

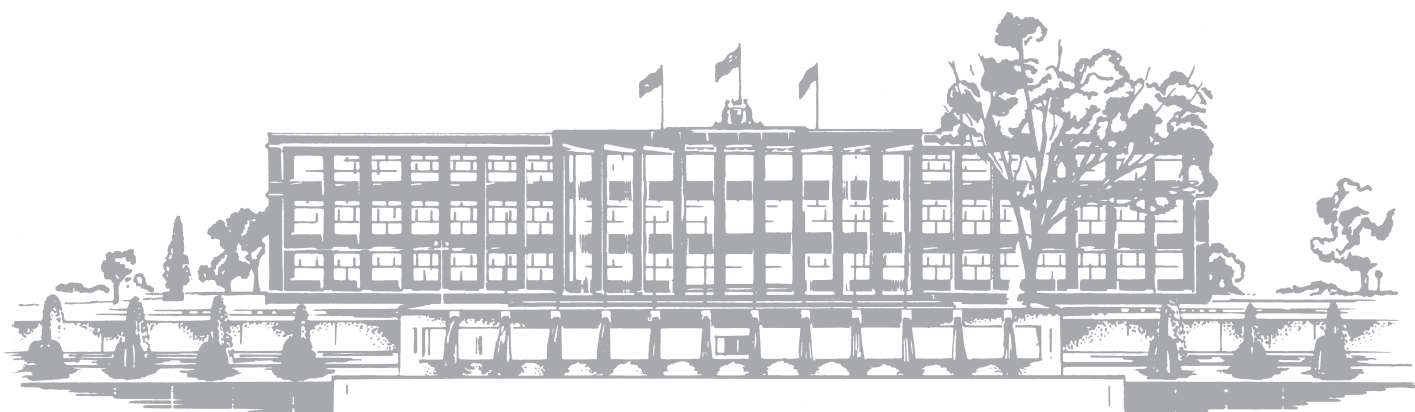


2004-05 BUDGET

BUDGET STATEMENTS

Volume 1

PRESENTED TO THE LEGISLATIVE ASSEMBLY
ON 6 MAY 2004



Budget Paper No.2

2004–05 Budget Statements
(Budget Paper No. 2 Volume 1)
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BUDGET 2004-05

BUDGET STATEMENTS

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CHAPTER 1

CONSOLIDATED FUND EXPENDITURE ESTIMATES

CHAPTER 1

CONSOLIDATED FUND EXPENDITURE ESTIMATES ^(a)

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			PART 1 – PARLIAMENT
37 V1	1		Parliament
			– Legislative Council
		1	– Net amount appropriated to deliver outputs
			– Salaries and Allowances Act 1975
			– Legislative Assembly
		2	– Net amount appropriated to deliver outputs
			– Salaries and Allowances Act 1975
			– Joint House Committee
		3	– Net amount appropriated to deliver outputs
		113	– Capital Contribution
			Total
54 V1	2		Parliamentary Commissioner for Administrative Investigations
		4	– Net amount appropriated to deliver outputs
			– Parliamentary Commissioner Act 1971
		114	– Capital Contribution
			Total
			TOTAL – PART 1
			PART 2 – PREMIER; MINISTER FOR PUBLIC SECTOR MANAGEMENT; FEDERAL AFFAIRS; SCIENCE; CITIZENSHIP AND MULTICULTURAL INTERESTS
67 V1	3		Premier and Cabinet
		5	– Net amount appropriated to deliver outputs
		6	– Administered Grants, Subsidies and Other Transfer Payments
		115	– Capital Contribution
			– Salaries and Allowances Act 1975
			Total
106 V1			Royal Commission Into Whether There Has Been Any Corrupt or Criminal Conduct by Western Australian Police Officers
			– Net amount appropriated to deliver outputs
			Total
110 V1			Anti-Corruption Commission
			– Net amount appropriated to deliver outputs
			– Capital Contribution
			Total
114 V1	4		Governor’s Establishment
		7	– Net amount appropriated to deliver outputs
			– Capital Contribution
			– Governor’s Establishment Act 1992
			– Salaries and Allowances Act 1975
			Total
122 V1	5		Office of the Public Sector Standards Commissioner
		8	– Net amount appropriated to deliver outputs
			– Capital Contribution
			– Salaries and Allowances Act 1975
			Total
135 V1	6		Salaries and Allowances Tribunal
		9	– Net amount appropriated to deliver outputs
			Total
			TOTAL – PART 2

