehicles.....	1,839	2,873	2,007	2,167	2,370	2,573	2,901
Total non-current assets.....	100,557	94,115	100,802	101,569	102,379	102,164	102,174
TOTAL ASSETS	103,275	96,388	103,178	103,496	104,396	105,306	105,316
CURRENT LIABILITIES							
Superannuation	1	20	-	-	-	-	-
Payables.....	1,490	1,929	1,190	1,190	1,190	1,190	1,190
Provision for employee entitlements.....	471	462	494	504	514	524	534
Accrued Salaries.....	66	175	100	100	100	100	100
Other.....	905	708	1,068	1,086	1,111	1,136	1,161
Total current liabilities	2,933	3,294	2,852	2,880	2,915	2,950	2,985
NON-CURRENT LIABILITIES							
Provision for employee entitlements.....	324	447	324	324	324	324	324
Other.....	159	267	120	100	75	50	25
Total non-current liabilities	483	714	444	424	399	374	349
TOTAL LIABILITIES.....	3,416	4,008	3,296	3,304	3,314	3,324	3,334
EQUITY							
Contributed Equity	2,044	2,044	2,044	2,344	3,234	4,134	4,134
Accumulated surplus/(deficit).....	80,041	80,147	80,064	80,074	80,074	80,074	80,074
Asset revaluation reserve	17,774	10,189	17,774	17,774	17,774	17,774	17,774
Total equity	99,859	92,380	99,882	100,192	101,082	101,982	101,982
TOTAL LIABILITIES AND EQUITY.....	103,275	96,388	103,178	103,496	104,396	105,306	105,316

STATEMENT OF CASH FLOWS
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Appropriations.....	10,343	10,723	13,995	11,397	11,293	11,507	11,964
Capital Contribution	2,044	-	-	300	890	900	-
Holding Account.....	-	889	889	567	10	-	1,025
Net cash provided by State government.....	12,387	11,612	14,884	12,264	12,193	12,407	12,989
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs	(6,215)	(5,858)	(6,170)	(6,341)	(6,461)	(6,581)	(6,713)
Superannuation	(491)	(406)	(516)	(520)	(530)	(530)	(530)
Supplies and services.....	(2,664)	(3,441)	(3,160)	(3,170)	(3,270)	(3,370)	(3,795)
Grants and subsidies	-	-	(3,002)	-	-	-	-
Accommodation.....	(1,173)	(1,150)	(1,205)	(1,210)	(1,210)	(1,210)	(1,210)
Administration.....	(2,404)	(941)	(2,301)	(2,485)	(2,695)	(2,862)	(3,012)
Capital User Charge.....	(7,096)	(7,390)	(7,660)	(8,015)	(8,067)	(8,159)	(8,159)
State Taxes	(374)	(262)	(380)	(400)	(400)	(400)	(400)
Goods and Services Tax	(943)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Other.....	(1,447)	-	(500)	(500)	(500)	(500)	(500)
Receipts							
User charges and fees	8,840	7,880	9,779	10,144	10,470	10,735	10,985
Interest	75	100	70	70	70	70	70
Goods and Services Tax	1,057	1,000	1,000	1,000	1,000	1,000	1,000
Grants and subsidies	156	95	150	130	400	400	400
Other.....	1,293	650	1,000	1,000	1,000	1,000	1,000
Net cash from operating activities	(11,386)	(10,723)	(13,895)	(11,297)	(11,193)	(11,407)	(11,864)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(1,697)	(889)	(889)	(867)	(900)	(900)	(1,025)
Proceeds from sale of non-current assets	698	-	-	-	-	-	-
Net cash from investing activities	(999)	(889)	(889)	(867)	(900)	(900)	(1,025)
NET INCREASE/(DECREASE) IN CASH HELD	2	-	100	100	100	100	100
Cash assets at the beginning of the reporting period	868	868	870	970	1,070	1,170	1,270
Cash assets at the end of the reporting period.....	870	868	970	1,070	1,170	1,270	1,370

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
LandCorp - Kwinana Motorplex.....	-	-	3,002	-	-	-	-
TOTAL	-	-	3,002	-	-	-	-

INDIGENOUS AFFAIRS

PART 12 - MINISTER FOR EDUCATION AND TRAINING; SPORT AND RECREATION; INDIGENOUS AFFAIRS

DIVISION 62

APPROPRIATION AND FORWARD ESTIMATES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 104 Net amount appropriated to deliver outputs	17,099	17,154	17,196	17,403	17,860	18,236	18,623
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	160	160	160	160	160	160	160
Total appropriations provided to deliver outputs	17,259	17,314	17,356	17,563	18,020	18,396	18,783
CAPITAL							
Item 168 Capital Contribution	630	100	100	42	687	687	240
GRAND TOTAL	17,889	17,414	17,456	17,605	18,707	19,083	19,023

MISSION

To close the gap between the social, cultural and economic well being of Indigenous and non-Indigenous people through strategic leadership of land, heritage and culture, and whole of government coordination of Indigenous issues.

SIGNIFICANT ISSUES AND TRENDS

- In implementing the response to the Gordon Report into Child Sexual Abuse in Aboriginal Communities, the Government will progress a bilateral agreement with the Commonwealth Government to focus on the priority areas of reducing child abuse and family violence, improving environmental health and economic and social sustainability. The relationship with the Commonwealth has been strengthened through its membership on the Indigenous Affairs Advisory Committee.
- The role of Local Government and Shires in regional and remote areas is critical to the social and economic well being of Indigenous communities. The Department is working closely at this level to identify local priorities that are relevant and will allocate resources to progress joint initiatives.
- There is growing recognition that progress in Indigenous affairs must be based on 'shared responsibility' between government and Indigenous communities. Within this context, Indigenous leadership, governance and community management still remain as significant issues and challenges for communities to achieve social, cultural and economic wellbeing.
- The Statement of Commitment has provided Government with a strategy to progress regional agreements with Aboriginal and Torres Strait Islander Commission (ATSIC) regional councils, communities and Government agencies. This strategy will streamline administration, provide better use of public funds, target Indigenous needs by 'joining up' activities across government agencies, and build 'partnerships' with communities and Indigenous leaders.

- The outcomes of a number of recent strategic reports into land use issues (Technical Taskforce Report on Mineral Tenements and Land Title Applications, The Keating Review of the Project Development Approvals System and the Bowler Review concerning Greenfield's Exploration in Western Australia) have recognised the central role of Aboriginal Heritage and the requirement for improved access to site and survey information. Other issues also involve regional heritage protocols, heritage agreements and effective working relationships with Native Title Representative Bodies, Industry and Government.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Statement of Financial Performance since publication of the 2002-03 Budget to Parliament on 16 May 2002 are outlined below.

	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
Functional Review Taskforce - Closure of regional offices	(292)	(292)	(292)	(292)

OUTPUT AND APPROPRIATION SUMMARY

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Support to Partnerships, Partnering Initiatives.	12,652	11,641	12,607	12,824			
Output 2:							
Information and Advice.....	4,173	5,857	5,636	4,866			
Total Cost of Outputs.....	16,825	17,498	18,243	17,690	18,989	19,051	18,908
<i>Less Operating revenues</i>	<i>336</i>	<i>190</i>	<i>280</i>	<i>155</i>	<i>155</i>	<i>155</i>	<i>155</i>
Net Cost of Outputs	16,489	17,308	17,963	17,535	18,834	18,896	18,753
Adjustments ^(a)	770	6	(607)	28	(814)	(500)	30
Appropriation provided to deliver Outputs.	17,259	17,314	17,356	17,563	18,020	18,396	18,783
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	630	100	100	42	687	687	240
TOTAL CONSOLIDATED FUND APPROPRIATIONS	17,889	17,414	17,456	17,605	18,707	19,083	19,023

(a) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

(b) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

The following outcome, output and financial information is the subject of a Resource Agreement signed by the Minister, the Chief Executive Officer and the Treasurer.

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION**Relationship to Government Strategic Objectives**

The following table demonstrates the linkage between the most appropriate Government strategic objective and the agency level desired outcomes and outputs.

Government Strategic Objective	Desired Outcome(s)	Output(s)
Safe, healthy and supportive communities	Sustainable improvement in social, cultural and economic outcomes for Indigenous people	1. Support to Partnerships, Partnering Initiatives 2. Information and Advice

Outcomes and Key Effectiveness Indicators ^(a)

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Outcome: Sustainable improvement in social, cultural and economic outcomes for Indigenous people					
Extent to which parties in a sample of partnering arrangements indicate they have been assisted to achieve agreed outcomes, which contribute to government objectives ...	63%	70%	65%	70%	
Extent to which a sample of Indigenous customers and service providers report being provided with support to 'work together'	67%	80%	75%	80%	
Extent to which users indicated the policy and/or advice assisted their decision making.	74%	85%	75%	80%	
Extent to which users indicated the policy and/or advice met their need	65%	85%	70%	75%	

(a) More details of effectiveness indicators are provided in the annual report.

Output 1: Support to Partnerships, Partnering Initiatives

The provision of support to current partnering or new partnerships which involves Indigenous individuals, families, communities, and representatives participating with government, the private sector, community groups and others to achieve agreed priorities.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	12,652	11,641	12,607	12,824	
Less Operating Revenue ^(a)	252	127	183	104	
Net Cost of Output	12,400	11,514	12,424	12,720	
Adjustments ^(b)	579	4	(419)	20	
Appropriation for delivery of Output 1	12,979	11,518	12,005	12,740	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Aboriginal Lands Trust and other Indigenous land partnering and project initiatives.....	307	266	207	170	Reduced number of partnerships due to increased complexity.
Heritage and culture partnerships and project initiatives	233	269	170	170	
Coordinating, cooperating, collaborating partnerships and project initiatives.....	437	272	244	231	
Quality					
Appraisal by sample of clients of quality of land partnerships, partnering and service delivery	49%	65%	50%	65%	
Appraisal by sample of clients of quality of heritage and culture partnerships, partnering and service delivery	61%	75%	65%	75%	
Appraisal by sample of clients of quality of regional and general partnerships, partnering and service delivery	67%	85%	75%	80%	
Timeliness					
Appraisal by sample of clients of timeliness of project responses.....	76%	95%	80%	85%	
Cost (Efficiency)					
Average cost per land partnering and project initiative.....	\$10,471	\$13,257	\$20,570	\$23,331	
Average cost per heritage and culture partnership and project initiative.....	\$14,719	\$10,282	\$19,463	\$16,428	
Average cost per coordinating, cooperating and collaborating partnership and project initiative.....	\$13,750	\$19,663	\$20,658	\$26,225	
Full Time Equivalents (FTEs)	100	90	88	88	

Major Achievements For 2002-03

- Led the development of jurisdictional advice on gaps and opportunities for cross-portfolio coordinated action in addressing Indigenous disadvantage to the Council of Australian Governments.
- Negotiated a Memorandum of Understanding with the Department of Local Government and Regional Development, ATSIC and the Department of Housing and Works to resource a strategic approach to improving the delivery of local government services to Indigenous people.
- Commenced negotiation of Memoranda of Understanding with Native Title Representatives Bodies to prioritise and progress land transfers in partnership with traditional owners and historical interests.
- Transferred 5 Aboriginal Lands Trust properties to Indigenous organisations with a further 19 properties under active negotiation for transfer.
- Formulated a Heritage Management Improvement Project to enhance the quality of site information in collaboration with industry, Native Title Representatives Bodies and government agencies.
- Undertook an evaluation of the Patrols Program, which supported the value of patrols in diverting Indigenous people away from the justice system and was a means of demonstrating responsible community governance. Funding for patrols will be maintained at \$1.15 million for 21 community patrols.
- In agreement with the Commonwealth Indigenous Communities Coordination Taskforce, the Tjurabalan Community in the East Kimberley was identified as a priority area for the coordination of Government services. Agreement to undertake a scoping study was agreed to by the Tjurabalan Community, Commonwealth, ATSIC and the State. A joint action plan to address immediate community priorities has been developed between the Commonwealth, State and Local Government.
- In collaboration with the City of Kalgoorlie-Boulder, ATSIC and the local community, mediators were appointed in March 2003 to improve race relations in the city. Eleven priority areas for action have been identified by key stakeholder agencies. The Department of Indigenous Affairs will provide the staff support to the City of Kalgoorlie-Boulder to implement these priorities.
- A grant of \$30,000 was made to the Shire of Ngaanyatjarraku to undertake community input into enhancement and coordination of services to Ngaanyatjarra Lands communities and provide the basis for a comprehensive agreement.
- An Indigenous officer was provided to the Inspector of Custodial Services to assist in engaging Indigenous people who come into contact with the criminal justice system and to improve Indigenous input to the Inspector's reports.
- Developed 17 community layout plans in conjunction with ATSIC and the Department for Planning and Infrastructure. A further 13 plans are underway in town reserves.
- Led inter-agency efforts to target community capacity building needs in terms of effective governance, leadership and staff recruitment.
- Twenty heritage grants totalling \$100,000 were distributed to local and regional Indigenous communities to assist in the promotion and protection of Indigenous heritage and culture.
- Launched a pilot program that awarded 25 grants to the value of \$292,297 for Indigenous land care initiatives such as restoration of degraded land.
- Provided 20 reconciliation grants to the value of \$100,000 to community groups and organisations to promote reconciliation between Indigenous and non-Indigenous communities.
- An Indigenous officer was placed at the City of Albany to progress the City of Albany Aboriginal Accord focusing on economic, cultural and social issues for the Noongar people of Albany.

Major Initiatives For 2003-04

- Coordinate across-government efforts working in partnership with Indigenous leaders and local communities to reduce child abuse and family violence in line with the Government response to the Gordon Report.
- Implement the recommendations of the Review of the Aboriginal Lands Trust to improve the transfer of land to Indigenous communities, governance, business strategies and outcomes. Continue with the land transfer program and the management of property leases.
- Identify potential contamination and related issues on Aboriginal Lands Trust properties to meet new Government environmental and land management requirements.
- Continue the partnership with the Commonwealth, which offers Indigenous communities land care grants.
- Continue the joint project with industry on the implementation of the Heritage Management Improvement Project that will upgrade the quality, storage and retrieval of site and survey information and develop and implement e-Government initiatives.
- Develop and implement Heritage Management Plans for Broome, Kununurra and Kalgoorlie.
- Lead the management of cultural heritage issues in the development of a number of major resource projects on the Burrup Peninsula.
- Complete the second survey of environmental health conditions in discrete Indigenous communities to guide future program development and resource allocation decisions.
- In partnership with ATSIC, State, Commonwealth and non-government agencies, progress the scoping study that forms the basis for negotiating a comprehensive agreement with the Tjurabalan community in East Kimberley.
- Map Indigenous family and service issues and analyse gaps in the provision of those services at the local and regional level for Kununurra, Kalgoorlie, Girrawheen, Peel and Halls Creek.
- Progress the development of a framework for a comprehensive regional agreement with the South West Aboriginal Land and Sea Council and the Noongar people.
- Participate in regional discussions between key stakeholders involved in the Roebourne Enhancement Scheme and the proposal for Martu Local Government.
- Develop a comprehensive agreement with the Shire of Ngaanyatjarraku to ensure community input into enhancement and coordination of services to Ngaanyatjarra Lands communities.
- In partnership with the City of Kalgoorlie-Boulder, the ATSIC Regional Council and the local community, develop a new protocol for consultation with Indigenous people to ensure Indigenous involvement in issues affecting the region.
- Develop and progress a strategy on the Perth Urban Settlements Project (Saunders Street, Cullacabardee, Gngangara and others).
- Progress and promote the City of Albany Aboriginal Accord to achieve a greater understanding of Noongar history, culture, economic and social issues.
- Fund 21 Community Patrols and examine opportunities to enhance the program.
- Continue with heritage, reconciliation and 'Bringing Them Home' grants, totalling \$225,000.

Output 2: Information and Advice

State, Commonwealth and relevant local governments and others involved in Indigenous issues are provided with information and advice on policy, legislation and the planning, coordination, history, delivery and effectiveness of services.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	4,173	5,857	5,636	4,866	Improved efficiencies in operations.
Less Operating Revenue ^(a)	84	63	97	51	
Net Cost of Output	4,089	5,794	5,539	4,815	
Adjustments ^(b)	191	2	(188)	8	
Appropriation for delivery of Output 2	4,280	5,796	5,351	4,823	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Units of strategic/tactical policy advice offered to government and agencies	183	174	153	154	
Formal requests from government, Cabinet and Minister for information and policy advice, including resolutions of statutory land and sites committees (Aboriginal Lands Trust, Aboriginal Cultural Materials Committee)	1,181	1,170	1,239	1,335	
Requests for information related to co-ordination, policy, land permits, site searches, family history, population information, planning and history met through data systems.....	24,376	13,880	18,145	18,187	
Quality					
Appraisal by sample of Government and other clients and service providers of quality of service, e.g. relevance, accuracy, consultation, responsiveness, functionality, presentation	81%	95%	85%	85%	
Timeliness					
Appraisal by sample of clients of timeliness of information and advice	79%	95%	80%	85%	
Cost (Efficiency)					
Average cost per unit of advice offered.....	\$7,662	\$8,275	\$8,209	\$7,848	
Average cost per request answered/recommendation made.....	\$922	\$1,035	\$1,177	\$1,064	
Average cost per unit of information supplied.	\$69	\$231	\$161	\$123	
Full Time Equivalents (FTEs)	32	45	47	43	

Major Achievements For 2002-03

- A strategy for addressing key issues in Indigenous affairs, including a universal prevention approach to issues such as family violence and sexual abuse, has been agreed to in the Government's response to the Gordon Inquiry.
- The Indigenous Indicator Framework, initiated and led by Western Australia, is now being used in the State and nationally to provide a strategic focus in addressing Indigenous disadvantage.
- Through the communiqué signed under the Indigenous Affairs Advisory Committee, the Commonwealth, the State and ATSIC representing Indigenous people are jointly developing and implementing whole-of-government strategies around agreed strategic areas for action.
- Policy advice provided to the Grants Commission Review has resulted in a better understanding of the impact of the removal of Indigenous children and dislocation from country on the State's provision of services to Indigenous people in Western Australia.
- Through the development of a State Emergency Mitigation Strategy, advice was provided on issues to address emergency management in remote Indigenous communities.
- Proposed increases in penalties for offences under the *Aboriginal Heritage Act 1972*, as part of a set of amendments relating to sentencing issues, are awaiting parliamentary approval.

Major Initiatives For 2003-04

- Continue working with Commonwealth government departments and ATSIC to further streamline administration and consultation for Indigenous services. A 'joined-up-government' approach ensuring links to ATSIC decisions and programs will provide more effective sharing of responsibility with Indigenous communities in priority locations.
- Determine Indigenous indicators, benchmarks and targets at the State and regional level which promote increased accountability for results by Government and Indigenous leaders and communities.
- Negotiate a formal bilateral agreement with the Commonwealth on Indigenous Child Protection to coordinate and facilitate a joined-up-government approach, which will increase the effectiveness of funds provided for Indigenous issues.
- Propose advice to the Minister for Indigenous Affairs on administrative arrangements pertaining to the *Aboriginal Heritage Act 1972* to address operational issues.
- Future reporting requirements on the Royal Commission into Aboriginal Deaths in Custody is being negotiated as part of an Aboriginal Justice Agreement.

CAPITAL WORKS PROGRAM

The Department's capital works expenditure is primarily for the replacement of computer hardware and software utilised to support the delivery of the agency's outputs.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
COMPLETED WORKS				
Asset Replacement Program - Information Technology				
2002-03 Program	300	300	300	-
Aboriginal Sites Register				
2001-02 Program	200	200	200	-
Aboriginal Information Management Systems				
2001-02 Program	580	580	20	-
Other Works				
Equipment Replacement Program	100	100	50	-
NEW WORKS				
Asset Replacement Program - Information Technology				
2003-04 Program	200	-	-	200
Other Works				
Aboriginal Heritage System Upgrade	100	-	-	100
	1,480	1,180	570	300

CAPITAL CONTRIBUTION

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	830	350	570	300	850	850	240
	830	350	570	300	850	850	240
LESS							
Funding included in output appropriations ^(a) ..	200	-	-	-	-	-	-
Holding Account ^(b)	-	250	250	258	163	163	-
Internal Funds and Balances	-	-	220	-	-	-	-
Capital Contribution	630	100	100	42	687	687	240

(a) Capital works expensed through the Statement of Financial Performance.

(b) Draw down from Holding Account.

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	7,367	7,208	7,268	7,087	7,337	7,550	7,934
Superannuation	709	647	647	654	641	661	684
Grants and subsidies ^(b)	1,470	1,655	1,655	1,635	2,185	2,185	1,635
Consultancies expense	79	-	-	-	-	-	-
Supplies and services	4,420	5,429	6,072	5,654	6,022	5,647	5,391
Accommodation	1,842	1,503	1,503	1,500	1,540	1,570	1,602
Capital User Charge	-	42	84	67	64	67	85
Depreciation	395	274	274	353	453	453	379
Administration	201	190	190	190	190	190	180
Net loss on disposal of non-current assets	22	-	-	-	-	-	-
Other expenses	320	550	550	550	557	728	1,018
TOTAL COST OF SERVICES	16,825	17,498	18,243	17,690	18,989	19,051	18,908
Revenues from ordinary activities							
User charges and fees ^(c)	95	90	90	95	95	95	95
Grants and subsidies	119	-	90	-	-	-	-
Other Revenue	122	100	100	60	60	60	60
Total Revenues from Ordinary Activities	336	190	280	155	155	155	155
NET COST OF SERVICES	16,489	17,308	17,963	17,535	18,834	18,896	18,753
REVENUES FROM STATE GOVERNMENT							
Appropriations	17,259	17,314	17,356	17,563	18,020	18,396	18,783
Liabilities assumed by the Treasurer	63	-	-	-	-	-	-
TOTAL REVENUES FROM STATE GOVERNMENT	17,322	17,314	17,356	17,563	18,020	18,396	18,783
CHANGE IN EQUITY RESULTING FROM OPERATIONS	833	6	(607)	28	(814)	(500)	30
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	833	6	(607)	28	(814)	(500)	30

(a) The Full Time Equivalents (FTEs) for 2001-02 Actual, 2002-03 Estimated Actual and 2003-04 Estimate are 132, 135 and 131 respectively.

(b) Grants for patrols, community management, reconciliation, and heritage projects.

(c) Includes resources received free of charge. This treatment may differ from the agency's annual report.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	627	283	2	2	2	2	2
Restricted cash.....	20	21	20	20	20	20	20
Receivables.....	304	176	304	304	304	304	304
Amounts receivable for outputs.....	274	258	258	163	163	-	-
Prepayments	558	250	568	578	588	598	598
Total current assets	1,783	988	1,152	1,067	1,077	924	924
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	-	50	50	250	550	1,013	1,476
Plant, equipment and vehicles.....	848	1,170	932	897	750	607	384
Other.....	203	204	203	203	203	203	203
Restricted cash.....	280	-	280	280	-	30	60
Total non-current assets.....	1,331	1,424	1,465	1,630	1,503	1,853	2,123
TOTAL ASSETS	3,114	2,412	2,617	2,697	2,580	2,777	3,047
CURRENT LIABILITIES							
Payables.....	279	284	279	279	279	279	279
Provision for employee entitlements.....	627	800	637	647	657	667	667
Accrued Salaries.....	163	160	163	163	163	163	163
Other.....	22	48	22	22	22	22	22
Total current liabilities	1,091	1,292	1,101	1,111	1,121	1,131	1,131
NON-CURRENT LIABILITIES							
Provision for employee entitlements.....	718	546	718	718	718	718	718
Total non-current liabilities	718	546	718	718	718	718	718
TOTAL LIABILITIES.....	1,809	1,838	1,819	1,829	1,839	1,849	1,849
EQUITY							
Contributed Equity	630	730	730	772	1,459	2,146	2,386
Accumulated surplus/(deficit).....	599	(233)	(8)	20	(794)	(1,294)	(1,264)
Asset revaluation reserve	76	77	76	76	76	76	76
Total equity	1,305	574	798	868	741	928	1,198
TOTAL LIABILITIES AND EQUITY.....	3,114	2,412	2,617	2,697	2,580	2,777	3,047

**STATEMENT OF CASH FLOWS
(Controlled)**

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Appropriations.....	16,985	17,030	17,072	17,200	17,557	17,933	18,320
Capital Contribution	630	100	100	42	687	687	240
Holding Account.....	-	250	250	258	163	163	-
Net cash provided by State government.....	17,615	17,380	17,422	17,500	18,407	18,783	18,560
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs	(7,299)	(7,198)	(7,258)	(7,077)	(7,472)	(7,405)	(7,774)
Superannuation	(628)	(647)	(647)	(654)	(641)	(661)	(684)
Supplies and services.....	(3,898)	(4,600)	(5,251)	(4,887)	(5,007)	(4,967)	(4,907)
Grants and subsidies	(1,813)	(1,655)	(1,655)	(1,635)	(2,185)	(2,185)	(1,400)
Accommodation.....	(2,520)	(2,243)	(2,243)	(2,200)	(2,280)	(2,310)	(2,302)
Administration.....	(126)	(190)	(190)	(190)	(190)	(190)	(180)
Capital User Charge.....	-	(42)	(84)	(67)	(64)	(67)	(85)
Goods and Services Tax	(813)	(850)	(850)	(870)	(1,027)	(1,027)	(1,027)
Other.....	(280)	(550)	(550)	(550)	(608)	(728)	(1,018)
Receipts							
Goods and Services Tax	672	841	841	870	1,027	1,027	1,027
Grants and subsidies	109	-	90	-	-	-	-
Other.....	179	100	100	60	60	60	60
Net cash from operating activities	(16,417)	(17,034)	(17,697)	(17,200)	(18,387)	(18,453)	(18,290)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(507)	(350)	(350)	(300)	(300)	(300)	(240)
Proceeds from sale of non-current assets	1	-	-	-	-	-	-
Net cash from investing activities.....	(506)	(350)	(350)	(300)	(300)	(300)	(240)
NET INCREASE/(DECREASE) IN CASH HELD	692	(4)	(625)	-	(280)	30	30
Cash assets at the beginning of the reporting period.....	235	308	927	302	302	22	52
Cash assets at the end of the reporting period.....	927	304	302	302	22	52	82

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23A of the *Financial Administration and Audit Act*, provides for the retention of the following cash receipts by the Department:

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000
Commonwealth grants.....	109	-	90	-
GST input credits.....	672	841	841	870
Other Receipts.....	179	100	100	60
TOTAL.....	960	941	1,031	930

The monies received and retained are to be applied to the Department's outputs as specified in the Budget Statements.

Part 13

Minister for Community Development, Women's Interests, Seniors and Youth; Disability Services; Culture and the Arts

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000
1001	Community Development			
	– Delivery of Outputs	176,832	179,237	189,775
	– Capital Contribution	736	736	3,563
	Total	177,568	179,973	193,338
1027	Disability Services Commission			
	– Delivery of Outputs	194,933	194,959	207,253
	– Capital Contribution	1,781	1,781	3,261
	Total	196,714	196,740	210,514
1044	Culture and the Arts			
	– Delivery of Outputs	111,980	106,392	111,333
	– Capital Contribution	10,602	7,502	14,269
	Total	122,582	113,894	125,602
	GRAND TOTAL			
	– Delivery of Outputs	483,745	480,588	508,361
	– Capital Contribution	13,119	10,019	21,093
	Total	496,864	490,607	529,454

COMMUNITY DEVELOPMENT

PART 13 - MINISTER FOR COMMUNITY DEVELOPMENT, WOMEN'S INTERESTS, SENIORS AND YOUTH; DISABILITY SERVICES; CULTURE AND THE ARTS

DIVISION 63

APPROPRIATION AND FORWARD ESTIMATES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 105 Net amount appropriated to deliver outputs	169,175	176,083	178,488	189,026	191,724	198,409	203,804
Item 106 Contribution to Western Australian Family Foundation Trust Account.....	560	560	560	560	560	560	560
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	189	189	189	189	189	189	189
Total appropriations provided to deliver outputs	169,924	176,832	179,237	189,775	192,473	199,158	204,553
CAPITAL							
Item 169 Capital Contribution	4,817	736	736	3,563	4,984	11,537	11,500
GRAND TOTAL.....	174,741	177,568	179,973	193,338	197,457	210,695	216,053

MISSION

To enhance the social wellbeing of all Western Australians by working together to:

- strengthen communities so that individuals and families are able to meet their needs;*
- promote a just and equitable community enriched by diversity and increased social participation; and*
- support families and communities to provide for the care and safety of their members.*

SIGNIFICANT ISSUES AND TRENDS

- Building the social capital and sustainability of communities is important to the well being of families and individuals. The Department seeks to achieve this by working with the strengths, capacities and diversity of women, men, families, children, young people and the communities themselves. The priority for action is a whole of government approach to interagency coordination and community engagement.
- With the ageing of the population, the median age in Western Australia has increased from 33 years in 1996 to 34 years in 2001. Currently, 15% of the population is aged 60 and over and this is projected to rise to 27% by 2031. The trend is partly influenced by a significant decline in the fertility rate, which has fallen below the population replacement rate since the 1970s. One of the major consequences is likely to be an increase in the dependency ratio of non-working population to working population. These trends demonstrate the need to promote an environment where older West Australians are accepted and valued, issues of social isolation are addressed, and intergenerational connections, family and carer friendly work practices are emphasised.
- Volunteers are an important asset for the community that need to be encouraged and supported. Volunteering rates have risen from 25.5% in 1995 to the most recently known figure of 32.2% in 2000. The main reason given by volunteers for volunteering is 'to help others/the community'.

- The number of Indigenous persons in Western Australia increased by 15% between 1996 and 2001 (compared to 7% increase for the total State population). Nearly 40% of Indigenous Australians are under 15 years of age; almost double the proportion in the total population. Given the over-representation of Indigenous Australians in many Departmental services and the findings of the Gordon Inquiry (see below), these trends indicate the continuing importance of a Departmental focus on Indigenous issues.
- Research indicates that high quality early childhood services provide important support to parents and positive developmental opportunities for children. These services reduce the likelihood that more complex, harmful and resource intensive problems will develop during adolescence and young adulthood. The Department will continue to develop effective strategies through stronger interagency collaboration and community-government-business relationships.
- The 'Inquiry into Response by Government Agencies to Complaints of Family Violence and Child Abuse in Aboriginal Communities' (the Gordon Inquiry) found that violence against women and child abuse are grave social problems endemic in many Aboriginal communities. The Report demonstrated an urgent need to strengthen responses to incidents of child abuse and family violence, while at the same time increasing support for vulnerable children and adults at risk. The Department plays an important role in this process and will be implementing a range of initiatives aimed at building community capacity for a safer environment for adults and children and in reducing abuse and violence.
- The number of children in care has continued to increase with 1,772 children in care at 30 June 2002, compared with 1,633 in the previous year (an increase of 8.5%). Indigenous children are over-represented in this group, with the ratio of Indigenous children in State care to other Australian children at more than 7:1. The number of children entering care was actually less than the previous year, but there was also a fall in the number leaving care, creating an overall increase in the number of children in care. This trend reflects the complexity of cases to which the Department responds, in particular, the impact of parental alcohol and drug use in combination with other factors such as mental illness, homelessness and family and domestic violence. The Department will continue to build partnerships with other organisations in the drug and alcohol and community development sector to address these issues.
- Issues in the community development portfolio impact differentially on women and men. The Department recognises that a gender responsive, evidence-based approach to policies, programs and services contributes to improving the well being of individuals, families and communities and leads to a more inclusive and sustainable society. This approach incorporates a comparative analysis by gender as well as other significant variables.
- The Department is currently governed by three Acts, the first of which dates back to 1947. Development of new replacement legislation is nearing completion with a planned introduction into Parliament during 2003. The new legislation will reflect the importance of families and the need for participation by children and young people in decisions about them.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Statement of Financial Performance since publication of the 2002-03 Budget to Parliament on 16 May 2002 are outlined below.

	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
State Homelessness Taskforce Response.....	2,900	2,900	2,900	2,900
Government Response to the Gordon Inquiry.....	6,722	6,111	6,666	6,271
Children in Care	2,236	2,236	2,236	2,236
Foster Care Subsidies and Allowances	1,140	2,837	4,570	5,598
Functional Review Taskforce.....	(428)	(428)	(428)	(428)

OUTPUT AND APPROPRIATION SUMMARY

	2001-02 Actual ^(c) \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
OUTPUTS ^(d)							
Output 1:							
Community development	66,775	69,275	63,853	66,785			
Output 2:							
Children's and young persons' policy.....	949	1,038	4,570	4,550			
Output 3:							
Positive ageing policy.....	1,325	1,242	1,483	1,486			
Output 4:							
Women's policy and progress	2,457	1,705	2,004	2,039			
Output 5:							
Volunteering policy and coordination	450	835	949	951			
Output 6:							
Aboriginal and Torres Strait Islander policy coordination.....	50	540	207	538			
Output 7:							
Care and safety services	116,657	119,345	123,254	131,135			
Output 8:							
Family and domestic violence coordination	1,780	2,692	2,572	2,616			
Total Cost of Outputs.....	190,443	196,672	198,892	210,100	212,625	219,158	223,099
<i>Less Operating revenues</i>	<i>21,956</i>	<i>18,891</i>	<i>18,395</i>	<i>18,134</i>	<i>17,843</i>	<i>17,871</i>	<i>17,843</i>
Net Cost of Outputs.....	168,487	177,781	180,497	191,966	194,782	201,287	205,256
Adjustments ^(a)	1,437	(949)	(1,260)	(2,191)	(2,309)	(2,129)	(703)
Appropriation provided to deliver Outputs.	169,924	176,832	179,237	189,775	192,473	199,158	204,553
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	4,817	736	736	3,563	4,984	11,537	11,500
TOTAL CONSOLIDATED FUND APPROPRIATIONS	174,741	177,568	179,973	193,338	197,457	210,695	216,053

(a) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

(b) Supporting details are disclosed in the Capital Contribution Statement.

(c) Appropriation amounts for 2001-02 Actual have been restated to reflect the new output structure introduced in 2002-03.

(d) In 2002-03 the Department underwent a restructure that has impacted upon the allocation of some outputs.

RESOURCE AGREEMENT

The following outcome, output and financial information is the subject of a Resource Agreement signed by the Minister, the Director General and the Treasurer.

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION

Relationship to Government Strategic Objectives

The following table demonstrates the linkage between the most appropriate Government strategic objective and the agency level desired outcomes and outputs.

Government Strategic Objective	Desired Outcome(s)	Output(s)
Safe, healthy and supportive communities	Communities are strengthened so that individuals and families are able to better meet their needs, achieve self-reliance and contribute to their own solutions.	1. Community development
	Policies are developed and coordinated within the Department and across government for children, families, communities, seniors, women, young people and volunteers and Western Australians are engaged in the process	2. Children's and young persons' policy 3. Positive ageing policy 4. Women's policy and progress 5. Volunteering policy and coordination 6. Aboriginal and Torres Strait Islander policy coordination
	Families and communities are supported to provide for the care and safety of their members	7. Care and safety services 8. Family and domestic violence coordination

Outcomes and Key Effectiveness Indicators ^(a)

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Outcome: Communities are strengthened so that individuals and families are able to better meet their needs, achieve self-reliance and contribute to their own solutions.					
Stakeholders in the community development project who report the community was strengthened as a result of involvement in the project	na	80%	82%	82%	
Customers who report their needs were met as a result of using services	na	80%	98%	95%	
Customers who report increased knowledge and skills	91%	95%	94%	95%	
Customers who are confident they will manage well in the future	96%	95%	94%	95%	
Customers who report the service involved them in contributing to the solution.....	na	80%	96%	95%	

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Outcome: Policies are developed and coordinated within the Department and across government for children, families, communities, seniors, women, young people and volunteers and Western Australians are engaged in the process					
Stakeholders who identify policies for these target groups achieved an across government focus	na	80%	69%	75%	New measure in 2002-03. Target was set without the benefit of previous data and has been proven to be unrealistic.
Extent to which Western Australians are engaged in policy development.....	na	80%	68%	75%	New measure in 2002-03. Target was set without the benefit of previous data and has been proven to be unrealistic.
Outcome: Families and communities are supported to provide for the care and safety of their members					
Customers who report they were supported to provide care and safety to their family members	99%	95%	93%	95%	
Stakeholder organisations which report communities in which they operate were supported to provide care and safety to their members	na	80%	54%	60%	New measure in 2002-03. Target was set without the benefit of previous data and has been proven to be unrealistic.
Children with a substantiated report of maltreatment who did not have a further substantiated report of maltreatment within 12 months	91%	90%	90%	90%	
Children abused in care by carers	0.32%	0%	0.11%	0%	

(a) More details of effectiveness indicators are provided in the annual report.

Output 1: Community development

Community development programs, activities and services to increase the social infrastructure and capacity of communities to ensure high quality and safe childcare, the wellbeing of children, individuals and families.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	66,775	69,275	63,853	66,785	Increase due to Gordon Inquiry.
Less Operating Revenue ^(a)	3,578	2,769	2,347	1,695	Reduction due to transfer of Family Law Court to Department of Justice.
Net Cost of Output	63,197	66,506	61,506	65,090	
Adjustments ^(b)	603	(1,391)	(833)	(1,446)	
Appropriation for delivery of Output 1	63,800	65,115	60,673	63,644	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target	
Quantity						
Community development projects for children and families	na	145	112	120	Archiving of over 8,000 non-renewed cards in February 2003.	
Capacity development services ^(a)	296	304	333	344		
Community development projects for seniors .	24	20	20	19		
Community development projects for Aboriginal and Torres Strait people.....	na	55	34	35		
Seniors Cards managed	214,220	225,000	218,000	223,000		
Community development initiatives for women	na	1	1	1	As there was only one community development initiative for women, this result is based on a small number of stakeholders.	
Community development projects for children and young people.....	na	17	5	7		
Quality						
Stakeholder satisfaction with quality of community development projects for children and families.....	na	80%	83%	85%		
Customer satisfaction with quality of capacity development services.....	99%	95%	98%	95%		
Stakeholder satisfaction with quality of community development projects for seniors	na	80%	90%	90%	Technical difficulties experienced in 2002-03 with the implementation of the new Seniors Card database.	
Stakeholder satisfaction with quality of community development projects for Aboriginal and Torres Strait people	na	80%	90%	90%		
Seniors card holder satisfaction with Seniors Card	83%	80%	80%	80%		
Stakeholder satisfaction with quality of community development initiatives for women	na	80%	100%	95%		
Stakeholder satisfaction with quality of community development projects for children and young people	na	80%	80%	80%		
Timeliness						
Stakeholder satisfaction with timeliness of community development projects for children and families.....	na	80%	73%	75%	As there was only one community development initiative for women, this result is based on a small number of stakeholders.	
Customers satisfaction with timeliness of capacity development services.....	98%	95%	96%	95%		
Stakeholder satisfaction with timeliness of community development projects for seniors	na	90%	95%	95%		
Stakeholder satisfaction with timeliness of community development projects for Aboriginal and Torres Strait people	na	80%	67%	70%		
Seniors Cards issued on time	100%	100%	80%	95%		
Stakeholder satisfaction with timeliness of community development initiatives for women	na	80%	100%	95%	As there was only one community development initiative for women, this result is based on a small number of stakeholders.	
Stakeholder satisfaction with timeliness of community development projects for children and young people	na	80%	78%	80%		
Cost (Efficiency)						
Average cost per community development project for children and families	na	\$54,981	\$30,924	\$29,561	Increase in cost due to Gordon Inquiry.	
Average cost per capacity development service.....	\$176,160	\$164,781	\$160,014	\$163,278		
Average cost per community development project for seniors	\$53,652	\$69,641	\$94,088	\$99,332		

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Average cost per community development project for Aboriginal and Torres Strait people	na	\$54,981	\$70,798	\$70,702	Decrease in cost reflects the increase in the number of projects.
Average cost of a Seniors Card.....	\$2.84	\$2.30	\$1.56	\$1.54	
Average cost per community development initiative for women.....	na	\$88,386	\$90,060	\$93,910	
Average cost per community development project for children and young people.....	na	\$363,975	\$476,924	\$324,594	
Full Time Equivalents (FTEs) ^(b)	468	467	456	484	

(a) Capacity development services include parenting information, parent skills, youth, family and individual support.

(b) Increase in FTEs due to the Gordon Inquiry.

Major Achievements For 2002-03

- Continued to undertake coordination across the State with communities and agencies for the purpose of community development at the local level. Consulted and developed partnership agreements with six remote Indigenous communities for family safety services.
- Continued to conduct workshops and seminars on community development across the State in partnership with other government agencies and the community and business sectors.
- Continued development and implementation of Family Strength initiatives in consultation with stakeholders:
 - developed two practical in-home support services for Aboriginal families at Mungullah with Kwinana in progress;
 - expanded Aboriginal Early Years Support Services to Kalgoorlie, the North West metropolitan area and Armadale-Kelmscott;
 - expanded the Best Beginnings intensive home visiting program to Kalgoorlie, the North West metropolitan area and Armadale-Kelmscott;
 - Led the development of an Early Years Strategy to assist families with infants and young children which will be implemented in partnership with local communities; and
 - Developed a Men's Resource Service.
- Provided funding of \$33,000 per annum to a Grandparents Support Service through a non-government agency for grandparents who take on a primary parenting role.
- Implemented a Carers Counselling Line.
- Developed and implemented a new strategic direction for the provision of parenting information through community based methods.
- Provided funding of \$30,000 per annum towards the Kids Help Line with priority targets of children and young people in remote and rural areas, particularly Indigenous children and young people.
- Gazetted the *Community Services (Out of School Home Care) Regulations 2002* for commencement on 28 August 2003. Capital upgrade grants and training with the sector continued.
- Awarded the Yorganop Child Care Aboriginal Corporation the contract to promote and implement the Certificate 111 in childcare in Aboriginal Communities.
- Established the Geraldton Seniors Resource Centre.
- Began developing a strategic framework for the early years to provide a structure that establishes a child-centred, family focused approach in all aspects of the Department's work.

Major Initiatives For 2003-04

- Implement the Early Years Strategy to involve local communities in supporting initiatives to enhance the wellbeing of children aged 0-8 years and co-ordinate the efforts of Government, community and not-for-profit organisations.
- Develop and implement strategies for enhancing the delivery of the Best Beginnings program for families from culturally and linguistically diverse backgrounds.
- Commence licensing for outside school hours care services Statewide, and promote quality assurance in partnership with the Commonwealth.
- Review the Volunteer Speakers program in order to focus on the changing needs of current and future seniors.
- Strengthen communities to support and value their seniors to promote positive ageing.
- Progress the development of extended hours childcare in Kalgoorlie.

Output 2: Children's and young persons' policy

Policy coordination, policy advice, analysis and information to develop and refine a collaborative approach with government agencies and the community to promote healthy children and young people.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	949	1,038	4,570	4,550	In 2002-03, a restructure of the Office for Children and Young People resulted in some costs previously defined under Output 1 being reallocated to Output 2.
Less Operating Revenue ^(a)	-	-	-	-	
Net Cost of Output	949	1,038	4,570	4,550	
Adjustments ^(b)	-	(123)	-	-	
Appropriation for delivery of Output 2	949	915	4,570	4,550	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Community engagement initiatives for children and young people	na	16	7	6	
Policy advice projects for children and young people ^(a)	57	516	60	60	
Quality					
Stakeholder satisfaction with quality of community engagement initiatives for children and young people	na	80%	89%	90%	
Stakeholder satisfaction with quality of policy advice projects for children and young people	na	80%	64%	70%	New measure in 2002-03. Target was set without the benefit of previous data and has been proven to be unrealistic.

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Timeliness					
Stakeholder satisfaction with timeliness of community engagement initiatives for children and young people	na	80%	80%	85%	
Policy advice projects for children and young people developed, coordinated and evaluated within agreed timeframes.....	na	80%	78%	85%	
Cost (Efficiency)					
Average cost per community engagement initiative for children and young people	na	\$46,375	\$601,553	\$699,480	
Average cost per policy advice projects for children and young people	\$4,428	\$574	\$5,981	\$5,888	
Full Time Equivalents (FTEs)	27	28	21	21	

(a) This measure was redefined in 2002-03.

Major Achievements For 2002-03

- Established the new Office for Children and Young People's Policy.
- Produced a literature review on models of engaging children and conducted consultations with children and young people regarding employment of children and body piercing and tattooing.
- Commenced initial planning for the conduct of focus groups to engage children and young people in decision-making on issues that affect them.
- Developed a Register as part of the Department of the Premier and Cabinet's Interested Person's Register website.
- Published and distributed the guide 'Telling the Emperor – A Guide to Youth Participation in Decision Making'.
- Developed a Youth Spaces funding mechanism and guidelines.
- Held a Children's Summit to directly hear the voices of children.

Major Initiatives For 2003-04

- Develop a good practice guide to inform agencies, organisations and the community about mechanisms by which to engage children and hear their voices.
- Develop and implement a Youth Employment Policy.
- Commence a consultation process that will inform the development of a children's strategy.
- In consultation with the Department for Consumer and Employment Protection, develop an information package to help young people avoid credit traps.
- Establish and maintain advisory structures that include children and young people, to advise the Minister.
- In collaboration with the Social Policy Unit and other key stakeholders, develop a bi-annual report card on the state of children and young people in Western Australia.
- Work in partnership with other agencies to monitor the effectiveness of complaint receiving agencies and their accessibility to children and young people.

- Work with advisory groups to establish a 'speakers circle' whose members advocate on behalf of children and young people.

Output 3: Positive ageing policy

Policy coordination, policy advice, analysis and information to develop and refine a collaborative approach with government agencies and the community to promote positive ageing.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	1,325	1,242	1,483	1,486	
Less Operating Revenue ^(a)	-	-	-	-	
Net Cost of Output	1,325	1,242	1,483	1,486	
Adjustments ^(b)	-	(67)	-	-	
Appropriation for delivery of Output 3	1,325	1,175	1,483	1,486	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Community engagement initiatives which facilitate positive ageing	15	15	15	12	Decrease reflects an increase in the complexity of projects.
Policy advice and information projects which facilitate positive ageing	24	18	18	18	
Quality					
Stakeholder satisfaction with quality of community engagement initiatives which facilitate positive ageing	na	80%	88%	90%	
Stakeholder satisfaction with the quality of policy advice and information projects which facilitate positive ageing.....	na	80%	67%	70%	New measure in 2002-03. Target was set without the benefit of previous data and has been proven to be unrealistic.
Timeliness					
Community engagement initiatives which facilitate positive ageing completed within agreed timeframes ^(a)	na	90%	93%	95%	
Policy advice and information projects which facilitate positive ageing completed within agreed timeframes ^(a)	na	90%	95%	95%	
Cost (Efficiency)					
Average cost per policy advice and information project which facilitates positive ageing	\$18,716	\$14,816	\$34,713	\$43,455	Increase in cost reflects the decrease in quantity due to the complexity of projects.
Average cost per community engagement initiative which facilitates positive ageing	\$43,516	\$56,630	\$53,447	\$53,613	
Full Time Equivalents (FTEs)	18	19	17	17	

(a) These measures have been modified from the previous year.

Major Achievements For 2002-03

- Hosted the International 6th Global Conference on Ageing which attracted approximately 1400 registered delegates.
- Supported the Active Ageing Taskforce and the development of a 5-10 year policy framework to position the State to respond to the ageing of the population.
- Completed consultations on a proposed *Carers Act* to provide formal recognition for informal carers and to highlight carers' needs for services and support. Drafting of the legislation is progressing.

Major Initiatives For 2003-04

- Implement the Government's response to the recommendations of the Active Ageing Taskforce.
- Complete the development of the Carers Bill.
- Commence research on the community participation of seniors.
- Support seniors to access new technologies.

Output 4: Women's policy and progress

Policy coordination, policy advice, analysis and information, informed by community engagement and collaboration with other government agencies; monitoring and reporting on outcomes to overcome systemic inequality and promote positive attitudes to diversity thus enhancing women's progress.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	2,457	1,705	2,004	2,039	
Less Operating Revenue ^(a)	-	-	-	-	
Net Cost of Output	2,457	1,705	2,004	2,039	
Adjustments ^(b)	-	(125)	-	-	
Appropriation for delivery of Output 4	2,457	1,580	2,004	2,039	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Community engagement initiatives for women	na	21	21	21	
Policy advice and information projects for women	na	550	560	550	
Quality					
Stakeholder satisfaction with quality of community engagement initiatives for women	na	80%	86%	90%	
Stakeholder satisfaction with quality of policy advice and information projects for women..	68%	80%	63%	70%	New measure in 2002-03. Target was set without the benefit of previous data and has been proven to be unrealistic.
Timeliness					
Community engagement initiatives conducted according to agreed timeframe.....	na	90%	88%	95%	
Stakeholder satisfaction with timeliness of policy advice and information projects for women	na	85%	56%	60%	New measure in 2002-03. Target was set without the benefit of previous data and has been proven to be unrealistic.
Cost (Efficiency)					
Average cost per community engagement initiative for women.....	na	\$46,463	\$54,093	\$54,918	
Average cost per policy advice and information project for women	na	\$1,325	\$1,551	\$1,611	
Full Time Equivalents (FTEs)	19	11	15	17	

Major Achievements For 2002-03

- Conducted community engagement forums on fairness in the workplace, issues for senior women, personal safety and health.
- Progressed the Women's Report Card.
- Prepared a draft Indigenous Women's Strategy following extensive consultation.
- Analysed the barriers to improving the representation of women as elected members of local government. Based on this analysis, initiated forums to increase the number of women candidates standing in the May 2003 Local Government elections. This was a joint project with key stakeholders that involved a series of information workshops held around the State.
- Drafted a background paper on the incidence and consequences of social isolation among older women.

Major Initiatives For 2003-04

- Develop a self-assessment audit tool to provide a means for Government agencies to ensure they are meeting statutory requirements relating to opportunity and discrimination and measure the sensitivity of the agency to gender and race.
- In response to community issues raised about women and personal safety, work with key stakeholders to develop options for a framework on women's safety.
- Examine international best practice on women and leadership with a view to developing a leadership program for women in the public sector.

Output 5: Volunteering policy and coordination

Policy coordination, policy advice, analysis and information to develop and refine a collaborative approach with government agencies and the community to promote volunteering.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	450	835	949	951	
Less Operating Revenue ^(a)	-	-	-	-	
Net Cost of Output	450	835	949	951	
Adjustments ^(b)	-	(41)	-	-	
Appropriation for delivery of Output 5	450	794	949	951	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Policy projects which facilitate volunteering ...	8	11	11	11	
Quality					
Stakeholder satisfaction with quality of policy projects which facilitate volunteering	na	80%	92%	95%	
Timeliness					
Policy projects which facilitate volunteering completed within agreed timeframes ^(a)	na	90%	100%	95%	
Cost (Efficiency)					
Average cost per policy project which facilitates volunteering.....	\$56,306	\$75,931	\$86,276	\$86,489	
Full Time Equivalents (FTEs)	1	3	3	3	

(a) This measure has been modified from the previous year.

Major Achievements For 2002-03

- Committed \$100,000 per annum over four years to the Student Community Involvement Program to introduce students to volunteering to encourage their ongoing participation in community life.
- Commenced research into the training needs of volunteers and the volunteering community with a focus on the needs of rural and remote communities.
- Supported the completion of Statewide community consultation by the Western Australian Volunteering Reference Group for the development of 'Valuing Volunteering – A Shared Vision' which included the development of a website as part of the communication strategy. Supported preparation and distribution of the document that sets out goals for the volunteering community to work towards to support volunteering.
- Committed funding of \$405,000 to 17 community organisations throughout Western Australia to expand existing or develop new services delivered by volunteer resource centres services.
- Enhanced the participation of volunteering in the community through the development of workshops for community organisations on how to develop effective recruitment strategies to attract baby boomers to volunteering.

- Established an across-government group on volunteering to ensure a coordinated response to involvement of volunteers in government agencies.
- Developed the *Volunteers (Protection from Liability) Act 2002* to provide volunteers with qualified immunity from liability when volunteering with incorporated community groups.

Major Initiatives For 2003-04

- Works with the non-government sector to encourage take up of the goals set in 'Valuing Volunteering – A Shared Vision'.
- Commence ongoing review of the effectiveness of funded volunteer resource centres.
- Work in partnership with other government agencies to improve the operating environment and insurance outcomes for volunteer agencies by increasing the understanding and development of effective risk management strategies.

Output 6: Aboriginal and Torres Strait Islander policy coordination

Departmental Policy coordination, policy advice, analysis and information for Aboriginal and Torres Strait Islander Services.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	50	540	207	538	Increase due to the formation mid year of the Aboriginal and Torres Strait Islander Strategy and Coordination directorate.
Less Operating Revenue ^(a)	-	-	-	-	
Net Cost of Output	50	540	207	538	
Adjustments ^(b)	-	-	-	-	
Appropriation for delivery of Output 6	50	540	207	538	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Policy projects for Aboriginal and Torres Strait Islander people	na	6	6	6	
Quality					
Stakeholder satisfaction with quality of policy projects for Aboriginal and Torres Strait Islander people.....	na	80%	86%	90%	
Timeliness					
Stakeholder satisfaction with timeliness of policy projects for Aboriginal and Torres Strait Islander people	na	80%	79%	85%	
Cost (Efficiency)					
Average cost per policy project for Aboriginal and Torres Strait Islander people	na	\$90,000	\$34,449	\$89,667	Increase due to the formation mid year of the Aboriginal and Torres Strait Islander Strategy and Coordination directorate.
Full Time Equivalents (FTEs) ^(a)	0	7	4	6	

(a) FTEs increased due to the formation of the Aboriginal and Torres Strait Islander Strategy and Coordination directorate.

Major Achievements For 2002-03

- Facilitated the development of policy for Indigenous people through the establishment of links with other Policy Offices and across the Department.
- Developed an action and implementation plan to respond to the recommendations arising from the Premier's Inquiry into sexual abuse in Indigenous communities (The Gordon Inquiry). The Department's Aboriginal and Torres Strait Islander Directorate co-chaired a reference group with the Aboriginal and Torres Strait Islander Commission (ATSIC) that developed the 'Prevention of Child Abuse in Aboriginal Communities' plan of action.
- Further promoted interagency links and relationships to facilitate the strengthening of Aboriginal and Torres Strait communities, families, children and young people. This was achieved through participation in key policy forums and collaborative development of significant programs.
- Developed the Department's Reconciliation Policy that will be launched in May 2003.
- Contracted the Aboriginal Studies Department at Curtin University to work in partnership with the Department to redevelop a training package for staff on cross-cultural training.
- Continued to implement the Aboriginal and Torres Strait Islander Employment and Career Development Strategy with the permanent appointment of the Aboriginal Employment Officer and development of regular monitoring reports.

Major Initiatives For 2003-04

- Develop a new Aboriginal Strategic Plan.
- Establish a new Aboriginal Advisory Committee to include external stakeholders.
- Incorporate the Aboriginal and Torres Strait Islander Principle into the Department's proposed new Legislation.
- Establish and strengthen partnerships with Policy Offices, other Directorates, and other agencies to promote Indigenous issues.

Output 7: Care and safety services

Services to support families and individuals in crisis and help reduce the occurrence and impact of all forms of abuse; quality care to those children placed in the care of the State.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	116,657	119,345	123,254	131,135	Increase due to the implementation of Gordon Inquiry and Homelessness Taskforce recommendations.
Less Operating Revenue ^(a)	18,365	16,097	16,023	16,414	
Net Cost of Output	98,292	103,248	107,231	114,721	
Adjustments ^(b)	834	995	(427)	(745)	
Appropriation for delivery of Output 7	99,126	104,243	106,804	113,976	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Care and safety case equivalents ^(a)	38,788	45,680	39,261	43,406	Increase due to the implementation of Gordon Inquiry and Homelessness Taskforce recommendations.
Quality					
Customer satisfaction with quality of care and safety case equivalent services.....	99%	95%	98%	95%	
Children departmentally placed who had a total of three or fewer placements.....	91%	90%	93%	90%	
Aboriginal and Torres Strait children placed with Aboriginal and Torres Strait carers or services which, employ Aboriginal and Torres Strait carers.....	86%	90%	82%	90%	
Timeliness					
Customers satisfaction with timeliness of care and safety case equivalent services.....	97%	95%	97%	95%	
Investigations of allegations of child maltreatment which began within priority timeframes.....	88%	100%	89%	100%	
Quarterly case reviews for children in care produced on time.....	86%	90%	87%	90%	
Cost (Efficiency)					
Average cost per care and safety case equivalent services.....	\$3,008	\$2,613	\$3,139	\$3,021	
Full Time Equivalents (FTEs) ^(b)	656	646	643	678	

(a) Care and safety case equivalents include maltreatment allegations, care and protection applications, intensive family support and treatment, financial assistance and counselling, disaster responses and supported accommodation cases.

(b) FTEs increased due to Gordon Inquiry.

Major Achievements For 2002-03

- Developed strategic framework for care for children and young people. Progressed the development of strategic frameworks for child protection and early years and an overarching framework linking these elements.
- Funded an expansion of services to the Yorgum Aboriginal Corporation as part of the additional \$1.6 million over four years for new Aboriginal child sexual abuse treatment counselling and support services. Currently working with ATSIC Regional Councils and local communities in Derby, Roebourne and Carnarvon on a strategy for child sexual abuse services in those areas.
- Developed service agreements with not for profit organisations for Placement Services, Keeping Families Together and Intensive Family Support Services. These agreements are designed to provide an appropriate mix of services to meet the needs of individual children. Increased funding by \$471,301 per annum. Commenced an implementation process for a new tertiary preservation service that provides services to 40 Aboriginal families per year.
- Identified additional indicators of performance in the areas of child protection and care for children for national reporting in collaboration with other States. Developed a plan for progressive implementation of these indicators.
- Revised existing child protection reciprocal procedures to enhance the coordination of program planning and service provision.
- Established the Children and Young People in Care Advisory Committee to provide advice to the Director General on policy and future directions in out of home care.
- Increased the funding of the Foster Care Association of Western Australia by \$50,000 per annum over four years to develop and implement a strategic plan for the organisation which will include extending services to Indigenous and country carers.

- Strengthened partnerships with ATSIC through collaborative implementation of the Government's response to the Gordon Inquiry.
- Identified locations and commenced recruitment for 25 new child protection workers, in conjunction with ATSIC Regional Councils.
- In response to the recommendation of the Gordon Inquiry, established the Child Death Review Committee to provide advice and recommendations to the Minister and Director General regarding deaths of children who have previously had contact with the Department. The Advisory Council on the Prevention of the Deaths of Children and Young People is being established.
- Commenced expansion of the Strong Families Program (implementing program in four additional sites and commenced planning for a further six sites) as recommended by the Gordon Inquiry.
- Commenced partnership and piloting with the Department of Education and CREATE to address education issues for children and young people in care, including the development of education plans.
- Continued implementation and refinement of the Looking after Children system throughout the State.
- The Adoptions Amendment Bill Number Two (2002) was passed by Parliament and is expected to be proclaimed in June 2003.
- Commenced implementation of the Government response to the State Homelessness Taskforce resulting in new services across the State for people who are homeless or at risk of homelessness.

Major Initiatives For 2003-04

- Following the passage of new legislation through Parliament, there will be a significant focus on reform and implementation.
- Develop a 'Grandparents and Other Relatives as Carers' policy and strategy.
- Review standards of services for children and young people in care.
- Continue the implementation of the initiatives arising from the Gordon Inquiry:
 - 25 additional Child Protection Workers across the State to increase the Department's capacity to respond to complaints of child abuse, undertake child protection assessments and provide a mobile child protection capacity in the country. It is expected the 25 workers will commence employment early in the new financial year and undergo appropriate training. Most of these positions will be targeted to Aboriginal people;
 - appoint 14 skilled Aboriginal support workers across the State who will be co-located within existing child and youth focused services, to provide confidential and practical support advice and assistance to Aboriginal children, in particular children who are fearful of the Department and police and are not accessing mainstream services; and
 - increase funding for the non-government Indigenous Families Program.
- Implement the Drug and Alcohol Plan initiatives including:
 - holding a planning forum to develop an action plan for reducing the entry of children into care as a result of parental drug and alcohol problems and to better meet the needs of children in care with drug and alcohol problems; and
 - undertake further research to identify trends in relation to the impact of parental alcohol and drug abuse on children's experiences in care.
- Continue implementation of the partnership process with the Department of Education and CREATE designed to ensure the use of education plans for children and young people in care throughout the State and collaborative utilisation of resources.
- Continue the implementation of initiatives arising from the State Homelessness Taskforce:
 - complete the development and implementation of new funded services;
 - continue to support the monitoring process and identify evaluative procedures; and
 - continue to implement non-funded strategies for developing awareness and communicating issues.

- Commence operating a Domestic Violence Helpline.
- Implement new crisis response services for women and children escaping domestic violence in Laverton and Meekatharra.
- Fully implement a new Domestic Violence Support and Advocacy Service for the Central Metropolitan Area.

Output 8: Family and domestic violence coordination

Policy development and coordination to support families and individuals experiencing family and domestic violence.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	1,780	2,692	2,572	2,616	
Less Operating Revenue ^(a)	13	25	25	25	
Net Cost of Output	1,767	2,667	2,547	2,591	
Adjustments ^(b)	-	(197)	-	-	
Appropriation for delivery of Output 8	1,767	2,470	2,547	2,591	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Family and domestic violence coordination and community education projects.....	11	9	9	9	
Quality					
Stakeholder satisfaction with quality of family and domestic violence coordination and community education projects	na	70%	70%	75%	
Timeliness					
Stakeholder satisfaction with timeliness of family and domestic violence coordination and community education projects.....	na	85%	72%	75%	
Cost (Efficiency)					
Average cost per family and domestic violence coordination and community education project.....	\$161,788	\$299,126	\$285,824	\$290,682	
Full Time Equivalents (FTEs)	10	10	10	11	

Major Achievements For 2002-03

- Established a Campaign Advisory Group to advise the 'Freedom from Fear' community education campaign with the aim of enlarging its focus on community based initiatives.
- On behalf of the Family and Domestic Violence Coordinating Committee, planned and implemented a consultation process, undertook research and policy development for the development of a State strategic plan on family and domestic violence.
- Convened a conference of Chairs and Coordinators of Regional Domestic Violence Committees (RDVC) to encourage the achievement of effective regional coordination and showcase innovative and cost effective projects to combat family violence.
- Commenced a Family Violence pilot project in the Cannington Police District with the Western Australian Police Service for co-location of officers and holistic case management, early identification and intervention of family violence services.
- Funded 17 Regional Family and Domestic Violence Committees for delivery of the training package 'Wrong Way, Understanding and Responding to Aboriginal Family Violence'. Local Aboriginal organisations were project partners in each location.

Major Initiatives For 2003-04

- Coordinate the implementation of the State Strategic Plan on family and domestic violence.
- Undertake capacity building with RDVCs in respect to their role as key participants in an integrated Statewide approach to family and domestic violence.
- Using an across-government approach, monitor key indicators/benchmarks regarding the achievement of family and domestic violence strategies.
- Undertake a pilot Workplace Strategy addressing the needs of employee victims and perpetrators of family and domestic violence in a minimum of two workplaces.

CAPITAL WORKS PROGRAM

The Department's capital works program provides for the replacement, maintenance and expansion of assets that support the delivery of services. The assets include community facilities, hostels, group homes, service delivery offices and information systems requirements. Highlights for the 2002-03 year included the construction of the Dunsborough Community Centre, the new replacement hostel at Como for the Adolescent Child Support Services, the provision for occasional care and outside school hours care, and the continuation of the upgrading of the child care and family centres. Significant expenditure commitments were made towards new community centres in Waroona and Busselton and further planning towards centres in Fitzroy Crossing and Kununurra.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
WORKS IN PROGRESS				
Buildings Minor Works -				
Family Centre Remodelling	550	300	136	250
Computer Hardware and Software -				
Computing and office equipment	232	116	58	58
Information Systems Program - 2001/02	2,638	204	67	2,434
COMPLETED WORKS				
Buildings Minor Works -				
Broome Office	465	465	465	-
Fremantle Office	726	726	726	-
Heritage Buildings	300	300	171	-
Hostel Refurbishment	750	750	743	-
Community Centre Program -				
2001/02 Program	3,000	3,000	669	-
Computer Hardware and Software -				
Hardware-Software Refresh	300	300	300	-
Information Systems Program - 2002/03	199	199	199	-
IT Adoptions System	150	150	150	-
IT Asset Replacement	1,430	1,430	1,430	-
IT WAN Upgrade	330	330	330	-
Software Development	1,400	1,400	957	-
Software Upgrade 2002/03	600	600	600	-
Expanded National Child Strategy -				
Long Day Care Centres -				
1997-98 Program	4,940	4,940	2,033	-
Furniture and Equipment -				
2002/03 Program	859	859	859	-
Hostels				
Residential Facility	1,087	1,087	1,087	-
NEW WORKS				
Accommodation -				
Service Delivery Office Accommodation	725	-	-	725
Upgrade of Provider Support Accommodation	484	-	-	484
Buildings Minor Works -				
Broome Office	96	-	-	96
Karratha Office	129	-	-	129
Manjimup Office	345	-	-	345
Office of Senior's Interests - Accommodation Upgrade	545	-	-	545
Community Centre Program -				
2002/03 Program	2,000	-	-	2,000
Computer Hardware and Software -				
Information Systems Redevelopment	400	-	-	150
IT WAN Upgrade Residual	310	-	-	310
Records and Document Management	220	-	-	220
Software Upgrade 2003/04	410	-	-	410
Systems Development	146	-	-	146
Systems Infrastructure	1,050	-	-	1,050
Upgrade of Financial Systems	300	-	-	300
Furniture and Equipment -				
2003/04 Program	910	-	-	910
Hostels				
Group Home for Southern Corridor	796	-	-	796
	28,822	17,156	10,980	11,358

CAPITAL CONTRIBUTION

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program.....	10,446	7,555	10,980	11,358	8,389	14,510	11,500
	10,446	7,555	10,980	11,358	8,389	14,510	11,500
LESS							
Internal Funds and Balances.....	-	-	3,425	-	-	-	-
Funding included in output appropriations ^(a) ..	5,629	4,681	4,681	4,910	250	-	-
Holding Account ^(b)	-	2,138	2,138	2,885	3,155	2,973	-
Capital Contribution.....	4,817	736	736	3,563	4,984	11,537	11,500

(a) Capital works expensed through the Statement of Financial Performance.

(b) Draw down from Holding Account.

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	61,515	63,954	64,340	68,439	70,544	71,697	73,049
Superannuation	6,040	6,955	6,590	7,000	7,161	7,269	7,394
Grants and subsidies ^(b)	22,748	23,295	23,295	24,818	25,968	27,760	28,758
Services purchased from non-government agencies	53,829	54,835	56,919	60,319	61,433	61,391	61,391
Supplies and services	27,780	31,038	31,038	31,373	30,407	32,838	34,558
Accommodation	9,494	6,547	6,547	6,884	6,882	6,881	6,881
Capital User Charge	4,278	4,616	4,616	4,682	4,798	5,539	6,373
Depreciation	3,749	3,874	3,874	3,405	2,628	2,628	2,628
Administration	727	-	-	-	-	-	-
Net loss on disposal of non-current assets	283	736	736	736	736	736	-
Other expenses	-	822	937	2,444	2,068	2,419	2,067
TOTAL COST OF SERVICES	190,443	196,672	198,892	210,100	212,625	219,158	223,099
Revenues from ordinary activities							
User charges and fees ^(c)	528	249	252	290	262	290	262
Grants and subsidies	17,633	17,324	16,825	16,526	16,928	16,928	16,928
Other Revenue	3,795	1,318	1,318	1,318	653	653	653
Total Revenues from Ordinary Activities	21,956	18,891	18,395	18,134	17,843	17,871	17,843
NET COST OF SERVICES	168,487	177,781	180,497	191,966	194,782	201,287	205,256
REVENUES FROM STATE GOVERNMENT							
Appropriations	169,924	176,832	179,237	189,775	192,473	199,158	204,553
Liabilities assumed by the Treasurer	314	-	314	314	314	314	314
TOTAL REVENUES FROM STATE GOVERNMENT	170,238	176,832	179,551	190,089	192,787	199,472	204,867
CHANGE IN EQUITY RESULTING FROM OPERATIONS	1,751	(949)	(946)	(1,877)	(1,995)	(1,815)	(389)

(a) The Full Time Equivalents (FTEs) for 2001-02 Actual, 2002-03 Estimated Actual and 2003-04 Estimate are 1199, 1169 and 1237 respectively.

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

(c) Includes resources received free of charge. This treatment may differ from the agency's annual report.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	8,210	6,035	7,998	10,969	7,858	7,292	7,203
Restricted cash.....	3,091	2,743	2,678	2,678	2,678	2,678	2,678
Receivables.....	1,392	2,438	1,392	1,392	1,392	1,392	1,392
Amounts receivable for outputs.....	2,686	2,885	2,885	3,155	2,973	-	-
Prepayments	5,568	3,725	5,968	5,368	4,768	4,468	4,168
Total current assets.....	20,947	17,826	20,921	23,562	19,669	15,830	15,441
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	2,163	3,152	3,152	3,829	3,925	6,994	10,063
Land and Buildings.....	44,595	41,617	44,565	43,748	46,085	47,998	47,367
Plant, equipment and vehicles.....	1,261	698	1,039	1,497	5,252	10,802	14,351
Other.....	13,423	11,027	11,710	14,147	12,601	16,055	22,009
Restricted cash.....	1,842	-	2,074	-	271	425	425
Total non-current assets.....	63,284	56,494	62,540	63,221	68,134	82,274	94,215
TOTAL ASSETS.....	84,231	74,320	83,461	86,783	87,803	98,104	109,656
CURRENT LIABILITIES							
Payables.....	556	83	556	1,556	1,292	1,028	1,028
Provision for employee entitlements.....	11,464	10,501	10,913	11,138	11,375	11,612	11,849
Accrued Salaries.....	1,421	2,008	1,673	2,146	-	402	402
Other.....	906	6	642	378	378	378	378
Total current liabilities	14,347	12,598	13,784	15,218	13,045	13,420	13,657
NON-CURRENT LIABILITIES							
Provision for employee entitlements.....	3,326	3,795	3,329	3,531	3,735	3,939	4,143
Other.....	307	333	307	307	307	307	307
Total non-current liabilities	3,633	4,128	3,636	3,838	4,042	4,246	4,450
TOTAL LIABILITIES.....	17,980	16,726	17,420	19,056	17,087	17,666	18,107
EQUITY							
Contributed Equity	4,817	5,553	5,553	9,116	14,100	25,637	37,137
Accumulated surplus/(deficit).....	22,891	14,519	21,945	20,068	18,073	16,258	15,869
Asset revaluation reserve	38,543	37,522	38,543	38,543	38,543	38,543	38,543
Total equity.....	66,251	57,594	66,041	67,727	70,716	80,438	91,549
TOTAL LIABILITIES AND EQUITY.....	84,231	74,320	83,461	86,783	87,803	98,104	109,656

STATEMENT OF CASH FLOWS
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Appropriations.....	165,075	172,958	175,363	185,943	189,404	196,089	201,484
Capital Contribution	4,817	736	736	3,563	4,984	11,537	11,500
Holding Account.....	-	2,686	2,686	2,885	3,155	2,973	-
Net cash provided by State government.....	169,892	176,380	178,785	192,391	197,543	210,599	212,984
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs	(61,355)	(64,249)	(64,635)	(67,539)	(72,250)	(70,855)	(72,609)
Superannuation	(5,726)	(6,955)	(6,276)	(6,686)	(6,847)	(6,955)	(7,080)
Supplies and services	(26,980)	(29,614)	(29,614)	(29,277)	(28,961)	(30,392)	(32,830)
Grants and subsidies	(22,662)	(23,705)	(23,705)	(25,228)	(26,378)	(28,170)	(29,168)
Accommodation.....	(9,699)	(6,522)	(6,522)	(6,968)	(7,002)	(7,001)	(7,001)
Administration.....	(550)	(997)	(997)	(1,559)	(872)	(872)	(872)
Capital User Charge.....	(4,278)	(4,616)	(4,616)	(4,682)	(4,798)	(5,539)	(6,373)
Services purchased from non-government agencies	(54,161)	(54,035)	(57,319)	(58,719)	(60,833)	(62,091)	(60,091)
Goods and Services Tax	(9,843)	(8,400)	(8,400)	(8,400)	(8,400)	(8,400)	(8,400)
Other.....	-	(822)	(937)	(2,444)	(2,068)	(2,419)	(3,314)
Receipts							
User charges and fees	215	51	54	92	64	92	64
Goods and Services Tax	10,185	8,400	8,400	8,400	8,400	8,400	8,400
Grants and subsidies	17,633	17,324	16,825	16,526	16,928	16,928	16,928
Other.....	1,757	1,438	1,438	1,438	773	773	773
Net cash from operating activities	(165,464)	(172,702)	(176,304)	(185,046)	(192,244)	(196,501)	(201,573)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(2,515)	(2,874)	(2,874)	(6,448)	(8,139)	(14,510)	(11,500)
Proceeds from sale of non-current assets	48	-	-	-	-	-	-
Net cash from investing activities	(2,467)	(2,874)	(2,874)	(6,448)	(8,139)	(14,510)	(11,500)
CASH FLOWS FROM FINANCING ACTIVITIES							
Net cash from financing activities	-	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	1,961	804	(393)	897	(2,840)	(412)	(89)
Cash assets at the beginning of the reporting period	11,182	7,974	13,143	12,750	13,647	10,807	10,395
Cash assets at the end of the reporting period.....	13,143	8,778	12,750	13,647	10,807	10,395	10,306

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
Children in care	14,396	15,128	14,433	17,050	18,193	20,476	21,424
Family crisis program.....	1,558	1,600	1,543	1,500	1,600	1,650	1,700
Capital Grants.....	1,955	2,100	2,126	1,691	1,500	1,500	1,500
Volunteering.....	5	310	520	395	540	-	-
Positive Ageing Initiatives.....	151	25	129	25	25	25	25
Freedom from Fear.....	102	75	85	80	78	78	78
Disaster Relief.....	13	-	8	8	8	8	8
Youth grants and disbursements ^(a)	4,465	4,009	4,378	4,000	4,000	4,000	4,000
Other	103	48	73	69	24	23	23
TOTAL	22,748	23,295	23,295	24,818	25,968	27,760	28,758

(a) Includes grants to the cadet program and community service grants.

TRUST ACCOUNT DETAILS**Western Australian Family Foundation Trust Account**

The purpose of the Account is to hold funds for development, implementation and administration initiatives and activities regarding the family and community.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000
Opening Balance	877	738	666	285
Receipts:				
Appropriations.....	560	560	560	560
Other	-	-	-	-
	1,437	1,298	1,226	845
Payments	771	560	941	560
CLOSING BALANCE.....	666	738	285	285

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23A of the *Financial Administration and Audit Act*, provides for the retention of the following cash receipts by the Department:

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000
Aboriginal Child Care Training.....	13	39	39	39
Children's Services	391	380	383	383
Christmas/Cocos Island.....	83	-	80	65
Departmental Services.....	1,972	1,412	1,412	1,465
Family Law Court	1,213	1,190	691	-
GST input credits.....	10,059	8,320	8,320	8,320
GST Receipts on Sales	126	80	80	80
National Youth Week.....	21	-	-	-
Supported Accommodation Assistance Program.....	15,861	15,696	15,696	16,088
Unattached Refugee Children.....	51	16	16	16
Youth Grants	-	80	-	-
TOTAL.....	29,790	27,213	26,717	26,456

The monies received and retained are to be applied to the Department's outputs as specified in the Budget Statements.

DISABILITY SERVICES COMMISSION

PART 13 - MINISTER FOR COMMUNITY DEVELOPMENT, WOMEN'S INTERESTS, SENIORS AND YOUTH; DISABILITY SERVICES; CULTURE AND THE ARTS

DIVISION 64

APPROPRIATION AND FORWARD ESTIMATES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 107 Net amount appropriated to deliver outputs	182,980	194,774	194,774	207,068	218,712	230,984	243,579
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	159	159	185	185	185	185	185
Total appropriations provided to deliver outputs	183,139	194,933	194,959	207,253	218,897	231,169	243,764
ADMINISTERED TRANSACTIONS							
Amount provided for Administered Grants, Subsidies and Other Transfer Payments...	1,000	-	-	-	-	-	-
CAPITAL							
Item 170 Capital Contribution	2,863	1,781	1,781	3,261	2,763	3,479	3,556
GRAND TOTAL.....	187,002	196,714	196,740	210,514	221,660	234,648	247,320

MISSION

The primary focus of the Commission is to make a positive difference to the lives of people with disabilities, their families and carers.

The Commission will provide leadership to:

- support local communities in welcoming and assisting people with a disability, their families and carers;*
- achieve access to quality support and services for people with a disability; and*
- protect the rights of people with a disability who are especially vulnerable and support them to live a full and valued life.*

SIGNIFICANT ISSUES AND TRENDS

- Ageing carers – many people with disabilities live at home with ageing parents. As almost 70% of all care is provided by family members, the ageing and associated health issues of carers places new and urgent demands on accommodation and community based support services. Ongoing planning is required to help support families plan for the future.
- Ageing of people with disabilities - advances in medical technology and changing socio-demographic factors have contributed to improved life expectancy for many people with disabilities. The needs of an ageing population of people with disabilities continue to impact on the development of more appropriate services. This is particularly so in accommodation services, given that the number of people in the Commission's services aged over 50 years will increase significantly from 22% in 2002 to an estimated 32% by 2008.

- Accommodation support - the number of people supported in group homes and hostels has changed over the years. Few people now choose to move into hostels; people with extremely high support needs are now more likely to move into group homes. Many people who traditionally may have moved into group homes and hostels are now choosing to live in the community or in the family home with support, as individual funding now allows people with disabilities to choose their place of residence. The most significant growth has been in the number of people in supported community living, which includes a variety of arrangements to assist people to live in the community through formal and informal supports.
- Demand – sustained increases in the number of people with disabilities and in the take-up rate of disability services continues to drive the demand for services. The growth in demand and increased service take-up rate are influenced by factors such as ageing carers, ageing of people with disabilities, increased survival rates of people with severe and profound disabilities and changing community expectations. The challenge for the Commission continues to be balancing its response to those in most critical need, while maintaining the capacity for early intervention and support strategies that prevent or delay the need for crisis intervention and enable people with disabilities to live more independent and fulfilling lives. The Commission has given an undertaking to Government to outline its approach to waitlist management and develop an appropriate waitlist policy, for Government consideration by September 2003.
- Families and carers - families and carers continue to be the main source of support for people with disabilities. The provision of adequate support services for family carers to help them maintain their caring role is critical in promoting individual and family well-being, reducing the need for crisis support and avoiding premature or inappropriate entry into high cost residential care.
- Commonwealth State and Territory Disability Agreement (CSTDA) - 16% of the Commission's budget is from Commonwealth funding provided under the CSTDA. The current agreement expired on June 30, 2002 and negotiations on a third CSTDA are continuing. A key priority is to continue to negotiate with the Commonwealth to address unmet demand and future growth in recognition of the joint responsibility of the State and Commonwealth Governments to fund specialist disability services.
- Family leadership and community capacity – a key focus of the Commission is on the strengths and leadership of families as well as support for local communities to include people with disabilities as valued citizens.
- Community access - as public authorities throughout Western Australia have implemented Disability Service Plans, people with disabilities are better able to access and participate in the community. There is growing awareness of the rights of people with disabilities to access all facets of community life, along with increased recognition of the importance of working in partnership with the private sector to support the creation of more accessible and welcoming communities.
- Services for Indigenous people with disabilities – Indigenous people with disabilities, especially those living in rural and remote areas of the State, are under-represented in their use of disability services. There is a need to develop and promote new and culturally appropriate models of supports and service delivery that are acceptable and responsive to local Indigenous communities.
- Older people with disabilities without day options - as people with disabilities grow older they tend to lose employment and alternative to work placements. This places additional burdens on accommodation providers who must provide activities to replace these lost day options. Over the past year there has been a 16% increase in the Commission's Accommodation Services clients who have no day activities. The non-government sector reports similar trends and pressures.
- Increasing numbers of individuals remain at risk of losing their employment due to Commonwealth reforms of supported employment services. These reforms are leading to increased demand for State-funded services as people without employment options seek to transfer to Alternatives to Employment services.
- Service viability – the Commission has established a Sector Development and Reform Working Party to explore ways to contain the costs of services. Both government and non-government services are undertaking similar reforms, with a key objective to have all providers operating within agreed benchmarks. The Commission will continue to encourage cost effective and innovative service designs and management such as co-location, shared infrastructure and pooled resources where appropriate. At the same time, the Commission is working closely with other government agencies, the Department of the Premier and Cabinet and the Department of Treasury and Finance to develop an across government indexation policy that will better reflect cost drivers in human services.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Statement of Financial Performance since publication of the 2002-03 Budget to Parliament on 16 May 2002 are outlined below.

	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
Funding towards the Commission's 3rd Business Plan	1,450	2,450	9,910	17,370
Functional Review Taskforce - Savings to be achieved through administrative efficiencies .	(100)	(100)	(100)	(100)

OUTPUT AND APPROPRIATION SUMMARY

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Accommodation Support	131,700	138,742	139,612	146,536			
Output 2:							
Individual and Family Support	64,566	70,772	71,216	75,271			
Output 3:							
Individual Coordination	23,703	25,996	26,324	27,910			
Output 4:							
Strategic Coordination	5,956	5,445	5,805	5,935			
Total Cost of Outputs	225,925	240,955	242,957	255,652	267,882	281,253	294,855
<i>Less Operating revenues</i>	<i>46,644</i>	<i>46,032</i>	<i>48,008</i>	<i>48,436</i>	<i>49,096</i>	<i>50,084</i>	<i>51,091</i>
Net Cost of Outputs	179,281	194,923	194,949	207,216	218,786	231,169	243,764
Adjustments ^(a)	3,858	10	10	37	111	-	-
Appropriation provided to deliver Outputs.	183,139	194,933	194,959	207,253	218,897	231,169	243,764
ADMINISTERED TRANSACTIONS							
Appropriation for Administered Grants, Subsidies and Transfer Payments	1,000	-	-	-	-	-	-
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	2,863	1,781	1,781	3,261	2,763	3,479	3,556
TOTAL CONSOLIDATED FUND APPROPRIATIONS	187,002	196,714	196,740	210,514	221,660	234,648	247,320

(a) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

(b) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

The following outcome, output and financial information is the subject of a Resource Agreement signed by the Minister, the Chairperson of the Disability Services Commission Board, the Director General and the Treasurer.

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION

Relationship to Government Strategic Objectives

The following table demonstrates the linkage between the most appropriate Government strategic objective and the agency level desired outcomes and outputs.

Government Strategic Objective	Desired Outcome(s)	Output(s)
Safe, healthy and supportive communities	Enhance the environment and well being of people with disabilities and their carers by the provision of necessary supports and services.	1. Accommodation Support 2. Individual and Family Support 3. Individual Coordination 4. Strategic Coordination

Outcomes and Key Effectiveness Indicators ^(a)

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Outcome: Enhance the environment and well being of people with disabilities and their carers by the provision of necessary supports and services.					
Take up rate ^{(b)(c)}	153	190	152	150	

(a) More details of effectiveness indicators are provided in the annual report.

(b) The take up rate is calculated as the number of service users in each output per 1,000 Western Australians who are in receipt of a Disability Support Pension. The take up rate in Western Australia was 85% higher than the national rate.

(c) The difference in the budgeted take up rate and the current estimate is the result of improvements to consumer data that has tightened the data coding processes.

Output 1: Accommodation Support

Accommodation support encompasses appropriate support for people with disabilities to live in a range of accommodation options including hostels, group homes or their own home. This includes support with personal care and independent living skills and may range from a few hours of support a week to 24-hour care. Commencing from the 2003-04 Budget, Output 1 has been redefined to include all accommodation services provided or funded by the Commission. Previously this output included only accommodation support provided in residential settings (such as hostels and group homes) but now also includes supported community living options (previously reported under Output 2). This realignment provides a more comprehensive and accurate picture of the provision of accommodation support.

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Budget Estimate	Reason for Significant Variation
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Output	131,700	138,742	139,612	146,536	
Less Operating Revenue ^(a)	21,532	21,474	22,203	22,692	
Net Cost of Output	110,168	117,268	117,409	123,844	
Adjustments ^(b)	1,901	5	5	22	
Appropriation for delivery of Output 1	112,069	117,273	117,414	123,866	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
People Supported ^{(a) (b)}	3,179	3,254	3,254	3,334	
Quality					
Clients satisfied	91%	90%	na	90%	Consumer survey conducted every second year
Timeliness					
Average time from approval to implementation of accommodation support plan ^(b)	46 days	30 days	30 days	30 days	
Cost (Efficiency)					
Average cost per person ^(b)	\$41,428	\$42,637	\$42,905	\$43,952	
Full Time Equivalents (FTEs)	1024	1023	1060	1072	

(a) The 2001-02 quantity figure was recalculated to reflect the re-alignment of supported community living into Output 1.

(b) Quantities, timeliness and unit cost data for 2001-02 (Actual) and 2002-03 (Budget) have been re-worked to present a consistent time series.

Major Achievements For 2002-03

- A total of 92 new people received accommodation support, 43 people through hostels and group homes and 49 people through supporting people to live in the community. This was achieved through additional funding, efficiencies in service redesign, better coordination and improved use of accommodation vacancies and existing resources.
- Continued implementation of the recommendations from the 2001 review of the Accommodation Support Funding Process, including the creation of the Options Exploration Process for accommodation support funding which has resulted in additional people being supported within existing resources.
- Establishment of a Community Services Training Package as an accredited program for direct care staff within the Commission's Accommodation Services.
- Completion of the Accommodation Blueprint Steering Committee Report. The report provides a wide range of recommendations related to how the disability sector can better meet future accommodation needs.
- Completion of service planning for the redevelopment of Fairholme Hostel to provide more appropriate services for residents.
- Completion of a capital works plan to improve the effectiveness of the Commission's response to emergency respite situations.
- Progressed plans for the reconfiguration of the Commission's High Support Needs hostels and a range of capital works projects.

Major Initiatives For 2003-04

- Provide 80 new people with accommodation support, including an estimated 35 people supported through hostels and group homes and 45 people through Supported Community Living. The mix of support will be influenced by individual choices and need.
- Continue the Options Exploration Process for accommodation support funding to better respond to accommodation support needs and coordinate access to vacancies.
- Develop an implementation plan for the recommendations of the Accommodation Blueprint Steering Committee Report.

- Develop a funding policy on out-of-home-care support for children.
- Improve responses to, and options for, people with complex behaviours from both Commission provided and funded services.
- Investigate ways to increase the availability of accommodation service providers in rural and remote areas.
- Establish a comprehensive service provider directory to facilitate family decisions in choosing accommodation support providers.
- Progress the re-development of Supported Accommodation Services for 10 clients.
- Continue to maintain and develop the Periodic Service Review Management System within the Commission's Accommodation Services directorate, including progress of the extension to Supervising Social Trainers and Management functions.
- Establish an emergency service at Boulton Street (formerly Epsom Hostel).
- Continue the redevelopment of Commission accommodation facilities, including - implement planning for the redevelopment of Fairhome hostel; completing capital works on the Commission's High Support Needs hostels; and improving service provision through further reconfiguring High Support Needs hostels.

Output 2: Individual and Family Support

Individual and family support services include support to individuals to access positive and constructive day options, maintain health and develop individual skills and abilities, and family support and respite for carers. Commencing from the 2003-04 Budget, supported community living services, previously reported under Output 2, are now reported under Output 1.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	64,566	70,772	71,216	75,271	
Less Operating Revenue ^(a)	21,340	20,801	21,840	21,737	
Net Cost of Output	43,226	49,971	49,376	53,534	
Adjustments ^(b)	1,395	4	4	10	
Appropriation for delivery of Output 2	44,621	49,975	49,380	53,544	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Service users ^(b)	15,670	16,171	16,171	16,715	
Quality					
Consumers satisfied.....	89%	90%	n/a	90%	
Timeliness					
Average time between initial referral and offer of first consultation ^(a)	11 days	11 days	6 days	6 days	
Cost (Efficiency)					
Average cost per service user ^(b)	\$4,120	\$4,376	\$4,404	\$4,503	
Full Time Equivalents (FTEs)	255	255	258	258	

(a) The timeliness measure for this output changed during 2002-03. Data for 2002-03 (Estimated) and 2003-04 (Target) is based on a measure of the average time from initial referral to the offer of the first appointment with Individual and Family Support Services. Data for 2002-03 (Budget) and 2001-02 (Actual) is based on the older measure that also included the timeliness of medical services.