2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
1,884	1,834	2,229	2,107	2,146	2,306	2,470
6,167	6,043	6,273	6,311	6,311	6,311	6,311
3,063	3,170	2,892	3,525	3,256	3,535	3,809
10,227	10,174	10,586	10,602	10,597	10,592	10,592
12,294	13,257	12,909	12,846	13,142	13,407	13,645
2,795	1,525	1,758	750	-	180	-
36,430	36,003	36,647	36,141	35,452	36,331	36,827
2,490	2,477	2,517	2,343	2,204	2,064	2,122
305	305	305	305	305	305	305
528	-	-	136	-	-	-
3,323	2,782	2,822	2,784	2,509	2,369	2,427
39,753	38,785	39,469	38,925	37,961	38,700	39,254
97,915	143,176	117,048	142,262	138,820	148,453	128,419
-	4,241	18,574	26,637	4,027	6,012	-
-	-	8,000	42,000	-	-	-
549	500	500	500	500	500	500
98,464	147,917	144,122	211,399	143,347	154,965	128,919
15,200	2,800	2,800	-	-	-	-
15,200	2,800	2,800	-	-	-	-
9,832	9,999	9,999	-	-	-	-
480	380	380	-	-	-	-
10,312	10,379	10,379	-	-	-	-
2,026	1,953	1,878	1,946	1,968	1,996	2,017
1,325	1,040	1,040	-	-	-	-
1,119	1,163	1,163	1,163	1,166	1,166	1,166
150	150	161	167	167	167	167
4,620	4,306	4,242	3,276	3,301	3,329	3,350
2,872	2,837	3,095	3,052	3,140	3,181	3,240
461	-	-	-	-	-	-
232	232	232	232	232	232	232
3,565	3,069	3,327	3,284	3,372	3,413	3,472
351	307	306	310	319	321	335
351	307	306	310	319	321	335
132,512	168,778	165,176	218,269	150,339	162,028	136,076

CONSOLIDATED FUND EXPENDITURE ESTIMATES (continued) ^(a)

Page Vol	Division	Item	Details
			PART 3 – DEPUTY PREMIER; TREASURER; MINISTER FOR ENERGY
145 V1	7		Treasury and Finance
		10	– Net amount appropriated to deliver outputs
		11	– Electricity Corporation
		12	– Forest Products Commission
		13	– Water Corporation of Western Australia
		14	– Western Australian Land Authority
		15	– Aerial Shark Surveillance Program
		16	– Albany Port Authority
		17	– Armadale Redevelopment Authority
		18	– First Home Owners’ Assistance
		19	– GST Administration Costs
		20	– HIH Insurance Rescue Package
		21	– Office of Health Review
		22	– On Road Diesel Subsidies
		23	– Pensioner Concessions – Emergency Services Levy
		24	– Pensioner Concessions – Local Government and Water Rates
		25	– Provision for Unfunded Liabilities in the Government Insurance Fund
		26	– Refund of Past Years Revenue Collections – Public Corporations
		27	– Refund of Past Years Revenue Collections – All Other
		28	– State Housing Commission – Emergency Services Levy
		29	– State Housing Commission – General Housing Funding
		30	– State Housing Commission – Indigenous Housing
		31	– State Housing Commission – Subsidies for Housing
		32	– State Property – Emergency Services Levy
		33	– Western Australian Building Management Authority Interest
		34	– All Other Grants, Subsidies and Transfer Payments
		116	– Capital Contribution
		117	– Armadale Redevelopment Authority
		118	– Department of Health
		119	– Electricity Corporation
		120	– Forest Products Commission
		121	– Fremantle Port Authority
		122	– State Housing Commission
		123	– Western Australian Building Management Authority
		124	– Western Australian Land Authority
			– Extended Payroll Tax Amnesty
			– Midland Redevelopment Authority
			– Ord Irrigation Subsidy
			– Rail Access Regulator
			– Treasurer’s Indemnity to the Insurance Commission
			– Water Corporation of Western Australia
			– Water Corporation of Western Australia (State Water Strategy Rebate Scheme)
			– Western Australian Gas Disputes Arbitrator
			– Salaries and Allowances Act 1975
			– Financial Agreement Act 1995 - Interest
			– Gold Corporation Act 1987
			– Judges’ Salaries and Pensions Act 1950
			– Loan (Financial Agreement) Act 1991 – Interest
			– Loan (Financial Agreement) Act 1991 – Loan Guarantee Fees
			– Parliamentary Superannuation Act 1970
			– State Superannuation Act 2000
			– Tobacco Control Act 1990
			– Unclaimed Money Act 1990
			– Unclaimed Money (Superannuation and RSA Providers) Act 2003
			– Western Australian Treasury Corporation Act 1986 – Interest

2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
57,905	54,543	54,596	53,777	55,683	56,797	58,020
34,170	32,932	38,170	47,930	53,381	56,465	63,268
1,570	1,300	1,300	1,070	1,070	1,070	1,070
258,403	267,075	268,257	273,613	282,933	295,042	306,305
30,417	26,424	35,373	27,538	22,287	7,355	7,355
196	110	110	110	-	-	-
171	173	173	173	149	-	-
-	750	750	1,030	1,120	1,150	1,200
118,350	114,500	104,200	113,500	122,300	123,200	125,000
55,216	56,300	53,300	57,500	59,000	60,500	62,000
237	600	500	500	500	600	384
-	1,036	1,036	1,189	1,215	1,241	1,263
4,836	4,499	5,800	5,000	5,000	5,000	5,000
-	3,500	3,500	5,400	5,400	5,400	5,400
38,418	35,223	40,900	42,500	44,700	46,900	49,200
9,430	5,908	5,908	4,711	4,030	2,970	-
5,978	100	100	100	100	100	100
9,746	5,111	8,083	5,111	5,111	5,111	5,111
-	1,300	1,300	2,100	2,100	2,100	2,100
2,500	1,000	2,000	1,000	2,000	1,000	1,000
11,551	18,483	18,483	18,483	18,483	17,000	17,000
3,480	3,480	3,480	3,480	3,480	3,480	3,480
-	6,500	6,500	9,000	9,000	9,000	9,000
10,142	9,191	7,989	6,615	5,506	4,411	3,950
3,613	3,675	3,282	3,325	3,520	3,473	3,181
1,000	400	400	400	-	350	-
-	2,000	2,000	2,000	2,000	2,000	2,000
-	-	-	61,152	91,424	112,700	140,500
-	-	1,470	10,450	12,050	6,000	6,000
1,270	1,289	1,289	1,291	1,291	1,291	1,291
221	221	924	1,222	222	222	223
15,000	15,500	15,500	19,500	15,000	15,000	15,000
7,066	7,033	7,033	7,275	7,528	7,886	8,156
5,000	5,000	5,000	5,000	-	-	-
3,959	-	-	-	-	-	-
250	200	500	-	300	300	300
2,801	-	-	-	-	-	-
545	640	395	-	-	-	-
376	-	-	-	-	-	-
193	1,400	1,400	-	-	-	-
2,426	-	3,800	-	-	-	-
-	-	20	-	-	-	-
799	849	849	849	849	849	849
428	290	528	-	-	-	-
-	64	64	64	64	64	64
4,183	3,863	3,835	3,988	4,146	4,311	4,483
20,736	19,750	19,695	19,479	18,505	16,623	15,587
657	636	636	610	585	561	536
5,190	6,845	6,782	17,500	7,950	8,104	8,263
401,346	419,618	427,155	422,065	428,964	435,949	442,931
-	16,930	16,930	17,357	17,748	18,147	18,601
101	500	500	500	500	500	500
-	-	50	50	50	50	50
35,945	36,124	39,121	55,803	60,791	73,061	84,645

CONSOLIDATED FUND EXPENDITURE ESTIMATES (continued) ^(a)

Page Vol	Division	Item	Details
			PART 3 – DEPUTY PREMIER; TREASURER; MINISTER FOR ENERGY (continued)
			– Western Australian Treasury Corporation Act 1986 – Loan Guarantee Fees
			– Financial Agreement Act 1995 – Sinking Fund.....
			– Loan (Financial Agreement) Act 1991 – Capital Repayments
			– Western Australian Treasury Corporation Act 1986 – Capital Repayments
			Total
179	8		Office of the Auditor General
V1		35	– Net amount appropriated to deliver outputs
		125	– Capital Contribution.....
			– Financial Administration and Audit Act 1985
			Total
190	9		Economic Regulation Authority
V1		36	– Net amount appropriated to deliver outputs
			– Capital Contribution.....
			Total
199	10		Office of Energy
V1		37	– Net amount appropriated to deliver outputs
			– Capital Contribution.....
			– Salaries and Allowances Act 1975
			Total
			TOTAL – PART 3
			PART 4 – MINISTER FOR AGRICULTURE, FORESTRY AND FISHERIES; THE MID–WEST, WHEATBELT AND GREAT SOUTHERN
221	11		Agriculture
V1		38	– Net amount appropriated to deliver outputs
		39	– Administered Grants, Subsidies and Other Transfer Payments
		126	– Capital Contribution.....
			– Salaries and Allowances Act 1975
			Total
252	12		The Agriculture Protection Board
V1		40	– Net amount appropriated to deliver outputs
			– Agriculture and Related Resources Protection Act 1976
			Total
262	13		Rural Business Development Corporation
V1		41	– Net amount appropriated to deliver outputs
			Total
270	14		Fisheries
V1		42	– Net amount appropriated to deliver outputs
		127	– Capital Contribution.....
			– Salaries and Allowances Act 1975
			Total
289	15		Mid West Development Commission
V1		43	– Net amount appropriated to deliver outputs
			– Capital Contribution.....
			Total
304	16		Wheatbelt Development Commission
V1		44	– Net amount appropriated to deliver outputs
			– Capital Contribution.....
			Total
315	17		Great Southern Development Commission
V1		45	– Net amount appropriated to deliver outputs
		128	– Capital Contribution
			Total
			TOTAL – PART 4

2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
879	1,033	895	1,006	1,223	1,471	1,532
69	8,020	8,020	-	-	-	-
11,678	11,940	11,940	12,208	12,483	12,763	13,050
38,765	-	-	10,513	10,809	10,853	10,853
1,217,212	1,213,858	1,241,821	1,355,037	1,402,550	1,438,420	1,505,801
11,146	10,960	11,257	12,518	12,911	13,200	13,377
29	122	122	113	27	15	56
198	208	222	222	222	222	222
11,373	11,290	11,601	12,853	13,160	13,437	13,655
1,577	1,672	1,277	4,153	4,355	4,355	3,756
-	-	-	-	12	-	-
1,577	1,672	1,277	4,153	4,367	4,355	3,756
14,885	15,733	25,607	15,056	17,969	14,003	12,533
154	110	110	-	-	-	-
168	168	168	168	168	168	168
15,207	16,011	25,885	15,224	18,137	14,171	12,701
1,245,369	1,242,831	1,280,584	1,387,267	1,438,214	1,470,383	1,535,913
127,036	120,267	118,299	116,619	133,876	154,317	157,558
1,178	1,178	1,178	1,178	1,178	1,178	1,178
-	-	-	2,296	4,829	-	-
150	150	150	150	150	150	150
128,364	121,595	119,627	120,243	140,033	155,645	158,886
1,704	1,638	1,643	1,624	1,681	1,550	1,636
512	766	766	789	812	836	836
2,216	2,404	2,409	2,413	2,493	2,386	2,472
158	158	158	181	182	185	189
158	158	158	181	182	185	189
20,828	22,794	22,288	23,464	25,373	26,696	26,460
2,122	5,000	5,000	7,150	-	-	-
147	150	150	155	160	165	165
23,097	27,944	27,438	30,769	25,533	26,861	26,625
1,317	1,550	1,522	1,549	1,380	1,371	1,396
30	-	-	-	-	229	-
1,347	1,550	1,522	1,549	1,380	1,600	1,396
1,328	1,393	1,374	1,783	1,445	1,463	1,499
19	-	-	-	-	-	-
1,347	1,393	1,374	1,783	1,445	1,463	1,499
1,357	2,199	2,187	1,602	1,626	1,474	1,503
20	322	322	5,249	9,085	23	8
1,377	2,521	2,509	6,851	10,711	1,497	1,511
157,906	157,565	155,037	163,789	181,777	189,637	192,578