(b) Quantities and unit costs for 2001-02 (Actual) and 2002-03 (Budget) have been re-worked to present a consistent time series.

Major Achievements For 2002-03

- Funded 120 families through the Intensive Family Support Program.
- Provided 149 families with Flexible Family Support packages.
- Provided Alternatives to Employment funding for 99 school leavers and 64 adults unable to participate in full time employment.
- Redeveloped block grant funded Alternatives to Employment services so that funds are now individualised and portable, and individual outputs are specified.
- Implemented a new funding framework for the Autism Early Intervention Program to ensure equity of therapy funding across early intervention programs.
- Progressed the streamlining of processes for determining eligibility for the Commission's provided and funded services.
- Implemented initiatives for carers as part of the State Government's Carers' Package including development of carer training packages, family initiatives grants, and targeted promotion of support services to Indigenous and remote communities.
- Worked with key stakeholders to develop a policy and purchasing framework for School Aged Therapy and Professional services.
- Completed a review of the Mirrabooka Access Centre with respect to contemporary practice in community access and recreation programs, taking account of the changing needs of participants.
- Implemented the recommendations of the review of the Phoenix Centre recreation program, with particular emphasis on improved support for ageing people with disabilities.
- Reviewed the Commission's Individual and Family Support program framework to better reflect the Commission's strategic directions in family leadership, family-centred practice, community connection and partnerships.
- Finalised negotiations with Department of Health to address issues related to the Community Aids and Equipment Program database, eligibility and infrastructure, and implemented a rolling compliance strategy for providers of these services.

- Enhanced the capacity of mainstream providers to support people with disabilities and their families by expanding initiatives through the Commission's Individual and Family Support Program.
- Implemented the outcomes of the review of principal consultants and clinical leadership within the Commission, with an emphasis on strengthening metropolitan district based planning and service delivery as well as coordination of key clinical leadership functions.
- Established videoconferencing as an important initiative for improving information and services to consumers and service providers in rural and remote areas. The purchase of equipment and the training of staff contributed to the ability to use videoconferencing to improve the efficiency of Commission processes in areas such as interviewing for new staff, consultations and information provision.

Major Initiatives For 2003-04

- Implement the policy and purchasing framework for the School Aged Therapy and Professional Services program.
- Adopt a streamlined approach to purchasing therapy services.
- Implement a Rolling Compliance Audit in the Community Aids and Equipment Program to ensure funding reaches those for whom it is intended.
- Develop business rules for Alternatives to Employment service providers to establish appropriate benchmarks.
- Provide a best practice forum for the funded Alternatives to Employment sector to promote inclusion and development of natural support networks.
- Implement the new Individual and Family Support Program Framework including the ongoing development of family centred practice and evidence based practice.
- Trial the Modified Vehicle Scheme to match buyers with sellers of vehicles modified for use by families with a family member with a disability.
- Strengthen the connection and interface with government and non-government agencies, particularly in outlying metropolitan areas.
- Implement new support arrangements for people attending Mirrabooka Access Centre following a review completed in 2003.

Output 3: Individual Coordination

This output relates to the provision of a range of supports and strategies through Local Area Coordinators, who develop resources and support networks in local communities; provide information and link people with local resources and support networks; and also provide individualised funding to enable people with a disability and their families to choose and purchase their own supports and services directly.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	23,703	25,996	26,324	27,910	
Less Operating Revenue ^(a)	2,004	2,027	2,144	2,197	
Net Cost of Output	21,699	23,969	24,180	25,713	
Adjustments ^(b)	470	1	1	5	
Appropriation for delivery of Output 3	22,169	23,970	24,181	25,718	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Service users (Local Area Coordination).....	6,147	6,003	6,258	6,463	
Service users (LAC Direct Consumer Funding)	1,317	1,456	1,443	1,488	
Quality					
Service users satisfied.....	81%	90%	na	90%	Consumer survey conducted every second year
Timeliness					
Time from initial referral to first contact	1.5 days	1.5 days	1.2 days	1.5 days	
Cost (Efficiency)					
Average cost per service user (Local Area Coordination).....	\$2,314	\$2,249	\$2,397	\$2,462	
Average grant per service user (Direct Consumer Funding)	\$7,198	\$8,582	\$7,849	\$8,065	
Full Time Equivalents (FTEs)	156	156	161	166	

Major Achievements For 2002-03

- Reviewed the Local Area Coordination program to clarify its role, function and cost-effectiveness.
- Completed the first year of a two-year evaluation of Flexible Family Support packages, provided through the statewide Local Area Coordination program.
- Supported the ongoing development of family leadership initiatives to assist families to develop independence and self-determination.
- Continued the development of partnerships with local service providers, agencies and government departments to develop shared responsibility and commitment to supporting people with disabilities and their families in the community.
- Progressed the development and implementation of a quality management framework for the Local Area Coordination program.
- Continued the strategic staff development initiatives for Local Area Coordinators around individual planning, personal network development and asset based community development.
- Introduced new models of service delivery for Indigenous people in the Kimberley and Pilbara regions.

Major Initiatives For 2003-04

- Expand Local Area Coordination in response to population growth.
- Simplify the Local Area Coordination role statement and communicate the new statement to consumers, agencies and the general community.
- Implement specific strategies to make the Local Area Coordination program more relevant and responsive to Indigenous Australians and people from culturally and linguistically diverse backgrounds.
- Improve the capacity of Local Area Coordination to provide timely and accurate information to consumers.
- Implement a range of developments in Local Area Coordination recruitment, induction, training and supervision to ensure the quality and consistency of services.

- Reduce the role of Local Area Coordinators in program funding and simplify the processes for direct funding to consumers.
- Re-focus the work of Local Area Coordinators on the key values of inclusion, community participation and individual/family empowerment.
- Continue to strengthen the implementation of the Commission's Strategic Plan through family leadership development and support of family and community projects.

Output 4: Strategic Coordination

This output includes the monitoring of progress on disability service plans; early identification and monitoring of issues which impact on people with disabilities and their carers; development and monitoring of the quality of disability services; community education and awareness raising and the collection and analysis of data and information to inform the development of government policy and services to all people with disabilities.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	5,956	5,445	5,805	5,935	
Less Operating Revenue ^(a)	1,768	1,730	1,821	1,810	
Net Cost of Output	4,188	3,715	3,984	4,125	
Adjustments ^(b)	92	-	-	-	
Appropriation for delivery of Output 4	4,280	3,715	3,984	4,125	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Strategic Projects.....	71	70	84	85	
Quality					
DSC Board satisfaction with quality.....	95%	95%	95%	95%	
Timeliness					
DSC Board satisfaction with timeliness.....	100%	95%	95%	95%	
Cost (Efficiency)					
Average cost per project.....	\$83,887	\$77,786	\$69,107	\$69,824	
Full Time Equivalents (FTEs)	37	37	40	40	

Major Achievements For 2002-03

- Advanced the renegotiation of the Commonwealth State and Territory Disability Agreement, ensuring continued funding from the Commonwealth Government that currently represents 16% of the State disability budget.
- Provided service improvement grants to 10 organisations to enhance quality frameworks and adopt best practice processes.

- Continued the development of a policy framework to underpin the provision of services to Indigenous people, including the employment of an Indigenous policy officer and commencement of a major research project to investigate models of service provision to rural and remote Indigenous communities.
- Enhanced the interdepartmental policy and program response to justice issues involving people with disabilities, including commencement of a strategic diversion project aimed at keeping people with a disability out of the formal court and prison system.
- Commenced the development of a safeguards framework for funded and provided services.
- Strengthened links to the Commonwealth Aged Care Program to better meet the needs of people with a disability who are ageing.
- Commenced the implementation of recommendations from the 2002 review of the *Disability Services Act (1993)*.
- Established a Health Resource and Consultancy Team as the basis for promoting community-based medical services for people with disabilities.
- Coordinated the Staff Awards, Action on Access Awards and Making a Difference Awards.
- Compiled a series of oral histories from key leaders in the disability field in Western Australia over the past 20-30 years.
- Completed a range of significant public forums on disability, including the coordination of a Disability Symposium in November 2002, the Universal Design stream at the 6th World Ageing Conference – Maturity Matters in October 2002, and a series of monthly lunchtime forums for the disability field.
- Commenced development of an Access Advocacy Kit for the community.
- Continued the regular, on-going consultation with community leaders and representative bodies of disability communities.
- Continued enhancement of the Commission's data collection on consumer numbers and the range of services provided. This included the implementation of redevelopments of the National Minimum Data Set.
- Contributed to national projects concerning disability-related research through the National Disability Administrators group.
- Commenced the development of a third business plan for the Commission.

Major Initiatives For 2003-04

- Finalise the negotiation of the Commonwealth funding arrangements under the third Commonwealth State and Territory Disability Agreement.
- Develop a comprehensive policy to encourage research on disability issues.
- Develop a policy framework to underpin the provision of services to Indigenous people.
- Continue enhancing the interdepartmental policy and program response to justice issues involving people with disabilities, including strategic diversion.
- Draft legislative amendments and effect administrative change to ensure implementation of the recommendations of the review of the *Disability Services Act (1993)*.
- Continue lunchtime forums for the disability field.
- Coordinate and manage the Staff Awards, Access Awards, Making a Difference Awards and submissions for the Premier's Awards.

- Develop a range of strategies to raise general awareness of disability and educate the community on disability issues.
- Continue to improve access for people with a disability including working with the private sector and local government to progress a number of disability access initiatives.
- Use the Commission's Internet site to identify venues accessible to people with a disability.
- Continue the work of the Sector Development and Reform working party to enhance the capacity of the sector to respond to changes in service needs and cost pressures.
- Continue to work with the Social Policy Unit to develop a whole of government indexation policy to support the financial viability and service sustainability of the disability sector.

CAPITAL WORKS PROGRAM

The Commission's capital works expenditure for 2003-04 provides for the preservation, upgrade and fit out of its hostels and group homes. The proposed work will enhance and sustain the economic life of the facilities and contribute to improved service delivery.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
WORKS IN PROGRESS				
Community Disability Housing Program 2002-03-2006/07	3,696	1,000	1,000	400
Hostels Redevelopment Program 2002-03-2006/07	3,565	1,100	1,100	1,115
COMPLETED WORKS				
Auto Rostering System.....	712	712	712	-
Hostel Redevelopment Program	1,875	1,875	1,817	-
Renovation Program				
2001-02.....	1,000	1,000	418	-
2002-03.....	1,290	1,290	1,290	-
NEW WORKS				
Renovation Program				
2003-04.....	1,800	-	-	1,800
	13,938	6,977	6,337	3,315

CAPITAL CONTRIBUTION

The Commission's Capital Works Program is to be funded from asset sales, borrowings, capital contribution and drawdown from the holding account.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program.....	2,857	4,652	6,337	3,315	2,866	3,750	4,380
Working capital requirement							
Loan repayments	617	625	625	1,340	511	511	511
	3,474	5,277	6,962	4,655	3,377	4,261	4,891
LESS							
Asset Sales	614	1,500	1,340	800	-	-	-
Borrowings	-	1,996	3,841	-	-	-	-
Internal Funds and Balances	(3)	-	-	-	-	-	-
Holding Account ^(a)	-	-	-	594	614	782	1,335
Capital Contribution.....	2,863	1,781	1,781	3,261	2,763	3,479	3,556

(a) Draw down from Holding Account.

FINANCIAL STATEMENTS**STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)**

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	71,146	71,795	72,800	74,228	75,453	76,902	78,141
Superannuation	5,748	6,972	6,829	6,952	6,829	7,263	7,235
Grants and subsidies ^(b)	124,891	138,481	137,493	147,348	157,756	168,381	179,521
Supplies and services	18,584	17,827	19,421	19,898	20,545	21,001	21,844
Accommodation	4,462	4,247	4,627	4,812	4,924	5,104	5,182
Borrowing costs	556	650	450	740	585	595	520
Capital User Charge	-	-	-	-	-	-	217
Depreciation	488	947	947	1,594	1,709	1,925	2,112
Net loss on disposal of non-current assets	-	-	311	-	-	-	-
Doubtful Debts	47	36	76	77	78	79	80
Other expenses	3	-	3	3	3	3	3
TOTAL COST OF SERVICES	225,925	240,955	242,957	255,652	267,882	281,253	294,855
Revenues from ordinary activities							
User charges and fees ^(c)	4,543	5,470	5,505	5,598	5,733	5,871	6,011
Net Profit on disposal of non-current assets	127	2	-	309	-	-	-
Grants and subsidies	39,831	39,801	40,963	41,739	42,573	43,423	44,290
Other Revenue	2,143	759	1,540	790	790	790	790
Total Revenues from Ordinary Activities	46,644	46,032	48,008	48,436	49,096	50,084	51,091
NET COST OF SERVICES	179,281	194,923	194,949	207,216	218,786	231,169	243,764
REVENUES FROM STATE GOVERNMENT							
Appropriations	183,139	194,933	194,959	207,253	218,897	231,169	243,764
TOTAL REVENUES FROM STATE GOVERNMENT	183,139	194,933	194,959	207,253	218,897	231,169	243,764
CHANGE IN EQUITY RESULTING FROM OPERATIONS	3,858	10	10	37	111	-	-
Change in Equity arising from transfer of assets/liabilities	(1,435)	-	-	-	-	-	-
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	2,423	10	10	37	111	-	-

(a) The Full Time Equivalents (FTEs) for 2001-02 Actual, 2002-03 Estimated Actual and 2003-04 Estimate are 1472, 1519 and 1536 respectively.

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

(c) Includes resources received free of charge. This treatment may differ from the agency's annual report.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	57	87	57	57	57	57	57
Restricted cash.....	4,902	2,645	2,488	2,683	378	668	958
Receivables.....	1,109	1,206	1,131	1,138	1,147	1,157	1,167
Amounts receivable for outputs.....	-	-	594	614	782	1,335	1,335
Prepayments.....	310	-	-	-	-	-	-
Total current assets.....	6,378	3,938	4,270	4,492	2,364	3,217	3,517
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	2,061	3,658	3,064	4,816	6,384	7,634	9,091
Land and Buildings.....	16,280	18,799	17,435	18,505	19,082	19,733	20,015
Plant, equipment and vehicles.....	1,689	2,090	4,206	3,489	3,311	3,074	2,784
Other.....	4,324	2,829	4,391	5,108	5,866	7,277	9,553
Total non-current assets.....	24,354	27,376	29,096	31,918	34,643	37,718	41,443
TOTAL ASSETS.....	30,732	31,314	33,366	36,410	37,007	40,935	44,960
CURRENT LIABILITIES							
Superannuation.....	810	811	844	900	661	689	689
Payables.....	2,124	2,205	425	302	352	327	645
Provision for employee entitlements.....	14,270	13,881	14,705	15,254	15,713	16,183	16,668
Interest-bearing liabilities (Borrowings).....	625	1,340	1,340	511	511	511	511
Interest payable.....	243	162	143	182	148	152	128
Accrued Salaries.....	2,493	1,792	1,842	2,184	-	293	299
Other.....	1,482	600	420	420	420	420	420
Total current liabilities.....	22,047	20,791	19,719	19,753	17,805	18,575	19,360
NON-CURRENT LIABILITIES							
Superannuation.....	7,488	7,880	7,488	7,488	7,488	7,488	7,488
Provision for employee entitlements.....	5,692	5,945	5,907	6,130	6,312	6,502	6,697
Interest-bearing liabilities (Borrowings).....	6,018	8,974	8,974	8,463	7,952	7,441	6,930
Total non-current liabilities.....	19,198	22,799	22,369	22,081	21,752	21,431	21,115
TOTAL LIABILITIES.....	41,245	43,590	42,088	41,834	39,557	40,006	40,475
EQUITY							
Contributed Equity.....	2,863	2,401	4,644	7,905	10,668	14,147	17,703
Accumulated surplus/(deficit).....	(31,393)	(32,694)	(31,383)	(31,346)	(31,235)	(31,235)	(31,235)
Asset revaluation reserve.....	18,017	18,017	18,017	18,017	18,017	18,017	18,017
Total equity.....	(10,513)	(12,276)	(8,722)	(5,424)	(2,550)	929	4,485
TOTAL LIABILITIES AND EQUITY.....	30,732	31,314	33,366	36,410	37,007	40,935	44,960

STATEMENT OF CASH FLOWS
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Appropriations.....	181,078	193,336	193,362	204,887	216,547	228,584	240,972
Capital Contribution	2,863	1,781	1,781	3,261	2,763	3,479	3,556
Holding Account.....	-	-	-	594	614	782	1,335
Net cash provided by State government.....	183,941	195,117	195,143	208,742	219,924	232,845	245,863
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs	(67,854)	(70,956)	(72,801)	(73,115)	(76,996)	(75,949)	(77,455)
Superannuation	(6,084)	(6,935)	(6,795)	(6,896)	(7,068)	(7,235)	(7,235)
Supplies and services.....	(18,901)	(17,558)	(21,476)	(19,780)	(20,284)	(20,809)	(21,386)
Grants and subsidies	(124,891)	(138,481)	(137,493)	(147,348)	(157,756)	(168,381)	(179,521)
Borrowing costs.....	(565)	(631)	(550)	(700)	(619)	(591)	(545)
Accommodation.....	(4,826)	(4,334)	(4,722)	(4,757)	(4,839)	(5,024)	(5,024)
Capital User Charge.....	-	-	-	-	-	-	(217)
Goods and Services Tax	(13,090)	(13,712)	(14,937)	(15,679)	(16,700)	(17,800)	(18,971)
Other.....	(55)	-	(60)	(55)	(56)	(57)	(57)
Receipts							
User charges and fees	4,170	5,203	5,203	5,310	5,443	5,579	5,718
Goods and Services Tax	13,232	13,712	14,937	15,679	16,700	17,800	18,971
Grants and subsidies	39,831	39,801	40,963	41,739	42,573	43,423	44,290
Other.....	2,084	750	1,500	750	750	750	750
Net cash from operating activities	(176,949)	(193,141)	(196,231)	(204,852)	(218,852)	(228,294)	(240,682)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(4,372)	(4,652)	(6,337)	(3,315)	(2,866)	(3,750)	(4,380)
Proceeds from sale of non-current assets	614	1,500	1,340	960	-	-	-
Net cash from investing activities	(3,758)	(3,152)	(4,997)	(2,355)	(2,866)	(3,750)	(4,380)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(617)	(625)	(625)	(1,340)	(511)	(511)	(511)
Proceeds from borrowings	-	1,996	4,296	-	-	-	-
Net cash from financing activities	(617)	1,371	3,671	(1,340)	(511)	(511)	(511)
NET INCREASE/(DECREASE) IN CASH HELD	2,617	195	(2,414)	195	(2,305)	290	290
Cash assets at the beginning of the reporting period	2,342	2,537	4,959	2,545	2,740	435	725
Cash assets at the end of the reporting period.....	4,959	2,732	2,545	2,740	435	725	1,015

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
EXPENSES							
Grants and subsidies	1,000	-	-	-	-	-	-
TOTAL ADMINISTERED EXPENSES ^(a) ..	1,000	-	-	-	-	-	-
REVENUES							
Appropriations	1,000	-	-	-	-	-	-
TOTAL ADMINISTERED REVENUES	1,000	-	-	-	-	-	-

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

[illegible]

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
Grants to External Service Providers	112,309	123,149	123,115	132,196	141,821	152,107	162,987
Grants to Internal Service Providers	12,582	15,332	14,378	15,152	15,935	16,274	16,534
TOTAL	124,891	138,481	137,493	147,348	157,756	168,381	179,521

DETAILS OF THE ADMINISTERED TRANSACTIONS EXPENSES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
GRANTS TO CHARITABLE AND OTHER PUBLIC BODIES							
Australian Red Cross - Lady Lawley Cottage Redevelopment	1,000	-	-	-	-	-	-
TOTAL	1,000	-	-	-	-	-	-

CULTURE AND THE ARTS

PART 13 - MINISTER FOR COMMUNITY DEVELOPMENT, WOMEN'S INTERESTS, SENIORS AND YOUTH; DISABILITY SERVICES; CULTURE AND THE ARTS

DIVISION 65

APPROPRIATION AND FORWARD ESTIMATES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 108 Net amount appropriated to deliver outputs	63,891	78,316	72,553	77,421	101,957	109,180	106,904
Item 109 Art Gallery of Western Australia	3,814	3,623	3,623	3,450	-	-	-
Item 110 Library Board of Western Australia	14,564	14,839	14,989	15,191	-	-	-
Item 111 Perth Theatre Trust	1,570	1,227	1,312	1,286	-	-	-
Item 112 Western Australian Museum	6,569	4,437	4,437	4,186	-	-	-
Amount Authorised by Other Statutes							
- Lotteries Commission Act 1990	8,927	9,000	8,940	9,251	9,530	9,670	9,820
- Salaries and Allowances Act 1975	490	538	538	548	558	568	568
Total appropriations provided to deliver outputs	99,825	111,980	106,392	111,333	112,045	119,418	117,292
CAPITAL							
Item 171 Capital Contribution	2,588	3,144	1,344	2,380	9,606	14,886	17,563
Item 172 Art Gallery of Western Australia	910	910	910	827	-	-	-
Item 173 Library Board of Western Australia	9,452	3,548	3,548	2,496	-	-	-
Item 174 Perth Theatre Trust	500	500	500	383	-	-	-
Item 175 Western Australian Museum	800	2,500	1,200	8,183	-	-	-
GRAND TOTAL	114,075	122,582	113,894	125,602	121,651	134,304	134,855

OUTPUT APPROPRIATION BY SERVICE AGENCY

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
Art Gallery of Western Australia	16,360	16,836	16,215	16,916	17,258	17,077	17,764
ArtsWA	17,428	24,134	20,066	19,259	19,775	26,181	21,393
Cultural and Arts Policy	1,418	1,497	1,687	1,674	1,545	1,573	1,603
Library Board of Western Australia	34,610	37,718	37,198	38,635	39,446	39,907	40,833
State Records Office	1,263	1,501	1,497	1,410	1,429	1,464	1,498
Perth Theatre Trust	6,365	6,192	6,124	6,620	6,794	6,572	6,831
Screenwest	2,580	2,549	2,547	3,227	1,251	1,286	1,315
Western Australian Museum	19,801	21,553	21,058	23,592	24,547	25,358	26,055
TOTAL	99,825	111,980	106,392	111,333	112,045	119,418	117,292

MISSION

To provide leadership, support and services to ensure that current and future Western Australians are informed and have access to a diverse range of innovative ideas, knowledge and cultural experiences.

SIGNIFICANT ISSUES AND TRENDS

- There is a growing international, national and local recognition about the contribution culture and the arts can make to broader public policy objectives in areas such as sustainability, capacity building, health, education and justice. This highlights the centrality of creativity and innovation to the Western Australian community.
- There is a growing interest to pursue lifelong learning to keep up-to-date and retrain as the job market changes. Cultural institutions, including libraries and museums are key providers of resources for lifelong learning.
- As Western Australia recognises the 175th Anniversary of European settlement in 2004 there is a strong recognition of the role of arts and culture to interpret and tell all our stories. There is an obligation on the cultural sector through exhibitions, writing and performance and film making and on Western Australian collecting institutions to encourage and support the telling of stories and experiences, thereby improving access to and use of collections in their care.
- The cultural sector is continuing to work with Indigenous people and communities to provide information, employment, interpretative programmes and is working towards repatriation of collections of secret/sacred artefacts if desired by the relevant community.
- Increasing insurance premiums for public liability and exhibition cover, increasing freight costs and the tendency amongst re-insurers to introduce more exclusions in fine art policies are increasing program delivery costs for the Art Gallery of Western Australia and the Western Australian Museum.
- Recognition of the need for sustainable societies will bring into focus the role of culture, diversity, equity and creativity as being a bottom line for the development of a successful community.
- As a higher proportion of the population enters retirement, there will be increased demand on access to cultural services, visits to cultural institutions and participation in arts and cultural work by volunteers.
- As the community become increasingly technologically literate, new electronic formats and networks present challenges for the collection, presentation and delivery of information services. The digitisation of materials offers new ways of presenting cultural material to the population, including those who cannot physically access the collections.
- The international film and television production environment continues to evolve. The growth of reality television has reduced demand for long form, low unit cost drama projects worldwide. At the same time, demand for high-end drama series, especially the mini-series, appears to be returning. Several high-end television dramas and feature films with strong cultural connections to Western Australia are currently in the planning stages and one, the series 'The Shark Net' based on the Robert Drewe memoir of Western Australia in the 1960s, has been shot and will be completed this year.
- Australia is seen internationally as a good destination for the production of films, due to favourable exchange rates, climate, varied locations and skilled crews. Western Australia excels on these criteria but has not enjoyed the higher profile of other states as drama production centres, due to a lack of studio/soundstage facilities and film post-production infrastructure. The track record of Western Australian crews in low-medium budget Australian films is growing and being recognised nationally through the production of feature film such as 'Japanese Story' featuring Toni Collette.
- Documentary production continues to be a key area of production excellence in Western Australia. This is recognised through international awards and in the increase in the number of higher budget, longer running series projects being produced by local companies.
- The level of demand for film and television production investment continues to grow strongly.
- The deterioration of collections is an on-going issue of concern to art galleries and museums throughout the world. Care of the State Art Collection and the State's collection of natural science and cultural material will require increasing resources for maintenance and conservation.

- Western Australia has both terrestrial and marine global biodiversity hotspots. Research by the Western Australian Museum contributed to identification of the marine hotspot. Research by the Museum has also identified a unique and highly biodiverse subterranean fauna in caves and groundwater of the arid zone. This has potential implications for resource development.
- The development of Indigenous Knowledge Centres, utilising the online environment can support the management of Indigenous knowledge, community management and self-determination.
- Regional and remote communities have increasing expectations of improved access to collections, cultural information and services.
- Corporate sponsorships are increasingly difficult to secure.
- There is an increasing demand for more timely delivery of library resources, including loans and copies, whether by traditional or electronic delivery methods. The disparity in the electronic infrastructure that exists in public libraries across the State continues to contribute to the issue of the digital divide.
- Establishing programs that encourage reading and literacy skills is one of the most effective ways to overcome social exclusion and develop citizenship. By designing and delivering emergent literacy programs for young children, as well as in educating parents in their role as their child's first teacher, libraries have the opportunity to be central players in supporting adult and pre-school learning.
- The use of the Internet as a major publishing tool means that many electronic publications and websites which provide vital information about the work of government and the community will be lost to future generations unless effective preservation strategies are put in place.
- Agency compliance with the statutory requirement for the submission of record keeping plans by March 2004 will be a major focus of State Records Office activity in 2003-04.
- The cost structure associated with touring exhibitions sourced nationally and internationally is increasingly showing a trend toward higher fees based around profit generation rather than simply cost recovery. This reflects the need for the organising institutions to generate profits from these activities as funding from more traditional sources stagnates or decreases in real terms.
- For acquisitions, building on the strengths of the State Art Collection is increasingly a challenge as the market place for art is competitive and volatile. Donations and sponsorship are increasingly important as the value of increases in direct funding is overtaken by the market and diminished value of the Australian Dollar.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Statement of Financial Performance since publication of the 2002-03 Budget to Parliament on 16 May 2002 are outlined below.

	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
Functional Review Taskforce - General Reduction	(500)	(1,000)	(1,000)	(1,000)
Western Australian Symphony Orchestra Relocation Funding - Deferral from 2002-03	3,900	-	-	-
Revised Cash Flows.....	(7,900)	200	6,400	1,400

OUTPUT AND APPROPRIATION SUMMARY

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Art Gallery Services	20,710	21,682	19,405	19,924			
Output 2:							
Library and Information Services	37,068	39,789	39,810	41,306			
Output 3:							
Museum Services	22,105	24,819	27,059	29,963			
Output 4:							
Arts Industry Support	22,553	24,294	20,809	19,867			
Output 5:							
Screen Production Industry Support	5,173	6,107	6,451	6,748			
Output 6:							
Venue Management Services	12,886	11,229	11,913	11,787			
Output 7:							
Record keeping and Archival Services	1,132	1,632	1,704	1,430			
Total Cost of Outputs	121,627	129,552	127,151	131,025	132,706	138,907	136,783
<i>Less Operating revenues</i>	<i>23,757</i>	<i>17,520</i>	<i>18,950</i>	<i>19,570</i>	<i>19,572</i>	<i>19,617</i>	<i>19,619</i>
Net Cost of Outputs	97,870	112,032	108,201	111,455	113,134	119,290	117,164
Adjustments ^(a)	1,955	(52)	(1,809)	(122)	(1,089)	128	128
Appropriation provided to deliver Outputs.	99,825	111,980	106,392	111,333	112,045	119,418	117,292
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	14,250	10,602	7,502	14,269	9,606	14,886	17,563
TOTAL CONSOLIDATED FUND APPROPRIATIONS	114,075	122,582	113,894	125,602	121,651	134,304	134,855

(a) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

(b) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

The following outcome, output and financial information is the subject of a Resource Agreement signed by the Minister, the Chief Executive Officer and the Treasurer.

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION

Relationship to Government Strategic Objectives

The following table demonstrates the linkage between the most appropriate Government strategic objective and the agency level desired outcomes and outputs.

Government Strategic Objective	Desired Outcome(s)	Output(s)
Safe, healthy and supportive communities	A community that is informed of, and has access to, a diverse range of innovative ideas, knowledge and cultural experiences.	1. Art Gallery Services 2. Library and Information Services 3. Museum Services 4. Arts Industry Support 5. Screen Production Industry Support 6. Venue Management Services 7. Record keeping and Archival Services

Outcomes and Key Effectiveness Indicators ^(a)

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Outcome: A community that is informed of, and has access to, a diverse range of innovative ideas, knowledge and cultural experiences.					
ART GALLERY SERVICES					
Visits strongly improved visitor's knowledge and appreciation of the visual arts:					
- Strongly agree	30.8%	15%	15%	15%	
- Agree.....	50%	55%	55%	55%	
- Neither agree nor disagree.....	14.2%	24%	24%	24%	
- Disagree	3.3%	4%	4%	4%	
- Strongly disagree.....	0.9%	2%	2%	2%	
- Don't know.....	1%	-	-	-	
For quality of Art Gallery presentation:					
- Very good	45%	70%	45%	46%	
- Good	43%	27%	40%	41%	
- Adequate	9%	-	10%	9%	
- Below average.....	1.3%	3%	5%	4%	
- Very poor	0.3%	-	-	-	
- Don't know.....	1.3%	-	-	-	
Quality of information relating to the art and artists:					
- Very good	30%	55%	35%	36%	
- Good	46.3%	43%	45%	46%	
- Adequate	18.5%	-	15%	16%	
- Below average.....	4.3%	2%	5%	2%	
- Very poor	0.3%	-	-	-	
- Don't know.....	0.7%	-	-	-	

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
LIBRARY AND INFORMATION SERVICES					
Customer satisfaction with Library service:					
- Satisfied or very satisfied	89.5%	90%	89%	89%	
- Neutral	4.8%	8%	8%	8%	
- Dissatisfied.....	1.3%	1%	1%	1%	
- Did not respond.....	4.5%	1%	2%	2%	
MUSEUM SERVICES					
Satisfaction rate - interactions	98%	97%	97%	97%	
Satisfaction rate - products	96%	95%	95%	95%	
ARTS INDUSTRY SUPPORT					
Client satisfaction rate	86%	90%	90%	90%	
SCREEN PRODUCTION INDUSTRY SUPPORT					
Hours of production.....	32	20	38	34	
Production value of projects supported.....	\$13,783,455	\$12,000,000	\$29,460,000	\$20,000,000	
VENUE MANAGEMENT SERVICES					
Hirer satisfaction with services provided.....	80%	80%	80%	80%	
RECORDKEEPING AND ARCHIVAL SERVICES					
Client satisfaction with services	95%	95%	95%	95%	
Proportion of the State Archives Collection that is catalogued.....	97%	97%	97%	97%	

(a) More details of effectiveness indicators are provided in the annual report.

Output 1: Art Gallery Services

Delivery of the State Art Collection and access to art gallery services and programs through visual arts advocacy, collection development, facilities and services. Services ensure that primary access to art, heritage and ideas locally, regionally and internationally are preserved and displayed for future generations.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	20,710	21,682	19,405	19,924	
Less Operating Revenue ^(a)	6,735	4,115	2,645	2,737	
Net Cost of Output	13,975	17,567	16,760	17,187	
Adjustments ^(b)	2,598	(508)	(294)	(18)	
Appropriation for delivery of Output 1	16,573	17,059	16,466	17,169	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Items maintained which support WA's collection management	15,679	15,674	15,780	16,120	
Interactions (visitors, internet hits, enquiries and exchanges)	709,995	450,000	450,000	450,000	
Quality					
Adherence to collection policy for acquisition	100%	100%	100%	100%	
Visitor satisfaction rate	94.7%	93%	93%	93%	
Timeliness					
Hours per week public has access to collections	49	49	49	49	
Cost (Efficiency)					
Average cost per item in the collection	\$263.99	\$276.55	\$245.90	\$247.20	
Average cost per interaction	\$23.34	\$38.55	\$34.50	\$35.42	
Full Time Equivalents (FTEs)	67	65	69	71	

Major Achievements For 2002-03

- Presented the exhibition 'Islamic Art & Patronage' from the al-Sabah Collection in Kuwait. This exhibition included many of the world's finest Islamic works and its presentation introduced Western Australian audiences to the exceptional beauty and breadth of Islamic Art from the eighth to 18th Centuries produced in countries stretching from Spain to India and beyond.
- Expanded programs that support Indigenous program initiatives. This included the recruitment of an Associate Curator Indigenous Art, continuation of an Indigenous Trainee Curator position and the establishment of Indigenous Trainee Education Officer position through Carey Mining/Anglo Gold sponsorship.
- Presented a comprehensive survey of contemporary Nyoongar art during the Perth International Art Festival 2003 through the exhibition 'South-West/Central: Indigenous Art from South Western Australia, 1833-2002'.
- In partnership with Country Arts WA, the Art Gallery presented 'Boundless: Contemporary Art from Country WA'. This exhibition showcased the work of visual artists from throughout regional Western Australia.
- In partnership with the Amsterdam's Historisch Museum, the Art Gallery presented the exhibition 'Traces of Genius'. The exhibition featured major drawings from the Italian Renaissance, 17th Century Dutch and 18th and 19th Century French drawings.
- Successful development of the @rtX youth initiative to increase the involvement of young people with visual arts through the State Art Collection.
- Provided innovative and popular family focussed initiatives that support parents and families through a range of events and self directed activities.

Major Initiatives For 2003-04

- In association with Tate, the Art Gallery of Western Australia will present, 'The Pre-Raphaelite Dream: Paintings and Drawings from the Tate Collection'. The exhibition sets the work of the Pre-Raphaelites in their aesthetic, social and historical context, and provides dynamic insight into English society in the 19th Century.

- To follow up on the success of 'Boundless: Contemporary Art from Country WA' the Gallery will present a fresh slice of talented artists working in Perth. The final list of participants will reflect a compelling balance of established and younger artists, crafts practitioners as well as fine artists and will combine a variety of approaches to making art, from the personal to the universal.
- The Western Australian artist, Howard Taylor, is acknowledged as one of the most significant Australian artists of the second half of the 20th century. 'Howard Taylor PHENOMENA' is an exhibition that will bring together work from all phases of his 60 year career. The dominant themes from this period: 'light and space', 'forest figures', 'landscape colonnades', 'natural phenomena', and 'forest regeneration', will guide an exploration of the achievements of this outstanding Western Australian artist. The exhibition is a joint initiative of the Art Gallery of Western Australia and the Museum of Contemporary Art, Sydney.
- In conjunction with the Holmes à Court Collection, the Art Gallery will host an exhibition of the work of the artist Rover Thomas. The exhibition will be the first national touring retrospective of this outstanding Western Australian Indigenous artist and will highlight his early work. The exhibition will draw on works from the Holmes à Court Collection, the Art Gallery of South Australia, Art Gallery of New South Wales, National Gallery of Australia, National Gallery of Victoria and the Art Gallery of Western Australia.
- Collaboration between the Art Gallery of Western Australia and the Education Department will result in the exhibition 'Year 12 Perspectives' which presents art from selected 2003 Year 12 students.
- The purchase of four sculptures by William Kentridge with support from Art Gallery Foundation members including Wesfarmers Limited and Mrs Janet Holmes à Court and from the Friends of the Art Gallery of Western Australia will underpin the development of the collection in line with the Art Gallery's plans for a sculpture garden.
- The Art Gallery will focus on key Government and private sector partnerships that offer the opportunity to promote the State in general and the Gallery in particular as a tourism destination.
- The Art Gallery will continue its ongoing development of the State Art Collection through purchases and donations that build on strengths of the collection, with a particular emphasis on Indigenous Art and Western Australian Art.
- The Art Gallery will develop a program that will enhance the staff's level of project management, business and financial literacy and consolidate this in performance planning systems and procedures.

Output 2: Library and Information Services

Delivery of library and information services through the Internet, the Alexander Library Building and the Public Library system. Support Local Government and associated bodies with leadership, resources, information and other services. Services ensure that Western Australia's documentary heritage is collected, organised and preserved for access by future generations.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	37,068	39,789	39,810	41,306	
Less Operating Revenue ^(a)	1,920	1,618	1,702	1,778	
Net Cost of Output	35,148	38,171	38,108	39,528	
Adjustments ^(b)	981	(14)	(417)	(36)	
Appropriation for delivery of Output 2	36,129	38,157	37,691	39,492	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
New items added to the collections	322,699	350,000	350,000	350,000	
Information Interactions	3,669,119	3,650,000	3,650,000	3,650,000	
Quality					
Client satisfaction with services	89.5%	90%	89%	89%	
Collections covered by collection development policies	100%	100%	100%	100%	
Timeliness					
Hours per week public has access to collections.....	67.5	67.5	67.5	67.5	
Time taken from order to dispatch (public library collections).....	144 days	125 days	125 days	125 days	
Cost (Efficiency)					
New items added to the collections	\$45.97	\$45.48	\$45.44	\$47.21	
Information Interactions	\$6.06	\$6.54	\$6.55	\$6.79	
Full Time Equivalents (FTEs)	253	258	251	251	

Major Achievements For 2002-03

- The first phases of the upgrade of the automated library management system have been concluded and a staged implementation plan developed for the different modules. Improving these processes will increase efficiency and enhance service delivery to clients.
- Progress has continued with the development of the Framework Agreement for the delivery of public library services.
- A project to provide improved services to public libraries through efficient selection, ordering, processing and distribution activities (Improved Service Delivery Project) commenced in cooperation with key stakeholders. A number of processes were re-engineered resulting in increased efficiencies.
- Reference services throughout the State were expanded through the introduction of an interactive online reference service, AskNow!, and an enhanced e-mail service. Through the Council of Australian State Libraries consortium, clients in the Alexander Library Building gained access to a wider range of electronic databases and a popular electronic database was made available to 20 Western Australian Local Governments.
- The provision of fee based printing facilities from the Internet and State Library databases has been explored, and the project integrated with an upgrade of the swipe card technology. Implementation will occur in 2003-04.
- Some 42 Local Governments received additional resources for public libraries through a program to purchase additional resources with the \$4 million provided by State Government over four years.
- Surveys of heritage collections and condition reporting of film and photographic collections have identified the materials most at risk and priorities were established to deal with the many problems. A special Lotteries Commission grant was obtained through the State Library Custodians to preserve 30 films from the State Film Archives.
- An ongoing program to archive Western Australian electronic documents and websites through the PANDORA archive of the National Library of Australia has begun with over 30 websites archived. This will ensure their long-term preservation.
- A guide to Indigenous records held in the Battye Library was prepared to assist Aboriginal clients and researchers.

- In association with the Western Australian State Library Custodians, over \$1 million was raised from the corporate sector, State Government and private sponsors for the purchase at auction of 18 works of significant interest to the study of French exploration of the Western Australian coastline in the early 19th century. Following the arrival of the collection and some initial conservation work, the State Library mounted a successful public exhibition entitled 'Freycinet: our French collection'.
- Over 8,000 images from the pictorial and ephemera collections are available through the State Library's website, including a special range of images created for the Freycinet exhibition.
- A range of merchandise and materials to commemorate the Freycinet exhibition were developed and marketed to the public through the State Library Shop.
- The project to microfilm pre-Federation regional newspapers was completed in conjunction with the Friends of Battye Library with funding from the Lotteries Commission. A total of 17 newspaper titles were filmed on 272 reels to current Australian and International standards. Copies of the microfilm reels were deposited with relevant regional public libraries.

Major Initiatives For 2003-04

- Following the recent acquisition of a digital imaging station, a project to digitise glass, acetate and nitrate negatives at greatest risk will be undertaken, and the resultant images made available through the online catalogue.
- The digitisation of microfilmed newspapers will be investigated in the anticipation that in future years the images will be available online, including keyword searching, where appropriate.
- In addition to archiving digital resources using the PANDORA archive of the National Library of Australia, further strategies will be developed to ensure the preservation of electronic publications and websites.
- Electronic ordering and the online selection of resources for public libraries will be implemented as a major outcome of the Improved Service Delivery Project.
- The 740 images of soldiers from World War I which were preserved through the 'Adopt-a-Soldier' promotional campaign will be digitised and made available on the State Library's website.
- The State Library will pursue a number of cooperative projects with the National Library of Australia to enhance public access to digital images and Australia's musical heritage, and to progress newspaper preservation and oral history programs.
- A program to foster the development of literacy and language skills in pre-school children will be developed. In delivering the program, the State Library will partner with public libraries throughout the State as well as investigating collaborative opportunities with other agencies to reach young children and their families.
- A major marketing campaign '@ your library' will be launched to increase awareness and support for libraries. The campaign is applicable to all library sectors in Western Australia and will increase awareness and support for libraries and update the image of libraries and library staff for the 21st century.
- Following the successful Freycinet Exhibition at the State Library, a modified version of the exhibition, using facsimiles of the items purchased, will be toured in regional areas.
- A Genealogical Fair to raise clients' awareness of the many resources and services available will be organised in conjunction with the State Records Office and volunteer organisations.
- An information literacy program will be undertaken to assist clients with searching across various online information resources.

Output 3: Museum Services

Delivery and promotion of museum services through collection development and management, research, education and visitor services.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	22,105	24,819	27,059	29,963	
Less Operating Revenue ^(a)	4,570	2,955	5,270	5,907	
Net Cost of Output	17,535	21,864	21,789	24,056	
Adjustments ^(b)	2,549	(10)	(392)	(24)	
Appropriation for delivery of Output 3	20,084	21,854	21,397	24,032	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Items maintained, which support Western Australia's collection management.....	2,525,119	2,530,000	2,536,000	2,540,000	
Interactions (visitors, Internet hits, enquiries and exchanges)	1,249,940	1,220,000	1,575,000	1,600,000	
Quality					
Adherence to collection policy for acquisition	100%	100%	100%	100%	
Collections stored according to appropriate standards.....	5%	5%	5%	5%	
Satisfaction rate – interactions.....	98%	97%	97%	97%	
Satisfaction rate - products	96%	95%	95%	95%	
Timeliness					
Public access to collections (hours per week):.					
- Fremantle History Museum.....	40	40	40	40	
- Maritime Museum.....	52	52	52	52	
- Perth Museum	52	52	52	52	
Length of time from decision on collection to time of use	33 days	33 days	33 days	33 days	
Cost (Efficiency)					
Average cost per item in the collection.....	\$3.92	\$4.41	\$4.80	\$5.32	
Average cost per interaction	\$9.77	\$11.20	\$9.45	\$10.28	
Full Time Equivalents (FTEs)	211	208	229	231	

Major Achievements For 2002-03

- The new spectacular Maritime Museum was opened on 1 December 2002. Visitation and venue hire have exceeded projections. It is estimated over 200,000 people will have visited the Museum by the end of June 2003, only seven months after opening. The 'Annual Boarding Pass' that allows multiple entry through the year has proved very popular with Western Australian residents.
- Planning commenced for the redevelopment of the Perth site of the Museum. The Francis Street Building has been closed to the public and stage 1 of the redevelopment will be interim accommodation for exhibitions, staff and collections from that building.
- The Mid West Gallery of the Western Australian Museum in Geraldton was opened in August 2002 completing one of the State's most significant regional cultural facilities. Local Indigenous community response is that the Mid West Gallery is a very positive example of cooperation and reconciliation.

- The survey of the Pilbara bioregion, conducted in conjunction with the Department of Conservation and Land Management, has commenced with sampling of the stygofauna and selection of most major sampling sites for terrestrial survey. Active representation is continuing for the funding required to continue the terrestrial survey.
- The Museum produced almost 100 publications, the highlights of which were 20 scientific and popular articles and books on Earth and Planetary Sciences, including major books on meteorites, fossil mammals and human evolution and major monograph on harpetid trilobites and 'The Field Guide to Snakes', 'Major Edmund Lockyer: Forgotten Australian Pioneer' and 'Country: Visions of Land and People in Western Australia'.
- Faunabase continues to be an essential source to access information on the State's faunal species and their distribution. Major advancement to Faunabase has been the addition of Western Australian Museum fish database and acquisition of terrestrial vertebrate databases from the Northern Territory and Queensland Museums.
- The MuseumLink program has provided a range of topical exhibitions that have been toured through regional Western Australia. MuseumLink will operate with partners across government, tertiary institutions, communities and the private sector.
- A major Chinese festival, in collaboration with Chung Wah Association and the Zhejiang Province of the People's Republic of China was held in October and November. The festival included an exhibition of Chinese women artists, workshops and an artists' exchange. The events coincided with the major 'Two Emperors' Exhibition', from Xian in China.
- Through the Artist-in-Residence program, and in collaboration with the Research Institute of Cultural Heritage, Curtin University, an exhibition documenting Gay and Lesbian history and issues was produced. 'The Gay Museum' has been very well received by visitors and its season extended.
- The Hellenic Gallery at the Perth Site was upgraded to a limited extent, with new lighting installed.
- The museum@work program at the Perth site provided free public seminars throughout the year showcasing the work of the Museum staff to the visitors. The Batavia lecture series at the Maritime Museum was also popular.
- Exhibitions in the Fremantle History Museum were reviewed with the aim to capture more of the social history of Fremantle.
- One of the most important megafaunal sites in Australia was discovered on the Nullarbor. Many complete skeletons including new species were discovered and collected. Examples included complete marsupial lions. International press coverage was obtained and the Documentary Unit orchestrated major international commitments for subsequent filming of the excavation.
- A major collection of minerals from the Pilbara was acquired containing many rare specimens that will help to elucidate the origin and evolution of some important economic mineral deposits.
- The Museum received nearly \$300,000 Repatriation of Indigenous Cultural Material Program funding for the continuation of the repatriation program for the next 3 years. Consultation continued in the regions with Kimberley and Pilbara Aboriginal communities to determine appropriate courses of action with regard to the proposed repatriation of secret/sacred artefacts. It has been agreed that material from other State Museums is to be transferred to the Western Australian Museum as part of the process.
- The Western Australian Museum Centre for Ancient Egyptian Studies, WAMCAES, opened in 2002. It held a series of public lectures with Egyptologists from interstate and overseas.
- The highly successful collaboration with the Water Corporation on the 'Cockatoo Care' Program continued. The Museum received over \$60,000 dollars for cockatoo research from the Water Corporation.
- In conjunction with the University of Western Australia, the Museum initiated the assessment of the biodiversity, conservation, significance and evolutionary importance of fauna on the Kimberley islands. The Documentary Unit took over 15 hours of filming to promote the educational and scientific relevance of the survey.

- A joint three-year project commenced between the Western Australian Museum and the Department of Fisheries, funded by the Fisheries Research and Development Corporation (FRDC), on the 'Development of Biodiversity and Habitat Monitoring Systems for Key Trawl Fisheries in Western Australia'.
- The 'Twelfth International Marine Biological Workshop: The Marine Flora and Fauna of Esperance', held in March 2003, was organised by the Museum in collaboration with the University of Western Australia.
- A Churchill Fellowship was awarded to Jane Fromont enabling completion of projects detailing type specimens of Western Australian sponges in European collections and initiation of projects with Indian taxonomists on the Indian Ocean corals.
- The Museum's Stanley Steamer car (1920s), the 1927 Vauxhall, and the 1927 AJS Motor Cycle were fully conserved.
- The Museum's information technology system was reviewed, upgraded and linked more closely to the IT systems of the Department of Culture and the Arts.

Major Initiatives For 2003-04

- Interim accommodation arrangements will be implemented for the curators and collections now in the Francis Street Building. Planning for long-term accommodation will continue.
- Relocation of Katta Djinoong and the Marine exhibition components at the Perth site will be finalised together with the production of new marine-themed loan cases. The Old Gaol exhibition will be reinterpreted.
- Development of a Children's Activity Centre will commence in 'A' Shed at the new Western Australia Maritime Museum.
- A café will be established at the new Western Australia Maritime Museum.
- Plans will be developed in conjunction with Challenger TAFE for an in-water facility west of the new Maritime Museum.
- Planning will be completed for a staged revamp of the Shipwreck Galleries exhibitions.
- Free guided tours will be introduced at the Perth site and the free public seminar series museum@work program will be expanded.
- CommunityLink, a community empowerment program, will be established and four programs will be completed in partnership with the Office of Multicultural Interests and the Department of Community Development.
- The first virtual exhibition will be delivered on the Museum's website based on the 'WA: Land and People' exhibition. Education resource materials for the 'WA: Land and People' exhibition will be published for schools.
- MuseumLink touring exhibitions on the themes of Waste Management, Wind Power and Contemporary Music will be developed with external funding.
- The Museum will provide interpretation and exhibition services for the new Busselton Jetty Underwater Observatory.
- The contents of the 'Dirt, Disease and Depravity' exhibition will be finalised for the Fremantle History Museum..
- A youth strategy will be developed and Youth Advisory Committee appointed to assist in its development and implementation. An Education and Learning Advisory Committee will be appointed to expand the contribution to schools and the community.
- A partnership program with the Museum of Childhood will be established for an interactive, touring exhibition for families and young children.
- Anatomical studies of Thylacoleo skeletons found in Nullarbor caves will be carried out and further fieldwork undertaken to recover more specimens.

- A unique collection of pink diamonds donated by Argyle Diamonds, the only collection of its kind in a public institution will be put on public display.
- An international all-sky camera network will be established on the Nullarbor to study meteorite falls, with the Museum as Australian partner.
- An illustrated guide to Western Australian Aboriginal arts and crafts based on material in the Western Australian Museum collections will be published.
- Reports on the Dampier Archipelago marine biological project funded by Woodside Energy Ltd. will be published in a special edition of the Supplements of the Records of Western Australian Museum.
- The survey of Pilbara biota will be advanced in partnership with the Department of Conservation and Land Management.
- A conservation and restoration program will begin on the 1900 Benz vehicle, the oldest car in Western Australia.
- In-situ conservation of the wreck of the James Matthews (1841) in Cockburn Sound will be managed by museum conservators after successful pilot studies, subject to external funding from local industry. The corrosion of the dive wrecks, the former HMAS Swan in Geographe Bay and HMAS Perth in King George Sound, will be assessed along with the environmental impact of the wrecks.

Output 4: Arts Industry Support

Development, funding and promotion of the arts industry.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	22,553	24,294	20,809	19,867	
Less Operating Revenue ^(a)	395	429	198	240	
Net Cost of Output	22,158	23,865	20,611	19,627	
Adjustments ^(b)	(4,517)	492	(294)	(18)	
Appropriation for delivery of Output 4	17,641	24,357	20,317	19,609	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Grants applications processed.....	675	800	850	850	
Arts projects and organisations supported	381	465	450	450	
Industry development initiatives.....	23	30	30	30	
Industry interactions (internet hits, meetings and consultation).....	14,509	10,000	10,000	10,000	
Quality					
Client satisfaction with services	86%	90%	90%	90%	
Grant applications processed	100%	100%	100%	100%	
Grant contracts met	65%	80%	80%	80%	
Industry development contracts met	80%	80%	80%	80%	
Industry meetings and events represented.....	70%	70%	70%	70%	

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Timeliness					
Hours that the public has access to advisory and development services	40	40	40	40	
Days between processing of grant application and notification of outcome	65	75	75	75	
Grant payments made within 28 days of receipt of signed contract	100%	100%	100%	100%	
Cost (Efficiency)					
Average cost of grant application processed....	\$334.12	\$303.69	\$244.81	\$233.73	
Average cost per project and organisation supported	\$52,682.86	\$46,500.11	\$41,155.58	\$39,292.51	
Average cost per industry development initiative	\$19,611.30	\$16,196.67	\$13,872.67	\$13,244.67	
Average cost per industry interaction	\$124.35	\$194.36	\$166.47	\$158.94	
Full Time Equivalents (FTEs)	25	24	27	29	

Major Achievements For 2002-03

- Implementation of the Contemporary Music Program.
- Implementation of pilot Contemporary Music All Ages Drug Free Events Funding and Industry Support Programs.
- Implementation of pilot Contemporary Music Mentoring Program.
- Consultation with arts sector and extensive research to progress the Arts Development Policy.
- Partnership supporting the Indigenous Performing Arts Showcase as part of the Perth International Arts Festival.
- Completion of the Report of the Working Party considering the Proposed Merger of the West Australian Ballet and the Western Australian Opera Company.
- Completion of Arts Edge partnership in the Kimberley.
- Establishment of the two year Pilbara Arts Development Officer position based in Newman.
- Endorsement of the Service Delivery Arrangement with the Department of Transport and Regional Services for assessing applications from Christmas and Cocos (Keeling) Islands for arts activity.
- Evaluation of the Expanding Horizons Policy and National and International Arts Development Policy.
- Review of the Young People and the Arts Policy.
- A Theatre conference was held and widely attended by the theatre industry in Western Australia.
- Ongoing implementation of the Corporate Governance Project for arts organisations.
- Independent Review of funding and operational framework of Fremantle Arts Centre undertaken with consultation with sector and Fremantle City Council.
- Collated responses on behalf of the State of Western Australia to the national Report on establishment of a national craft body and to the national 'Visual Arts Inquiry'.
- Developed Arts Management and Leadership guidelines for succession planning and risk management for arts organisations.

- Implemented key recommendations of the White Report on literature including funding for Associate Publisher and establishment of a reserve fund for the Fremantle Arts Centre Press.
- Implementation of the Review of the Western Australian Music Industry Association and the provision of triennial base funding to the Western Australian Music Industry Association and the Performing Arts Centre Society (the Blue Room).
- ArtsWA website developed and launched.
- Increased program funding for regional arts organisations and arts councils.

Major Initiatives For 2003-04

- Evaluation of pilot All Ages Drug Free Events Funding and Industry Support Programs
- Completion and implementation of Arts Development Policy.
- Strategic review of the Artists' Foundation of Western Australia.
- Implementation of recommendations of the national 'Small to Medium Performing Arts Sector Report'.
- Preparation for implementation of the recommendations of the national 'Inquiry into the Contemporary Visual Arts and Craft Sector'.
- Establishment of emerging curators projects internships at the Venice Biennale and the Biennale of Sydney.
- Establishment of the Gascoyne Arts Development Officer position.
- Review of ArtsWA's Devolved Funding Arrangements.
- Interactive Digital Media strategies jointly with Screenwest to support work in new media.
- Development of Good Practice Guidelines in relation to Governance, Management and Planning and revision of the eligibility criteria for triennial funding.
- Development of ArtsWA's Indigenous Arts Policy.
- Participation in the Review of the Funding Model pursuant to the national Major Performing Arts Inquiry.
- Participation in the national Review of Orchestras.
- The implementation of Theatre Conference outcomes.
- The development of Guidelines for the assessment of artistic outcomes and achievements for triennially funded organisations

Output 5: Screen Production Industry Support

Delivery of strategic support and funding to advance the development of the screen production industry in Western Australia.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	5,173	6,107	6,451	6,748	
Less Operating Revenue ^(a)	3,698	3,511	3,793	3,496	
Net Cost of Output	1,475	2,596	2,658	3,252	
Adjustments ^(b)	1,148	(2)	(59)	(4)	
Appropriation for delivery of Output 5	2,623	2,594	2,599	3,248	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Funding applications received	681	500	520	540	
Applications funded	222	200	240	260	
Inward visits to Western Australia by buyers/producers and advice provided.....	114	110	110	110	
Website interactions with the industry.....	41,519	100,000	105,724	140,000	
Quality					
Appeals per number of applications	5%	5%	3%	3%	
Customer satisfaction with business development service provided	na	60%	65%	70%	
Customer satisfaction with website service	na	95%	98%	98%	
Timeliness					
Days between acceptance of application and notification of outcome.....	28	30	30	30	
Days between receipt of business development inquiry and reply.....	3	3	3	3	
Electronic newsletter updates provided on time.....	3	6	8	12	
Cost (Efficiency)					
Average cost per application received	\$1,063.47	\$1,709.96	\$1,736.81	\$1,749.48	
Average cost per funded project	\$19,340.50	\$25,344.05	\$22,309.71	\$21,541.69	
Average cost per visit/advice.....	\$907.54	\$1,110.36	\$1,172.91	\$1,226.91	
Average cost per website interaction	\$1.25	\$0.61	\$0.61	\$0.48	
Full Time Equivalents (FTEs)	10	11	12	12	

Major Achievements For 2002-03

- Three major projects – two documentary series and two children's drama series – were funded from the Screen Industry Partnership Fund set up in place of the Granada West program to implement recommendations of the Western Australian Screen Industry Taskforce. Total budget production value was \$13.9 million, with an estimated \$11.5 million expenditure on Western Australian elements.
- A new fund was secured using finance from the Department of Industry and Resources. The Film and Television Production Fund will be administered by ScreenWest and will invest \$3.2 million over three years in partnership with ABC-TV.

- Building commenced at the site of the new ABC premises in East Perth, which will include a 600 square metre digital television studio, which is planned for completion in late 2004.
- A joint venture initiative was completed between the Western Australian Government and Lotteries Commission (via ScreenWest), the ABC and the Film & Television Institute (FTI) for the production of a nationally broadcast television series entitled 'Outback Upfront' to celebrate the 'Year of the Outback'. The 14 short films compiled into seven episodes comprising the series were aired nationally from 4 December over seven consecutive weeks. Over 35 people were employed.
- The 2003 Small Screen Big Picture Conference (in Perth from 7-9 May, 2003). Approximately 300 industry guests, including key international, national and WA-based filmmakers, distributors and broadcasters attended.
- The 2004 Australian International Documentary Conference has been secured for Perth.
- The following new programs were initiated:
 - Fly/ABC Kids Initiative – ScreenWest joined FTI to finance Western Australian contributions to the ABC Saturday morning program Fly TV;
 - a television scriptwriting program – a workshop program for writers;
 - an Indigenous Production Unit – a workshop with Indigenous filmmakers to plan establishment of the unit; and
 - SBS Family Matters Initiative – a series of themed films to be shown on SBS, one of which was co-financed with ScreenWest.

Major Initiatives For 2003-04

- A second round of the Screen Industry Partnership Fund to further implement the recommendations of the Western Australian Screen Industry Taskforce.
- The Film and Television Production Fund will become operational and be administered by ScreenWest.
- New initiative in digital interactive development and production in partnership with others eg FTI and ArtsWA.
- Indigenous Production Unit established and operational.

Output 6: Venue Management Services

Management and promotion of performing arts venues.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	12,886	11,229	11,913	11,787	
Less Operating Revenue ^(a)	6,350	4,806	5,244	5,306	
Net Cost of Output	6,536	6,423	6,669	6,481	
Adjustments ^(b)	42	(8)	(294)	(18)	
Appropriation for delivery of Output 6	6,578	6,415	6,375	6,463	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Performances.....	893	825	860	781	
Quality					
Hirer satisfaction with services provided.....	80%	80%	80%	80%	
Timeliness					
Days between the confirmation of booking and the despatch of contract.....	14	14	14	14	
Cost (Efficiency)					
Average cost per performance	\$14,430.01	\$13,610.91	\$13,852.33	\$15,092.19	
Full Time Equivalents (FTEs)	48	48	48	49	

Major Achievements For 2002-03

- Programming funds enabled a number of projects to be undertaken. These included MAJKIDZ, Lunchtime concerts, Cabaret Soiree, X-Stacey and Speaking in Tongues.
- His Majesty's Theatre was the Small Government agency winner for the 2002 Action on Access Awards for improved access to Downstairs at the Maj through the installation of a wheelchair accessible lift.
- The extension of the lift to the basement car park at Perth Concert Hall contributed to the Department of Culture and the Arts winning the Action on Access in State Government Large Government agency.
- Enhanced access to BOCS Ticketing and Marketing Services through online services, including website.
- Capital works and strategic building maintenance of the venues, included the following:
 - refurbishment of lifts at the His Majesty's Theatre;
 - remedial work to stop rising damp at His Majesty's Theatre;
 - replacement of plumbing services to public areas at His Majesty's Theatre;
 - recarpeting of Perth Concert Hall;
 - security upgrade at His Majesty's Theatre;
 - compliance refurbishment to Playhouse Theatre fly tower and grid access;
 - upgrading of audio equipment at Subiaco Theatre Centre; and
 - replacement and upgrade of equipment in venues.
- Venue management services received three major awards for food and beverages services at the venues.

Major Initiatives For 2003-04

- The implementation of comprehensive program of activities to celebrate the Centenary of His Majesty's Theatre in 2004. This program will include collaborative projects with Western Australian State companies.
- Capital works and strategic building maintenance of the venues, including the following:
 - phase 2 of plumbing services and remedial work to stop rising damp at His Majesty's Theatre;
 - an upgrade of the lighting trusses at Perth Concert Hall;
 - pipe organs maintenance at the Perth Concert Hall; and
 - replacement and upgrade of equipment in venues.

Output 7: Record keeping and Archival Services

Delivery of record keeping services to State and Local Government agencies, improving the quality of current record management systems and provision of access to State Archives Collections by government agencies and the community.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	1,132	1,632	1,704	1,430	
Less Operating Revenue ^(a)	89	86	98	106	
Net Cost of Output	1,043	1,546	1,606	1,324	
Adjustments ^(b)	(846)	(2)	(59)	(4)	
Appropriation for delivery of Output 7	197	1,544	1,547	1,320	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Record keeping plans developed and evaluated.....	na	na	na	400	New measure
Policies, standards and guidelines produced....	7	7	7	3	Reduced due to compliance requirement to <i>State Records Act 2000</i>
Hours of training and consultancies provided..	3,000	3,000	3,000	500	Reduced due to compliance requirement to <i>State Records Act 2000</i>
Access provided to State Archives Collections	42,340	42,850	42,850	42,850	
Quality					
Client satisfaction with services	95%	95%	95%	95%	
Proportion of the State Archives Collection that is catalogued	97%	97%	97%	97%	
Timeliness					
Hours per week public has access to the collection in the search room	35	35	35	35	
Cost (Efficiency)					
Average cost per Record keeping plan submitted	na	na	na	\$1,431.00	New Measure
Average cost per policy, standard or guideline produced.....	\$16,171.43	\$23,314.29	\$24,328.57	\$23,850.00	
Cost of training and consultancies provided	\$113.20	\$163.20	\$170.30	\$143.10	
Average cost per hour of access provided to State Archives.....	\$16.04	\$22.85	\$23.85	\$16.70	
Full Time Equivalents (FTEs)	25	21	25	26	

Major Achievements For 2002-03

- The resources required for the improved access and preservation of fragile archival material has been scoped.
- A Draft Archive Keeping plan was developed in compliance with the *State Records Act 2000*.
- The State Records Commission has approved several policies, standards and guidelines. These include general disposal authorities for Administrative, Finance and Accounting Records and guidelines for Archival Storage, Elected Members Records and Ministers Offices' Records.

- A pilot project was initiated in 2001 to digitise early Lands Department plans. The digitisation of these records has become an ongoing component of the State Records Office's preservation program.
- Online access to the State Records Office newsletter provided through the Office's website.
- A project team was established to complete the evaluation, and disposition of WA Inc Royal Commission records held by the State Records Office.
- The State Records Office has participated with other portfolio agencies in plans to recognize the 175th anniversary of European settlement in Western Australia.
- Training and information session were conducted throughout Western Australian to assist Government agencies to meet the requirements of the *State Records Act 2000*.

Major Initiatives For 2003-04

- Develop products to enable agencies to comply with the record keeping provisions of the *State Records Act 2000*.
- Assist agencies to meet the March 2004 deadline for the submission of record keeping plans to the Director: State Records as per section 20 of the Act.
- Further investigate the archival and temporary record storage needs of the Western Australian public sector in order to seek whole of government funding for appropriate storage.
- Organise the official release by the Premier of the 1973 State Government Cabinet Papers on Western Australian Foundation Day in June 2004.
- Liaise with relevant government agencies regarding the access status of all restricted access records identified as State archives.

CAPITAL WORKS PROGRAM

The program includes funding for asset upgrade and replacement, strategic building maintenance, minor works and one-off capital projects.

New works commencing in 2003-04 include \$7.5 million for the interim relocation of the Francis Street Museum, \$1.4 million for the Subiaco Theatre Centre, \$950,000 for the Blue Room Theatre and \$3 million allocated to the service agencies for asset replacement, building and minor works.

The program also includes funding for the ongoing works of art and book acquisition programs.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
WORKS IN PROGRESS				
Art Gallery -				
Works of Art - Acquisition Program.....	1,380	460	230	230
Department -				
Broome Performing Arts and Cultural Centre.....	5,000	200	200	480
Bunbury Heritage Museum.....	1,000	-	-	500
Library -				
Book Purchase Program.....	50,332	17,444	9,622	8,722
Museum -				
Western Australian Museum Perth Site Redevelopment (Planning).....	1,000	700	700	300

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
COMPLETED WORKS				
Department -				
Building Maintenance.....	1,667	1,667	742	-
Capital Maintenance and Minor Works -				
2001-02	2,838	2,838	1,130	-
2002-03	2,944	2,944	2,944	-
Cultural Centre Development	1,250	1,250	1,013	-
Museum -				
Geraldton Museum Fit Out	1,000	1,000	202	-
NEW WORKS				
Department -				
Blue Room Theatre.....	950	-	-	500
Capital Maintenance and Minor Works 2003-04	3,000	-	-	3,000
Interim Relocation of Francis Street Museum.....	7,500	-	-	7,500
Subiaco Theatre Centre.....	1,400	-	-	300
	81,261	28,503	16,783	21,532

CAPITAL CONTRIBUTION

The total assets of the Department will increase from \$431 million in 2002-03 to an estimated \$513 million in 2006-07. The increase reflects the impact of the budgeted capital works program and an annual estimate for building and land revaluations.

Current assets (excluding the amount receivable for outputs) are expected to remain at approximately \$24 million. The cash resources mainly represent funds held in trust for the Art Gallery, Western Australian Museum and the Perth Theatre Trust.

The value of land and buildings is expected to increase over the budget period mainly as a result of revaluations for these assets. The other non-current assets include the value of the State Art Collection at the Art Gallery of Western Australia and the library book collection at the State Library.

The liabilities of the Department are relatively stable over the budget period. The Department has a leave management policy in place to ensure that the value of employee entitlements reduces in real terms. The liability for borrowings is expected to decrease over the budget period as the on-going capital requirements are provided through the Consolidated Fund rather than borrowings.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program.....	15,831	20,796	16,783	21,532	18,552	29,572	27,452
Working capital requirement							
Loan repayments	1,506	1,510	1,510	1,511	1,511	1,511	1,511
	17,337	22,306	18,293	23,043	20,063	31,083	28,963
LESS							
Funding included in output appropriations ^(a) ..	-	4,000	-	-	200	6,400	1,400
Holding Account ^(b)	-	7,704	7,704	8,774	10,257	9,797	10,000
Internal Funds and Balances	3,087	-	3,087	-	-	-	-
Capital Contribution	14,250	10,602	7,502	14,269	9,606	14,886	17,563

(a) Capital works expensed through the Statement of Financial Performance.

(b) Draw down from Holding Account.

FINANCIAL STATEMENTS**STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)**

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	30,887	28,121	32,127	32,532	33,885	33,251	33,928
Superannuation	4,247	2,750	2,929	2,952	2,975	2,975	2,975
Grants and subsidies ^(b)	23,671	27,213	23,448	21,070	19,487	25,827	20,977
Supplies and services	21,448	23,657	22,672	24,997	25,098	23,772	24,044
Accommodation	2,381	1,745	2,574	2,534	2,534	2,534	2,563
Borrowing costs	2,457	2,970	2,258	2,481	2,481	2,481	2,481
Capital User Charge	23,526	30,326	28,373	30,868	32,655	34,476	36,224
Depreciation	12,963	12,770	12,770	13,591	13,591	13,591	13,591
Net loss on disposal of non-current assets	46	-	-	-	-	-	-
TOTAL COST OF SERVICES	121,626	129,552	127,151	131,025	132,706	138,907	136,783
Revenues from ordinary activities							
User charges and fees ^(c)	5,367	4,441	4,000	4,145	4,147	4,192	4,194
Net Profit on disposal of non-current assets	-	-	1	-	-	-	-
Grants and subsidies	5,370	4,100	5,576	4,944	4,944	4,944	4,944
Interest	748	768	864	830	830	830	830
Other Revenue	12,271	8,211	8,509	9,651	9,651	9,651	9,651
Total Revenues from Ordinary Activities	23,756	17,520	18,950	19,570	19,572	19,617	19,619
NET COST OF SERVICES	97,870	112,032	108,201	111,455	113,134	119,290	117,164
REVENUES FROM STATE GOVERNMENT							
Appropriations	99,825	111,980	106,392	111,333	112,045	119,418	117,292
Liabilities assumed by the Treasurer	1,069	-	-	-	-	-	-
TOTAL REVENUES FROM STATE GOVERNMENT	100,894	111,980	106,392	111,333	112,045	119,418	117,292
CHANGE IN EQUITY RESULTING FROM OPERATIONS	3,024	(52)	(1,809)	(122)	(1,089)	128	128
Change in Equity arising from transfer of assets/liabilities	16,422	31,418	31,418	-	-	-	-
Extraordinary items	(2,628)	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	16,818	30,166	28,409	(1,322)	(2,289)	(1,072)	(1,072)

(a) The Full Time Equivalents (FTEs) for 2001-02 Actual, 2002-03 Estimated Actual and 2003-04 Estimate are 639, 661 and 669 respectively.

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

(c) Includes resources received free of charge. This treatment may differ from the agency's annual report.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	23,612	17,017	19,550	19,792	18,664	18,803	18,942
Receivables.....	3,126	2,748	2,543	2,543	2,543	2,543	2,543
Inventories.....	1,144	1,133	1,090	1,139	1,139	1,139	1,139
Interest receivable.....	34	-	34	34	34	34	34
Amounts receivable for outputs.....	7,704	8,774	8,774	10,257	9,797	10,000	-
Prepayments.....	911	552	853	853	853	853	853
Other.....	178	228	82	82	82	82	82
Total current assets.....	36,709	30,452	32,926	34,700	33,112	33,454	23,593
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	4,702	8,698	8,698	12,032	15,826	19,417	33,008
Land and Buildings.....	169,165	234,469	199,363	212,623	222,703	238,503	248,083
Investments.....	175	650	175	175	175	175	175
Plant, equipment and vehicles.....	9,187	13,709	13,708	16,333	19,258	22,283	25,408
Other.....	174,784	171,045	175,638	178,444	181,250	183,006	182,762
Total non-current assets.....	358,013	428,571	397,582	419,607	439,212	463,384	489,436
TOTAL ASSETS.....	394,722	459,023	430,508	454,307	472,324	496,838	513,029
CURRENT LIABILITIES							
Payables.....	2,227	1,739	2,135	2,165	2,165	2,165	2,165
Provision for employee entitlements.....	3,254	3,954	3,254	3,254	3,254	3,254	3,254
Interest-bearing liabilities (Borrowings).....	1,552	1,504	1,590	1,590	1,590	1,590	1,590
Monies in trust.....	1,905	984	926	926	926	926	926
Interest payable.....	142	697	578	578	578	578	578
Accrued Salaries.....	703	728	784	984	984	984	984
Other.....	17,315	15,030	17,925	17,858	17,869	17,880	17,891
Total current liabilities.....	27,098	24,636	27,192	27,355	27,366	27,377	27,388
NON-CURRENT LIABILITIES							
Provision for employee entitlements.....	2,768	1,474	2,768	2,768	2,768	2,768	2,768
Interest-bearing liabilities (Borrowings).....	28,816	27,350	27,268	25,757	24,246	22,735	21,224
Total non-current liabilities.....	31,584	28,824	30,036	28,525	27,014	25,503	23,992
TOTAL LIABILITIES.....	58,682	53,460	57,228	55,880	54,380	52,880	51,380
EQUITY							
Contributed Equity.....	14,250	24,852	21,752	36,021	45,627	60,513	78,076
Accumulated surplus/(deficit).....	135,839	165,831	164,248	162,926	160,637	159,565	158,493
Asset revaluation reserve.....	128,532	156,261	128,661	139,661	150,661	161,661	161,661
Other Reserves.....	57,419	58,619	58,619	59,819	61,019	62,219	63,419
Total equity.....	336,040	405,563	373,280	398,427	417,944	443,958	461,649
TOTAL LIABILITIES AND EQUITY.....	394,722	459,023	430,508	454,307	472,324	496,838	513,029

STATEMENT OF CASH FLOWS
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Appropriations.....	87,337	99,210	93,622	97,742	98,454	105,827	103,701
Capital Contribution	14,250	10,602	7,502	14,269	9,606	14,886	17,563
Holding Account.....	-	7,704	7,704	8,774	10,257	9,797	10,000
Net cash provided by State government.....	101,587	117,516	108,828	120,785	118,317	130,510	131,264
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs	(30,218)	(28,021)	(32,046)	(32,332)	(33,885)	(33,251)	(33,928)
Superannuation	(3,025)	(2,750)	(2,929)	(2,952)	(2,975)	(2,975)	(2,975)
Supplies and services	(19,838)	(23,675)	(23,105)	(25,038)	(25,137)	(23,811)	(24,083)
Grants and subsidies	(21,492)	(27,322)	(22,866)	(21,117)	(19,439)	(25,779)	(20,929)
Borrowing costs	(3,012)	(2,970)	(1,822)	(2,481)	(2,481)	(2,481)	(2,481)
Accommodation.....	(2,370)	(1,745)	(2,532)	(2,534)	(2,534)	(2,534)	(2,563)
Capital User Charge.....	(23,526)	(30,326)	(28,373)	(30,868)	(32,655)	(34,476)	(36,224)
Goods and Services Tax	(5,054)	(6,060)	(4,921)	(5,326)	(5,326)	(5,326)	(5,326)
Receipts							
User charges and fees	5,414	4,441	4,053	4,145	4,147	4,192	4,194
Interest.....	773	768	864	830	830	830	830
Goods and Services Tax	4,507	6,060	4,921	5,326	5,326	5,326	5,326
Grants and subsidies	5,322	4,100	5,576	4,944	4,944	4,944	4,944
Other.....	11,177	8,211	8,594	9,651	9,651	9,651	9,651
Net cash from operating activities	(81,342)	(99,289)	(94,586)	(97,752)	(99,534)	(105,690)	(103,564)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(14,009)	(19,354)	(16,796)	(21,282)	(18,402)	(23,172)	(26,052)
Purchase of investments.....	-	(50)	-	-	-	-	-
Proceeds from sale of non-current assets	3	2	2	2	2	2	2
Net cash from investing activities	(14,006)	(19,402)	(16,794)	(21,280)	(18,400)	(23,170)	(26,050)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(1,506)	(1,510)	(1,510)	(1,511)	(1,511)	(1,511)	(1,511)
Net cash from financing activities	(1,506)	(1,510)	(1,510)	(1,511)	(1,511)	(1,511)	(1,511)
NET INCREASE/(DECREASE) IN CASH HELD	4,733	(2,685)	(4,062)	242	(1,128)	139	139
Cash assets at the beginning of the reporting period	18,879	19,702	23,612	19,550	19,792	18,664	18,803
Cash assets at the end of the reporting period.....	23,612	17,017	19,550	19,792	18,664	18,803	18,942

SCHEDULE OF ADMINISTERED ASSETS AND LIABILITIES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
ADMINISTERED CURRENT ASSETS							
Cash.....	730	-	-	-	-	-	-
Total Administered Current Assets	730	-	-	-	-	-	-
TOTAL ADMINISTERED ASSETS	730	-	-	-	-	-	-
ADMINISTERED CURRENT LIABILITIES							
Other.....	730	-	-	-	-	-	-
Total Administered Current Liabilities	730	-	-	-	-	-	-
TOTAL ADMINISTERED LIABILITIES..	730	-	-	-	-	-	-

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Grants and subsidies	(621)	(730)	(730)	-	-	-	-
TOTAL ADMINISTERED CASH OUTFLOWS.....	(621)	(730)	(730)	-	-	-	-
NET CASH INFLOWS/(OUTFLOWS) FROM ADMINISTERED TRANSACTIONS	(621)	(730)	(730)	-	-	-	-

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
Arts projects and organisations.....	19,313	16,470	16,475	15,660	15,537	15,677	15,827
Film projects and screen organisations	3,792	6,204	6,229	4,700	3,200	3,200	3,200
Public non-financial corporations.....	-	4,000	-	-	200	6,400	1,400
Other	566	539	744	710	550	550	550
TOTAL	23,671	27,213	23,448	21,070	19,487	25,827	20,977

TRUST ACCOUNT DETAILS**Arts Lotteries Trust Fund**

The Consolidated Fund Estimates for the Department of Culture and the Arts provide for payments to the Arts Lotteries Account.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000
Opening Balance	-	-	-	-
Receipts:				
Appropriations.....	8,927	9,000	8,940	9,251
	8,927	9,000	8,940	9,251
Payments	8,927	9,000	8,940	9,251
CLOSING BALANCE.....	-	-	-	-

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23A of the *Financial Administration and Audit Act*, provides for the retention of the following cash receipts by the Department:

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000
Rental income from the King Street Arts Centre	45	40	45	45
Return of investments under the Arts Venture Capital Scheme	40	-	-	-
GST input credits.....	5,054	6,060	4,921	5,326
GST receipts on sales	1,295	1,020	1,253	1,263
TOTAL.....	6,434	7,120	6,219	6,634

The monies received and retained are to be applied to the Department's outputs as specified in the Budget Statements.

Part 14

Minister for Health

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000
1075	Health			
	– Delivery of Outputs	2,381,374	2,402,120	2,634,323
	– Capital Contribution	38,389	38,389	18,512
	Total	2,419,763	2,440,509	2,652,835
	GRAND TOTAL			
	– Delivery of Outputs	2,381,374	2,402,120	2,634,323
	– Capital Contribution	38,389	38,389	18,512
	Total	2,419,763	2,440,509	2,652,835

HEALTH

PART 14 - MINISTER FOR HEALTH

DIVISION 66

APPROPRIATION AND FORWARD ESTIMATES

	2001-02 Actual ^(a) \$'000	2002-03 Budget ^(a) \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
DELIVERY OF OUTPUTS ^(a)							
Item 113 Net amount appropriated to deliver outputs	264,690	281,737	285,078	291,927	300,648	305,441	354,207
Item 114 Contribution to Hospital Fund	1,953,096	2,027,197	2,044,602	2,267,757	2,419,546	2,525,834	2,615,821
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	630	630	630	630	630	630	630
- Lotteries Commission Act 1990	72,000	71,810	71,810	74,009	76,250	77,380	78,530
Total appropriations provided to deliver outputs	2,290,416	2,381,374	2,402,120	2,634,323	2,797,074	2,909,285	3,049,188
CAPITAL							
Item 176 Capital Contribution	89,112	38,389	38,389	18,512	69,584	69,584	69,584
GRAND TOTAL	2,379,528	2,419,763	2,440,509	2,652,835	2,866,658	2,978,869	3,118,772

(a) Administered Appropriations associated with the Western Australian Health Promotion Foundation and Office of Health Review has been transferred and are now administered through the Department of Treasury and Finance.

MISSION

The vision of the Department of Health is to ensure that the health status of the Western Australian population leads the world and the standard of health care is acknowledged as international best practice.

The mission of the State health system is dedicated to ensuring the best achievable health status for all of the Western Australian community. In particular, the system will deliver:

- *strong public health and preventive measures to protect the community and promote health;*
- *first class acute and chronic health care to those in need;*
- *appropriate health, rehabilitation and domiciliary care for all stages of life; and*
- *a continuing and co-operative emphasis on improving the health status of our indigenous, rural and remote and disadvantaged populations.*

SIGNIFICANT ISSUES AND TRENDS

- The provision of world class health care services continues to provide challenges in terms of the increasing costs of health service provision and growing demand. Health services expenditure has continued to increase at a rate greater than overall general government sector expense growth. Strategies are being developed to achieve a sustainable rate of expense growth, while maintaining quality and standard of care, into the future.
- Key factors driving the growth in health expenses and demand include population growth and ageing, change in technology and clinical practice and increasing community expectations in relation to health service provision.
- Demand for emergency departments' services continues to be strong, and heavy use of emergency departments by members of the community who are unable to access primary health care remains an issue. This has led to the development of a coordinated response to acute demand.

Country Health Services Review

- On 1 July 2002, new arrangements were introduced for the administration of all public health services in non-metropolitan Western Australia, including mechanisms to facilitate increased consumer participation. The Western Australian Country Health Service (WACHS) provides a unified health service administration while preserving a strong regional and local management focus. The establishment of District Health Advisory Councils, comprising community representatives, will ensure that local needs and aspirations are considered in service planning and delivery.
- Similarly, health services in the South-West were integrated into the South-West Health Service on 1 January 2002, and this administrative arrangement remains intact.
- The Country Health Services Review was initiated following the Health Administration Review and completed in January 2003. The Review, examined current service arrangements and health workforce issues within regional Western Australia. The Country Health Service Review provides a blueprint outlining future directions for health service delivery in regional Western Australia, over the next three to five years, including the establishment of Regional Networks.

Waiting List

- Waiting lists continue to be an area of focus for the Department. Key initiatives aimed at improving the management of waiting lists include:
 - establishment of a Clinical Practice Improvement Unit (CPIU) for Elective Services. The role of the CPIU includes the provision of information services for use by clinical staff to allow rapid access to data that assists in the planning of patient care;
 - continuous audit of the waitlist to ensure appropriate prioritisation of elective patients;
 - development of a standard reporting framework to support the management of waitlist activity; and
 - establishment of the Clinical Priority Access Criteria (CPAC) in consultation with General Practitioners (GPs) and Health Services. The CPAC is a GP assessment tool used to improve prioritisation of referrals by GPs to outpatient and specialist services.

Renegotiation of the Australian Health Care Agreement

- The Australian Health Care Agreement (AHCA) is a major bilateral agreement through which the Commonwealth Government contributes funding for State public hospitals. The current AHCA between the Commonwealth and all States and Territories will expire on 30 June 2003. During 2002-03 work commenced towards negotiating the next AHCA, intended for the period 2003-04 to 2007-08.

NurseWest Initiative

- NurseWest, a corporate reform initiative to reduce reliance on agency nurses, was launched in March 2003. NurseWest acts as a Statewide coordinating body for the allocation of temporary nursing staff to all public hospitals. It is anticipated that NurseWest will improve effectiveness and efficiency in the deployment of nursing staff across the health system.

Health System Reform

- The Functional Review Taskforce was established by the Premier to review the efficiency and effectiveness of whole of government service delivery. A key recommendation of the Taskforce is to establish a Health Reform Committee (HRC). The HRC will work over a 12 month period to implement system wide health service reforms aimed at improving health service delivery to the community, constraining growth in health expenses over the longer term and ensuring the continuation into the future of sustainable quality health service delivery.
- The Taskforce identified a range of priority areas for reform to be pursued by the HRC and the Department. Priority areas include corporate and clinical systems, resource allocation process, emergency departments and distribution of services between hospitals and regions. In addition, it is expected that the HRC will also progress a number of clinical and corporate reforms, which have resulted from recent reviews undertaken by the Department and focus on outlining a long-term strategic plan for the Western Australian public health system.

Response to Bali Bombing

- The Department of Health's capacity to respond to a large-scale emergency was tested in 2002-03 in the aftermath of the Bali terrorist bombing. Western Australia provided an immediate response, delivering high quality care to ensure the best possible outcomes for a significant number of the victims.
- During the peak period, 39 patients were transferred to Western Australia. Of these, three died and 36 continued to be treated in Perth's tertiary hospitals for severe burns and associated complications, and other trauma conditions. The majority of patients were local residents, although some were interstate and overseas residents.
- The services provided to meet the hospital care needs of the Bali victims included:
 - treatment of 14 severe burns victims;
 - surgery and treatment for wounds;
 - orthopaedic surgery;
 - provision of blood;
 - mental health and psychological services for victims and their families, members of the public and for operational staff of hospitals and health services; and
 - patient transport.

Gordon Inquiry

- The Inquiry into the Response by Government Agencies into Allegations of Child Abuse and Family Violence in Aboriginal Communities (the Gordon Inquiry) was generally supportive of the work already being undertaken by the Department in relevant areas and was strongly supportive of the proposals for service development. The Department has continued its leading role in the development and implementation of the Government's response to the Inquiry. Following the allocation of targeted funding by the Government, the redevelopment and expansion of the Child Protection Unit based at Princess Margaret Hospital and the enhancement of statewide Sexual Assault Resource Centres has commenced.

Environmental Health Issues

- Western Australia has been under increasing scrutiny from the community with regard to environmental health issues. In the past 18 months there have been a number of significant environmental health issues related to events such as 2,4,5-T in the Kimberley, issues with Brookdale, Wagerup, Kwinana, Stirling groundwater and the Bellevue fire.
- In-principal Cabinet approval has been granted to the establishment of an Environmental Health Foundation, comprised of medical specialists and representatives from academic institutions. It is proposed that the Foundation will provide independent expert advice to government on new and existing facilities that have been identified to have some potential adverse impact on the health of the community, including workers.
- The Department has adopted a more comprehensive approach to environmental health issues by increasing the community's involvement in the management of the issue. Examples of initiatives include - engaging with general practitioners to establish who are the affected residents, undertaking health surveys, establishing medical registers, and appointing a community nurse to assist in answering queries from concerned people.

Focus on Prevention and Promotion

- In line with a recommendation of the Health Administrative Review Committee (HARC), the Department has established the Population Health Division to promote a culture of prevention and promotion throughout the health system. The Division includes the new areas of Child, Community and Primary Health Care and Genomics. Epidemiological and data collection support has been increased with the inclusion of the Health Information Centre, while a key focus on ensuring that Aboriginal health issues are more effectively and holistically addressed has occurred, with the inclusion of the Office of Aboriginal Health.
- Key stakeholder input into the Population Health Division is being provided through ongoing consultation as part of the newly created Population Health Advisory Council, a council of predominantly external population health experts that contributes to policy development, and encourages an evidence based culture in policy and practice. Statewide coordination is being achieved through the Population Health Network.

Office of Mental Health

- The Office of Mental Health was formed as part of the restructuring of the Department of Health. This separated the roles of the chief psychiatrist from the operations of mental health service delivery. The State Mental Health Coordinating Team was formed in September 2002 and comprises representatives from each of the three Metropolitan Health Services, Women's and Children's Health Service, Western Australian Country Health Service and the South West Health Service. The Team provides a forum to develop program policies and coordinate services. The Mental Health Clinical Advisory Group was also formed at this time to provide clinical advice to the Office of Mental Health. The Group has a special role in developing clinical governance policies and guidelines with particular regard to safety and quality.

Office of Quality and Safety

- As part of the Health Administrative Review Committee reform process, an Office of Safety and Quality in Health Care has been established in the Health Care Division to promote standards and strategies which will improve the safety and quality of the Western Australian health system.
- Improving patient safety and the quality of health care is a Government priority and will require sustained, long-term effort and commitment at all levels. Establishment of the Office will facilitate the development of approaches to achieve - a measurable improvement in patient outcomes and potentially, a significant reduction in the opportunity cost of adverse events.

Other Administrative Reforms

- In line with the directions of the Health Administrative Review Committee, the Department has realigned its corporate structures and is now better placed to address the issues and challenges placed before it.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Statement of Financial Performance since publication of the 2002-03 Budget to Parliament on 16 May 2002 are outlined below.