CONSOLIDATED FUND EXPENDITURE ESTIMATES (continued) ^(a)

Page Vol	Division	Item	Details
			PART 5 – MINISTER FOR LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT; HERITAGE; THE KIMBERLEY, PILBARA AND GASCOYNE; GOLDFIELDS-ESPERANCE
331 V2	18	46 47	Local Government and Regional Development – Net amount appropriated to deliver outputs – Administered Grants, Subsidies and Other Transfer Payments
			– Capital Contribution..... – Salaries and Allowances Act 1975
			Total
349 V2	19	48	Heritage Council of Western Australia – Net amount appropriated to deliver outputs – Capital Contribution.....
			Total
358 V2	20	49 129	The National Trust of Australia (WA) – Net amount appropriated to deliver outputs – Capital Contribution.....
			Total
367 V2	21	50	Kimberley Development Commission – Net amount appropriated to deliver outputs – Capital Contribution.....
			Total
377 V2	22	51	Pilbara Development Commission – Net amount appropriated to deliver outputs – Capital Contribution.....
			Total
389 V2	23	52	Gascoyne Development Commission – Net amount appropriated to deliver outputs – Capital Contribution.....
			Total
397 V2	24	53 130	Goldfields–Esperance Development Commission – Net amount appropriated to deliver outputs – Capital Contribution.....
			Total
			TOTAL – PART 5
			PART 6 – MINISTER FOR CONSUMER AND EMPLOYMENT PROTECTION; INDIGENOUS AFFAIRS; MINISTER ASSISTING THE MINISTER FOR PUBLIC SECTOR MANAGEMENT
413 V2	25	54 131	Consumer and Employment Protection – Net amount appropriated to deliver outputs – Capital Contribution..... – Salaries and Allowances Act 1975
			Total
431 V2	26	55	Registrar, Western Australian Industrial Relations Commission – Net amount appropriated to deliver outputs – Administered Grants, Subsidies and Other Transfer Payments
			– Capital Contribution..... – Salaries and Allowances Act 1975
			Total
441 V2	27	56 132	Indigenous Affairs – Net amount appropriated to deliver outputs – Capital Contribution..... – Salaries and Allowances Act 1975
			Total
			TOTAL – PART 6

2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
31,253	36,358	36,535	35,425	53,161	39,231	37,609
2,800	3,230	300	300	250	1,316	2,114
-	100	100	-	124	94	-
148	138	148	148	148	148	148
34,201	39,826	37,083	35,873	53,683	40,789	39,871
3,308	3,410	3,410	4,474	4,677	4,753	4,881
-	22	22	-	-	-	-
3,308	3,432	3,432	4,474	4,677	4,753	4,881
4,628	1,161	1,093	1,253	1,170	1,072	1,011
343	356	356	339	354	540	560
4,971	1,517	1,449	1,592	1,524	1,612	1,571
1,273	1,523	1,523	1,465	1,492	1,520	1,546
-	14	14	-	-	65	20
1,273	1,537	1,537	1,465	1,492	1,585	1,566
2,587	2,193	2,186	1,480	1,511	1,539	1,566
50	45	45	-	-	180	-
2,637	2,238	2,231	1,480	1,511	1,719	1,566
1,296	5,408	3,558	2,045	2,213	1,260	1,282
25	40	40	-	-	40	40
1,321	5,448	3,598	2,045	2,213	1,300	1,322
1,362	1,567	1,567	1,738	1,444	1,465	1,500
-	-	-	33	-	-	3
1,362	1,567	1,567	1,771	1,444	1,465	1,503
49,073	55,565	50,897	48,700	66,544	53,223	52,280
42,657	42,522	45,150	45,269	45,251	45,276	45,674
2,156	1,372	1,372	1,283	-	-	-
118	118	118	118	118	118	118
44,931	44,012	46,640	46,670	45,369	45,394	45,792
8,172	8,826	7,306	7,830	8,085	8,056	8,044
54	-	-	-	-	-	-
150	195	195	-	-	-	-
462	116	1,855	1,855	1,855	1,855	1,855
8,838	9,137	9,356	9,685	9,940	9,911	9,899
17,154	17,403	17,876	18,542	18,944	18,733	19,150
100	42	42	137	397	240	-
160	160	160	160	160	160	160
17,414	17,605	18,078	18,839	19,501	19,133	19,310
71,183	70,754	74,074	75,194	74,810	74,438	75,001