	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
State Homelessness Taskforce Response.....	1,060	1,060	1,060	1,060
Response to the Gordon Inquiry	2,214	1,429	1,429	1,429
WA Rotary Wing Medical Rescue Service.....	3,500	3,500	3,500	3,500
Functional Review Taskforce - Health Reform Committee.....	1,300	-	-	-
Gross Expense Increase for Cost and Demand Pressures.....	196,119	284,912	324,491	455,755

OUTPUT AND APPROPRIATION SUMMARY

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Prevention and Promotion	236,051	263,726	282,269	305,657			
Output 2:							
Diagnosis and Treatment	2,225,669	2,275,878	2,343,565	2,485,435			
Output 3:							
Continuing Care	236,420	209,022	215,238	228,268			
Total Cost of Outputs	2,698,140	2,748,626	2,841,072	3,019,360	3,190,826	3,305,781	3,456,904
<i>Less Operating revenues</i>	<i>382,649</i>	<i>367,252</i>	<i>438,952</i>	<i>385,037</i>	<i>393,752</i>	<i>396,496</i>	<i>407,716</i>
Net Cost of Outputs	2,315,491	2,381,374	2,402,120	2,634,323	2,797,074	2,909,285	3,049,188
Adjustments ^(a)	(25,075)	-	-	-	-	-	-
Appropriation provided to deliver Outputs.	2,290,416	2,381,374	2,402,120	2,634,323	2,797,074	2,909,285	3,049,188
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	89,112	38,389	38,389	18,512	69,584	69,584	69,584
TOTAL CONSOLIDATED FUND APPROPRIATIONS	2,379,528	2,419,763	2,440,509	2,652,835	2,866,658	2,978,869	3,118,772

(a) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

(b) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

The following outcome, output and financial information is the subject of a Resource Agreement signed by the Minister, the Director General and the Treasurer.

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION**Relationship to Government Strategic Objectives**

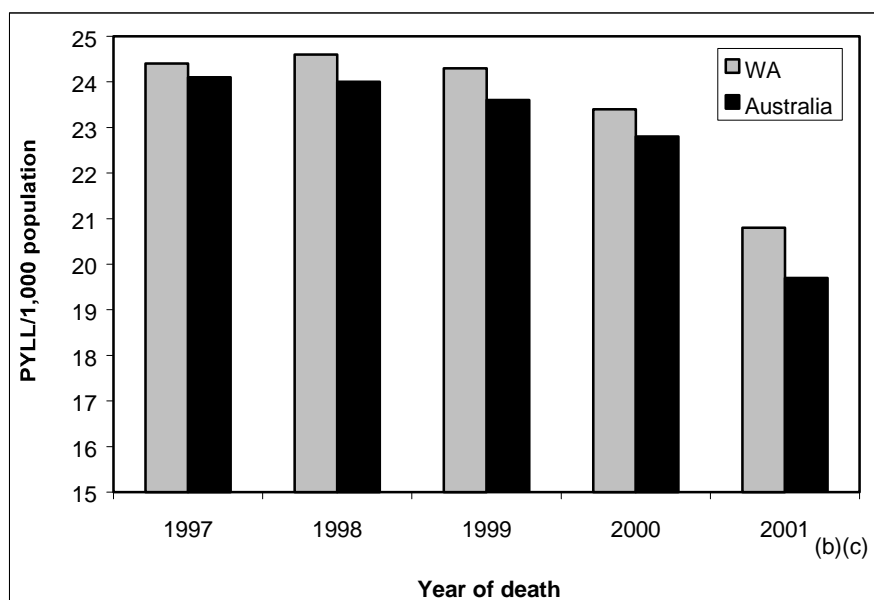
The following table demonstrates the linkage between the most appropriate Government strategic objective and the agency level desired outcomes and outputs.

Government Strategic Objective	Desired Outcome(s)	Output(s)
Safe, healthy and supportive communities	Improvement in health by a reduction in the incidence of preventable disease, injury, disability, premature death and the extent and impact of drug abuse.	1. Prevention and Promotion
	Restoration of the health of people with acute illness.	2. Diagnosis and Treatment
	Improvement in the quality of life for people with chronic illness and disability.	3. Continuing Care

Outcome: Improvement in health by a reduction in the incidence of preventable disease, injury, disability, premature death and the extent and impact of drug abuse.

Key Effectiveness Indicator ^(a)

Person Years of Life Lost (PYLL) per 1,000 population due to preventable disease or injury, Western Australia and Australia 1997-2001 ^(b)



**Outcome Indicators – Drug and Alcohol Office
2000-01 to 2002-03**

	2001-02 Actual	2002-03 Budget	2002-03 Estimated Actual	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Drug and Alcohol Office (DAO) ^(d) :					
- Funded recommendations of the Western Australian Community Drug Summit actioned over the period ^(e)	89%	100%	89%	100%	Funding for capital works associated with the Next Step Youth Service is on hold, pending the outcomes of a comprehensive youth DAO services review
- Overall level of client improvement in treatment programs reported by agencies ^(f) ..	55%	55%	62%	65%	Organisational reforms in the DAO sector should enable continuing improvements in client outcomes

(a) More details of effectiveness indicators are provided in the annual report.

(b) The ultimate outcome of effective intervention to reduce the incidence of preventable disease, injury and premature death is a reduction in the loss of life due to preventable disease or injury. Measuring the impact of these deaths using only the number of cases takes no account of the difference between deaths at a younger or older age. An alternative measure, which does take the age of death into account, is the number of person years of life lost (PYLL). This provides an estimate of the extra years of productive life that would have been gained if the person had lived to 69 years of age. To ensure meaningful comparison of the PYLL between populations, the PYLL per 1,000 population has been standardised to the 1991 Australian population to account for differences in the age profile of the population.

(c) Data for 2001 are preliminary as some deaths occurring in 2001 were not registered until 2002 and consequently will be reported in the 2002 death data, which will not be available until the end of 2003.

(d) The Drug and Alcohol Office was created in January 2002, incorporating the former Western Australian Drug Abuse Strategy Office and other drug and alcohol services.

(e) Of the nine recommendations with funding implications arising from the Community Drug Summit held in August 2001, eight were actioned by 2002-03.

(f) This is a composite score based on levels of reduced illicit drug use, reduced crime, improved health and improved social function.

Outcome: Restoration of the health of people with acute illness.**Key Effectiveness Indicator ^(a)**

Percentage of acute hospital separations that are discharges to home (excluding inter-hospital transfers) ^(b)

Admission type by age group	Percentage of those discharged to home to total separations				
	1998-99	1999-00	2000-01	2001-02	2002-03 ^(c)
Under 40 years	99.1	99.0	99.2	99.5	99.7
40-49 years	99.0	98.7	98.8	98.0	99.0
50-59 years	98.6	98.4	98.7	99.1	99.2
60-69 years	97.7	97.6	97.5	98.0	97.7
70-79 years	94.8	95.0	94.1	95.5	94.7
80 years and over.....	87.1	86.4	84.3	86.3	86.3
All ages	97.4	97.1	96.8	96.5	96.8

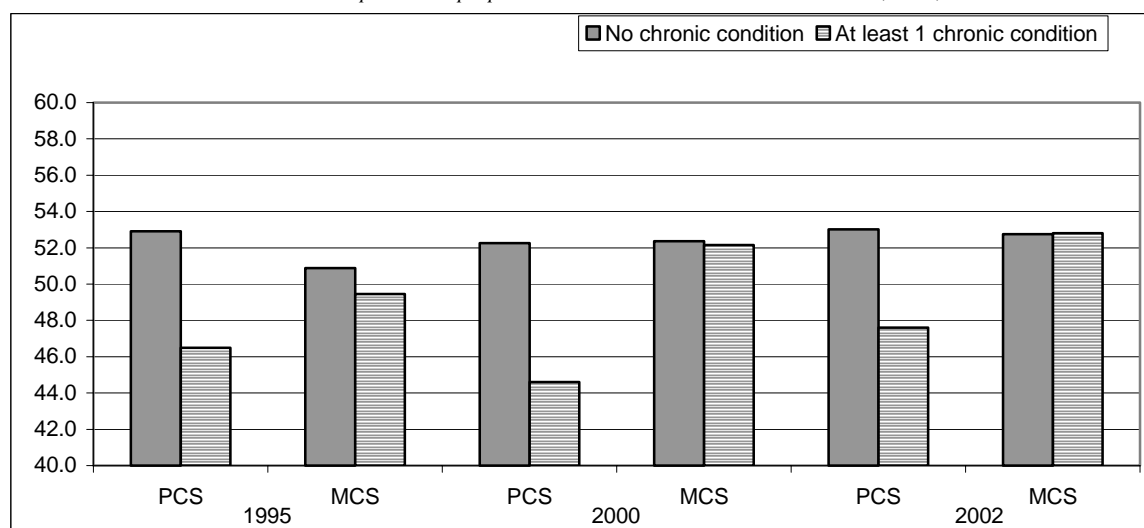
(a) More details of effectiveness indicators are provided in the annual report.

(b) An indirect measure of the extent to which people have been restored to health after an acute illness is that they are well enough to be discharged home after hospitalisation. The percentage of people discharged home over time provides an indication of whether or not the public health system is becoming more or less effective in restoring people to health. This indicator shows the percentage of all discharges from hospitals that are discharges to home (excluding inter-hospital transfers). As older patients are less likely to be discharged to home than younger people, the information has been presented by age group.

(c) Year to date data for 2002-03.

Outcome: Improvement in the quality of life for people with chronic illness and disability.**Key Effectiveness Indicator ^(a)****Self-reported health status of people with chronic disability ^{(b), (c)}**

Medical Outcomes Short Form 12 (SF-12) scores for people with at least one chronic health condition compared with people who had no chronic health condition 1995, 2000, 2002



(a) More details of effectiveness indicators are provided in the annual report.

(b) People with chronic health conditions had a significantly lower Physical Component Score (PCS) compared with people who had no chronic health conditions consistently over the three years. Chronic health conditions are ones that last at least six months. Some examples of these conditions are asthma, diabetes and arthritis. The Physical Component Score and the Mental Component Score (MCS) are derived from the Short Form Medical Outcomes measure of health status. There are a number of different forms, the SF36 used in 1995, the SF12 used in 2000 and the SF8 that is being used in the WA Health and Wellbeing System (2002).

(c) In 1995 the Mental Component Score was also significantly lower for people with at least one chronic health condition. This was not true for 2000 or 2002 even though the same chronic conditions were compared.

Output 1: Prevention and Promotion

Prevention and promotion services aim to improve the health of Western Australians by reducing the incidence of preventable disease, injury, disability, and premature death.

Output 1 differs from the other two outputs in that it primarily focuses on the health and well being of populations, rather than on individuals. Public, Aboriginal, child and community and mental health programs define populations that are at-risk and ensure that appropriate interventions are delivered to a large proportion of these at-risk populations.

Services provided within this output include:

- child, community and primary health care;
- cancer prevention and detection;
- communicable disease control;
- environmental health;
- genomics services;
- health promotion;
- Aboriginal health;
- health information services;
- preventive health services; and
- drug and alcohol strategy coordination, treatment and prevention services.

Child, community and primary health care

Child and community health services include a range of community based services that focus on improving the overall health of Western Australians. This objective is achieved by developing health promotion and prevention and early intervention activities, supporting early child development, enhancing and ensuring universal access to community services, building capacity and assessing determinants of health as they relate to inequality. Newborn and childhood preventive screening, ongoing child health development programs to enhance child and family health and well being are delivered by a range of health professional working in multidisciplinary teams that include child health nurses, clinical psychologists, occupational therapy and speech therapists and speech pathologists. Child and community health services also include gender health policy areas.

Cancer prevention and detection

Cancer prevention and detection services aim to reduce the incidence of premature death from cancer. These services include provision of policy advice and development of cancer screening initiatives with a strong focus on early detection of cancer. Examples of services include breast and cervical cancer screening.

Communicable disease control

Communicable disease control includes a range of strategies aimed at reducing the incidence and effects of communicable diseases. Services provided include immunisation programs, maintenance of a communicable disease notifications register and disease outbreak control.

Environmental health

Environmental health includes a range of strategies to minimise the likelihood of morbidity or mortality as a result of environmental factors. Examples of these strategies include issuing licenses to regulate the use of dangerous chemicals, sampling and monitoring the safety of food and water and control programs for vector borne diseases such as runnelling programs.

Genomics services

Genomics is concerned with diseases that have a hereditary pattern or element. The types of services provided in this area include education of clinicians and the public, provision of support for people who are at risk of hereditary disease and research programs.

Health promotion

A key strategy to prevent disease, injury or premature death is the provision of community information and education services. The purpose of these services is to promote a healthy lifestyle and educate Western Australians about appropriate preventive health behaviours. Examples of the services provided include health promotion campaigns, as well as the production of publications and brochures.

Aboriginal health

The level of ill health across almost all morbidities is significantly higher for Aboriginal people than for non-Aboriginal people. All State funded service providers are required to make provision for appropriate services to the Aboriginal population. The Office of Aboriginal Health has responsibility for the funding of specific gap closing programs and related policy that endeavours to reduce the differential between the health of Aboriginal and non-Aboriginal Western Australians.

Health information services

This category includes the development and maintenance of health related information. Information is an important element in determining, assessing and improving the strategies employed in health prevention and promotion, and for planning service delivery across the whole health system. Health information services also include maintenance of population data sets, analysis of morbidity patterns and trends, and provision of health information to the general public.

Preventive health services

Preventive health services are delivered across the health system. For example, some programs associated with hospital services may have a strong education and promotion component.

Drug and alcohol strategy coordination, treatment and prevention services

These services include:

- planning and coordination across government and within the Department of Health of treatment, prevention and education services related to drug and alcohol use;
- coordination of the development and implementation of drug and alcohol policy across government and within the Department of Health;
- provision of specialist treatment and support services and the development of mainstream services for people and their families experiencing drug problems;
- monitoring and facilitating research into best practice in drug and alcohol abuse treatment and prevention;
- provision and facilitation of education and prevention programs; and,
- School Dental Services providing oral health services to school children between pre-primary and Year 11 (Year 12 in remote localities).

Population Health

Population Health aims to improve the health of Western Australians by reducing the incidence of preventable disease, injury, disability, premature death and the extent and impact of drug abuse. It focuses on the health and well being of populations, rather than on individuals and delivers appropriate interventions for at risk population.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	236,051	263,726	282,269	305,657	
Less Operating Revenue ^(a)	42,297	46,284	62,837	60,517	
Net Cost of Output	193,754	217,442	219,432	245,140	
Adjustments ^(b)	(2,194)	-	-	-	
Appropriation for delivery of Output 1	191,560	217,442	219,432	245,140	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Community health occasions of service ^(a)	1,621,187	1,666,604	1,600,272	1,611,063	The fourth campaign, Youth Alcohol, was not commenced as a review of youth alcohol activities is underway, together with the development of a Western Australian Alcohol Strategy.
Screening program assessments ^(b)	272,116	279,920	306,400	309,056	
Health promotion campaigns ^(c)	5	8	7	8	
Microbiological/chemical samples	84,778	84,640	53,529	53,800	
Monitoring inspections	5,485	5,579	6,244	6,321	Better identification of NGO organisations to the output and now also includes drug and alcohol and aboriginal organisations.
Vaccines distributed to community ^(d)	720,000	723,356	778,719	791,522	
Mental Health preventative occasions of service ^(e)	127,586	133,426	159,787	159,787	
Public Health Units ^(f)	11	11	11	11	
School dental - number of children enrolled and under care ^(g)	247,880	250,000	250,000	250,000	
Health Direct calls from public	179,451	190,000	190,000	199,863	
Other Non Government Organisations not already included in outputs ^{(h), (i)}	69	69	138	138	
Quality					
Proportion of children 24 - 27 months fully immunised	80%	85%	85%	85%	
Community health target population accessing services	90%	90%	90%	90%	
Timeliness					The variation is attributable to improvement in recording activities and the methodology in costing activities.
Percentage of women with an interval from booking to appointment less than or equal to 20 working days at fixed screening units for BreastScreen WA	95%	95%	95%	95%	
Cost (Efficiency)					
Average cost per community health occasion of service	\$48.08	\$52.63	\$47.22	\$50.25	
Average cost per screening assessment	\$45.88	\$52.61	\$38.85	\$44.09	
Average cost per health promotion campaign..	\$480,282	\$538,915	\$644,568	\$685,963	
Average cost per microbiological/chemical sample	\$46.93	\$48.13	\$83.53	\$92.98	
Average cost per monitoring inspection	\$703.79	\$774.05	\$197.22	\$199.21	
Average cost per vaccine distributed to community	\$14.69	\$16.69	\$26.01	\$26.08	
Average cost per mental health preventative occasion of service	\$194.10	\$191.14	\$248.17	\$265.80	

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Average cost per Public Health Unit	\$2,195,729	\$2,286,295	\$1,808,357	\$1,924,492	
School dental - average cost per children enrolled and under care.....	\$93.07	\$101.53	\$87.97	\$95.61	
Average cost per Health Direct call.....	\$25.23	\$36.82	\$31.53	\$33.33	
Average cost per NGO not already included in outputs ^{(h), (i)}	\$699,816	\$775,057	\$556,537	\$612,159	
Full Time Equivalents (FTEs)	2192	1534	2234	2253	

- (a) Community health occasions of service are the provision of primary and community health services undertaken by a range of health professionals in a community setting. A new methodology and data source have produced more robust and consistent data collection.
- (b) These figures include breast cancer, cervical cancer and newborn hearing screening programs.
- (c) For 2003-04, the main campaigns are being reported as a separate output measure. All other smaller campaigns are still reported as part of the non-government organisations output measure.
- (d) Includes childhood immunisation and adult influenza vaccines.
- (e) Part of mental health non-admitted activity was included in output 1 to more accurately reflect the nature of services delivered.
- (f) These units provide a variety of community services including clinics on smoking, diabetes, men's health and other activities related to communicable disease control, environmental health and planning.
- (g) From 2002-03 all school dental services are reported as output 1.
- (h) Only those non-government organisations for which quantities and costs have not been already attributed to other outputs are reported in this measure. For example, smaller health promotion campaigns are retained in this item.
- (i) The Western Australian Drug Abuse Strategy Office is now part of the Drug and Alcohol Office.

Major Achievements For 2002-03

Child, Community and Primary Health Care

- Established the Child, Community and Primary Health Care Directorate within the Population Health Division. Strong relationships have been developed with the Institute for Child Health Research to support policy development, best practice and evaluation.
- The development of workforce strategies including a focus on building the capacity of Community Health staff to deliver more effective and efficient services to families and children and the establishment of Aboriginal Health Worker Network Groups to assist in the development of effective workforce strategies.
- A thorough review of workforce development needs has been undertaken. A number of training programs have been implemented in collaboration with health services, with a particular focus on implementation of the new Early Years program.
- Development of the 'Birth to Aged Two Years' policy framework and implementation strategy has provided a clear direction to guide state-wide and local program development, capacity building across community health services and stronger communication networks.
- The 1991 Child Abuse Guidelines have been updated. Work has been undertaken in developing a wider community health response to the issues of the Commission of Inquiry into the Response by Government Agencies to Allegations of Child Abuse and Family Violence in Aboriginal Communities (Gordon Inquiry).
- Implementation of the Abortion Review recommendations.
- Development of a Bilateral Agreement in Primary Health and Community Care between the Commonwealth Department of Health and Ageing and the State Department of Health. Implementation of the Agreement is now being undertaken.
- The building of a Child Health Clinic within the Naturaliste Community Centre in Dunsborough, which will allow for the provision of improved services to the Dunsborough and Yallingup areas.
- Introduction of a Positive Parenting Program (PPP) (for parents of Teens) in the Warren Blackwood area to complement the other parenting programs run by the Unit. This PPP (Teens) is a first in Western Australia.

- School-based speech pathology program established across many dispersed schools in the Warren Blackwood. A joint initiative between local Health and Education authorities, to assist young children with speech problems in the school settings and aligned to school curricula.
- Increasing primary care clinics to Kutjungka region by Halls Creek clinicians.
- A new audiology service has been established for the Wheatbelt Health Region, incorporating a significant educational role supporting speech pathology and child health throughout the Region.

Cancer Prevention and Detection

- Western Australian women presented for cervical cancer screening at a level consistently higher than the national average. The Department initiated a pilot program of automated secure data transfer between pathology laboratories and the Cervical Cytology Registry.
- An 8% increase in the overall breast cancer detection rate. The rate increased from 51 (in 1997-98) to 55 (in 1998-99) cancers per 10,000 women screened.
- Implementation of a BreastScreen WA Quality Improvement Program.
- Accreditation by the Australian Institute of Radiography's Breast Imaging Advisory Panel of the BreastScreen WA Mammography Training Course for Radiographers (Clinical Module).
- Relocation of the Fremantle Screening Unit of BreastScreen WA (within Fremantle) to meet increased local demand for mammography services.
- Establishment of the State-wide Indigenous Women's Reference Committee for the West Australian Cervical Cancer Program and BreastScreen WA. The Reference Committee will help establish strategies to increase screening rates for Aboriginal women.
- Establishment of the Indigenous Women's Network Group and the development of new Indigenous Resources Series through BreastScreen WA.
- Barriers were identified that prevent screening uptake by Aboriginal women in the Kimberley. Campaigns were conducted to assist in the provision of culturally appropriate screening.
- An Indigenous Identifier Working Group was established for the purpose of helping to identify mechanisms to improve statistical reporting of Aboriginal women who have been screened.

Communicable Disease Control

- Elimination of the endemic transmission of measles and rubella has been maintained over the last three years. Western Australia continues to have occasional cases of measles and rubella acquired overseas by non-vaccinated returning Australian travellers and overseas visitors. Any local transmission related to these cases has been rapidly controlled.
- Successfully implemented phase two of the National Q Fever Management Program, promoting Q Fever vaccination among livestock and dairy farmers.
- Completed consultation and planning on the development of a Statewide (public sector) Health Care Worker Immunisation and Screening database. The database will facilitate infection control in government health care facilities.
- A major report – 'The Epidemiology of Notifiable Sexually Transmitted Infections and Blood-Borne Viruses in Western Australia 1990 to 2000' has been published, providing much needed data and analysis of trends in sexually transmitted infections and blood-borne viruses.
- Materials to support the updated Sexual Health Curriculum were published and distributed to schools around the State. Professional development for teachers has been provided in the East Metropolitan Health Service and the South Metropolitan Health Service. Further teacher training is to be provided in the North Metropolitan Health Service in May 2003, and Geraldton in June 2003.

- A Hepatitis B and Diphtheria-Tetanus booster vaccination service for Year 7 school students has been fully implemented in collaboration with regional Public Health Units, community nurses and metropolitan local governments.
- 80% of West Australians 65 years of age or older were vaccinated against influenza by general practitioners with Commonwealth-funded and Department of Health-distributed influenza vaccines. This vaccine coverage is now high by world standards.
- Drafted amendments to the Western Australian *Health Act 1911* to require pathology laboratories to provide notification of cases of communicable diseases.
- In collaboration with the Commonwealth Government and other stakeholders, progressed formal contingency plans for pandemic influenza.
- Interagency training workshops for health care providers responding to child sexual abuse in Aboriginal communities were successfully piloted in three rural towns.
- Planning for a sexual abuse service at Karratha was completed.

Environmental Health

- The Department responded to a range of environmental health issues and community concern related to events such as 2,4,5-T in the Kimberley, Brookdale, Wagerup, Stirling groundwater and the Bellevue fire.
- Drafting instructions for a Food Bill were completed and approved by Cabinet.
- Policy papers have been prepared in relation to the review of the *Poisons Act* and distributed for discussion.
- As part of the review of the *Health Act*, drafted policy papers on water and meat and meat safety.
- Continuing implementation of the Environmental Health (Aboriginal Communities) Network to the Pilbara and Goldfields. This initiative has increased the number of Aboriginal Environmental Health Workers to 56.
- An Epidemiological Survey of two wastewater reuse schemes has been undertaken to determine possible infection episodes.
- Production of Draft Greywater Reuse Guidelines to guide household re-use of wastewater from the kitchen, bathroom and laundry (not including the toilet) to help conserve water.
- A Memorandum of Understanding on Drinking Water between the Water Corporation and Department of Health has been finalised.
- The first Health audit of the Water Corporation has been completed. The audit identified no public health risks.
- Hazard Analysis Critical Control Point based quality assurance plans have been introduced into the poultry carcass/meat processing industry.
- Introduced the 'Australian Standard for the Hygienic Rendering of Animal Products' into the animal rendering industry.
- A review of all fermented smallgoods manufacturing processes has been undertaken to ensure compliance with national standards.
- Introduced the 'Australian Standard for Hygienic Production of Natural Casings for Human Consumption' into the casings industry.
- Assisted in the development of a draft planning policy to address the issue of land development in mosquito-borne disease risk areas.

- Strategies to manage potential incursions of exotic mosquitoes and mosquito-borne diseases were developed through the Northern Australian Health Ministers entomology-working group.
- An environmental nurse position has been created and the Yarloop Community Clinic established to identify and record health issues related to emissions from the ALCOA Wagerup Refinery.

Genomics Services

- The Western Australian Genetics Council was established to advise the Department of Health on the impact of advances in human genetics on the health of West Australians.
- The Department has responded to the Australian Law Reform Commission – Australian Health Ethics Committee Inquiry into Protection of Human Genetic Information. The final recommendations of this inquiry will significantly impact on the ways that genetic services are delivered in Western Australia.
- School and community education and professional development sessions were conducted in Geraldton, Albany, Port Hedland and Manjimup in association with Genetic Services of WA. In collaboration with the Divisions of General Practice, community groups and schools, lectures were presented on opportunities and issues in the area of human genetics.

Health Promotion

- A major review was conducted into Part IXB of the *Health Act 1911* and the *Health (Smoking in Enclosed Public Places) Regulations 1999*.
- A new campaign designed to increase physical activity in the community was launched as part of the work undertaken by the Premier's Taskforce on Physical Activity. A policy strategy relating to the health component of the work being undertaken by the Taskforce was also developed.
- Revitalisation of activities in tobacco control, including a new quit campaign aimed at adults, and the delivery of a campaign targeted at young adults.
- Draft strategic plans for 'Eat Well WA' have been prepared and priorities identified. These include, increasing consumption of fruit and vegetables, reducing overweight and obesity, improving child and anti-natal nutrition and nutrition for vulnerable groups. Nutrition and food safety training has been provided for food service staff in child care, schools, Meals on Wheels and the catering industry.
- Delivery of a major campaign 'Go for 2 & 5' to increase the consumption of fruit and vegetables. The campaign's results indicate over 80% of adults are aware of the campaign and there has been an increase in the proportion of people eating fruit and vegetables.
- Developed an across government recreational water safety plan for the prevention of drowning, near drowning and consequential injuries. The plan is now being implemented.
- Re-established the Princess Margaret Hospital Emergency Department Injury Surveillance system that will improve the monitoring of injuries in children.
- Established the Healthy Lifestyle programs within the mining communities of Norseman, Laverton and Kalgoorlie.
- Established two diabetes steering committees within the Goldfields and South East Health Region (one in Esperance and one in Kalgoorlie) to provide a coordinated approach to the promotion of diabetes education and treatment.
- An inaugural rural Pina Conference ('pina' is the Wongai word which means 'ear') was hosted in the Goldfields South East Health Region to raise the awareness of otitis media and conductive hearing loss. The conference attracted 85 participants including researchers, education specialists and health professionals from across the nation.
- A Needle and Syringe Needs Assessment was completed and disseminated in the South West.
- A Tobacco Sales to Minors Survey was undertaken in the South West. The Survey results are being analysed.

Aboriginal Health

- Established a Cultural Security Framework.
- Five Aboriginal health co-ordinators were employed across the State.
- The second stage of the Western Australian Aboriginal Coordinated Care Trial commenced at the South West Aboriginal Medical Service in Bunbury. It is expected that the Trial will run for three years.
- Construction has commenced on new purpose designed community clinics in the remote Aboriginal communities of Balgo and Warburton.
- Continued improvement in Aboriginal identification in health data collections and enhanced Aboriginal health information was available at the national, state and regional levels to inform the planning and evaluation of health services.
- A range of programs targeted at alcohol and other substance abuse, were conducted in line with the Community Drug Summit -recommendations.
- The Statement of Commitment to Reconciliation for the WA Government Health System was developed and adopted.
- The Office of Aboriginal Health has continued to have a positive impact on chronic diseases through attention paid to causal pathways and social determinants and a wide range of gender and age specific programs that focus on chronic diseases, including diabetes.

Health Information Services

- Improved health service access to population health information through a web-based service to assist health services to understand and respond to the needs of their local communities.
- Designed and implemented a statewide Health Surveillance and Wellbeing Survey system.
- Implemented a health register for people concerned by the Bellevue hazardous waste fire to monitor the health of those exposed to the effects of the fire emergency.
- Completed a detailed study of cancer incidence, hospitalisation and mortality according to local government areas.

Preventive Health Services

- Commenced strategies to address the needs of homeless people with a mental illness, including the development of accommodation services and a new youth at risk service in the southern metropolitan area.
- Developed, in joint collaboration with the Departments of Justice, Education and Training and Community Development, a Multi System Treatment service across the metropolitan area.
- Expanded adult community services in the inner city area.
- Developed two pilot 24 hour telephone access services to rural areas to provide advice and counselling on mental health issues. One of these services is located in the South West, and the other in the Mid West.
- An extension of the court liaison service was developed for forensic clients in the metropolitan area.
- Developed a forensic mental health prison liaison service for the North West with consultation and advice provided via videoconferencing.
- Commenced evaluation of the research into the use of vitamin A prophylactically for the prevention of asbestosis.
- The Aussie Optimism program designed to prevent anxiety and depression in upper primary school students has been introduced, jointly with the Department of Education and Training, in primary schools in 2003.

- With support from local motor vehicle dealers, the Pilbara and Gascoyne and Great Southern Health Regions developed and implemented the 'Pit Stop' men's health check project.
- In partnership with other agencies, the Murchison Men's Health Group was launched in March 2003 working with men and adolescent boys in the region.
- In partnership with other Government agencies, Community Resource Centres have been established in Mt Magnet, Cue and Wiluna, providing a co-ordinated range of preventative services.
- The South West Health Service has developed a strategic direction based on current contemporary local and global trends focusing on the current and future health needs of the South West.
- Eight sponsored Curtin University Graduate School dental therapists completed their training and commenced working in various rural locations.
- In collaboration with Southern Ag Care and the Division of General Practice, the Department implemented the Rural Community Support Service primary mental health service across the Great Southern Region.
- Introduced an early intervention program in the Great Southern Health Region to prevent patients mentally and physically deteriorating whilst staying in hospital.

Drug and Alcohol Strategy Coordination, Treatment and Prevention Services

- Completed the Western Australian Drug and Alcohol Strategy 2002-05, together with companion documents 'Model for Prevention and Early Intervention' and 'Model for Treatment and Support'.
- Implemented eight of the nine separately funded health initiatives announced by the Government in the document 'Putting People First: the Government's Response to the Community Drug Summit'. The ninth initiative – capital works associated with the Next Step Youth Service – has been put on hold pending a review of Youth Services, scheduled for completion by May 2003.
- Completed the restructure and reconfiguration of drug and alcohol services within the Department of Health through the creation of the Drug and Alcohol Office. The Bill enabling the repeal of the *Alcohol and Drug Authority Act 1974* is being prepared and an alternative structure for the Office is being negotiated.
- Facilitation of the Ministerial Working Party on Drug Law Reform has resulted in the preparation of the Cannabis Control Bill, scheduled for the Autumn 2002 session of Parliament.
- Completed the Western Australian component of the Australian School Student Alcohol and Drug survey (ASSAD).
- Produced the WA 'Indicators of Drug Use' document, for use in policy and planning. This document is an Australian first.
- Establishment and consistent monitoring of the 'alcohol accord' within the Kalgoorlie-Boulder area.

Population Health

- Established the Population Health Division. Key stakeholder input is being provided through ongoing consultation as part of the newly created Population Health Advisory Council. Statewide coordination is being achieved through the Population Health Network.
- Supported the Prison Health Service in areas as diverse as diet and nutrition, education on blood borne viruses and harm minimisation, environmental health, acute care and mental health services. A joint planning forum was convened to identify priorities aimed at optimising the resources available to improve the delivery and outcomes of health services for offenders in Western Australia.
- Developed a survey instrument on prison health for distribution across Australia. The data gathered from this survey will provide a snapshot of the general demographics and morbidity of the offender population. Analysis of this information will support the development of nationally consistent best practice approaches to the delivery of health care to those in custody.

- Coordinated the Department of Health submission on the Prostitution Bill, relating to issues such as the licensing of sex workers and provisions relating to sexually transmitted diseases.
- Coordinated a review of the *Acts Amendment (Abortion) Act 1998* into the operations and effectiveness of the provisions of the *Health Act 1911* and the *Criminal Code* as it relates to abortion.
- Coordinated health submissions and responses to the Commission of Inquiry into the Response by Government Agencies to Allegations of Child Abuse and Family Violence in Aboriginal Communities (Gordon Inquiry) and continued to have a leading role in the development and implementation of the Government's response to the inquiry.

Major Initiatives For 2003-04

Child, Community and Primary Health Care

- Introduction of new best practice services in the early years age group, supported by a comprehensive set of new health service policies and training programs.
- A Primary Health Care Strategy to improve the integration across services delivered by the acute, non-acute and primary health care and community sectors. This will involve establishing systems that result in improved patient care, support for carers, better health outcomes and optimal resources.
- The integration of the Multicultural Access Unit to Population Health Division to ensure stronger emphasis in areas such as policy development, prevention and early intervention strategies and in particular, service implementation for West Australian Culturally and Linguistically Diverse families.
- The development of Primary Health Partnerships between Divisions of General Practice and the Population Health Division, to foster integrated services in priority areas including chronic diseases (such as diabetes and asthma) and immunisation.
- New sexual abuse service will commence in Karratha and Murchison.
- Implementation of the Family Partnerships program that enhances the ability of health workers to work together with families on complex issues in the South West.
- Development of the interagency pathways for early intervention on postnatal depression in the South West.
- Improved child health services within the Kimberley Region. Improved paediatric, general physician and psychiatric services to the community in the Kimberley Region.

Cancer Prevention and Detection

- Implementation of new National Health and Medical Research Council guidelines for screening of women with familial risk of breast cancer.
- Development and implementation of an Aboriginal Health Workers Training Package.
- Planning and developing an expansion of breast screening services in the southwest metropolitan region (Rockingham/Mandurah corridor).
- Replacement of four Mammography X-ray machines.
- Provision of an audit tool to Population Health Units to assist in the development of culturally safe, effective and secure Indigenous women's health services.

Communicable Disease Control

- A food borne disease outbreak investigation training program and manual will be developed in order to build and maintain expertise in these investigations.
- Phase two of the development of the Western Australian Notifiable Infectious Diseases database will be completed and implemented. This will include modules for enhanced surveillance of key diseases, including hepatitis C, meningococcal disease, pneumococcal disease, gonorrhoea and tuberculosis.
- Guidelines for management and control of Tuberculosis in Western Australia will be revised and a database for storage and analysis of enhanced surveillance data will be completed.
- Planning and preparedness for infectious disease threats, including those associated with bioterrorism will be enhanced. This was successfully put to the test with timely and appropriate response to the newly emerging infectious disease known as Severe Acute Respiratory Syndrome (SARS), first recognised in South East Asia in March 2003.
- The National Group C Meningococcal Vaccination Program aims to vaccinate, over the next three years, all children and teenagers who turned between one and 19 years of age in 2003. The Department of Health will provide free Group C meningococcal vaccinations at school for years 7 to 12 students in 2003 and for Years one to 7 students in 2004. Children aged one to five years are receiving vaccinations in 2003 via general practitioners, the Department and local government immunisation clinics.
- A Hepatitis C strategy is to be developed and a Sexual Health Needs Assessment to be conducted in South West to identify gaps in services and health promotion.

Environmental Health

- Circulation of consultation papers on the proposed new Food Bill to community, industry and government stakeholders as part of the development of the draft Bill.
- Implement national licensing of aerial applicators of agricultural chemical products and progress compliance of individual pilots with the 'Pilots and Operators Manual'.
- Undertake the Environmental Health Needs Survey (EHNS 2003) of all Aboriginal Communities in Western Australia.
- Release of the Code of Practice for the Reuse of Greywater.
- Revision of the Health (Meat Hygiene) Regulations to adopt revised and new Australian standards relevant to the meat processing industry.
- Develop and introduce a Code of Practice for the management of water quality at public swimming pools.
- Submission of a proposal for a national review of legislation for control of mosquitoes and mosquito-borne diseases to the enHealth Council.
- Standardise food safety plans across the dairy industry to ensure compliance with the Hazard Analysis Critical Control Point guidelines to reduce the risk of food borne illness from the consumption of dairy products.
- Increase capacity in relation to Health Impact Assessment within the Environmental Health Directorate to focus on assessing the health impacts of land development proposals.
- Develop and circulate a practitioner's manual for the non-occupational exposure to asbestos materials on behalf of the enHealth Council for adoption nationally and in New Zealand.

Genomics Services

- Newborn screening for metabolic defects in Western Australia will be enhanced by the Purchase of a Tandem Mass Spectrometer.
- Development of a strategic plan to guide the delivery of genetic services in Western Australia over the next five years.
- Undertake an economic analysis of the Familial Cancer Program, newborn screening for metabolic disorders and the establishment of a statewide foetal anomaly screening database.

Health Promotion

- Implement the Healthy Lifestyles framework to address a range of risk factors and the prevention of chronic diseases including diabetes and cardiovascular disease.
- Identify new initiatives for addressing overweight and obesity and nutrition among vulnerable groups including Aboriginal people.
- A major survey will be conducted amongst school children, as part of the ongoing work of the Premier's Physical Activity Taskforce, to assess physical activity levels, nutritional status and body weight.
- Review the *Tobacco Control Act 1990* in consultation with key stakeholders.
- Investigate and develop an action plan for the prevention of violence related injury (intentional injury) using a population health approach. This will be integrated with other government and non-government sectors.
- Extension of the existing Healthy Lifestyle programmes to all areas of the Goldfields and South East Health Region including the Nullabor area.

Aboriginal Health

- Planning to hold regional planning forums and the development of pooled funding arrangement with the Commonwealth. This initiatives will be developed in partnership with key stakeholders such as the Commonwealth Department of Health and Ageing, the Western Australian community controlled health organisations and the Aboriginal and Torres Islander Commission.
- Will commence a cultural security program involving education as well as services planning and reorientation to support implementation of the established framework.
- Developed an Aboriginal early years (0 to 8) strategy in partnership with the Institute of Child Health Research to expand and integrate the services supporting the health and future development of young children.
- Commence renovations to the Aboriginal Medical Clinic at Twelve Mile Creek in Port Hedland to provide culturally appropriate medical services to the community.

Health Information Services

- Undertake linkage of health data from a range of Commonwealth and State data collections. This will inform key service issues including patterns of care for people with chronic conditions and service use by groups including the elderly.
- Establish the Health Standards and Surveillance Council Watch on Health. The Council will monitor the health of the Western Australian population.
- Develop a Health Privacy Code of Practice to govern collection, use and disclosure of personal health information.
- Provide policy advice on the redrafting of the *Human Reproductive Technology Act 1991* to incorporate recommendations from the Select Committee on Human Reproductive Technology 1999.

- Implement an emergency department data collection system. This will support improved planning and management of hospital emergency department services.
- Provide policy advice on the amendments to the *Hospital and Health Services Act* to enhance the collection of health service data.

Preventive Health Services

- Further develop and promote a web page to schools and community health groups to ensure wide access and utilisation of the preventative health literature and program materials.
- The South West Area Health Service is committed to implementing a 'Healthy Communities' framework into the 16 identified communities of the South West to be known as the 'Communities First' program.
- Planning a comprehensive regional needs analysis, in partnership with the Eastern Goldfields Medical Division of General Practice, with a funding grant from the National Health Development Fund.
- Undertake further enhancement of the capacity of the Rural Community Support Program in the Great Southern Health Region.
- Establishment of a Women's Health Group in Meekatharra and Men's Health initiatives in Mt Magnet and Cue.
- Work towards a Healthy Community model integrating mental promotion/prevention strategies with General health, across all program areas (i.e. Child and Adolescent Mental Health Service, Seniors) in the Great Southern Health Region.
- Reinvigorate the Great Southern Health Region's Brief Intervention Program for Alcohol and Tobacco Use to enhance chances of improving lifestyle choices for patients admitted to hospital.

Drug and Alcohol Strategy Coordination, Treatment and Prevention Services

- Coordinate the development and delivery of Agency Drug and Alcohol Action Plans. All government departments delivering human services (as represented through the Cabinet Standing Committee on Social Policy, with the addition of the Department of Justice) are expected to develop Agency Drug and Alcohol Plans describing specific sectoral roles and responsibilities and strategies for actioning these plans.
- Conduct service reviews resulting in the more appropriate use of sector resources.

Population Health

- Implement the recommendations of the State-wide prison health review of diets provided to prisoners and detainees, develop an Aboriginal Health Policy and Strategic Plan for Offenders, develop strategies to address management of blood borne communicable diseases in prisons and develop treatments for prisoners suffering from drug addiction.
- Coordinate the implementation of the whole of health response to the Gordon Inquiry by linking initiatives such as the redevelopment and expansion of the Child Protection Unit based at Princess Margaret Hospital, the enhancement of state-wide Sexual Assault Resource Centres with complementary work being undertaken by the Child and Community Health Branch of the Population Health Division.
- With the planned entry into Parliament of the Prostitution Control Bill in 2003-04, development of the proposed Prostitution Control Board will include an implementation plan and detailed business case, appointment of an interim Board and development of procedural documents.
- Implement recommendations of the *Acts Amendment (Abortion) Act 1998* into the operations and effectiveness of the provisions of the *Health Act 1911* and the *Criminal Code* as it relates to abortion. Emphasis will be given to recommendations relating to education (particularly with regard to unplanned pregnancy), security and support to women making decisions regarding abortion.

Output 2: Diagnosis and Treatment

The objective for diagnosis and treatment services is to improve the health of Western Australians by restoring the health of people with acute illness. The services provided to diagnose and treat patients include emergency services, ambulatory care (or outpatient services including primary care services), services for those people who are admitted to hospitals, oral health services, and other supporting services such as patient transport and the supply of highly specialised drugs.

Admitted care

Admitted care services are services to hospital inpatients which an admission to a hospital and can cover one or more days. The type of services admitted patients may receive include one or a combination of the following:

- obstetric care;
- services to cure illness or provide definitive treatment of injury;
- surgery;
- relief of symptoms or a reduction of severity of injury or illness (excluding palliative care);
- protection against exacerbation and/or complication of an illness and/or injury which could threaten life or normal functions; and
- diagnostic or therapeutic procedures.

Ambulatory care

Ambulatory care services are services provided in hospital to patients who do not undergo the formal hospital admission process. These include same day procedures, outpatient attendances, pre-admission assessments and short-term rehabilitation. Examples of the types of services provided are some forms of renal dialysis and chemotherapy, high technology diagnostic services, specialist medical services, post-operative nursing services, and cardiac rehabilitation. This service group includes those services focussing on improving the integration between hospital and community based care with the aim of providing seamless care to patients and encouraging appropriate use of health services.

Emergency services

Emergency services are services provided to treat people with sudden onset of illness or injury of such severity and urgency that they need immediate medical help which is either not available from their general practitioner, or for which their general practitioner has referred them for treatment. Emergency departments provide a range of services from immediate resuscitation to urgent medical advice. An emergency department patient may undergo a formal admission process to become an admitted patient, or be treated and discharged directly from the emergency department without admission.

Support services

Support services are services provided to maximise the outcomes of other diagnosis and treatment services. These include patient transportation, the provision of highly specialised drugs, and patient information systems.

Oral health services

Dental services are provided for financially and/or geographically disadvantaged adults throughout the state. Additionally residents of Aged Care Facilities are offered a free oral examination annually with the prescription of a personal care plan. Eligible residents can access subsidized dental care.