CONSOLIDATED FUND EXPENDITURE ESTIMATES (continued) ^(a)

Page Vol	Division	Item	Details
			PART 7 – ATTORNEY GENERAL; MINISTER FOR HEALTH; ELECTORAL AFFAIRS
455 V2	28	57 133	Justice – Net amount appropriated to deliver outputs – Capital Contribution..... – Administered Transaction – Contribution to Corruption and Crime Commission – Children's Court of Western Australia Act 1988..... – Criminal Injuries Compensation Act 1985..... – District Court of Western Australia Act 1969..... – Judges' Salaries and Pensions Act 1950..... – Solicitor General Act 1969..... – Suitor's Fund Act 1964..... – Town Planning and Development Act 1928..... – Salaries and Allowances Act 1975..... Total
490 V2	29	58 134	Corruption and Crime Commission – Net amount appropriated to deliver outputs – Capital Contribution..... – Corruption and Crime Commission Act 2003..... Total
500 V2	30	59	Parliamentary Inspector of the Corruption and Crime Commission – Net amount appropriated to deliver outputs – Capital Contribution..... – Salaries and Allowances Act 1975..... Total
507 V2	31	60 135	Commissioner for Equal Opportunity – Net amount appropriated to deliver outputs – Capital Contribution..... – Salaries and Allowances Act 1975..... Total
516 V2	32	61	Law Reform Commission – Net amount appropriated to deliver outputs – Capital Contribution..... Total
523 V2	33	62	Office of the Director of Public Prosecutions – Net amount appropriated to deliver outputs – Capital Contribution..... – Salaries and Allowances Act 1975..... Total
534 V2	34	63	Office of the Information Commissioner – Net amount appropriated to deliver outputs – Capital Contribution..... – Freedom of Information Act 1992..... Total
543 V2	35	64 65 136	Health – Net amount appropriated to deliver outputs – Contribution to Hospital Fund..... – Capital Contribution..... – Lotteries Commission Act 1990..... – Salaries and Allowances Act 1975..... Total

2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
462,039	484,084	489,580	500,898	508,821	527,944	543,142
6,880	13,400	4,689	21,465	50,356	65,865	35,281
-	11,000	-	-	-	-	-
231	241	260	269	269	269	269
16,690	16,835	16,445	16,871	17,105	17,319	17,387
5,798	5,905	6,330	6,793	6,801	6,809	6,809
5,502	5,095	5,500	6,035	6,047	6,060	6,073
328	247	269	280	280	280	280
30	30	30	30	30	30	30
-	405	405	811	811	811	811
13,830	13,591	15,111	16,159	16,184	16,206	16,231
511,328	550,833	538,619	569,611	606,704	641,593	626,313
-	-	5,970	20,229	20,169	20,184	19,441
-	-	-	169	700	-	-
-	-	63	127	127	127	127
-	-	6,033	20,525	20,996	20,311	19,568
-	-	74	287	374	395	418
-	-	150	-	-	-	-
-	-	46	103	106	109	112
-	-	270	390	480	504	530
1,842	1,926	1,926	1,995	2,045	2,090	2,133
32	49	49	31	61	23	13
167	167	173	173	173	173	173
2,041	2,142	2,148	2,199	2,279	2,286	2,319
819	839	847	884	887	893	908
1	-	-	-	-	-	6
820	839	847	884	887	893	914
12,042	12,857	12,857	12,653	12,920	13,184	13,440
102	48	48	-	-	200	-
656	568	568	568	568	568	568
12,800	13,473	13,473	13,221	13,488	13,952	14,008
1,031	994	995	1,043	899	923	947
-	-	-	-	-	-	2
165	151	151	151	151	151	151
1,196	1,145	1,146	1,194	1,050	1,074	1,100
432,367	496,802	496,302	518,991	554,236	588,458	627,013
1,914,471	2,062,882	2,053,641	2,207,019	2,328,183	2,476,389	2,644,003
38,389	18,512	18,512	54,106	46,160	40,587	16,206
75,000	74,009	74,009	76,120	77,250	78,390	79,560
630	630	630	630	630	630	630
2,460,857	2,652,835	2,643,094	2,856,866	3,006,459	3,184,454	3,367,412

CONSOLIDATED FUND EXPENDITURE ESTIMATES (continued) ^(a)

Page Vol	Division	Item	Details
			PART 7 – ATTORNEY GENERAL; MINISTER HEALTH; ELECTORAL AFFAIRS (continued)
590 V2	36	66	Western Australian Electoral Commission – Net amount appropriated to deliver outputs – Capital Contribution..... – Electoral Act 1907..... – Industrial Relations Act 1979..... – Electoral Distribution Act 1947 Total
			TOTAL – PART 7
			PART 8 – MINISTER FOR THE ENVIRONMENT
601 V2	37	67 137	Conservation and Land Management – Net amount appropriated to deliver outputs – Capital Contribution..... – Salaries and Allowances Act 1975..... Total
619 V2	38	68 138	Botanic Gardens and Parks Authority – Net amount appropriated to deliver outputs – Capital Contribution..... Total
629 V2	39	69 70	Environmental Protection – Net amount appropriated to deliver outputs – Administered Grants, Subsidies and Other Transfer Payments – Capital Contribution..... Total
646 V2	40	71 139	Swan River Trust – Net amount appropriated to deliver outputs – Capital Contribution..... Total
659 V2	41	72 140	Water and Rivers Commission – Net amount appropriated to deliver outputs – Capital Contribution..... – Salaries and Allowances Act 1975..... Total
678 V2	42	73 141	Zoological Parks Authority – Net amount appropriated to deliver outputs – Capital Contribution..... – Salaries and Allowances Act 1975..... Total
			TOTAL – PART 8