Outpatient dental services are provided through government funded dental clinics, itinerant services, visiting services and through private dental practitioners who participate in the metropolitan patient dental subsidy scheme, country patient dental subsidy scheme and the orthodontic patient subsidy scheme. Other oral health services provided by health services are not recorded as dental services, but as either episodes of inpatient care (weighted separations) or non-admitted patient occasions of service.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	2,225,669	2,275,878	2,343,565	2,485,435	
Less Operating Revenue ^(a)	255,361	236,103	286,611	247,294	
Net Cost of Output	1,970,308	2,039,775	2,056,954	2,238,141	
Adjustments ^(b)	(20,684)	-	-	-	
Appropriation for delivery of Output 2	1,949,624	2,039,775	2,056,954	2,238,141	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Metropolitan surgical weighted hospital separations ^(a)	106,891	101,639	105,201	105,138	
Metropolitan medical weighted hospital separations ^(a)	150,615	151,246	155,561	156,786	
Rural surgical weighted hospital separations ^(a)	19,036	18,637	19,801	19,835	
Rural medical weighted hospital separations ^(a)	75,097	75,471	78,221	78,587	
Mental health weighted hospital separations ^(a)	19,747	20,184	20,752	21,507	
Waiting list weighted hospital separations ^(b) ...	6,863	7,820	8,696	7,820	In 2002-03 the estimated target was exceeded.
Public mental health beddays ^(c)	82,604	84,000	77,009	77,500	
Public hospital non admitted occasions of service ^(d)	3,195,585	3,229,307	3,141,582	3,167,582	
Mental health non admitted occasions of service ^(e)	191,379	311,328	239,681	240,000	
Emergency department occasions of service ^(f)	561,263	560,877	561,000	565,000	
Adult Dental Services - number of patients ^{(g)(h)}	117,412	86,000	86,000	91,000	
Other occasions of service ⁽ⁱ⁾	79,430	78,271	78,271	79,000	
Patient Assisted Travel Scheme (PATS) - no. of trips ^(j)	33,328	34,821	37,266	37,050	
Public funded privately provided - episodes of care ^(k)	44,049	46,884	45,568	48,845	
Public funded privately provided - occasions of services ^(k)	90,825	96,921	93,048	95,999	
Number of Non Government Organisations (NGOs) ^(l)	165	165	165	165	
Quality					
Public hospitals accredited by Australian Council of Health Care Standards (ACHS) ^(m)	68%	68%	68%	68%	
Public psychiatric hospitals and a psychogeriatric extended care units accredited by the ACHS ^(m)	100%	100%	100%	100%	
Patient satisfaction survey of public hospital services: ⁽ⁿ⁾					
- admitted overnight	80.0%	na	80.0%	80.0%	
- admitted sameday	85.9%	na	85.9%	85.9%	
- emergency	80.1%	na	80.0%	80.0%	
- outpatient	80.8%	na	80.0%	80.0%	
- community health	89.0%	na	89.0%	89.9%	
- special group	88.0%	na	88.9%	88.0%	

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Timeliness					
Admitted Category 1 elective surgery patients waiting longer than 30 days ^(o)	13%	15%	15%	15%	
Admitted Category 2 elective surgery patients waiting longer than 90 days ^(o)	26%	25%	25%	25%	
Cost (Efficiency)					
Average cost per weighted separation at public hospitals:					
- metropolitan surgical.....	\$3,783.02	\$3,943.01	\$3,870.70	\$3,953.98	
- metropolitan medical.....	\$4,100.41	\$3,943.01	\$4,193.72	\$4,481.61	
- rural surgical	\$3,134.74	\$3,943.01	\$3,196.45	\$3,348.13	
- rural medical	\$3,624.84	\$3,943.01	\$3,696.20	\$3,871.59	
- mental health.....	\$5,109.45	\$3,943.01	\$5,218.94	\$5,805.74	Methodology of costing has changed moving away from a single costing methodology to more accurately reflect the types of services provided.
- waiting lists	\$3,919.23	\$3,758.80	\$4,166.41	\$4,364.12	
Average cost per public mental health bed day.	\$494.54	\$604.42	\$658.95	\$687.35	
Average cost per public hospital occasion of service.....	\$90.08	\$93.52	\$97.69	\$102.98	
Average cost per mental health occasion of service.....	\$220.15	\$191.06	\$213.47	\$216.10	
Average cost per emergency department occasion of service.....	\$161.23	\$164.72	\$172.06	\$181.38	
Average cost per adult dental patients	\$384.68	\$397.93	\$304.58	\$305.21	
Average cost per other occasions of service	\$384.68	\$504.58	\$382.49	\$381.68	
Average cost per PATS trip.....	\$337.91	\$327.10	\$305.01	\$348.49	The cost saving achieved in 2002-03 was due to the extension of PATS to Mandurah that reduce the average cost per trip.
Average cost per publicly funded privately provided episode of care	\$2,275.17	\$2,055.30	\$2,240.49	\$2,334.75	
Average cost per publicly funded privately provided occasion of service.....	\$194.52	\$189.25	\$224.13	\$250.41	Increase in average cost due to decrease in activity from lower cost services.
Average cost per other NGO not included in outputs	\$471,700	\$571,194	\$553,042	\$573,819	
Full Time Equivalents (FTEs)	21034	20862	21438	21618	

- (a) Weighted separation is a measure of the complexity of a hospital separation using an average weight for episodes that have the same diagnosis and treatment. Western Australia uses the Australian National Diagnostic Related Groups (AN-DRG) version 4.2.
- (b) The waiting list refers to the additional contracted elective activity for persons waiting for non-urgent treatment.
- (c) Mental health bed days represent activity for long stay patients in selected public mental health units.
- (d) Non-admitted occasions of service represents activity in public outpatient departments.
- (e) Part of mental health non-admitted activity was included in output 1 to more accurately reflect the nature of service delivered.
- (f) Emergency department occasions of service represent patients who have attended a formal emergency department for medical treatment, regardless of whether they are subsequently either admitted to hospital, or treated and returned home.
- (g) Adult dental services represents the provision of subsidised dental care to financially and geographically disadvantaged persons throughout the state.
- (h) From 2002-03 all school dental services work has been attributed to output 1.
- (i) Other occasions of service includes highly specialised drugs, limb services for amputees and other services.
- (j) Patient Assisted Travel Scheme (PATS) figures includes all associated overhead costs that may not directly contribute to the average cost of an assisted trip.
- (k) The publicly funded privately provided activity represents aggregated service delivery contracted to a range of private organisations.
- (l) Only those non-government organisations for which quantities and costs have not been already attributed to other outputs are reported in this measure.
- (m) The Australian Council of Healthcare Standards (ACHS) evaluation program includes the measurement of the management and outcome of patient care through the use of clinical indicators. These indicators show how the hospital is performing against agreed standards of hospital operation.
- (n) This indicator measures patients' reported satisfaction with the services received while in hospital. Scores are from a maximum of 100 points. A number of different patient groups are evaluated thereby producing several estimates of satisfaction. Each year the groups differ hence trends over time are not appropriate.
- (o) Figures reported are for all metropolitan public hospitals. 'Long wait' means a patient waiting longer than clinically desirable.

Major Achievements For 2002-03**Admitted Care**

- Key safety and quality initiatives implemented in 2002-03 include:
 - development of a systematic framework for clinical governance and risk management in WA public hospitals to increase accountability for patient and staff safety and for quality across the State's health system;
 - establishment of Area and Regional Health Service Safety and Quality Programs;
 - completion of the roll-out of the Australian Incident Monitoring System across all public hospitals;
 - continued monitoring and preventing health care related infections including antibiotic resistant bacteria;
 - continued support for audit systems for clinical procedures eg the Western Australian Audit of Surgical Mortality and Audit of Red Blood Cell Uses;
 - continued support for professional development and skills training for medical, nursing and allied health staff- Co-ordination of the first Australian Conference on Safety and Quality in Health Care; and
 - sponsoring Clinicians from across the Western Australian health system to attend training in a uniform methodology for root cause and contributing factor analysis of adverse events and serious clinical incidents including close call situations.
- Commenced planning for the provision of a new adult acute inpatient service at the Osborne Park Hospital.
- Commissioned a 12 bed acute inpatient unit for elderly people with mental illness at Mercy Hospital.
- The 12 bed rehabilitation service at Peel Health Campus is now operating at nearly full capacity with access to specialist medical care.
- Awarded the tender for the youth detoxification and rehabilitation service to Mission Australia. It is anticipated that the service will commence operating in June 2003 from the Hill St, East Perth facility.
- Completed a major upgrade of surgical, medical and diagnostic equipment in the Kimberley.
- Implemented a full regional surgical service at Broome hospital. Broome and Kununurra hospitals now have 100% obstetric and anaesthetic coverage in and out of hours.
- Successfully negotiated for a permanent doctor from Esperance to provide medical services three days per week to the Norseman community.
- Opened the Mental Health Inpatient Unit at Kalgoorlie Regional Hospital with a full compliment of staff to provide inpatient services to the region.
- Appointed a second paediatrician to provide acute and outpatient services in addition to out reach services for the Goldfields and South East Health Region.
- Implemented the Post Occupancy Evaluation recommendations for reconfiguring internal building aspects of Albany Mental Health inpatient unit.

Ambulatory Care

- Established a 10 chair satellite renal dialysis service in Broome. The service is located at the Broome Regional Aboriginal Medical Service (AMS) site and is the first AMS based renal dialysis service in Australia. The unit can provide dialysis services to up to 40 patients per week.
- The planning for the expansion of the Renal Satellite Unit at Peel is well on track. The new service will include seven additional renal dialysis chairs and is expected to commence in July 2003. The total capacity of the expanded unit will be 12 chairs providing increased access to renal dialysis services for Peel residents.
- An expanded chemotherapy service has been planned in conjunction with the redevelopment of the Peel Renal Satellite Unit. This service, which will also commence in July 2003, will increase the total capacity to eight chemotherapy chairs.
- Redeveloped the Haemodialysis Unit at Royal Perth Hospital.

- Expanded the satellite dialysis services in Geraldton, with the dialysis unit at the Geraldton Regional Hospital being increased from a four chair facility capable of dialysing up to 16 patients per week, to an eight chair facility capable of dialysing up to 32 patients per week.
- Opened a new four chair Satellite Renal Dialysis Unit in Albany.
- Published a summary of the Review of the Statewide Renal Dialysis Program and Renal Disease in Western Australia that makes recommendations for the continued improvement to program management, service development and delivery.
- Completed an implementation plan for stroke services in WA. The Government has committed funds for the development of projects to improve stroke services, and the Department of Health is currently in the process of appointing a project officer to facilitate this work.
- Planned and developed the Clinical Priority Access Criteria, which is a general practitioner assessment tool to facilitate priority driven criteria and improve access to outpatient services for specialist referrals. The clinical criteria development is supported by general practitioners who determine that appropriate prioritisation has been developed in collaboration with specialists in tertiary sites.
- Implemented a coordinated metropolitan wide ambulatory care program to improve linkages across the continuum of health care between hospital services provided in the community and community providers to reduce travel and geographic boundaries and increase access to services.
- Established a residential care telephone line in North Metropolitan Health Service to facilitate hospital in the nursing home services.
- Facilitated greater integration and coordination of government and non-government services via the 'Model for Drug and Alcohol Treatment and Support Services'. Some specific examples of action taken include creation of metropolitan outreach services via Drug and Alcohol Clinics, services co-location, shared care arrangement with general practitioners, and development of the Alcohol Drugs and Psychiatric Treatment model.
- Progressed expanded indigenous service models, including the conduct of the Indigenous Traineeship program.
- Implemented a number of initiatives related to Diabetes. These include: formation of a Diabetes Clinical Advisory Group to advise the Department of Health, establishment of a Diabetes Website to facilitate access to diabetes information across the continuum of care, regular videoconference meetings for Regional Diabetes Coordinators and a review of workforce issues for the Diabetes program.
- Held a Western Australia Diabetes Strategy Conference that provided an opportunity for all health professionals with an interest in diabetes to learn how to develop and work in effective care partnerships, increase awareness of strategies for the sustainability of the Integrated Diabetes Care Program and the prevention of diabetes and to obtain clinical updates on gestational diabetes and managing diabetes in the elderly. A pre-conference workshop provided a forum for health regions to share aspects of integration they had achieved.
- Commissioned jointly with the Ruah Women's Support Service an independent evaluation of the Service which confirmed that the service has undoubtedly saved many women's lives, thus delivering dramatic health gain as well as reducing the number of parole breaches and return to prison orders. The Service supports young women recently released from prison with health and related issues. Clients typically have multiple complex issues including substance abuse, mental illness, violent relationships, homelessness, social isolation and others, and are known to face a high risk of premature death.
- The Street Doctor program, which provides medical and related services to street-based populations in the inner city area, was continued and amalgamated with the Mobile Access Centre bus, which provides a mobile service to young people in the Swan Hills area.
- Established new audiology facilities at Esperance and Karratha providing residents of the South East and Pilbara regions with local access for adult and paediatric diagnostic audiological assessments.
- Established speech pathology services for the Western District of the Wheatbelt Health Region.

- Opened a new dedicated chemotherapy outpatient's clinic at the Kalgoorlie Regional Hospital to improve the availability of specialist services.
- Commissioned a new day surgery unit at the Northam Hospital to provide improved access to day surgery services for the Avon and surrounding districts.
- Increased visiting specialists and resident specialists clinics to the Kimberley Health Region and to the Kimberley communities, especially ENT, adult cardiology, ophthalmology and orthopaedics.
- Appointed a psychiatrist for the Goldfields and South East Health Region to improve the Community Mental Health services and to compliment the Mental Health inpatient service.
- Continued the Great Southern Health Region's successful Alcohol and Drug Withdrawal program.

Emergency Services

- Established a clinical practice improvement unit with clinical leadership to ensure development of key performance indicators and project initiatives aimed at enhancing outcomes and improving efficiencies in acute demand strategies across emergency departments, inpatients and continuing care.
- Established care coordinator roles in emergency departments to facilitate timely and appropriate discharge from emergency departments or rapid assessment for medical patients to facilitate appropriate care.
- Established a transit lounge at Fremantle Hospital to ensure timely discharge of patients and reduce delays in freeing up beds for other admissions.
- Established a residential care telephone line to reduce emergency department presentations from nursing homes in North Metropolitan Health Service.
- Established linkages with general practitioners as part of a coordinated East Metropolitan Health Service demand strategy. The strategy includes increasing access to Homeward and general practitioner participation in the emergency department at Royal Perth Hospital.
- Planned the "Acute Demand Strategy" for emergency and elective patients across the metropolitan area to ensure improved systems and processes in the acute sector that is supported and informed by clinical experts.
- Implemented an upskilling program for emergency nurses in the South West.

Support Services

- Formed HealthSupply WA in March 2002 as a single integrated supply service for the health system. The new structure replaced five supply services, and provides a streamlined approach to supply services in health. Reform in the area of supply will continue, with the completion of the review of procurement delivery. It is anticipated this review will include recommendations for the improved provision of supply services.
- Continuous audit of elective surgical patients who have waited for longer than desirable times has allowed for validation and maintenance of waiting lists and identification of problem areas and relocation of patients as appropriate. This has ensured a downward trend in the waiting lists and achieved the lowest waiting list in 11 years.
- Continuous audit of the dental waiting list has allowed for validation of the data presented and the relocation of 1,311 patients between dental clinics.
- Continual monitoring and reporting of the elective surgery waiting list has allowed for further planning, through the identification of focus areas. The waiting list analysis and reporting has allowed for large numbers of patients who no longer need the services to be removed.
- Implemented Release 4 of PEARLS (Patient Electronic Analysis Reporting Liaison System), which will allow for remote access by security cleared Health Services staff and increase their capacity to manage the Areas within health more effectively.

- Recommended the Clinical Priority Access Program which will allow for the review of current protocols and the development and implementation of new protocols in line with recommendations from the Office of the Auditor General report 'A Stitch in Time' and supports best practice in surgical treatment.
- Introduced the OSCAr theatre management system, which enhanced theatre reporting systems in the South West.
- Development of a strategic 10-year Capital Information Management Investment Plan to progress planning and funding for information management support to the unified health system, both on a 'stay in business' and on a development basis.
- Continued delivery of unified service and project delivery and information systems support across the Department through the InfoHEALTH Alliance.
- Further enhanced the Telehealth network with a Telehealth capability now available at 83 sites. Additions to the network include: Cue, Mt Magnet, Rottne Island, Gnowangerup, State Child Development Centre, The Institute of Child Health Research, and the Royal Flying Doctor Service at Jandakot and Port Hedland. Clinical, education and management services have continued to develop throughout the State. Education and support of rural clinicians has been well received in all regions and helps clinicians to provide better care for the community. Clinical services have continued to make progress particularly in the areas of radiology, neurology, speech pathology, dietetics, ophthalmology, dermatology, aged care and wound management.
- Successful bid for \$8 million of Commonwealth funding to develop rural communications infrastructure through the National Communications Fund, which is currently planned to commence delivery in early 2004.
- Developed a web-based clinical information (Clinical Information Access Online) service to support clinicians across the State, which is accessible from health networks or home.
- Leadership in the National information development agenda through participation in committees, working groups and projects, such as HealthConnect and the development of a national provider directory strategy.
- Established the enterprise Information Management Governance structure, the Information Policy Directorate for strategic level information management direction and leadership, and introduced a portfolio approach to enterprise-wide delivery, support, development and investment in health information management.
- Continued development and refinement of the Department of Health Western Australian Enterprise Information Model (EIM) for standardisation of health data and information. Updating of the existing Data Management Policy to incorporate the Department's Enterprise Information Model as a repository of the data models and data dictionary that comprises corporate metadata. The revised policy requires the Department's EIM to be used by software developers to ensure consistency and standardisation of data across the Department.
- Developed an Information Sharing Policy to support the continuum of patient care across all health sectors.
- Implemented new guidelines for the Patients Assisted Travel Scheme (PATs), with effect from 1 July 2002, to provide improved access to specialist medical services for rural and remote residents.
- Commenced a trial air charter link between Karratha Tom Price and Paraburdoo to enable medical and allied health staff to travel quickly and reliably to the Ashburton district.
- Commenced the surveying of injuries treated at Norseman District Hospital for research in association with surrounding mining companies.
- Planned establishment of the Rural Clinical School on the Kalgoorlie Regional Hospital site to build a strong working relationship with the potential to deliver sustained rural medical services in the future.
- Piloted and implemented a comprehensive Mental Health Clinical Information system, incorporating the implementation of the National Outcome Case mix Classification System.

- Developed and implemented at the Geraldton Hospital an innovative method to help elderly people keep track of their medication, doctor's appointments and home services after hospital discharge. This process targets patients with dementia, chronic illness, a history of recurrent hospital admissions, and home support services.

Oral Health Services

- The Centre for Rural and Remote Oral Health achieved the following milestones in 2002-03:
 - established care provision programs for clients at the Aboriginal Medical Services at Wiluna and Roebourne and continued with the care provision programs established at the Aboriginal Medical Services in Carnarvon and Kalgoorlie/Boulder;
 - supported the establishment of a Government dental clinic in Esperance;
 - established oral health promotion programs in various sites in Western Australia;
 - collaborated with the Faculty of Medicine at the University of Western Australia to undertake visits to high schools in rural areas to attract students to the medicine and dentistry courses at the University;
 - collaborated with the School of Dentistry to establish rural work placements for dental students;
 - established training programs in oral health for Aboriginal Health Workers; and
 - collated data on the oral health status of pre-school children in various sites in Western Australia.
- Opened a new adult dental clinic in Morley to improve access and service provision for eligible patients in the North Metropolitan area. A replacement dental clinic will open in May 2003 at Newman.
- Implemented the Aged Care Oral Health Program to provide better access to oral health services to residents of aged care facilities throughout the State. Both nationally and internationally, it is acknowledged that people in aged care facilities have significant oral health problems. These people also often suffer from general health problems that are known to interact with oral health problems. The services offered, as part of the program, include the full range of general oral health care, including diagnostic, preventative, extractive, endodontic, restorative and prosthetic services.
- Renovating the Esperance District Hospital to establish a fully sustainable public dental service for the Esperance community.

Other

- The operations of the Joondalup and Peel Health Campuses have been more closely aligned to the recommendations of the Health Administrative Review Committee and the Peel and Joondalup Health Campus Contract Reviews. This involves the health campuses working more closely with the South and North Metropolitan Area Health Services, respectively, to ensure coordinated delivery of clinical services to better meet patient needs.
- Identified and developed a Health Care Framework designed to progress the integration of health services across the South West of Western Australia. This framework departs from the previous service delivery model, where services are delivered independently of one another. This model focuses on the journey of the health consumer through the health system and across the full spectrum of the health continuum (prevention and promotion, acute and continuing care).
- The South West Area Health Service is moving from individual health care interventions and treatment of sickness to the pursuit of good health and 'wellness', with an emphasis on the social determinants of health. Strong relationships have been developed with a number of stakeholders and some consumer groups to assist with this approach, and a methodology developed for the review of services within State Health Condition Programs.
- Commenced Program Planning pilot reviews in the South West, involving extensive consumer participation, for the two high priority conditions of 'mental health' and 'pregnancy, newborn and early childhood'.

Major Initiatives For 2003-04**Admitted Care**

- In 2003-04, the Office of Safety and Quality in Health Care will:
 - continue to facilitate the development of system-wide changes in processes, policies, systems and monitoring to further reduce the incidence of serious system error and adverse events in the Western Australian health system; and
 - develop policies and processes to support improved analysis and investigation of clinical incidents and serious adverse events throughout Western Australia using a uniform, nationally agreed methodology for root cause analysis.
- Work with Clinical leaders from Area and Regional Health Services to develop and implement locally based area and regional safety and quality programs, which include the planning and implementation of agreed policies and standards for area and regional clinical governance systems, including:
 - clinical Governance;
 - credentialing and clinical privileges for medical practitioners;
 - complaints management policy; and
 - consumer participation.
- Capital expansion of the Peel Health Campus is expected to be completed in 2003-04, which will enable a doubling in capacity for renal services in the Peel area and expansion for oncology and day surgery services.
- The Next Step Youth Services Review will identify key strengths, weaknesses, duplications and gaps in the current model, and be accompanied by recommendations for service reconfiguration.
- Redevelopment of the Paediatric Ward at the Albany Hospital.
- Redevelopment of facilities at Halls Creek will provide increased access to a range of health services for local communities.
- Planning for a new adult acute inpatient service at the Osborne Park Hospital.
- The following initiatives are planned for the South West Health Service:
 - introduction of Emergency Department Information System and electronic discharge summaries;
 - engagement of an additional paediatrician;
 - progression of a ventilator program in the Intensive Care Unit;
 - addressing issues related to increasing trauma (orthopaedic); and
 - addressing issues related to psychiatric services.
- Improving medical workforce capacity in Broome and Halls Creek.
- Completion of the redevelopment of the Carnarvon Hospital to improve inpatient and outpatient services.

Ambulatory Care

- Expand services at the Peel Satellite Dialysis Unit to increase the Unit's capacity from being a five chair facility capable of providing services to up to 20 patients per week to a 12 chair facility capable of providing dialysis services to up to 48 patients per week.
- Planning for the expansion of satellite dialysis services in the metropolitan area.
- Implementation of the mobile assessment services as part of the metropolitan wide ambulatory care service. This service will provide assessment to residential care facilities.
- Expanding access to homeward services by increasing coordination with Mobile Ambulatory Care Services.
- Establishing an Ambulatory Care Clinical Practice Improvement Unit as part of the overarching demand strategy. This will ensure the development of key performance indicators and initiatives that reflect improvements in patient outcome and service effectiveness.

- Increasing linkages, through strategic demand forums, with Primary health in order to determine alternative options for acute care management.
- Linking information technology systems across community and acute providers to ensure appropriate access and coordination of services.
- Continue to develop new or improved models of alcohol and other drug treatment, consistent with the 'Model for Drug and Alcohol Treatment and Support Services'.
- Establishment of metropolitan drug and alcohol clinics, extending the currently centralised services of Next Step to the outer metropolitan area.
- Establish two new audiology facilities, including one in Kununurra, to provide local access for adult and paediatric diagnostic audiological assessments.
- Ambulatory care initiatives to be undertaken in the South West include:
 - using a sessional edoscopist to service enteroscopy patients in the South West, rather than Perth;
 - development of a day therapy unit in the psychiatric ward;
 - renovations and extensions to the Accident and Emergency, and Radiography Departments; and
 - creation of a designated Accident and Emergency and Radiography Department if building program completed.
- Support the alignment of health regions with tertiary diabetes centres, consolidate regional commitment to strategic diabetes program planing, and strengthen performance monitoring of the diabetes program.
- Continue the development and evaluation of a range of innovative service models for at risk young people. These will include a pilot support service for young fathers in the Hills area and the continuation of Street Doctor, the Mirrabooka Happy Kids program and the Ruah Women's Support Service for young women recently released from prison.
- Develop and launch the scabies project package, which standardized the prevention, treatment and management of scabies across the Goldfields and South East Region.
- Extend the 'Eye Health – here's looking at you' program to incorporate a visiting optometrist to the Ravensthorpe area to provide treatment services to the communities of Ravensthorpe.
- Develop a program for individuals and families affected with a first episode of psychosis.

Emergency Services

- Coordination of emergency management in the metropolitan area under the leadership of the Director Emergency Management.
- Implement a 24 hour, seven day per week helicopter service to transport patients with time critical or life threatening conditions either between health facilities or to a health facility from a remote location between 50 and 200km from Perth. This service will come into effect in late 2003.
- Establishment of the metropolitan wide residential care line to support residential care in decision making and reduce emergency department admissions.
- Establishment of key emergency services projects as identified by the Clinical Practice Improvement Unit.
- Utilise the Mobile Assessment Team (MAT) to respond to elderly in the community and residential care. Establishment of Nurse Practitioner role as part of the MATS team.
- Establish clinical guidelines for key conditions that can be managed using services such as MATS teams.
- Commission the upgraded Emergency Department at the Port Hedland Regional Hospital to increase capacity and improve the delivery of emergency services at the Hospital.
- South West Health Service to develop strategies for management of higher acuity patients (regional centre).

Support Services

- Continue implementation of the Country Health Services Review, with particular emphasis on development of the Regional Networks and the Regional Resource Centres in Albany, Broome, Geraldton, Kalgoorlie and the Pilbara, enabling as much secondary level acute care activity to be retained within the regions as possible, limiting as much as clinically appropriate, the need for patient transfers to Perth for other than tertiary level services.
- Increase monitoring and reporting capabilities in line with Government commitments to include:
 - implementation of web-based reporting to facilitate access by the Health Care Division, and Health Services;
 - implementation of Health Level 7 (a universal electronic messaging format) access through PEARLS (Patient Electronic Analysis Reporting Liaison System) to allow for real time reporting at all levels of hospital activity;
 - outpatient data reporting;
 - integration of the Dental Services Information System within PEARLS;
 - continued elective surgical and dental wait list audits; and
 - continued elective surgical and dental patient relocation.
- The Minister for Health has signed a variation to the Australian Health Care Agreement relating to the extension of the Pharmaceutical Benefits Scheme to patients on discharge and outpatients, and the moving of injectable cytotoxic drugs used for non-admitted patients into the Highly Specialised Drug program. As a result, six Western Australian hospitals will participate in a 12 month trial for the implementation of the pharmaceutical reform initiative. The hospitals will have the ability to charge against the pharmaceutical benefits scheme (PBS) for pharmaceuticals supplied to outpatients and inpatients on discharge, and injectable cytotoxic drugs used in chemotherapy treatment will be moved into the highly specialised drug (HSD) program for non-admitted patient services. This reform will create better continuum of care for patients and is the first step towards creating a seamless approach to the provision of pharmaceuticals.
- A Strategic five-year Business Plan for Information Planning Directorate is under development for implementation in 2003-04. The plan will articulate Information Management strategic directions and activity for the period 2002-03 to 2007-08.
- Development of an Information Management Strategic Plan that outlines the strategic directions required to deliver effective and efficient Information Management support of the Department's business. Complete and implement the draft framework defining the strategic and operational Information Management responsibilities across the Information Management Portfolio.
- Planning the development of a Health Enterprise Agreement (EA) with Microsoft for the software product set needed by health. This approach is intended as a centralised purchasing strategy to meet future business needs for Microsoft products, which also delivers efficiency and effectiveness gains.
- The Department is focussing on increasing the availability of outpatient services via Telehealth and building systems to facilitate Telehealth becoming an integral part of service provision into the future. Further growth in clinical and education service delivery is planned and the effectiveness of Telehealth services will be evaluated and reported to the Department and the Commonwealth Government.
- The following major information management policies are planned for delivery during 2003-04:
 - a shared services policy, to articulate Health's strategic position on the sharing of information management and technology services and resources. The policy would give guidance and support to Health organisations in identifying opportunities for shared services and the process of developing such opportunities to the advantage of Health;
 - a Departmental Intellectual Property Policy to complement the State Intellectual Property Policy;
 - finalisation and publication of the Information Sharing Policy to support the continuum of patient care;
 - development of a policy and guidelines for the use of the InfoHEALTH Alliance contract; and
 - development of policy guidelines and implementation programs to meet the provisions of the State Records Act.
- Continue development of a three-year multi-million dollar program designed to improve the mental health clinical information system and the collection of consumer-based outcome measures and information. This jointly funded State and Commonwealth Government program will help mental health clinicians better understand and address the needs of patients.

- Expecting the release in 2003 of policies and guidelines developed on the range of services available to assist people with a psychiatric disability to establish and maintain a home, and for rehabilitation services. These include:
 - Mental Health Promotion and Illness Prevention Policy launched in November 2002;
 - ‘Attention Problems in Children - Diagnosis and Management of Attention Deficit Hyperactivity Disorder (ADHD) and Associated Disorders’;
 - Release of the ‘Guidelines on an Unexpected Death in a Psychiatric Inpatient Facility: Support for Relatives and Carers’; and
 - Establishment of Statewide Reference Group to address Office of Auditor General Report ‘Life Matters - Management of Deliberate Self-Harm in Young People’.
- Establishment of Bali Response Mental Health Disaster Management Strategy Group to oversee the mental health response to the Bali tragedy.
- Development of formal protocols and coordination of services for women with postnatal depression in rural and metropolitan areas. In addition counselling support services will be expanded for this client group.
- Purchase and installation at Albany Regional Hospital of equipment for the operating room that is capable of managing laparoscopic surgery.

Oral Health Services

- The Centre for Rural and Remote Oral Health will continue work on implementing programs, including the establishment of care provision programs at selected Aboriginal Medical Service sites, the establishment of oral health promotion programs, training programs for Aboriginal Health Workers, and rural placements for dental students.
- Establish new adult dental clinics in Joondalup and Cockburn to further improve access and service provision to eligible patients in the growing Northern and Southern corridors.

Other

- Following a review of the Pregnancy, Newborn and Early Childhood and Mental Health programs in the South West, programs addressing other ‘health conditions’ will also be reviewed using the same methodology. This will include consultation with consumers, stakeholders and other service providers. The reviews will determine priorities, establish processes to better integrate service delivery and foster inter-agency cooperation in the region.

Output 3: Continuing Care

Continuing care services are provided to people and their carers who require support with moderate to severe functional disabilities and/or a terminal illness to assist in the maintenance or improvement of their quality of life.

Services provided in this output include:

- community based services;
- rehabilitation services;
- specialist geriatric services;
- palliative care services;
- residential aged care services;
- home care dental services; and
- support services.

Community based services

Community based services comprise community based care and support to maintain and enhance, as far as possible, a person's quality of life. These include domestic assistance, nursing care, allied health care, personal care and care and support for people with long term disabilities to ensure an optimal quality of life. They also cover community based psychiatric care services, services for people with acquired brain injury, and the provision of specialised drugs, equipment and blood products.

The Home and Community Care (HACC) program aims to assist people to be more independent at home and in the community, enhancing their quality of life and thereby preventing their inappropriate admission to long term residential care. The program is targeted towards frail aged people, younger people with disabilities and their carers. It provides services such as domestic assistance, personal care, home maintenance and/or modification, delivered meals, respite care, transport, allied health care, nursing, assessment and referral, case management, case planning, review and coordination, education, training and information.

Rehabilitation Services

Rehabilitation is a specialist area of health care that targets people with a loss of function from any cause, either congenital or acquired. Rehabilitation services include people (children, adolescents and adults) following an acute catastrophic event, who need an initial period of rehabilitation and may or may not need long term follow-up; and people with a progressive or chronic recurring condition, who need episodes of rehabilitation over a long period.

Specialist geriatric services

Specialist geriatric services include community rehabilitation services and falls clinics, post acute and home care services, rehabilitation specialist clinics, memory clinics and services provided at Parkinson's Disease centres of excellence.

Palliative care services

Palliative care services aim to provide multi-disciplinary care and support for terminally ill people and their families and carers, and include both inpatient and home based services. Education and advisory services are available to assist health professionals, particularly those in rural areas.

Residential aged care services

Residential aged care services are for people assessed as being no longer able to live in their own home (eg. nursing home services, nursing home type services in public hospitals and hostel services).

Home care dental services

Home care dental services are provided through a domiciliary service to eligible patients unable to access public dental clinics for medical reasons.

Support services

Support services are provided to maximise the outcomes of other services for people with chronic illness and disabilities, such as transportation and volunteer support programs.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	236,420	209,022	215,238	228,268	
Less Operating Revenue ^(a)	84,991	84,865	89,504	77,226	
Net Cost of Output	151,429	124,157	125,734	151,042	
Adjustments ^(b)	(2,197)	-	-	-	
Appropriation for delivery of Output 3	149,232	124,157	125,734	151,042	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target	
Quantity						
Home and Community Care (HACC) hours of home care ^(a)	3,696,310	3,751,755	4,388,828	4,563,391		
Home and Community Care (HACC) number of meals ^(a)	1,329,429	1,349,371	1,641,364	1,661,313		
Home and Community Care (HACC) transport trips ^(a)	1,009,899	1,025,047	714,977	750,673		
Geriatric specialised services ^(b)	28,204	32,823	25,336	25,336		
Country Nursing Home Type Patient (NHTP) beddays ^(c)	108,187	111,707	108,000	108,000		
Clients serviced by home based palliative care services ^(d)	3,513	3,537	2,300	3,034	The number of annual cancer deaths was less than predicted. 90% of all referrals to palliative care have cancer. Transitional Care Pilot commenced November 2003, full year effect 2003-04.	
Care Awaiting Placement (CAP) beddays ^(e) ...	26,387	29,030	44,469	50,552		
State Government Nursing Home (SGNH) beddays ^(f)	8,395	8,479	na	na		
State Government Nursing Home (SGNH) subsidised beddays ^(f)	na	na	51,100	58,765	Bed-days have increased with introduction of top-up funding for the privatisation of State Govt operated nursing homes, full year effect 2003-04.	
SGNH hours of care provided ^(f)	22,937	23,166	3,416	3,416		
SGNH occasions of service ^(f)	4,267	4,310	na	na		
Private sector contracted beddays ^(g)	4,813	4,813	262,422	278,563	Transfer of the SGNH bed-days to the private sector and the subsequent increase in beddays.	
Private Sector hour of care provided ^(g)	na	na	25,167	26,385		
Private sector contracted other occasions of service ^(g)	231,876	228,855	41,146	na		
Other Non Government Organisations not already included in outputs ^(h)	23	23	23	23	Activity transferred to Private Sector contracted bed-days with refinements in counting of occasions of service.	
Quality						
Reviewed HACC funded agencies that met the HACC National Service Standard (25 Agencies) ⁽ⁱ⁾	100%	100%	100%	100%		
Timeliness						
Metropolitan average waiting time for aged care assessment ^(j)	4 days	4 days	5 days	5 days		
Country average waiting time for aged care assessment ^(j)	8 days	8 days	6 days	6 days		
Cost (Efficiency)						
Average cost per HACC hour of home care	\$35.32	\$31.92	\$27.18	\$27.51		
Average subsidy per HACC client meal	\$3.40	\$2.88	\$2.45	\$2.47		
Average cost per HACC transport trip.....	\$11.81	\$9.97	\$9.64	\$9.81		
Average cost per geriatric specialised service..	\$276.79	\$218.52	\$180.63	\$182.77		
Average cost per country NHTP bedday	\$200.98	\$155.74	\$212.58	\$225.14		
Average cost per home based palliative care service.....	\$3,297.09	\$2,969.02	\$3,653.77	\$3,809.28		
Average cost per Care Awaiting Placement bedday	\$453.53	\$366.10	\$192.58	\$171.19	Transitional Care Pilot commenced November 2003, full year effect 2003-04.	
Average cost per SGNH bedday	\$853.17	\$707.01	na	na		
Average cost per SGNH subsidised beddays ^(f) ..	na	na	\$11.92	\$12.40		
Average cost per SGNH hour of care provided	\$203.18	\$168.35	\$73.47	\$72.69		
Average cost per SGNH occasion of service ...	\$380.56	\$315.26	na	na		
Average cost per private sector contracted bedday	\$290.64	\$243.49	\$40.54	\$40.52		
Average cost per private sector hour of care ^(g) ..	na	na	24.22	24.51		

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Average cost per private sector contracted other occasion of service.....	\$24.32	\$19.92	\$127.43	na	Transferring activity to Private Sector contracted bed-days.
Average cost per NGO not already included in outputs.....	\$688,467	\$542,492	\$1,007,908	\$1,269,277	Finalisation of the transfer of Brookton Nursing Home to the private Sector.
Full Time Equivalents (FTEs)	125	121	128	129	

- (a) HACC-funded agencies definitions have been revised to define better the range of services provided under the program.
- (b) Geriatric specialised services comprise assessments by aged care assessment teams, and selected geriatric inpatient and outpatient care and specialised preventative and restorative clinics. In 2002-03 activities were lower than expected due to inability to attract specialist staff.
- (c) Information collection methodology for nursing home type patients is being revised to better reflect actual activity in rural areas.
- (d) Home based palliative care services are more appropriate for clients and are more cost beneficial to the health system.
- (e) Care awaiting placement programs did not have formally described activity attached to it in the past.
- (f) The State Government nursing home program involves more than the provision of services and or subsidies; however, all related expenses have been apportioned to identify outputs. The indicators and reporting for State Government nursing homes is being refined.
- (g) These relate to services contracted with private providers and involve a range of different outputs not easily group able. All related expenses have been apportioned to the cost of identified outputs.
- (h) Only those non government organisations for which quantities and costs have not been already attributed to other outputs are reported in this measure. For example, HACC services are reported as a separate output measure.
- (i) The national service standard is an instrument used by HACC-funded agencies to assess the quality of service delivery.
- (j) Waiting times for aged care assessments are collated every six months. Data for the period 1 January - 30 June 2003 is an estimate.

Major Achievements For 2002-03

Community Based Services

- Introduced Enablement Packages (packages of care) in the metropolitan area. These packages can contain approved Home and Community Care (HACC) service types and are used to provide a rapid response to HACC eligible clients following discharge from hospital. Enablement Packages allow for rapid client assessment and the development and implementation of tailored care plans for a period of up to eight weeks.
- Continued support to a metropolitan wide Elder Abuse program, which works with HACC eligible clients who have been abused or are at risk of abuse.
- On-going management reviews of nominated HACC agencies.
- Provided additional one-off funding for capital purchases to fund:
 - a purpose built facility for HACC clients in the Great Southern region;
 - extension to existing premises in the South East Metropolitan region; and
 - a shared cost arrangement for an administration building also in the South East Metropolitan region.
- Developed a transitional Care Service pilot program, and implemented a pilot phase (jointly funded with the Commonwealth Department of Health and Ageing). The Transitional Care Service pilot program is aimed at reducing the level of dependence of older people who no longer require acute hospital care through the provision of home care support services and rehabilitation therapy.
- Conducted a statewide survey to monitor compliance with statewide clinical guidelines relating to the domiciliary oxygen policy.
- Released the draft 'Aged Care Assessment Team Practice Manual: Towards Best Practice'.
- On 1 April 2003 launched the Aged Care Assessment Program Minimum Data Set Version 2.0 that has preceded comprehensive training of Aged Care Assessment Team delegates.
- Completed the Aged Care Assessment Team Delegate Review.
- Allocated additional funds for the purchase of recombinant blood products for young Western Australians with haemophilia A and B.

- Purchased services from non-government agencies to meet the Department's national responsibilities including contributing to the establishment of a National Cord Blood Banking Network and meeting the costs of indemnifying blood collection and processing activities.
- Developed two high dependency residential units to deliver specialised long term care services for people currently in acute psychogeriatric units.
- Expanded services providing support for carers and families of people disabled by a psychiatric illness in rural and metropolitan areas, and provided additional funding for mental health carer peak body activities.
- Continued the initiative to plan for supported accommodation for people who have been long-stay patients at acute psychiatric hospitals.

Rehabilitation Services

- In September 2002 released to key stakeholders for comment, via a submission proforma, the 'Rehabilitation Services in Western Australia' Discussion Paper and 1999 report 'Rehabilitation: a plan for selected services in Western Australia'. A rehabilitation workshop was held in December 2002 for selected clinical stakeholders and consumer representatives to discuss the stakeholder submissions and a report from the workshop is available.
- The Amputee Rehabilitation Advisory Group achieved its original terms of reference. Outcomes of the group include addressing the 1999 Murphy Street Report recommendations, agreement to disband at the final meeting in April 2003 and formation of new group with new terms of reference. The new group will replace the advisory group and will continue to inform the Department.
- Quarterly reports for rehabilitation services including anti-spasticity Botulinum Toxin treatment clinics and late effects of disability assessment clinics indicate that these clinics are exceeding the original contract outcomes.

Specialist Geriatric Services

- Commenced the Parkinson's disease specialised inpatient units in the north and south metropolitan areas, at Osborne Park Hospital and Fremantle Hospital respectively. Six monthly output reports are available and results indicate that these units are meeting the original outcome contracts.
- In July 2002 commenced 'falls' Clinics in Metropolitan Departments of Geriatric Medicine.
- Quarterly reports for non-admitted specialist geriatric services including falls, memory and Parkinson's Disease clinics indicate that these clinics are exceeding the original contract outcomes.

Palliative Care Services

- Invested in continuing palliative care service development for Aboriginal people, children, and residents within the East Metropolitan area.
- Continued Palliative Care Telehealth in partnership with the Cancer Foundation Centre for Palliative Care.
- Maintained, the successfully piloted in 2001-02, statewide telephone access by general practitioners to rostered palliative care physicians.
- The Palliative Care Advisory Group continues to inform the Department on palliative care issues.
- Negotiated a statewide licence for a Palliative Care Information System to facilitate clinical management and generate summary activity reports.

Residential Aged Care Services

- Commenced new Multi-Purpose Services in the Midwest at Morowa and the Wheatbelt at Corrigin, Quairading, Bruce Rock and Dumbleyung and expanded Multi-Purpose Service in the Morlock district. This investment has facilitated the better integration of aged care and general health services within these communities.
- The Brookton Nursing Home was closed and 21 high care bed licenses and residents were transferred into a new integrated 30 bed nursing home. The new facility is owned and operated by the non government sector and provides and operates a new residential aged care service together with certain other health and health related services (i.e. nursing post type services).
- Progressed further the plan for the delivery of residential aged care services in the Kimberley with the re-distribution of 14 high care beds to Broome and relocated 10 high care places to the Kununurra District Hospital from the 50 high care beds at the Numbala Nunga Nursing Home in Derby.
- Permanently transferred nursing home type patients from the Broome Hospital to a facility run by Southern Cross Care WA.
- Transfer of Care Awaiting Placement program from Rowethorpe to St Lucy's Nursing Home and the securing of 10 additional beds to cater for 10 dementia residents.
- Created an additional 158 beds across the range of Care Awaiting Placement facilities in the metropolitan area.
- Reduced the length of stay in care awaiting placement facilities for residents waiting for a permanent residential care placement, and provision of interim residential aged care services in a more appropriate care environment. This frees up acute care beds in the public hospital sector for elective surgery.

Home Dental Care Services

- Domicilliary care continues to be provided to the home-bound.

Support Services

- An implementation plan for stroke services in WA has been completed. The Government has committed funds for the development of projects to improve stroke services, and the Department is currently in the process of appointing a project officer to facilitate this work.
- The study of changes over twelve months in the self-reported health of volunteers aged 65 years and over, who were associated with the School Volunteer Program, was completed and the findings, which were inconclusive, were shared with this agency.
- Volunteer policies for the health sector were developed and promulgated via the Department of Health's Volunteers for Health Website.
- The Department of Health was nominated as a finalist in the 2002 Premier's Awards for Excellence, in the category of 'Management Improvement and Governance' for the Small Grants Scheme implemented as an International Year of Volunteers initiative.