2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
5,942	2,589	2,798	15,939	2,195	7,439	2,976
171	371	371	-	-	173	-
265	215	215	220	220	220	220
56	56	56	56	56	56	56
653	-	930	-	-	-	-
7,087	3,231	4,370	16,215	2,471	7,888	3,252
2,996,129	3,224,498	3,210,000	3,481,105	3,654,814	3,872,955	4,035,416
117,438	116,417	117,020	127,025	138,971	136,734	134,171
2,836	4,550	4,550	11,670	9,400	10,050	12,601
155	173	173	173	173	173	173
120,429	121,140	121,743	138,868	148,544	146,957	146,945
7,941	10,990	10,987	13,203	11,254	10,905	11,024
4,150	3,550	3,550	1,042	700	1,850	1,864
12,091	14,540	14,537	14,245	11,954	12,755	12,888
27,879	25,063	26,340	24,695	23,031	24,280	24,640
-	2,375	3,545	3,042	2,798	2,525	2,227
-	497	497	-	85	500	-
27,879	27,935	30,382	27,737	25,914	27,305	26,867
5,079	5,197	7,208	6,484	7,445	7,754	8,236
8	8	8	2,008	2,008	3,008	3,008
5,087	5,205	7,216	8,492	9,453	10,762	11,244
44,000	49,434	50,570	48,806	48,223	49,293	50,215
1,900	1,400	1,400	2,500	3,700	3,700	3,700
140	181	181	181	181	181	181
46,040	51,015	52,151	51,487	52,104	53,174	54,096
7,466	7,728	7,781	8,232	8,751	9,292	9,470
670	680	680	700	715	730	735
130	130	130	130	130	130	130
8,266	8,538	8,591	9,062	9,596	10,152	10,335
219,792	228,373	234,620	249,891	257,565	261,105	262,375

CONSOLIDATED FUND EXPENDITURE ESTIMATES (continued) ^(a)

Page Vol	Division	Item	Details
			PART 9 – MINISTER FOR POLICE AND EMERGENCY SERVICES; JUSTICE; COMMUNITY SAFETY
691 V2	43		Police Service
		74	– Net amount appropriated to deliver outputs
		142	– Capital Contribution.....
			– Administered Grants, Subsidies and Other Transfer Payments
			– Salaries and Allowances Act 1975
			Total
715 V2	44		Fire and Emergency Services Authority of Western Australia
		75	– Net amount appropriated to deliver outputs
		76	– Administered Grants, Subsidies and Other Transfer Payments
		143	– Capital Contribution.....
			– Fire Brigades Act 1942
			Contribution to Permanent Establishment
			Volunteer Fire Brigades
			Total
730 V2	45		Office of the Inspector of Custodial Services
		77	– Net amount appropriated to deliver outputs
			– Salaries and Allowances Act 1975
			Total
			TOTAL – PART 9
			PART 10 – MINISTER FOR PLANNING AND INFRASTRUCTURE
743 V3	46		Planning and Infrastructure
		78	– Net amount appropriated to deliver outputs
		79	– Western Australian Coastal Shipping Commission.....
		144	– Capital Contribution.....
			– Administered Grants, Subsidies and Other Transfer Payments
			– Salaries and Allowances Act 1975
			Total
765 V3	47		Commissioner of Main Roads
		80	– Net amount appropriated to deliver outputs
		145	– Capital Contribution.....
			– Road Traffic Act 1974
			– Road Traffic Act 1974
			Total
788 V3	48		Public Transport Authority of Western Australia
		81	– Net amount appropriated to deliver outputs
		146	– Capital Contribution.....
			Total
822 V3	49		Western Australian Planning Commission
		82	– Net amount appropriated to deliver outputs
		147	– Capital Contribution.....
			– Metropolitan Region Improvement Tax Act 1959
			– Town Planning and Development Act 1928.....
			Total
			TOTAL – PART 10

2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
519,019	550,177	571,543	614,400	650,591	667,426	682,244
29,915	65,467	57,263	43,434	22,277	26,269	26,287
-	-	2,410	-	-	-	-
1,475	1,475	1,475	1,475	1,475	1,475	1,475
550,409	617,119	632,691	659,309	674,343	695,170	710,006
22,279	23,940	27,535	22,962	24,722	25,394	26,773
1	1	1	1	1	1	1
1,040	450	1,167	450	450	100	-
9,825	-	-	-	-	-	-
8,492	-	-	-	-	-	-
41,637	24,391	28,703	23,413	25,173	25,495	26,774
1,255	1,311	1,361	1,569	1,601	1,634	1,663
167	176	176	176	176	176	176
1,422	1,487	1,537	1,745	1,777	1,810	1,839
593,468	642,997	662,931	684,467	701,293	722,475	738,619
128,892	125,764	127,394	137,603	132,783	140,259	142,392
5,850	5,800	5,800	6,006	6,206	6,256	6,256
5,664	1,796	1,796	8,444	3,841	2,868	1,600
1,000	-	-	-	-	-	-
693	211	211	211	211	211	211
142,099	133,571	135,201	152,264	143,041	149,594	150,459
268,141	302,128	191,600	199,379	239,060	255,399	254,485
47,975	74,761	177,983	165,606	78,813	66,069	61,704
180,179	162,714	282,776	300,000	314,810	330,656	350,540
102,247	112,886	11,224	6,000	7,190	7,344	8,460
598,542	652,489	663,583	670,985	639,873	659,468	675,189
331,895	344,757	415,781	455,170	520,351	596,191	644,414
119,998	84,675	108,534	64,823	82,802	104,428	75,932
451,893	429,432	524,315	519,993	603,153	700,619	720,346
7,664	4,478	3,967	2,291	1,851	1,531	1,436
5,000	42,500	43,000	7,500	6,200	7,000	7,000
38,096	43,000	42,500	45,500	48,500	52,000	55,500
821	406	812	-	-	-	-
51,581	90,384	90,279	55,291	56,551	60,531	63,936
1,244,115	1,305,876	1,413,378	1,398,533	1,442,618	1,570,212	1,609,930

CONSOLIDATED FUND EXPENDITURE ESTIMATES (continued) ^(a)

Page Vol	Division	Item	Details
			PART 11 – MINISTER FOR STATE DEVELOPMENT
839 V3	50		Industry and Resources
		83	– Net amount appropriated to deliver outputs
		84	– Administered Grants, Subsidies and Other Transfer Payments
		148	– Capital Contribution.....
			– Petroleum (Submerged Lands) Act 1982
			– Salaries and Allowances Act 1975
			Total
			TOTAL – PART 11
			PART 12 – MINISTER FOR EDUCATION AND TRAINING
869 V3	51		Education and Training
		85	– Net amount appropriated to deliver outputs
		149	– Capital Contribution.....
			– Salaries and Allowances Act 1975
			Total
892 V3	52		Country High School Hostels Authority
		86	– Net amount appropriated to deliver outputs
		150	– Capital Contribution.....
			Total
899 V3	53		Curriculum Council
		87	– Net amount appropriated to deliver outputs
		151	– Capital Contribution.....
			Total
912 V3	54		Education Services
		88	– Net amount appropriated to deliver outputs
		89	– Administered Grants, Subsidies and Other Transfer Payments
			– Salaries and Allowances Act 1975
			Total
			TOTAL – PART 12
			PART 13 – MINISTER FOR COMMUNITY DEVELOPMENT, WOMEN'S INTERESTS, SENIORS AND YOUTH; DISABILITY SERVICES; CULTURE AND THE ARTS
927 V3	55		Community Development
		90	– Net amount appropriated to deliver outputs
		91	– Contribution to Western Australian Family Foundation Trust Account.....
		152	– Capital Contribution.....
			– Salaries and Allowances Act 1975
			Total
954 V3	56		Disability Services Commission
		92	– Net amount appropriated to deliver outputs
		153	– Capital Contribution.....
			– Salaries and Allowances Act 1975
			Total

2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
94,148	96,267	93,717	100,048	107,274	106,629	107,374
47,667	20,925	48,964	18,871	40,677	30,683	21,088
6,053	5,773	3,953	1,910	6,170	2,309	1,045
16,580	17,800	14,589	9,225	5,771	4,514	3,352
528	528	528	528	528	528	528
164,976	141,293	161,751	130,582	160,420	144,663	133,387
164,976	141,293	161,751	130,582	160,420	144,663	133,387
2,314,472	2,407,260	2,445,754	2,520,113	2,582,007	2,677,156	2,732,235
86,036	94,823	95,823	101,451	97,548	104,000	99,000
344	225	225	529	529	529	529
2,400,852	2,502,308	2,541,802	2,622,093	2,680,084	2,781,685	2,831,764
5,061	5,331	4,980	5,402	5,763	6,308	6,597
571	517	517	542	549	675	675
5,632	5,848	5,497	5,944	6,312	6,983	7,272
10,248	11,039	11,039	10,974	11,578	12,522	14,198
1,509	1,079	79	79	1,579	9	11
11,757	12,118	11,118	11,053	13,157	12,531	14,209
4,578	13,511	13,511	13,468	15,111	16,417	17,487
172,077	191,693	191,493	201,214	215,119	232,551	253,515
140	140	140	140	140	140	140
176,795	205,344	205,144	214,822	230,370	249,108	271,142
2,595,036	2,725,618	2,763,561	2,853,912	2,929,923	3,050,307	3,124,387
178,488	189,026	188,581	196,767	200,433	203,235	213,551
560	560	560	560	560	560	560
821	3,563	3,563	4,984	11,537	11,500	-
189	189	189	189	189	189	189
180,058	193,338	192,893	202,500	212,719	215,484	214,300
195,276	207,068	206,901	223,942	241,771	260,098	279,185
1,781	3,261	3,261	2,763	3,479	811	511
185	185	191	191	191	191	191
197,242	210,514	210,353	226,896	245,441	261,100	279,887