Major Initiatives For 2003-04**Community Based Services**

- Additional funds will be provided to support on-going high level financial/management reviews of the internal controls and management structure of the Board of Management of Home and Community Care funded organisations.
- Additional funding will provide an estimated additional 460,000 units of Home and Community Care services.
- Evaluation of the Transitional Care Service Pilot consistent with the Commonwealth Department of Health and Ageing National Evaluation Framework for the Transitional Care Service Pilot program across Australia.

- Monitor compliance to the statewide guidelines for the statewide Domiciliary Oxygen Program.
- Development and implementation of the delegate training system.
- Enhancement of Aged Care Assessment Team's (ACAT) software system to enable sharing of information between ACATs and with Home and Community Care program (HACC).
- Review of ACAT key performance indicators.
- The development of a new service for children of parents with a mental illness, including protocol development with current service providers.
- The implementation of strategies to address the needs of homeless people with a mental illness, including the development of accommodation services and the provision of a new youth mental health service in the southern metropolitan area.
- Development of a support program for Children of Parents of Mental illness through out the Great Southern Health Region.

Rehabilitation Services

- A number of initiatives are planned for the development of statewide rehabilitation services, including:
 - development of a rehabilitation working group to facilitate the planning framework for the statewide delivery of rehabilitation services;
 - implementation of equity of access to rehabilitation beds;
 - monitor and review bed occupancy rates and length of stay in aged care rehabilitation units; and
 - development of a Statewide Rehabilitation Plan.
- Work towards developing a comprehensive Great Southern Rehabilitation program in accordance with the State-wide Mental Health Rehabilitation Policy.

Specialist Geriatric Services

- Continuation of Parkinson's Disease specialised inpatient units in the north and south metropolitan areas and associated service delivery models with expansion to deliver statewide services.
- Continuation of non-admitted specialist services including memory clinics, falls clinics and Parkinson's Disease clinics throughout the metropolitan area including both teaching and non-teaching hospitals.
- Development of a statewide 'falls' policy, in conjunction with the Injury Prevention Unit, to target falls in the adult population in all settings including acute/sub-acute care, residential care and the community.

Palliative Care Services

- Implement initiatives relating to the national strategy for palliative care, including building community capacity and providing appropriate services for Aboriginal people and children.
- Continue palliative care communication networks to link rural and metropolitan providers for advice and support.
- Rural sites using the Western Australian Rural Palliative Care Database will be upgraded to Palliative Care Information System (PalCIS). The PalCIS software will also be piloted at selected metropolitan sites.

Residential Aged Care Services

- Planning and negotiations are in progress for the establishment of new Multi Purpose Services in 2003-04, including the Mullewa/Yalgoo/Murchison Settlement and Plantagenet/Cranbrook, facilitating better integration of aged care and general health services within those communities.
- It is anticipated work will commence in 2003 to improve access to aged care facilities in the Pilbara.

- Evaluation of the Care Awaiting Placement program.

Home Dental Care Services

- Develop and implement initiatives to attract registrable dental practitioners from overseas to meet shortages.

Support Services

- Implement pilot projects aimed at enhancing the standard and consistency of care available to stroke patients and their carers and undertake evaluation of the pilot project results in consultation with the Stroke Reference Group.
- Revise practice manuals for clinical areas.

CAPITAL WORKS PROGRAM

The planned capital works expenditure for 2003-04 is \$105.1 million and comprises a balanced program of metropolitan and statewide projects. These projects address new areas of need, while progressively refurbishing existing Health infrastructure, to ensure continuing high standards of health care.

This year's capital works program includes 52 works in progress projects (with a combined cashflow of \$82.4 million) and three new works projects (with a combined cashflow of \$22.7 million).

Works in progress projects include:

- upgrades to metropolitan emergency centres at Sir Charles Gairdner, Princess Margaret and Swan District Hospitals;
- general upgrades to Royal Perth, King Edward, Fremantle and Princess Margaret hospitals;
- the Ravensthorpe Multipurpose Development;
- major redevelopments at Geraldton, Margaret River and Port Hedland;
- Kimberley Region redevelopments including Derby, Halls Creek and Kununurra Hospitals;
- continuation of Mental Health Statewide Initiatives;
- a new theatre suite and mental health unit at Osborne Park hospital;
- redevelopment of Rockingham/Kwinana Hospital;
- new dental clinics at Joondalup and the south metropolitan area;
- a sobering up centre in Carnarvon; and
- planning of a new facility at Denmark and minor upgrades to the existing hospital.

New works program projects include funding for:

- minor works;
- infrastructure planning to support the government's commitment to improved long term planning to meet hospital infrastructure and equipment needs; and
- Information Technology Developments.

The capital works program also recognises the urgent need to increase the availability of staff accommodation in rural and remote areas to assist with the attraction and retention of staff. The program also focuses on equipment replacement to support improved quality of care for patients. Investment in these areas would mitigate potential safety risks while planning and construction of major redevelopments proceeds.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
WORKS IN PROGRESS				
Equipment				
Communication Infrastructure	13,000	146	100	2,690
Engineering Asset Works Management System Stage 2	4,200	2,349	500	905
Hospital Equipment and Maintenance - Statewide	43,483	34,174	7,000	6,309
Infrastructure and Equipment Planning	4,000	1,767	885	333
Hospitals, Health Centres and Community Facilities -				
Albany Hospital - Paediatric Ward Upgrade	1,000	70	70	930
Carnarvon Sobering Up Centre	500	40	40	460
Community Health Facilities Expansion Statewide	5,000	140	140	740
Denmark Planning and Upgrade	500	20	20	480
Fremantle	6,000	2,534	903	500
Geraldton Hospital Redevelopment	40,000	2,613	2,039	7,646
Geraldton Sobering Up Centre	507	93	93	414
Graylands Redevelopment Planning	600	20	20	100
Joondalup Dental Clinic	1,350	40	40	400
Kalamunda Hospital Redevelopment	5,500	711	200	120
Kimberley Health Developments	41,700	927	900	2,000
Land Acquisition	4,500	3,500	3,500	1,000
Margaret River Hospital - Upgrade	2,950	50	50	300
Mental Health Statewide Initiatives	42,000	36,384	2,854	1,200
Moora Hospital - Redevelopment Stage 2	5,300	229	50	50
Moora Hospital - Stage 1 Development	700	58	50	50
Morawa Hospital - Emergency Development	890	185	60	20
Newman Dental Clinic	500	280	280	220
Nullagine Clinic - Replacement	900	405	400	495
Nursing Home Upgrades	3,000	1,240	800	760
Oombulgurri Clinic - Replacement	900	101	100	799
Osborne Park Theatre Replacement & Mental Health	14,000	1,229	1,200	6,501
Peel Health Service Development	3,400	1,000	1,000	2,200
Perth Dental Hospital Devolution	2,380	1,480	245	300
Princess Margaret Hospital Child Protection Unit Expansion	570	285	285	285
Port Hedland Health Service Redevelopment - Stage 1	11,000	1,122	300	500
Relocation of Sexual Assault Resource Centre	720	360	360	360
Rockingham Emergency and Ward Upgrade	8,000	2,662	2,600	4,338
Royal Perth Hospital and Shenton Park Hospital Developments	24,500	5,000	1,900	3,500
Rural Doctors and Nurses accommodation	5,000	3,897	1,600	1,103
Rural Theatres and Sterilising Facilities - Compliance	6,000	4,985	2,200	500
SCGH Emergency	9,270	4,000	4,000	5,270
South Metropolitan Dental Clinic	1,500	42	40	558
Southeast Coastal Multi Purpose Services - Stage 1	3,842	300	50	3,542
Staff Accommodation - Stage 2	5,000	3,060	2,500	1,840
Swan and Other Metro Secondary Hospital Upgrades	4,000	2,100	2,100	1,300
Warburton Clinic Replacement	2,000	300	300	700
Women and Children's Health Service Developments	32,750	12,066	9,600	9,000
Imaging				
Information Systems	14,733	14,187	1,513	546
Metropolitan picture archive system & computerised radiography (various)				
Stage 1	6,500	1,060	225	5,440
Organ Imaging Equipment (non teaching) 1998-99	10,000	9,353	1,200	647
Other Projects -				
Carryover - Various	750	626	200	124
Drainage for Mosquito Control - Peel	1,000	750	250	250
Motor Vehicles - Special 1999-00	1,250	664	100	50
Statewide Condition Audit - Stage 2	18,382	12,727	4,000	3,800
Statewide HIV Units	1,500	1,234	200	266
Worksafe Regulation Compliance	4,000	3,442	400	558

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
COMPLETED WORKS				
Equipment				
Major Medical Equipment	8,600	8,600	8,200	-
Hospitals, Health Centres and Community Facilities -				
North West Plan Developments - Various	4,408	4,408	1,164	-
Staff Accommodation 1998-99	9,600	9,600	1,383	-
Kalgoorlie - Redevelopment Stage 1	6,000	6,000	1,635	-
Goomalling Multi Purpose Services - Construction	2,400	2,400	148	-
North Metro - Dental Clinic	1,413	1,413	1,081	-
Southeast Coastal Multi Purpose Services - Stage 2	1,700	1,700	762	-
Pemberton Multi Purpose Services	5,000	5,000	85	-
Kalgoorlie Sobering Up Centre - Improvement	398	398	321	-
Midland Sobering Up Centre	358	358	50	-
Wyndham Sobering Up Centre	621	621	78	-
Minor works 2002-03	17,000	17,000	17,000	-
Other Projects -				
Statewide Condition Audit - Stage 1	5,105	5,105	466	-
Minor Works - 2000-01	9,195	9,195	6,093	-
NEW WORKS				
Information Technology Developments	3,000	-	-	3,000
Infrastructure Planning	3,000	-	-	3,000
Minor works 2003-04	16,732	-	-	16,732
	515,557	247,805	97,928	105,131

CAPITAL CONTRIBUTION

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	94,825	109,047	97,928	105,131	89,900	89,900	89,900
Working capital requirement							
Loan repayments	8,492	8,942	8,942	9,426	9,706	9,706	9,706
	103,317	117,989	106,870	114,557	99,606	99,606	99,606
LESS							
Asset Sales	135	12,200	-	15,400	-	-	-
Specific Contributions	12,781	400	836	-	-	-	-
Holding Account ^(a)	-	67,000	67,000	80,000	30,022	30,022	30,022
Internal Funds and Balances	1,289	-	-	-	-	-	-
Funding included in output appropriations ^(b) ..	-	-	645	645	-	-	-
Capital Contribution	89,112	38,389	38,389	18,512	69,584	69,584	69,584

(a) Draw down from Holding Account.

(b) Capital works expensed through the Statement of Financial Performance.

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2001-02 Actual ^(d) \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	1,293,248	1,332,447	1,381,038	1,461,373	1,525,439	1,577,041	1,638,573
Superannuation	106,237	121,911	126,566	132,134	138,782	144,287	151,543
Grants and subsidies ^(b)	263,311	253,578	254,478	309,801	328,371	347,513	364,864
Consultancies expense	-	5,528	5,569	5,420	5,582	5,650	5,650
Supplies and services	201,776	215,315	218,603	215,245	229,657	235,718	245,362
Accommodation	36,959	87	87	159	154	150	150
Borrowing costs	17,439	21,529	21,529	21,438	21,134	21,134	21,134
Capital User Charge	91,869	100,266	100,266	98,840	102,764	109,930	116,297
Depreciation	92,044	77,658	77,658	106,660	105,564	85,722	80,952
Administration	30,379	15,368	15,523	13,159	13,952	14,583	15,253
Direct patient support	304,378	273,579	306,236	319,484	349,272	370,104	395,008
Indirect patient support	69,106	123,871	125,055	126,295	133,784	139,735	146,045
Visiting medical practitioners	66,280	68,114	68,114	68,155	71,767	73,920	76,138
Private sector contracts	98,973	115,625	115,625	116,322	133,770	149,822	167,801
Net loss on disposal of non-current assets	8,279	-	-	-	-	-	-
Other expenses	17,862	23,750	24,725	24,875	30,834	30,472	32,134
TOTAL COST OF SERVICES	2,698,140	2,748,626	2,841,072	3,019,360	3,190,826	3,305,781	3,456,904
Revenues from ordinary activities							
User charges and fees ^(c)	66,499	81,649	81,649	72,584	72,764	72,726	72,394
Net Profit on disposal of non-current assets	-	709	709	-	-	-	-
Grants and subsidies	228,946	202,736	274,436	229,744	237,377	239,320	250,166
Interest	4,440	5,000	5,000	4,154	4,154	4,156	4,156
Rent	3,005	-	-	1,941	1,941	1,941	1,941
Donations	5,318	6,500	6,500	4,669	4,669	4,669	4,669
Health fees and recoveries	27,540	26,334	26,334	25,283	25,284	25,278	25,278
Other Revenue	46,901	44,324	44,324	46,662	47,563	48,406	49,112
Total Revenues from Ordinary Activities	382,649	367,252	438,952	385,037	393,752	396,496	407,716
NET COST OF SERVICES	2,315,491	2,381,374	2,402,120	2,634,323	2,797,074	2,909,285	3,049,188
REVENUES FROM STATE GOVERNMENT							
Appropriations	2,290,416	2,381,374	2,402,120	2,634,323	2,797,074	2,909,285	3,049,188
Liabilities assumed by the Treasurer	1,384	-	-	-	-	-	-
TOTAL REVENUES FROM STATE GOVERNMENT	2,291,800	2,381,374	2,402,120	2,634,323	2,797,074	2,909,285	3,049,188
CHANGE IN EQUITY RESULTING FROM OPERATIONS	(23,691)	-	-	-	-	-	-
Change in Equity arising from transfer of assets/liabilities	3,139	-	-	-	-	-	-
Extraordinary items	2,471	-	-	-	-	-	-
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	(18,081)	-	-	-	-	-	-

(c) The Full Time Equivalents (FTEs) for 2001-02 Actual, 2002-03 Estimated Actual and 2003-04 Estimate are 23,351, 23,800 and 24,000 respectively.

(d) Refer Details of Controlled Grants and Subsidies table for further information.

(e) Includes resources received free of charge. This treatment may differ from the agency's annual report.

(f) Effective 1 July 2001, the Department took up the operation of the Western Australian Drug Abuse Strategy Office.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	96,981	54,518	91,114	83,317	75,316	67,315	67,315
Restricted cash.....	40,570	39,022	40,570	40,570	40,570	40,570	40,570
Investments.....	-	1,578	-	-	-	-	-
Receivables.....	57,126	52,486	77,100	77,272	78,149	79,026	79,026
Inventories.....	18,214	18,904	18,611	19,016	19,421	19,826	19,826
Amounts receivable for outputs.....	-	25,148	80,000	30,022	30,022	30,022	30,022
Prepayments.....	5,473	16,976	5,451	5,429	5,406	5,383	5,383
Other.....	-	147	-	-	-	-	-
Total current assets.....	218,364	208,779	312,846	255,626	248,884	242,142	242,142
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	76,480	80,031	25,179	131,938	248,099	335,485	418,870
Land and Buildings.....	1,564,809	1,572,178	1,565,105	1,547,757	1,566,337	1,604,759	1,602,781
Investments.....	1,914	-	1,914	1,914	1,914	1,914	1,914
Plant, equipment and vehicles.....	185,462	215,377	197,968	209,963	225,563	241,163	252,199
Other.....	22,532	81,625	41,873	45,584	46,311	47,038	47,038
Restricted cash.....	2,622	-	2,622	2,622	2,622	2,622	2,622
Total non-current assets.....	1,853,819	1,949,211	1,834,661	1,939,778	2,090,846	2,232,981	2,325,424
TOTAL ASSETS.....	2,072,183	2,157,990	2,147,507	2,195,404	2,339,730	2,475,123	2,567,566
CURRENT LIABILITIES							
Superannuation.....	14,723	15,164	15,038	15,361	15,692	16,023	16,023
Payables.....	56,068	74,162	85,729	100,524	120,191	139,858	136,491
Provision for employee entitlements.....	205,354	213,997	218,361	241,945	273,955	298,768	322,914
Interest-bearing liabilities (Borrowings).....	8,741	6,833	8,964	9,194	9,194	9,194	9,194
Monies in trust.....	223	-	223	223	223	223	223
Interest payable.....	2,194	-	2,194	2,194	2,194	2,194	2,194
Finance leases.....	2,714	2,986	2,968	3,248	3,555	3,862	3,862
Accrued Salaries.....	49,311	30,328	43,933	44,431	44,884	45,337	45,337
Other.....	17,897	13,139	17,364	16,831	16,831	16,831	16,831
Total current liabilities.....	357,225	356,609	394,774	433,951	486,719	532,290	553,069
NON-CURRENT LIABILITIES							
Superannuation.....	162,357	169,631	165,669	169,047	172,425	175,803	179,170
Provision for employee entitlements.....	51,228	56,952	56,262	62,799	71,408	78,281	86,590
Interest-bearing liabilities (Borrowings).....	219,427	215,793	212,993	206,329	199,665	193,001	186,166
Finance leases.....	89,328	86,366	86,567	83,524	80,175	76,826	74,065
Total non-current liabilities.....	522,340	528,742	521,491	521,699	523,673	523,911	525,991
TOTAL LIABILITIES.....	879,565	885,351	916,265	955,650	1,010,392	1,056,201	1,079,060
EQUITY							
Contributed Equity.....	89,112	127,671	127,501	146,013	215,597	285,181	354,765
Accumulated surplus/(deficit).....	824,564	831,071	824,564	824,564	824,564	824,564	824,564
Asset revaluation reserve.....	248,004	282,959	248,004	248,004	268,004	288,004	288,004
Other Reserves.....	30,938	30,938	31,173	21,173	21,173	21,173	21,173
Total equity.....	1,192,618	1,272,639	1,231,242	1,239,754	1,329,338	1,418,922	1,488,506
TOTAL LIABILITIES AND EQUITY.....	2,072,183	2,157,990	2,147,507	2,195,404	2,339,730	2,475,123	2,567,566

STATEMENT OF CASH FLOWS
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Appropriations.....	2,213,936	2,285,675	2,306,421	2,497,542	2,650,891	2,791,877	2,935,781
Capital Contribution	89,112	38,389	38,389	18,512	69,584	69,584	69,584
Holding Account.....	-	67,000	67,000	80,000	30,022	30,022	30,022
Net cash provided by State government.....	2,303,048	2,391,064	2,411,810	2,596,054	2,750,497	2,891,483	3,035,387
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs	(1,246,003)	(1,314,442)	(1,368,900)	(1,431,249)	(1,482,794)	(1,543,329)	(1,604,092)
Superannuation	(107,101)	(122,374)	(127,029)	(127,483)	(136,084)	(141,589)	(148,845)
Supplies and services	(192,541)	(215,156)	(218,485)	(210,615)	(228,225)	(230,124)	(236,768)
Grants and subsidies	(263,311)	(252,578)	(253,478)	(309,801)	(328,371)	(347,513)	(364,864)
Borrowing costs.....	(25,861)	(30,429)	(30,429)	(30,081)	(29,777)	(29,777)	(29,777)
Accommodation.....	(35,751)	(154)	(154)	(232)	(85)	(150)	(150)
Administration	(29,138)	(16,370)	(16,525)	(19,007)	(17,797)	(16,565)	(17,235)
Direct patient support	(303,664)	(271,079)	(283,736)	(307,551)	(330,989)	(351,819)	(373,723)
Indirect patient support	(68,944)	(122,871)	(124,055)	(126,295)	(133,784)	(139,735)	(144,044)
Visiting Medical Practitioners.....	(66,125)	(68,114)	(68,114)	(68,155)	(71,767)	(73,920)	(76,138)
Private sector contracts	(98,973)	(115,805)	(115,805)	(116,322)	(131,770)	(153,822)	(171,801)
Capital User Charge.....	(91,869)	(100,266)	(100,266)	(98,840)	(102,764)	(109,930)	(116,297)
Goods and Services Tax	(105,870)	(114,766)	(114,766)	(125,776)	(135,724)	(146,751)	(148,628)
Other.....	(5,210)	(18,678)	(19,653)	(41,002)	(54,675)	(54,339)	(56,001)
Receipts							
User charges and fees	59,266	78,429	78,429	69,520	69,700	75,662	75,330
Interest	4,440	5,000	5,000	4,154	4,154	4,156	4,156
Goods and Services Tax	102,459	114,709	114,709	125,717	135,671	146,698	148,575
Grants and subsidies	228,946	202,736	254,436	229,744	237,377	239,320	250,166
Health fees and recoveries	27,540	26,333	26,333	25,283	25,284	25,278	25,278
Other.....	58,589	50,291	50,291	52,737	53,638	48,481	49,187
Net cash from operating activities.....	(2,159,121)	(2,285,584)	(2,312,197)	(2,505,254)	(2,658,782)	(2,799,768)	(2,935,671)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(95,336)	(108,738)	(96,538)	(104,571)	(90,010)	(90,010)	(90,010)
Proceeds from sale of non-current assets	232	4,500	-	15,400	-	-	-
Proceeds from sale of investments.....	-	7,700	-	-	-	-	-
Net cash from investing activities.....	(95,104)	(96,538)	(96,538)	(89,171)	(90,010)	(90,010)	(90,010)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(7,890)	(6,434)	(6,434)	(6,664)	(6,945)	(6,945)	(6,945)
Other payments for financing activities	(2,097)	(2,508)	(2,508)	(2,762)	(2,761)	(2,761)	(2,761)
Net cash from financing activities	(9,987)	(8,942)	(8,942)	(9,426)	(9,706)	(9,706)	(9,706)
NET INCREASE/(DECREASE) IN CASH HELD	38,836	-	(5,867)	(7,797)	(8,001)	(8,001)	-
Cash assets at the beginning of the reporting period	100,166	93,540	142,087	136,220	128,423	120,422	112,421
Net cash transferred to/from other agencies.....	3,085	-	-	-	-	-	-
Cash assets at the end of the reporting period.....	142,087	93,540	136,220	128,423	120,422	112,421	112,421

SCHEDULE OF ADMINISTERED EXPENSES AND REVENUES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
EXPENSES							
Receipts paid into Consolidated Fund ^(a)	660,759	688,993	688,993	733,900	781,800	832,800	832,800
Transfer of Assets/Liabilities ^(b)	388	-	-	-	-	-	-
TOTAL ADMINISTERED EXPENSES	661,147	688,993	688,993	733,900	781,800	832,800	832,800
REVENUES							
Grants and subsidies	660,759	688,993	688,993	733,900	781,800	832,800	832,800
TOTAL ADMINISTERED REVENUES	660,759	688,993	688,993	733,900	781,800	832,800	832,800

- (a) From 2003-04 and forward years the estimated funding from Australian Health Care Agreement (AHCA) may be subject to change depending on the final outcome of the new AHCA which is currently being negotiated.
- (b) Administered Appropriations associated with the Western Australian Health Promotion Foundation and Office of Health Review have been transferred and are now administered through the Department of Treasury and Finance.

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Receipts paid into Consolidated Fund.....	(660,759)	(688,993)	(688,993)	(733,900)	(781,800)	(832,800)	(832,800)
Transfer of Assets/Liabilities	(191)	-	-	-	-	-	-
TOTAL ADMINISTERED CASH OUTFLOWS	(660,950)	(688,993)	(688,993)	(733,900)	(781,800)	(832,800)	(832,800)
CASH INFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Grants and subsidies	660,759	688,993	688,993	733,900	781,800	832,800	832,800
TOTAL ADMINISTERED CASH INFLOWS	660,759	688,993	688,993	733,900	781,800	832,800	832,800
NET CASH INFLOWS/(OUTFLOWS) FROM ADMINISTERED TRANSACTIONS	(191)	-	-	-	-	-	-

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
Prevention and Promotion	55,933	52,078	53,339	64,899	68,787	72,908	76,548
Diagnosis and Treatment	81,990	82,500	78,187	95,593	101,331	106,872	112,208
Continuing Care	125,388	119,000	122,952	149,309	158,253	167,733	176,108
TOTAL	263,311	253,578	254,478	309,801	328,371	347,513	364,864

TRUST ACCOUNT DETAILS**Hospital Fund**

The purpose of the fund is to hold funds to give effect to the provisions of the *Hospital Fund Act*. The *Hospital Fund Act* is managed as part of the Diagnosis and Treatment output.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000
Opening Balance	3,906	-	911	-
Receipts:				
Appropriations	1,885,634	1,940,702	1,958,107	2,140,022
Other	72,000	72,440	71,810	74,009
	1,961,540	2,013,142	2,030,828	2,214,031
Payments	1,960,629	2,013,142	2,030,828	2,214,031
CLOSING BALANCE	911	-	-	-

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23A of the *Financial Administration and Audit Act*, provides for the retention of the following cash receipts by the Department:

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000
Proceeds from services provided by Health Statistics Branch	49	10	10	10
Proceeds from services provided by Environmental Health Services	455	846	846	996
Proceeds from services provided by Community Support Services	1,409	1,276	1,360	1,360
Proceeds from services provided by Health Promotion Services	598	677	677	610
Proceeds from services provided by Miscellaneous Services	1,533	838	652	652
Proceeds for services provided by the Drug and Alcohol Office	124	300	200	200
GST input credits	40,970	44,726	44,240	48,600
GST receipts on sales	1,638	720	1,190	1,230
Commonwealth Specific Purpose Programs ^(a) :				
Aboriginal Co-ordinated Care Trials	1,347	3,574	34	-
Acquired Immune Deficiency Syndrome (Sexual Health)	1,271	300	250	100
ATSIH - Kimberley Dialysis Centre	500	125	-	-
Blood Transfusion Service	9,368	11,200	10,823	11,887
Building Solid Families	824	-	785	785
Council of Australian Governments (COAG) Commonwealth funded initiatives and programs relating to WADASO	5,478	7,053	4,180	-
Home and Community Care	56,868	62,338	62,870	69,441
Homeless Youth	197	210	208	210
Mental Health - Information Development Plan	2,060	1,827	1,627	-
Public Health - Breast Cancer Counselling	-	165	145	50
Public Health - COAG Needle and Syringe Program	873	1,151	1,151	-
Public Health - Falls Prevention for Older People	43	-	-	-
Public Health - Foodborne Disease Sentinel Site	40	-	165	-
Public Health - Guidelines Asbestos Management	19	-	-	-
Public Health - Hep C - Education and Prevention	226	66	231	66
Public Health - Human Quarantine Program	11	11	11	11
Public Health - National Donovaniasis Eradication Project	100	100	100	-
Public Health - National Indigenous Immunisation	533	-	-	-
Public Health - Q Fever	638	-	250	-
Public Health - Pneumococcal Disease Program	-	-	9	-
Public Health Outcome Funding Agreement	19,669	19,569	20,665	21,080
Public Health Outcome Funding Agreement - Meningococcal Vaccine Program	-	-	10,700	6,300
Rural Health Support Education and Training	39	200	10	-
Veterans Home Care	727	500	800	662
TOTAL	147,607	157,782	164,189	164,250

(a) Some Commonwealth programs are not listed as the revenue is retained under the Hospital Fund. The more significant programs include High Cost Drugs, the Aged Care Assessment Program, Multi-Purpose Services, Rural Health Services, Telehealth, Blood Products, and partial revenue from Home and Community Care.

The monies received and retained are to be applied to the Department's outputs as specified in the Budget Statements.

Part 15

Minister for Racing and Gaming; Government Enterprises; Goldfields-Esperance

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000
1125	Racing, Gaming and Liquor			
	– Delivery of Outputs	2,584	2,584	3,074
	– Administered Grants, Subsidies and Other Transfer Payments	68,200	69,200	74,100
	Total	70,784	71,784	77,174
1138	Totalisator Agency Board .....	...	...	...
1140	Western Australian Greyhound Racing Authority .....	...	...	...
1141	Gold Corporation .....	...	...	...
1142	Insurance Commission of Western Australia .....	...	...	...
1143	Lotteries Commission .....	...	...	...
1145	Water Corporation.....	...	...	...
1147	Goldfields-Esperance Development Commission			
	– Delivery of Outputs	1,527	1,527	1,567
	Total	1,527	1,527	1,567
	GRAND TOTAL			
	– Delivery of Outputs	4,111	4,111	4,641
	– Administered Grants, Subsidies and Other Transfer Payments	68,200	69,200	74,100
	Total	72,311	73,311	78,741

RACING, GAMING AND LIQUOR

PART 15 - MINISTER FOR RACING AND GAMING; GOVERNMENT ENTERPRISES; GOLDFIELDS-ESPERANCE

DIVISION 67

APPROPRIATION AND FORWARD ESTIMATES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 115 Net amount appropriated to deliver outputs	2,333	2,465	2,452	2,942	3,123	3,258	3,383
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	119	119	132	132	132	132	132
Total appropriations provided to deliver outputs	2,452	2,584	2,584	3,074	3,255	3,390	3,515
ADMINISTERED TRANSACTIONS							
Item 116 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	63,921	65,500	64,100	69,800	71,900	73,900	75,100
Amount Authorised by Other Statutes							
- Liquor Licensing Act 1988	11,111	2,700	5,100	4,300	4,500	4,800	5,000
CAPITAL							
Capital Contribution	454	-	-	-	-	-	-
GRAND TOTAL	77,938	70,784	71,784	77,174	79,655	82,090	83,615

MISSION

Through the licensing of suppliers and the provision of industry support services, promote and maintain the integrity of lawful racing, gambling and liquor activities for Western Australians within community expectations on harm minimization.

SIGNIFICANT ISSUES AND TRENDS

- The rate of casino tax of 15% of casino gross revenue specified in clause 23(1)(a) of the Agreement scheduled to the *Casino (Burswood Island) Agreement Act 1985*, is to be replaced with a three-tier taxation system for electronic gaming machines, table games including keno, and international commission business generated by all international players on incentive programs, including junkets and premium and privileged players.

With effect from the specified anniversary dates of the granting of the casino gaming licence the following casino taxation rates will apply:

- Electronic gaming machines
17% from 24 December 2002, 18% from 24 December 2003 and 20% from 24 December 2004;
- Table games including keno
16% from 24 December 2002, 17% from 24 December 2004, and 18% from 24 December 2006; and
- International commission business
13% from 24 December 2002, 12% from 24 December 2004, and 11% from 24 December 2006.

- From September 2003, it is proposed to remove the existing individual shareholding limitation of 10% of the aggregate number of issued shares in Burswood Limited, from the mandatory articles set out in Schedule B to the Agreement. A person will not become entitled to a number of shares exceeding 10% of the total number on issue at any time without the prior written approval of the Gaming Commission of Western Australia.
- Burswood Casino's intention to seek the approval of the Gaming Commission of Western Australia to increase the number of gaming machines from 1,318 to 1,500 by 2005. The Gaming Commission of Western Australia's approval will have regard to security, surveillance and harm minimization matters.
- Establishment of Racing and Wagering Western Australia together with the amalgamation of the Betting Control Board and Gaming Commission of Western Australia to form the Gaming and Wagering Commission of Western Australia as part of the restructure of the Western Australian racing industry. The principal changes are:
 - Racing and Wagering Western Australia will be established as the controlling authority for thoroughbred, harness and greyhound racing in Western Australia;
 - The Western Australian Turf Club, the Western Australian Trotting Association, and the Western Australian Greyhound Racing Authority will each remain as racing clubs, responsible for the conduct of racing activities at their respective venues;
 - The Totalisator Agency Board will be abolished and Racing and Wagering Western Australia will assume responsibility for the conduct of off-course betting; and
 - The Racecourse Development Trust will be abolished and the development of the racing and training infrastructure will become a function of Racing and Wagering Western Australia. The Trust's obligations, unallocated funds and funding source (unclaimed Totalisator Agency Board dividends and refunds) will be transferred to Racing and Wagering Western Australia.
- The expiration of the *Totalisator Agency Board Betting (Modification of Operation) Act 2000* on 31 July 2003.
- Proposal to transfer the Racing Penalties Appeal Tribunal to the State Administrative Tribunal.
- Reduction in the minimum betting levels for telephone and Internet betting with bookmakers, aimed at achieving uniformity with other jurisdictions.
- The National Taskforce, established by the Australasian Racing Ministers, reported to Ministers at the November 2002 Conference on the issue of cross border betting. Issues considered by the Taskforce included product fees for bookmakers, uniform minimum telephone bet limits, national prohibition on race bookmakers basing payouts on totalisator dividends and betting exchanges. The Ministers established a National Taskforce to examine the issue of the operation of betting exchanges on Australasian racing.
- Finalisation of the National Competition Policy review of the *Liquor Licensing Act 1988*.
- The review of the structure and operation of the liquor licensing authority, which is constituted by the Liquor Licensing Court or the Director of Liquor Licensing.
- An increasing interest by communities, particularly in remote locations, in seeking the assistance of the Director of Liquor Licensing in addressing alcohol related harm in the local community.
- In the determination of liquor licensing applications, the licensing authority continues to conduct a weighing and balancing exercise with respect to:

The primary objects of the *Liquor Licensing Act 1988* under section 5(1), which are:

- to regulate the sale, supply and consumption of liquor; and
- to minimize harm or ill-health caused to people, or any group of people, due to the use of liquor,

and the secondary objects under section 5(2) of the Act:

- to regulate, and to contribute to the proper development of, the liquor, hospitality and related industries in the State;
- to cater for the requirements of the tourism industry;
- to facilitate the use and development of licensed facilities reflecting the diversity of consumer demand;
- to provide adequate controls over, and over the persons directly or indirectly involved in, the sale, disposal and consumption of liquor; and
- to provide a flexible system, with as little formality or technicality as may be practicable, for the administration of the Act.

- From 1 July 2002, the abolition of the subsidy for low-alcohol beer with the Commonwealth assuming responsibility for the subsidisation of low-alcohol beer through the introduction of lower excise rates.

OUTPUT AND APPROPRIATION SUMMARY

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Licensing - Evaluation and determination of applications.....	3,342	3,518	3,518	3,793			
Output 2:							
Compliance audits and inspections.....	3,555	3,743	3,743	3,955			
Total Cost of Outputs.....	6,897	7,261	7,261	7,748	7,924	8,223	8,442
<i>Less Operating revenues</i>	<i>4,551</i>	<i>4,772</i>	<i>4,772</i>	<i>4,696</i>	<i>4,702</i>	<i>4,879</i>	<i>5,001</i>
Net Cost of Outputs	2,346	2,489	2,489	3,052	3,222	3,344	3,441
Adjustments ^(a)	106	95	95	22	33	46	74
Appropriation provided to deliver Outputs.	2,452	2,584	2,584	3,074	3,255	3,390	3,515
ADMINISTERED TRANSACTIONS							
Appropriation for Administered Grants, Subsidies and Transfer Payments.....	75,032	68,200	69,200	74,100	76,400	78,700	80,100
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	454	-	-	-	-	-	-
TOTAL CONSOLIDATED FUND APPROPRIATIONS	77,938	70,784	71,784	77,174	79,655	82,090	83,615

(a) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

(b) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

The following outcome, output and financial information is the subject of a Resource Agreement signed by the Minister, the Director General and the Treasurer.

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION

Relationship to Government Strategic Objectives

The following table demonstrates the linkage between the most appropriate Government strategic objective and the agency level desired outcomes and outputs.

Government Strategic Objective	Desired Outcome(s)	Output(s)
Honest, accountable and inclusive government	To promote, monitor and enforce responsible and lawful gambling and liquor services in accordance with the legislation.	1. Licensing - Evaluation and determination of applications 2. Compliance audits and inspections

Outcomes and Key Effectiveness Indicators ^(a)

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Outcome: To promote, monitor and enforce responsible and lawful gambling and liquor services in accordance with the legislation.					
Applications granted that complied with statutory requirements.....	98.4%	100%	100%	100%	
Premises inspected that were found to comply with the requirements of the statutory criteria and audit requirements.....	94%	95%	95%	95%	

(a) More details of effectiveness indicators are provided in the annual report.

Output 1: Licensing - Evaluation and determination of applications

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

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	3,342	3,518	3,518	3,793	
Less Operating Revenue ^(a)	2,491	2,513	2,513	2,662	
Net Cost of Output	851	1,005	1,005	1,131	
Adjustments ^(b)	96	38	38	8	
Appropriation for delivery of Output 1	947	1,043	1,043	1,139	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Applications determined.....	11,470	11,500	12,000	12,000	
Quality					
Applications that complied with the statutory requirements at the time the application was granted.....	98.4%	100%	99.6%	100%	
Timeliness					
Applications finalised within the required predetermined timeframe.....	93%	95%	96%	100%	
Cost (Efficiency)					
Average cost of determining applications.....	\$291	\$306	\$293	\$316	
Full Time Equivalents (FTEs)	37	46	46	47	

Major Achievements For 2002-03

- Progressive updating of all computerised gaming systems. All modules have now been rewritten and implemented.
- The Gaming Community Trust launched its inaugural funding round to provide for grants for the benefit of the community.
- Drafting and introduction into the Parliament of legislation to establish Racing and Wagering Western Australia and the Gaming and Wagering Commission of Western Australia.
- Drafting and introduction into the Parliament of the Racing Restriction Bill 2003, which is principally a re-draft of the *Racing Restriction Act 1917*, and provides that no thoroughbred, harness or greyhound race for a stake or prize, or for the purpose of betting, may be held unless the race is licensed by Racing and Wagering Western Australia and is held at a racecourse that is licensed by Racing and Wagering Western Australia. The Racing Restriction Bill 2003 also implements a National Competition Policy Review recommendation to provide for the establishment, with the approval of the Minister, of an “approved racing organisation” as the controlling authority for horse racing that is not thoroughbred racing or harness racing.
- Amendments to the *Betting Control Act 1954* came into operation in September 2002, providing for:
 - corporate licensing provisions for bookmakers; and
 - removal of restrictions relating to bookmaker fielding times in accordance with National Competition Policy.

The first licence to conduct sports betting operations was issued to a corporate body on 12 February 2003.

- Amendments to the *Liquor Licensing Regulations 1989*, to:
 - increase the period from one to two years for which producers can submit subsidy claims;
 - allow the licensing authority to consider an application for alteration or redefinition of premises of a hotel restricted licence, where that alteration or redefinition will result in an area not being contiguous to the existing premises; and
 - exempt bed and breakfast facilities from the requirement to obtain a liquor licence for the sale or supply of liquor under certain circumstances.
- Drafting and introduction into the Parliament of amendments to the Agreement scheduled to the *Casino (Burswood Island) Agreement Act 1985*, in accordance with Government’s announcement regarding the three-tiered casino taxation system and new approval requirements for ownership of more than 10% of shares in Burswood Limited.
- Review recommendations regarding accredited training courses in respect to mandatory knowledge have been incorporated into the training programs. A monitoring program has also been established.

- Inquiry into alcohol-related harm in Port Hedland and South Hedland. The Director of Liquor Licensing's decision was reviewed by the Judge of the Liquor Licensing Court who upheld the decision of the Director. The Judge's decision has been appealed to the Supreme Court. Similar inquiries have been completed for Nullagine, Roebourne and Onslow.
- Review of the 'Security at Licensed Premises' Policy and its associated Policy, 'Minimum Standards Closed Circuit Television CCTV Security Systems' issued by the Director of Liquor Licensing.

Major Initiatives For 2003-04

- Implementation of legislation to establish Racing and Wagering Western Australia including the amalgamation of the Betting Control Board and Gaming Commission of Western Australia to form the Gaming and Wagering Commission of Western Australia.
- Development of a web-based facility for the lodgement of financial returns and payment of sports betting levy by race clubs in relation to betting turnover by bookmakers.
- Implementation of recommendations emanating from the Report of Cross Border Betting Task Force on the issues relating to cross border betting.
- Implementation of a racing module for the Department's computerised systems to accommodate:
 - corporate licensing provisions for bookmakers; and
 - licensing of Directors and key employees of Racing and Wagering Western Australia.
- Implementation of the National Competition Policy review of the *Liquor Licensing Act 1988*.
- Implementation of the recommendations, if any, from the review of the structure and operation of the liquor licensing authority, which is constituted by the Liquor Licensing Court or the Director of Liquor Licensing.

Output 2: Compliance audits and inspections

Conduct audits and inspections to ensure that the service of gambling and liquor is conducted in a responsible and lawful manner.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	3,555	3,743	3,743	3,955	
Less Operating Revenue ^(a)	2,060	2,259	2,259	2,034	
Net Cost of Output	1,495	1,484	1,484	1,921	The variation in the net cost of output is mainly attributable to the increase in the salaries and depreciation expenses.
Adjustments ^(b)	10	57	57	14	
Appropriation for delivery of Output 2	1,505	1,541	1,541	1,935	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Inspections/audits undertaken.....	7,768	8,000	7,600	8,000	
Quality					
Inspections/audits conducted in accordance with the approved program	99.9%	98%	98%	100%	
Timeliness					
Inspectorial/audit program completed by 30 June each year.....	86.3%	95%	95%	95%	
Cost (Efficiency)					
Average cost of conducting inspections.....	\$458	\$468	\$493	\$494	
Full Time Equivalents (FTEs)	49	45	45	45	

Major Achievements For 2002-03

- Amendments to the Directions issued by the Gaming Commission of Western Australia that permit Burswood Casino to move gaming tables and electronic gaming machines, within the defined gaming footprint, without seeking prior approval from the Commission.
- Amendments to the *Betting Control Regulations 1978* took effect from 1 April 2003, to reduce telephone and Internet betting limits to:
 - \$100 or a bet to win \$1000 for Metropolitan Races; and
 - \$50 or a bet to win \$500 for Country Races.
- Other amendments to the *Betting Control Regulations 1978*, to:
 - require a bookmaker to record the ticket number in the betting ledger and deliver a betting ticket when placing a bet-back with another bookmaker; and
 - increase the minimum bond of surety requirements for licensed bookmakers.

Major Initiatives For 2003-04

- Guidelines to be developed for all community gaming permit holders to explain the legislative requirements and minimum standards for record keeping and control. The guidelines will also include simple accounting and reconciliation tools. Training will be offered to permit holders in the use of the tools available and the legislative and other requirements relating to gaming activity.
- All external audit and regulatory review programs relating to community gaming activities will be revised and updated. Audit practices, reporting and review will be amended to provide greater adherence to the audit practices and procedures detailed in the Australian Auditing Standards.

CAPITAL WORKS PROGRAM

The Department's 2003-04 Capital Works Program is for ongoing computer software and hardware replacement.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
COMPLETED WORKS				
Computer Hardware and Software -				
2001-02 Program	419	419	74	-
2002-03 Program	209	209	209	-
E-Commerce.....	100	100	100	-
Financial Management Information System Enhancements -				
2002-03 Program	20	20	20	-
Furniture and Office Equipment -				
2002-03 Program	65	65	65	-
Telecommunications Replacement Program -				
2002-03 Program	1	1	1	-
NEW WORKS				
Computer Hardware and Software -				
2003-04 Program	449	-	-	449
	1,263	814	469	449

CAPITAL CONTRIBUTION

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	345	395	469	449	500	30	30
Working capital requirement							
Leave Liability	35	-	-	-	-	-	-
	380	395	469	449	500	30	30
LESS							
Holding Account ^(a)	-	395	395	449	500	30	30
Internal Funds and Balances	(74)	-	74	-	-	-	-
Capital Contribution	454	-	-	-	-	-	-

(a) Draw down from Holding Account.

FINANCIAL STATEMENTS

**STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)**

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	4,157	4,489	4,489	4,698	4,839	4,985	5,134
Superannuation	412	471	471	510	525	541	557
Supplies and services	855	797	797	887	886	925	966
Accommodation	560	547	547	544	545	620	622
Capital User Charge	182	187	187	194	198	201	201
Depreciation	438	465	465	617	621	630	640
Administration	261	305	305	298	310	321	322
Doubtful Debts	32	-	-	-	-	-	-
TOTAL COST OF SERVICES	6,897	7,261	7,261	7,748	7,924	8,223	8,442
Revenues from ordinary activities							
User charges and fees ^(b)	3,060	3,320	3,320	3,194	3,200	3,377	3,499
Regulatory Fees and Fines	1,489	1,450	1,450	1,500	1,500	1,500	1,500
Net Profit on disposal of non-current assets	2	-	-	-	-	-	-
Other Revenue	-	2	2	2	2	2	2
Total Revenues from Ordinary Activities	4,551	4,772	4,772	4,696	4,702	4,879	5,001
NET COST OF SERVICES	2,346	2,489	2,489	3,052	3,222	3,344	3,441
REVENUES FROM STATE GOVERNMENT							
Appropriations	2,452	2,584	2,584	3,074	3,255	3,390	3,515
TOTAL REVENUES FROM STATE GOVERNMENT	2,452	2,584	2,584	3,074	3,255	3,390	3,515
CHANGE IN EQUITY RESULTING FROM OPERATIONS	106	95	95	22	33	46	74

(a) The Full Time Equivalents (FTEs) for 2001-02 Actual, 2002-03 Estimated Actual and 2003-04 Estimate are 86, 91 and 92 respectively.

(b) Includes resources received free of charge. This treatment may differ from the agency's annual report.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	566	646	630	671	752	794	845
Restricted cash.....	203	5	220	236	25	41	57
Receivables.....	260	287	260	260	260	260	260
Amounts receivable for outputs.....	395	427	449	500	30	30	-
Prepayments	123	101	123	123	123	123	123
Total current assets	1,547	1,466	1,682	1,790	1,190	1,248	1,285
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	27	65	43	160	751	1,351	1,991
Plant, equipment and vehicles.....	1,752	1,712	1,682	1,514	1,393	793	183
Total non-current assets.....	1,779	1,777	1,725	1,674	2,144	2,144	2,174
TOTAL ASSETS	3,326	3,243	3,407	3,464	3,334	3,392	3,459
CURRENT LIABILITIES							
Payables.....	163	132	163	163	163	163	163
Provision for employee entitlements.....	476	470	449	455	451	448	444
Monies in trust.....	25	5	25	25	25	25	25
Accrued Salaries.....	95	20	115	156	-	19	19
Other.....	4	18	4	4	4	4	4
Total current liabilities	763	645	756	803	643	659	655
NON-CURRENT LIABILITIES							
Provision for employee entitlements.....	325	211	318	306	303	299	296
Total non-current liabilities	325	211	318	306	303	299	296
TOTAL LIABILITIES	1,088	856	1,074	1,109	946	958	951
EQUITY							
Contributed Equity	454	454	454	454	454	454	454
Accumulated surplus/(deficit).....	1,784	1,933	1,879	1,901	1,934	1,980	2,054
Total equity	2,238	2,387	2,333	2,355	2,388	2,434	2,508
TOTAL LIABILITIES AND EQUITY	3,326	3,243	3,407	3,464	3,334	3,392	3,459

**STATEMENT OF CASH FLOWS
(Controlled)**

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Appropriations.....	2,030	2,119	2,119	2,457	2,634	2,760	2,875
Capital Contribution	454	-	-	-	-	-	-
Holding Account.....	-	395	395	449	500	30	30
Net cash provided by State government.....	2,484	2,514	2,514	2,906	3,134	2,790	2,905
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs	(4,018)	(4,503)	(4,503)	(4,663)	(5,002)	(4,973)	(5,141)
Superannuation	(402)	(471)	(471)	(510)	(525)	(541)	(557)
Supplies and services.....	(877)	(797)	(797)	(887)	(886)	(925)	(966)
Accommodation.....	(562)	(547)	(547)	(544)	(545)	(620)	(622)
Administration.....	(139)	(190)	(190)	(176)	(184)	(191)	(188)
Capital User Charge.....	(182)	(187)	(187)	(194)	(198)	(201)	(201)
Goods and Services Tax	(202)	(360)	(205)	(205)	(205)	(205)	(205)
Receipts							
Regulatory fees and fines.....	1,467	1,450	1,450	1,500	1,500	1,500	1,500
User charges and fees	2,989	3,205	3,205	3,072	3,074	3,247	3,365
Goods and Services Tax	190	360	205	205	205	205	205
Other.....	1	2	2	2	2	2	2
Net cash from operating activities	(1,735)	(2,038)	(2,038)	(2,400)	(2,764)	(2,702)	(2,808)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(422)	(395)	(395)	(449)	(500)	(30)	(30)
Net cash from investing activities	(422)	(395)	(395)	(449)	(500)	(30)	(30)
NET INCREASE/(DECREASE) IN CASH HELD	327	81	81	57	(130)	58	67
Cash assets at the beginning of the reporting period	442	570	769	850	907	777	835
Cash assets at the end of the reporting period.....	769	651	850	907	777	835	902

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
EXPENSES							
Grants and subsidies:							
Subsidies to liquor merchants and producers	11,111	2,700	5,100	4,300	4,500	4,800	5,000
Subsidies to gambling and betting agencies and bookmakers	63,921	65,500	64,100	69,800	71,900	73,900	75,100
Receipts paid into Consolidated Fund.....	44,297	46,000	41,000	47,000	47,000	48,000	48,000
TOTAL ADMINISTERED EXPENSES	119,329	114,200	110,200	121,100	123,400	126,700	128,100
REVENUES							
Casino Tax.....	43,748	46,000	41,000	47,000	47,000	48,000	48,000
Appropriations.....	75,032	68,200	69,200	74,100	76,400	78,700	80,100
TOTAL ADMINISTERED REVENUES	118,780	114,200	110,200	121,100	123,400	126,700	128,100

[illegible]

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Grants and subsidies:							
Subsidies to liquor merchants and producers	(11,111)	(2,700)	(5,100)	(4,300)	(4,500)	(4,800)	(5,000)
Subsidies to gambling and betting agencies and bookmakers	(63,921)	(65,500)	(64,100)	(69,800)	(71,900)	(73,900)	(75,100)
Receipts paid into Consolidated Fund	(44,297)	(46,000)	(41,000)	(47,000)	(47,000)	(48,000)	(48,000)
TOTAL ADMINISTERED CASH OUTFLOWS	(119,329)	(114,200)	(110,200)	(121,100)	(123,400)	(126,700)	(128,100)
CASH INFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Casino Tax	44,297	46,000	41,000	47,000	47,000	48,000	48,000
Appropriations	75,032	68,200	69,200	74,100	76,400	78,700	80,100
TOTAL ADMINISTERED CASH INFLOWS	119,329	114,200	110,200	121,100	123,400	126,700	128,100

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23A of the *Financial Administration and Audit Act*, provides for the retention of the following cash receipts by the Department:

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000
Provision of services to the Racing and Gaming Industries	2,746	3,003	3,003	2,866
Provision of services to the Commonwealth in respect of Indian Ocean Territories	243	202	202	206
Liquor fees revenue	1,467	1,450	1,450	1,500
Other revenue	1	2	2	2
GST input credits	178	227	180	180
GST receipts on sales	12	133	25	25
TOTAL	4,647	5,017	4,862	4,779

The monies received and retained are to be applied to the Department's outputs as specified in the Budget Statements.

TOTALISATOR AGENCY BOARD

CAPITAL WORKS PROGRAM

The objectives of the Totalisator Agency Board (TAB) include:

- Providing a competitive wagering service to the community.
- Developing and applying cost effective resources.
- Ensuring growth in wagering products that will lead to greater returns.

Capital works projects in 2003-04 are focused primarily on replacement of hardware and software for various production systems together with new wagering products and general business process improvements.

It is envisaged that the core production system for processing wagering and fixed odds bets known as the 'bet engine' will be replaced along with the supporting peripheral systems and communication network devices for the retail outlets. It is also expected that customer focused electronic information terminals and self-service betting terminals will be purchased, followed by a program of terminal replacement in later years. A disaster recovery site is to be established as part of the organisation's business continuity plan.

Ongoing maintenance and upgrading of selected outlets in the TAB's retail network will also occur following on from the recommendations of a detailed retail network review.

These investments are set to modernise customer services providing improved retail betting facilities and point of sale services along with new betting products and information services. Risk management of the TAB's diverse operating and product delivery systems will also be addressed.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
WORKS IN PROGRESS				
Business Systems - IT.....	4,293	1,586	1,586	597
Electronic Information Display.....	3,000	500	500	1,000
Electronic Racing Product	2,613	98	98	427
FMS/FOB Data Extraction	159	4	4	155
Head Office and Retail Outlet building improvements	6,189	2,789	850	850
Residual Head Office Renovation.....	250	50	50	50
COMPLETED WORKS				
Alternative Payments (Scope and Elect/Implement).....	22	22	22	-
Enterprise Management Framework	538	538	538	-
Oracle Rationalisation	206	206	206	-
Product Development (pool).....	200	200	200	-
Quadrella	6	6	6	-
Racing Radio 1206AM.....	57	57	57	-
Testing Services.....	298	298	298	-
Unsupported Products.....	363	363	52	-
NEW WORKS				
Forecasting Budgeting	142	-	-	142
Intranet	112	-	-	112
New Era Bet Engine	2,450	-	-	2,450
Records Management System.....	125	-	-	125
Self Serve Terminals	3,200	-	-	1,000
Supporting Communications	2,172	-	-	1,750
	26,395	6,717	4,467	8,658

CAPITAL CONTRIBUTION

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program.....	1,948	3,858	4,467	8,658	12,957	10,078	1,585
	1,948	3,858	4,467	8,658	12,957	10,078	1,585
LESS							
Internal Funds and Balances.....	1,948	3,858	4,467	8,658	12,957	10,078	1,585
Capital Contribution.....	-	-	-	-	-	-	-

WESTERN AUSTRALIAN GREYHOUND RACING AUTHORITY

CAPITAL WORKS PROGRAM

The capital works program for the Western Australian Greyhound Racing Authority for 2003-04 provides for:

- \$940,000 for buildings and improvements to both Cannington and Mandurah premises;
- Ongoing programs for the replacement and upgrade of motor vehicles and plant and equipment; and
- Upgrade of information technology.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
COMPLETED WORKS				
Buildings -				
Cannington 2002-03	951	951	951	-
Mandurah 2002-03	120	120	120	-
Furniture & Fittings - Cannington -				
Program 2002-03	38	38	38	-
Information Technology -				
IT Upgrade 2002-03	50	50	50	-
Software Development	90	90	40	-
Minor Works -				
2002-03 Program	80	80	80	-
Motor Vehicles -				
Cannington 2002-03	40	40	40	-
Mandurah 2002-03	25	25	25	-
Plant and Equipment -				
Cannington 2002-03	75	75	75	-
NEW WORKS				
Buildings -				
Cannington 2003-04	50	-	-	50
Mandurah 2003-04	890	-	-	890
Information Technology -				
Program 2003-04	50	-	-	50
Minor Works -				
Cannington 2003-04	70	-	-	70
Mandurah 2003-04	30	-	-	30
Motor Vehicles -				
Cannington 2003-04	120	-	-	120
Mandurah 2003-04	25	-	-	25
Plant and Equipment -				
Cannington 2003-04	25	-	-	25
Mandurah 2003-04	130	-	-	130
	2,859	1,469	1,419	1,390

CAPITAL CONTRIBUTION

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	900	1,443	1,419	1,390	-	-	-
	900	1,443	1,419	1,390	-	-	-
LESS							
Internal Funds and Balances	900	1,443	1,419	1,390	-	-	-
Capital Contribution	-	-	-	-	-	-	-

GOLD CORPORATION

CAPITAL WORKS PROGRAM

The capital works program for Gold Corporation in 2003-04 relates to anticipated expenditure on equipment in the Coining Department and the acquisition and replacement of minor capital items.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
COMPLETED WORKS				
Plant and Equipment - 2002-03 Program	1,739	1,739	1,739	-
NEW WORKS				
Plant and Equipment - 2003-04 Program	2,000	-	-	2,000
	3,739	1,739	1,739	2,000

CAPITAL CONTRIBUTION

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	6,773	1,000	1,739	2,000	2,000	2,000	2,000
	6,773	1,000	1,739	2,000	2,000	2,000	2,000
LESS							
Internal Funds and Balances	6,773	1,000	1,739	2,000	2,000	2,000	2,000
Capital Contribution	-	-	-	-	-	-	-

INSURANCE COMMISSION OF WESTERN AUSTRALIA

CAPITAL WORKS PROGRAM

The Insurance Commission of Western Australia's capital budget for 2003-04 is \$2.0 million.

The projects to be funded are:

- IT hardware for extended remote Storage Area Network capacity, Mainframe Linux support, as well as, replacement of old printers, servers and personal computers at a cost of \$1.4 million.
- IT software for JAVA and web testing tools, financial system upgrade and reporting tools, Local Area Network and Management software at a cost of \$0.4 million.
- Motor vehicles, net of proceeds, at a cost of \$0.2 million.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
COMPLETED WORKS				
IT Hardware -				
2002-03 Program	1,731	1,731	1,731	-
IT Software -				
2002-03 Program	510	510	510	-
Leasehold Improvement	2,006	2,006	531	-
Motor Vehicles -				
2002-03 Program	229	229	229	-
Office Machines -				
2001-02 Program	133	133	15	-
NEW WORKS				
IT Hardware -				
2003-04 Program	1,400	-	-	1,400
IT Software -				
2003-04 Program	400	-	-	400
Motor Vehicles -				
2003-04 Program	200	-	-	200
	6,609	4,609	3,016	2,000

CAPITAL CONTRIBUTION

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	4,398	1,707	3,016	2,000	2,000	2,000	2,000
	4,398	1,707	3,016	2,000	2,000	2,000	2,000
LESS							
Internal Funds and Balances	4,398	1,707	3,016	2,000	2,000	2,000	2,000
Capital Contribution	-	-	-	-	-	-	-

LOTTERIES COMMISSION

CAPITAL WORKS PROGRAM

The Lotteries Commission has an approved Capital Works program of \$4.2 million for 2003-04.

Major projects include:

- \$2.0 million in 2003-04 with a further \$4.8 million over the forward estimates period for the replacement of non-gaming computer equipment.
- \$1.1 million to continue the implementation of the Commission's Corporate Brand project including the standardisation of fixtures and fittings in licensed Lotteries retail premises.
- \$0.3 million to develop an e-commerce interface for the transfer of business information between the Commission and its Licensed Retailers.
- Funds for the refurbishment of the Retail Training Centre, which is contained within the Land and Buildings allocation.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
WORKS IN PROGRESS				
Corporate Brand Project	3,125	2,035	2,035	1,090
COMPLETED WORKS				
E - Commerce -				
2002-03 Program	75	75	75	-
Furniture and Fittings -				
2002-03 Program	35	35	35	-
Land and Buildings -				
2002-03 Program	520	520	520	-
Lotteries History -				
2002-03 Program	40	40	40	-
Other Computer Equipment -				
2002-03 Program	1,400	1,400	1,400	-
Plant and Equipment -				
2002-03 Program	385	385	385	-
Point of Sale -				
2002-03 Project	150	150	150	-
NEW WORKS				
E - Commerce -				
2003-04 Program	300	-	-	300
Furniture and Fittings -				
2003-04 Program	35	-	-	35
Land and Buildings -				
2003-04 Program	155	-	-	155
Lotteries History -				
2003-04 Program	75	-	-	75
Management Information System -				
2003-04 Program	200	-	-	200
Other Computer Equipment -				
2003-04 Program	2,050	-	-	2,050
Plant and Equipment -				
2003-04 Program	35	-	-	35
Point of Sale -				
2003-04 Project	250	-	-	250
	8,830	4,640	4,640	4,190

CAPITAL CONTRIBUTION

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	1,244	6,585	4,640	4,190	3,755	1,820	1,500
	1,244	6,585	4,640	4,190	3,755	1,820	1,500
LESS							
Internal Funds and Balances	1,244	6,585	4,640	4,190	3,755	1,820	1,500
Capital Contribution	-	-	-	-	-	-	-

WATER CORPORATION

CAPITAL WORKS PROGRAM

The Water Corporation is committed to provide excellent and reliable water services to all West Australians, based on the principles of sustainable management. In 2003-04 close to \$463 million will be spent on existing and new infrastructure that supports the supply of water, wastewater and drainage services.

To meet the needs of our growing State \$125.5 million will be spent on the distribution network to replace and augment existing infrastructure.

It is planned that \$96.8 million will be spent on commercial activities, with the key projects being a desalination plant and a saline pipeline to provide water to new industrial developments on the Burrup Peninsula. The Kwinana wastewater re-use projects will also continue in 2003-04.

Work will continue on projects focussing on securing water supply to Perth metropolitan and country areas and the Drought Response Program with \$58 million allocated for this purpose in 2003-04.

Close to \$36.3 million will be spent on upgrading wastewater treatment plants in the metropolitan and country areas, to allow for growth in the number of customers and enhancement of the treatment process.

The Corporation will spend \$33.3 million to continue the implementation of the Infill Sewerage Program, including small town sewerage, which reduces health and environmental risks by replacing septic tanks with deep sewer in metropolitan and country areas.

The need to improve odour management for metropolitan wastewater treatment plants has been recognised by the Corporation and \$30.8 million will be committed in 2003-04 to continue works on Beenyp and Subiaco Wastewater Treatment Plants.

\$22.0 million will be spent in 2003-04 on a five-year program to fulfil the requirements of the 1996 drinking water guidelines, set by the Department of Health.

Responding to the national guidelines for large dams released in 1999, the Corporation will spend \$11.8 million on the Dam Safety Program, which covers a wide range of works in both metropolitan and country areas. The key upgrade projects forming part of this Program are: Churchman Brook, Waroona and Phillips Creek Dams.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
COMPLETED WORKS				
Corporate Programs -				
Wastewater Treatment	20,500	20,500	20,500	-
Water Sources.....	30,800	30,800	30,800	-
Recurrent Programs -				
Distribution Network	86,002	86,002	86,002	-
Strategic Programs -				
Aesthetic Water Quality.....	1,600	1,600	1,600	-
Commercial Projects.....	10,206	10,206	10,206	-
Dam Safety	23,200	23,200	23,200	-
Drinking Water Quality	8,900	8,900	8,900	-
Infill Sewerage.....	35,198	35,198	35,198	-
Other Minor Works	1,474	1,474	1,474	-
SCADA Program.....	2,500	2,500	2,500	-
Wastewater Odour Management.....	15,300	15,300	15,300	-
Support Programs -				
Capital Overheads.....	23,865	23,865	23,865	-
Drought Response.....	97,100	97,100	97,100	-
Fleet and Plant	2,000	2,000	2,000	-
Information Technology	14,700	14,700	14,700	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-03 \$'000	Estimated Expenditure 2002-03 \$'000	Estimated Expenditure 2003-04 \$'000
NEW WORKS				
Corporate Programs -				
Wastewater Treatment	36,300	-	-	36,300
Water Sources	51,400	-	-	51,400
Recurrent Programs -				
Distribution Network	125,479	-	-	125,479
Strategic Programs -				
Aesthetic Water Quality	3,700	-	-	3,700
Commercial Projects	96,787	-	-	96,787
Dam Safety	11,800	-	-	11,800
Drinking Water Quality	22,000	-	-	22,000
Infill Sewerage	33,300	-	-	33,300
Other Minor Works	4,221	-	-	4,221
SCADA Program	7,000	-	-	7,000
Wastewater Odour Management	30,800	-	-	30,800
Support Programs -				
Capital Overheads	16,000	-	-	16,000
Drought Response	7,000	-	-	7,000
Fleet and Plant	2,000	-	-	2,000
Information Technology	15,000	-	-	15,000
	836,132	373,345	373,345	462,787

CAPITAL CONTRIBUTION

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	356,811	353,000	373,345	462,787	319,997	365,000	404,000
	356,811	353,000	373,345	462,787	319,997	365,000	404,000
LESS							
Borrowings	107,209	75,000	105,000	185,000	30,058	50,005	95,000
Internal Funds and Balances	249,602	278,000	268,345	277,787	289,939	314,995	309,000
Capital Contribution	-	-	-	-	-	-	-

GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION

PART 15 - MINISTER FOR RACING AND GAMING; GOVERNMENT ENTERPRISES; GOLDFIELDS-ESPERANCE

DIVISION 68

APPROPRIATION AND FORWARD ESTIMATES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 117 Net amount appropriated to deliver outputs	1,555	1,527	1,527	1,567	1,587	1,370	1,396
Total appropriations provided to deliver outputs	1,555	1,527	1,527	1,567	1,587	1,370	1,396
CAPITAL							
Capital Contribution	-	-	-	-	32	-	-
GRAND TOTAL	1,555	1,527	1,527	1,567	1,619	1,370	1,396

MISSION

To increase investment and population in our region.

SIGNIFICANT ISSUES AND TRENDS

- Resource and infrastructure issues that are of particular interest to the region currently include the:
 - possible provision of an alternative sustainable water supply;
 - cost, availability and reliability of power; and
 - lack of telecommunications coverage in some areas in the region.
- Concern over the downturn in exploration expenditure.
- The shortage of professionals, tradespeople and para-professionals and the ability to attract and retain these people in the region continues to cause concern.
- The community continues to be apprehensive about fly-in/fly-out operations in the region.
- Increases in the gold price have strengthened mining activity in the Goldfields.
- The tourism industry continues to expand, providing benefits and diversifying economic activity in the region.

OUTPUT AND APPROPRIATION SUMMARY

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Policies, Strategies and Plans	640	494	571	706			
Output 2:							
Industry and Enterprise Development	626	658	686	792			
Output 3:							
Co-ordination of Infrastructure Identification..	141	196	160	235			
Output 4:							
Regional Promotion.....	542	750	869	407			
Total Cost of Outputs.....	1,949	2,098	2,286	2,140	2,178	1,590	1,630
<i>Less Operating revenues</i>	<i>318</i>	<i>567</i>	<i>627</i>	<i>598</i>	<i>606</i>	<i>211</i>	<i>216</i>
Net Cost of Outputs	1,631	1,531	1,659	1,542	1,572	1,379	1,414
 Adjustments ^(a)	 (76)	 (4)	 (132)	 25	 15	 (9)	 (18)
Appropriation provided to deliver Outputs.	1,555	1,527	1,527	1,567	1,587	1,370	1,396
 CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	-	-	-	-	32	-	-
TOTAL CONSOLIDATED FUND APPROPRIATIONS	1,555	1,527	1,527	1,567	1,619	1,370	1,396

(a) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

(b) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

The following outcome, output and financial information is the subject of a Resource Agreement signed by the Minister, the Chief Executive Officer and the Treasurer.

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION**Relationship to Government Strategic Objectives**

The following table demonstrates the linkage between the most appropriate Government strategic objective and the agency level desired outcomes and outputs.

Government Strategic Objective	Desired Outcome(s)	Output(s)
Strong and vibrant regions	An environment which is conducive to the balanced economic and social development of the Goldfields-Esperance region	1. Policies, Strategies and Plans 2. Industry and Enterprise Development 3. Co-ordination of Infrastructure Identification 4. Regional Promotion

Outcomes and Key Effectiveness Indicators ^(a)

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Outcome: An environment that is conducive to the balanced economic and social development of the Goldfields-Esperance region.					
Survey Satisfaction - The Commission:					
Contributed to the economic development of the region:					
Strongly Agree/Agree	77%	78%	78%	79%	
Neutral	15%	15%	15%	15%	
Disagree/Strongly Disagree	8%	7%	7%	6%	
Contributed to the social development of the region:					
Strongly Agree/Agree	68%	68%	68%	69%	
Neutral	20%	22%	22%	22%	
Disagree/Strongly Disagree	12%	10%	10%	9%	
Contributed to the balanced economic and social development of the region:					
Strongly Agree/Agree	63%	65%	65%	66%	
Neutral	24%	25%	25%	25%	
Disagree/Strongly Disagree	13%	10%	10%	9%	

(a) More details of effectiveness indicators are provided in the annual report.

Output 1: Policies, Strategies and Plans

To provide advice on opportunities, policies and strategies for the economic and social development of the region and facilitate the planning and implementation of regional and local development initiatives.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	640	494	571	706	With the finalisation of the Golden Quest Discovery Trail project, Output 4, more emphasis will be placed on projects within this output.
Less Operating Revenue ^(a)	34	61	157	197	
Net Cost of Output	606	433	414	509	
Adjustments ^(b)	(29)	(67)	(32)	8	
Appropriation for delivery of Output 1	577	366	382	517	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Chargeable hours.....	5,833	4,400	4,240	4,820	With the finalisation of the Golden Quest Discovery Trail project, Output 4, more emphasis will be placed on projects within this output.
Kalgoorlie-Boulder Development Fund.....	1	1	1	1	
Goldfields Esperance Regional Development Scheme	na	1	1	1	
Niagara Dam - Construction of Facilities	1	na	na	na	
Quality					
Customer satisfaction by client survey	87%	87%	87%	87%	
Timeliness					
Project milestones completed by due date	84%	85%	85%	85%	
Cost (Efficiency)					
Average cost per chargeable hour.....	\$99	\$102	\$115	\$110	
Kalgoorlie-Boulder Development Fund.....	\$0	\$25,000	\$50,000	\$100,000	
Goldfields Esperance Regional Development Scheme	na	\$20,000	\$33,500	\$75,000	
Niagara Dam - Construction of Facilities	\$62,500	na	na	na	
Full Time Equivalents (FTEs)	4	3	3	4	

Major Achievements For 2002-03

- Ensured that activities were conducted according to an ethos of 'responsive government'.
- Provided a significant regional grants information service to local government authorities, government agencies and community groups.
- Managed the development of planning studies for the Dundas Woodland Discovery Trail and the Esperance Explorers Trail.
- Completed Regional Economic Modelling for the City of Kalgoorlie-Boulder and Shires of Coolgardie, Menzies, Leonora and Laverton.
- Partnered the Shire of Menzies in the upgrading of the Niagara Dam surrounds in Kookynie.
- Facilitated and administered the Goldfields-Esperance Regional Development Scheme and the Kalgoorlie-Boulder Development Scheme.
- Contributed to the drafting of the Regional Policy Statement.
- Participated on the Goldfields-Esperance Regional Planning and Infrastructure Coordinating Committees.

Major Initiatives For 2003-04

- Continue to provide strategic advice to government and monitor governments policy and commitment to the region.
- Develop a sustainability policy for the region.
- Research and disseminate information on funding and grants availability.
- Finalise the development of Regional Economic Modelling for the Shires of Ngaanyatjaraku, Dundas, Esperance and Ravensthorpe.

- Facilitate the delivery of grants from the Goldfields-Esperance Regional Development Scheme and the Kalgoorlie-Boulder Development Scheme.
- Monitor the implementation of the Regional Policy Statement.

Output 2: Industry and Enterprise Development

To assist industry, business and commerce so as to enable them to contribute significantly to the region's economy, employment and population base.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	626	658	686	792	With finalisation of the Golden Quest Discovery Trail project, Output 4, more emphasis will be placed on projects within this output.
Less Operating Revenue ^(a)	151	267	188	221	
Net Cost of Output	475	391	498	571	
Adjustments ^(b)	(22)	82	(40)	9	
Appropriation for delivery of Output 2	453	473	458	580	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Chargeable hours	5,618	4,500	4,300	5,400	With the finalisation of the Golden Quest Discovery Trail project, Output 4, more emphasis will be placed on projects within this output.
Kalgoorlie-Boulder Development Fund.....	1	1	1	1	
Goldfields Esperance Regional Development Scheme	na	1	1	1	
Quality					
Customer satisfaction by client survey	86%	86%	86%	86%	
Timeliness					
Project milestones completed by due date	84%	85%	85%	85%	
Cost (Efficiency)					
Average cost per chargeable hour.....	\$100	\$102	\$120	\$96	
Kalgoorlie-Boulder Development Fund.....	\$30,000	\$140,000	\$118,000	\$75,000	
Goldfields Esperance Regional Development Scheme	\$32,000	\$60,000	\$54,000	\$200,000	
Full Time Equivalents (FTEs)	4	3	3	4	

Major Achievements For 2002-03

- Supported the Shire of Ravensthorpe and Ravensthorpe Nickel Operations in their project to prepare the town for nickel mining.
- Successfully organised the Indigenous People in Mining project.
- Encouraged and supported the Waste to Energy project to be developed at the Mungari Industrial Estate.
- Facilitated the development of the Youth Achievement Australia Program through 10 schools in the region.
- Provided advice and assistance relating to the Regional Sponsored Migration Fund and other migration matters.
- Supported diversification opportunities for primary industries.
- Facilitated Indigenous business enterprise development.
- Continued to support the development of the conference industry in the Goldfields.

Major Initiatives For 2003-04

- Endeavour to attract new businesses to the Mungari Industry Estate.
- Support investigations into the establishment of an Industrial Park in Esperance.
- Continue to enhance partnerships with Local Government Authorities in the region.
- Research and publish a Goldfields-Esperance Investment Opportunities Report.
- Partner the Centre of Management of Arid Environments in the Desert Knowledge project.
- Facilitate diversification and value-adding opportunities, such as aquaculture industries.
- Monitor the outcomes of the Youth Achievement Australia program.
- Continue to enhance opportunities for Indigenous business, art and heritage development and expand Indigenous employment opportunities.
- Promote the Regional Sponsored Migration Scheme.
- Coordinate an Investment Tour for the region.
- Support projects that improve social infrastructure and general quality of life through projects that include the Goldfields Football Academy, Youth Driver Development Program and Capacity Building.

Output 3: Co-ordination of Infrastructure Identification

To coordinate the identification of appropriate infrastructure services to the region so as to ensure that they are provided effectively and efficiently to meet the expanding needs of the region.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	141	196	160	235	With the finalisation of the Golden Quest Discovery Trail project, Output 4, more emphasis will be placed on projects within this output.
Less Operating Revenue ^(a)	1	3	44	66	
Net Cost of Output	140	193	116	169	
Adjustments ^(b)	(7)	(55)	(9)	3	
Appropriation for delivery of Output 3	133	138	107	172	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					
Chargeable hours.....	1,091	900	1,100	1,600	With the finalisation of the Golden Quest Discovery Trail project, Output 4, more emphasis will be placed on projects within this output.
Kalgoorlie-Boulder Development Fund.....	1	1	1	1	
Goldfields Esperance Regional Development Scheme	na	1	1	1	
Quality					
Customer satisfaction by client survey	84%	85%	85%	85%	
Timeliness					
Project milestones completed by due date	85%	85%	85%	85%	
Cost (Efficiency)					
Average cost per chargeable hour.....	\$82	\$90	\$101	\$100	
Kalgoorlie-Boulder Development Fund.....	\$19,000	\$50,000	\$25,000	\$25,000	
Goldfields Esperance Regional Development Scheme	\$32,000	\$65,000	\$23,500	\$50,000	
Full Time Equivalents (FTEs)	1	1	1	2	

Major Achievements For 2002-03

- Continued assisting Government to identify feasible options for an alternative sustainable supply of water to the region.
- Monitored power issues in Esperance, in particular the development of a new power station and the Kambalda to Esperance gas pipeline.
- Participated in the investigation of rail re-routing in Kalgoorlie-Boulder.
- Lobbied for the extension of telecommunications coverage throughout the region.
- Monitored transport infrastructure issues.
- Encouraged the development of tourism infrastructure.
- Partnered Curtin University in the establishment of the Mobile Computer Room, providing technology to remote communities.
- Supported the development of the Esperance Marine Institute and Kepa Kurl.
- Investigated the provision of services to Eucla.

Major Initiatives For 2003-04

- Monitor the Goldfields-Esperance water situation.
- Facilitate the Goldfields-Esperance Infrastructure Projects Workshop.
- Support the development of Department of Justice Workcamps in the Northern Goldfields.
- Continue to promote the upgrading of transport infrastructure in the region.
- Support the development of the childcare facility in Leonora.
- Facilitate the equitable access to telecommunications and other infrastructure through the region.
- Continue to encourage the development of tourism infrastructure.
- Continue to pursue the provision of mains power to Widgiemooltha and Eucla.
- Facilitate the Leonora Co-location project.

Output 4: Regional Promotion

To promote the region's advantages and attractions so as to encourage investment that will contribute to economic growth, employment and an increased population base in the region.

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	542	750	869	407	The finalisation of the Golden Quest Discovery Trail project will enable resources to be directed to projects across the other outputs.
Less Operating Revenue ^(a)	132	236	238	114	
Net Cost of Output	410	514	631	293	
Adjustments ^(b)	(18)	36	(51)	5	
Appropriation for delivery of Output 4	392	550	580	298	

(a) Includes user charges and fees, net profit on asset disposal, other revenues and resources received free of charge.

(b) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

Output Performance Measures

	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Target	Reason for Significant Variation between 2002-03 Estimated and 2003-04 Target
Quantity					The finalisation of the Golden Quest Discovery Trail project will enable resources to be directed to projects across the other outputs.
Chargeable hours.....	5,582	4,500	6,918	2,780	
Kalgoorlie-Boulder Development Fund.....	1	1	1	1	
Goldfields Esperance Regional Development Scheme	na	1	1	1	
Quality					
Customer satisfaction by client survey	83%	83%	83%	83%	
Timeliness					
Project milestones completed by the due date .	72%	80%	80%	80%	
Cost (Efficiency)					
Average cost per chargeable hour.....	\$89	\$102	\$115	\$101	
Kalgoorlie-Boulder Development Fund.....	\$11,000	\$35,000	\$34,000	\$50,000	
Goldfields Esperance Regional Development Scheme	\$33,000	\$255,000	\$40,000	\$75,000	
Full Time Equivalents (FTEs)	4	3	5	3	

Major Achievements For 2002-03

- Managed the development of the \$1.14 million 965 kilometre Golden Quest Discovery Trail, opened on the 28 March 2003.
- Supported the Year of the Outback activities for the Goldfields-Esperance region.
- Provided a pivotal information service about statistics in the region.
- Continued to have involvement in general initiatives to attract and retain professional staff to the region, particularly medical staff.

- Promoted the region's activities by producing quarterly newsletters and updating the Goldfields Esperance Development Commission website.
- Investigated the possibility of building the winning Kalgoorlie-Boulder housing design as a 'charity house' fundraising opportunity.
- Promoted the region's services, facilities, attractions, products, employment opportunities and lifestyle at selected shows in Perth.
- Continued to promote the region and lift its profile through activities undertaken by the Australia Unlimited Taskforce.
- Partnered with and assisted the Australian Bureau of Agricultural Research Economics in holding a Regional Outlook Conference in Kalgoorlie.
- Continued to support the tourism industry through involvement with Kalgoorlie Goldfields Tourism and the Esperance Regional Tourism Association.

Major Initiatives For 2003-04

- Partner the Golden Quest Trails Association in the future management of the Golden Quest Discovery Trail.
- Provide comprehensive and accurate information on the region through publications and statistical information.
- Continue to promote the region and lift its profile through activities undertaken by the Australia Unlimited Taskforce.
- Monitor the shortage of staff in the region and undertake projects to alleviate the situation.
- Continue to encourage and support community actions that positively contribute to the quality of life in the region.
- Encourage permanency of the Inside Australia display in Menzies.

FINANCIAL STATEMENTS**STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)**

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	738	646	744	765	788	812	852
Superannuation	71	67	68	72	76	80	84
Grants and subsidies ^(b)	220	650	378	650	650	-	-
Consultancies expense	219	-	70	50	50	50	50
Supplies and services	426	507	774	361	352	421	435
Accommodation	161	168	162	157	171	136	118
Capital User Charge	15	2	2	2	2	2	2
Depreciation	21	9	23	25	25	25	25
Administration	64	45	60	54	60	60	60
Motor Vehicle Fleet Expense	13	4	5	4	4	4	4
Net loss on disposal of non-current assets	1	-	-	-	-	-	-
TOTAL COST OF SERVICES	1,949	2,098	2,286	2,140	2,178	1,590	1,630
Revenues from ordinary activities							
User charges and fees ^(c)	126	8	78	88	96	101	106
Grants and subsidies	168	550	549	500	500	100	100
Other Revenue	24	9	-	10	10	10	10
Total Revenues from Ordinary Activities	318	567	627	598	606	211	216
NET COST OF SERVICES	1,631	1,531	1,659	1,542	1,572	1,379	1,414
REVENUES FROM STATE GOVERNMENT							
Appropriations	1,555	1,527	1,527	1,567	1,587	1,370	1,396
TOTAL REVENUES FROM STATE GOVERNMENT	1,555	1,527	1,527	1,567	1,587	1,370	1,396
CHANGE IN EQUITY RESULTING FROM OPERATIONS	(76)	(4)	(132)	25	15	(9)	(18)

(a) The Full Time Equivalents (FTEs) for 2001-02 Actual, 2002-03 Estimated Actual and 2003-04 Estimate are 13, 12 and 13 respectively.

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

(c) Includes resources received free of charge. This treatment may differ from the agency's annual report.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	286	93	161	179	187	171	148
Receivables.....	10	16	16	18	20	22	22
Amounts receivable for outputs.....	-	-	-	38	-	-	-
Prepayments	10	10	10	10	10	10	10
Total current assets.....	306	119	187	245	217	203	180
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	48	71	71	60	87	114	139
Plant, equipment and vehicles.....	50	50	35	15	40	24	9
Other.....	4	-	5	5	30	26	21
Total non-current assets.....	102	121	111	80	157	164	169
TOTAL ASSETS	408	240	298	325	374	367	349
CURRENT LIABILITIES							
Payables.....	37	74	42	42	42	42	42
Provision for employee entitlements.....	125	112	134	136	138	140	140
Accrued Salaries.....	13	-	16	16	16	16	16
Other.....	1	-	2	2	2	2	2
Total current liabilities	176	186	194	196	198	200	200
NON-CURRENT LIABILITIES							
Provision for employee entitlements.....	29	65	33	33	33	33	33
Total non-current liabilities	29	65	33	33	33	33	33
TOTAL LIABILITIES	205	251	227	229	231	233	233
EQUITY							
Contributed Equity	-	-	-	-	32	32	32
Accumulated surplus/(deficit).....	203	(11)	71	96	111	102	84
Total equity	203	(11)	71	96	143	134	116
TOTAL LIABILITIES AND EQUITY	408	240	298	325	374	367	349

STATEMENT OF CASH FLOWS
(Controlled)

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Appropriations.....	1,507	1,504	1,504	1,540	1,560	1,343	1,371
Capital Contribution	-	-	-	-	32	-	-
Holding Account.....	-	-	-	-	38	-	-
Net cash provided by State government.....	1,507	1,504	1,504	1,540	1,630	1,343	1,371
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs	(678)	(632)	(731)	(763)	(786)	(810)	(852)
Superannuation	(71)	(67)	(71)	(72)	(76)	(80)	(84)
Supplies and services.....	(710)	(506)	(831)	(398)	(400)	(465)	(481)
Grants and subsidies	(220)	(650)	(378)	(650)	(650)	-	-
Accommodation.....	(153)	(159)	(157)	(164)	(166)	(135)	(115)
Administration.....	(64)	(45)	(60)	(45)	(60)	(60)	(60)
Capital User Charge.....	(15)	(2)	(2)	(2)	(2)	(2)	(2)
State Taxes	-	-	-	(9)	-	-	-
Goods and Services Tax	(114)	(128)	(144)	(128)	(128)	(128)	(128)
Receipts							
User charges and fees	208	2	61	86	93	98	105
Goods and Services Tax	123	128	144	128	128	128	128
Grants and subsidies	168	550	549	500	500	100	100
Net cash from operating activities	(1,526)	(1,509)	(1,620)	(1,517)	(1,547)	(1,354)	(1,389)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(48)	(5)	(9)	(5)	(75)	(5)	(5)
Net cash from investing activities	(48)	(5)	(9)	(5)	(75)	(5)	(5)
NET INCREASE/(DECREASE) IN CASH HELD	(67)	(10)	(125)	18	8	(16)	(23)
Cash assets at the beginning of the reporting period	353	103	286	161	179	187	171
Cash assets at the end of the reporting period.....	286	93	161	179	187	171	148

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2001-02 Actual \$'000	2002-03 Budget \$'000	2002-03 Estimated Actual \$'000	2003-04 Budget Estimate \$'000	2004-05 Forward Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000
Kalgoorlie-Boulder Development Fund.....	60	250	227	250	250	-	-
Goldfields Esperance Regional Development Scheme	97	400	151	400	400	-	-
Niagra Dam - Construction of Facilities	63	-	-	-	-	-	-
TOTAL	220	650	378	650	650	-	-

AGENCY INDEX

	Vol	Page
Agriculture	1	219
Agriculture Protection Board	1	248
Albany Port Authority	2	789
Anti-Corruption Commission	1	114
Armadale Redevelopment Authority	2	784
Botanic Gardens and Parks Authority	2	570
Broome Port Authority	2	790
Bunbury Port Authority	2	791
Bunbury Water Board	2	625
Busselton Water Board	2	627
Commissioner for Equal Opportunity	2	475
Community Development	3	1001
Conservation and Land Management	2	551
Consumer and Employment Protection	2	407
Country High School Hostels Authority	3	924
Country Housing Authority	1	342
Culture and the Arts	3	1044
Curriculum Council	3	932
Dampier Port Authority	2	793
Disability Services Commission	3	1027
East Perth Redevelopment Authority	2	785
Eastern Goldfields Transport Board	2	806
Education and Training	3	899
Education Services	3	943
Environmental Protection	2	581
Esperance Port Authority	2	794
Fire and Emergency Services Authority of Western Australia	2	705
Fisheries	1	267
Forest Products Commission	1	289
Fremantle Cemetery Board	1	371
Fremantle Port Authority	2	795
Gascoyne Development Commission	1	395
Geraldton Port Authority	2	797
Gold Corporation	3	1141
Goldfields-Esperance Development Commission	3	1147
Government Employees Housing Authority	1	343
Governor's Establishment	1	122
Great Southern Development Commission	1	314
Health	3	1075
Heritage Council of Western Australia	2	660
Housing and Works	1	327
Indigenous Affairs	3	987
Industry and Resources	3	823
Insurance Commission of Western Australia....	3	1142
Justice	2	439
Kimberley Development Commission	1	375
Land Administration	2	744
Law Reform Commission	2	484
Local Government and Regional Development..	1	355
Lotteries Commission	3	1143
Main Roads	2	762
Western Australian Meat Industry Authority	1	256
Metropolitan Cemeteries Board	1	373
Mid West Development Commission	1	290
Midland Redevelopment Authority	2	786
Minerals and Energy Research Institute of Western Australia	3	852

	Vol	Page
National Trust of Australia (WA)	2	668
Office of Energy	1	194
Office of the Auditor General	1	183
Office of Director of Public Prosecutions	2	492
Office of the Information Commissioner	2	503
Office of the Inspector of Custodial Services ...	2	511
Office of the Public Sector Standards Commissioner	1	129
Office of Water Regulation	2	599
Parliament	1	39
Parliamentary Commissioner for Administrative Investigations	1	57
Peel Development Commission	2	529
Perth International Centre for Application of Solar Energy	1	211
Perth Market Authority	1	257
Pilbara Development Commission	1	384
Planning and Infrastructure	2	723
Police Service	2	681
Port Hedland Port Authority	2	799
Premier and Cabinet	1	69
Racing, Gaming and Liquor	3	1125
Recreation Camps and Reserve Board	3	956
Registrar, Western Australian Industrial Relations Commission	2	426
Rottne Island Authority	3	860
Royal Commission Into Whether There Has Been Any Corrupt or Criminal Conduct by Western Australian Police Officers	1	107
Rural Business Development Corporation	1	258
Salaries and Allowances Tribunal	1	140
Small Business Development Corporation	3	888
South West Development Commission	2	539
Sport and Recreation	3	965
State Housing Commission	1	340
State Supply Commission	1	344
Subiaco Redevelopment Authority	2	788
Swan River Trust	2	613
Totalisator Agency Board	3	1138
Treasury and Finance	1	149
WA Independent Gas Pipelines Access Regulator	1	192
Water and Rivers Commission	2	629
Water Corporation	3	1145
Western Australian Electoral Commission	2	519
Western Australian Government Railways Commission	2	801
Western Australian Greyhound Racing Authority	3	1140
Western Australian Land Authority	2	804
Western Australian Planning Commission	2	807
Western Australian Sports Centre Trust	3	978
Western Australian Tourism Commission	3	861
Western Australian Treasury Corporation	1	193
Western Power Corporation	1	215
Wheatbelt Development Commission	1	304
Zoological Parks Authority	2	649

AGENCY INDEX— *continued*

AGENCIES WITH ADMINISTERED APPROPRIATIONS

	Vol	Page
Agriculture	1	219
Consumer and Employment Protection	2	407
Culture and the Arts	3	1044
Education Services	3	943
Fire and Emergency Services Authority of Western Australia	2	705
Health	3	1075
Housing and Works	1	327
Industry and Resources	3	823
Local Government and Regional Development	1	355
Office of Energy	1	194
Planning and Infrastructure	2	723
Premier and Cabinet	1	69
Racing, Gaming and Liquor	3	1125
Treasury and Finance	1	149
Western Australian Tourism Commission	3	861