CONSOLIDATED FUND EXPENDITURE ESTIMATES (continued) ^(a)

Page Vol	Division	Item	Details
			PART 13 – MINISTER FOR COMMUNITY DEVELOPMENT, WOMEN'S INTERESTS, SENIORS AND YOUTH; DISABILITY SERVICES; CULTURE AND THE ARTS (continued)
971 V3	57		Culture and the Arts
		93	– Net amount appropriated to deliver outputs
		94	– Art Gallery of Western Australia
		95	– Library Board of Western Australia
		96	– Perth Theatre Trust.....
		97	– Western Australian Museum.....
		154	– Capital Contribution.....
		155	– Art Gallery of Western Australia
		156	– Library Board of Western Australia
		157	– Perth Theatre Trust.....
		158	– Western Australian Museum.....
			– Lotteries Commission Act 1990.....
			– Salaries and Allowances Act 1975
			Total
			TOTAL – PART 13
			PART 14 – MINISTER FOR TOURISM; SMALL BUSINESS; SPORT AND RECREATION; PEEL AND THE SOUTH WEST
999 V3	58		Western Australian Tourism Commission
		98	– Net amount appropriated to deliver outputs
		99	– Administered Grants, Subsidies and Other Transfer Payments
			– Capital Contribution.....
			– Salaries and Allowances Act 1975
			Total
	59		Small Business Development Corporation
		100	– Net amount appropriated to deliver outputs
		159	– Capital Contribution.....
			Total
1020 V3	60		Recreation Camps and Reserve Board
		101	– Net amount appropriated to deliver outputs
		160	– Capital Contribution.....
			Total
1038 V3	61		Sport and Recreation
		102	– Net amount appropriated to deliver outputs
		103	– Contribution to Community Sporting and Recreation Facilities Fund
		161	– Capital Contribution.....
			– Lotteries Commission Act 1990.....
			– Salaries and Allowances Act 1975
			Total
1051 V3	62		Western Australian Sports Centre Trust
		104	– Net amount appropriated to deliver outputs
		162	– Capital Contribution.....
			Total

2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
72,972	77,421	77,648	81,111	110,737	109,510	111,896
3,623	3,450	3,293	3,412	-	-	-
14,989	15,191	14,437	14,006	-	-	-
1,312	1,286	1,797	1,633	-	-	-
4,437	4,186	5,873	5,434	-	-	-
1,344	2,380	9,430	6,720	16,427	15,310	23,005
910	827	837	848	-	-	-
3,548	2,496	2,573	4,389	-	-	-
500	383	383	487	-	-	-
1,200	8,183	5,833	164	-	-	-
9,381	9,251	9,375	9,520	9,660	9,800	9,940
538	548	548	558	568	568	568
114,754	125,602	132,027	128,282	137,392	135,188	145,409
492,054	529,454	535,273	557,678	595,552	611,772	639,596
33,459	35,086	35,193	34,612	35,726	35,441	35,736
1,727	1,715	2,512	4,533	2,200	2,200	2,200
27	35	1,550	-	-	-	-
224	224	233	233	233	233	233
35,437	37,060	39,488	39,378	38,159	37,874	38,169
8,677	8,512	8,510	8,218	8,400	8,583	8,734
196	97	97	313	184	134	313
8,873	8,609	8,607	8,531	8,584	8,717	9,047
2,777	2,609	2,025	3,423	3,072	3,024	2,011
-	-	100	1,793	1,994	-	-
2,777	2,609	2,125	5,216	5,066	3,024	2,011
13,000	16,311	16,282	16,220	17,722	16,696	16,650
6,700	10,750	9,250	11,750	10,750	10,500	9,000
-	1,070	120	950	-	-	-
9,378	9,251	9,375	9,520	9,660	9,800	9,940
135	135	149	149	149	149	149
29,213	37,517	35,176	38,589	38,281	37,145	35,739
16,573	13,948	13,706	14,031	14,375	14,899	15,380
-	300	840	890	900	-	85
16,573	14,248	14,546	14,921	15,275	14,899	15,465

CONSOLIDATED FUND EXPENDITURE ESTIMATES (continued) ^(a)

Page Vol	Division	Item	Details
			PART 14 – MINISTER FOR TOURISM; SMALL BUSINESS; SPORT AND RECREATION; PEEL AND THE SOUTH WEST (continued)
1061 V3	63	105	Peel Development Commission – Net amount appropriated to deliver outputs – Capital Contribution.....
			Total
1072 V3	64	106 163	South West Development Commission – Net amount appropriated to deliver outputs – Capital Contribution.....
			Total
			TOTAL – PART 14
			PART 15 – MINISTER FOR HOUSING & WORKS; RACING AND GAMING; GOVERNMENT ENTERPRISES; LAND INFORMATION
1085 V3	65	107 108 164	Housing and Works – Net amount appropriated to deliver outputs – Administered Grants, Subsidies and Other Transfer Payments – Capital Contribution..... – Salaries and Allowances Act 1975
			Total
1101 V3	66	109 165	State Supply Commission – Net amount appropriated to deliver outputs – Capital Contribution.....
			Total
1111 V3	67	110 111	Racing, Gaming and Liquor – Net amount appropriated to deliver outputs – Administered Grants, Subsidies and Other Transfer Payments – Liquor Licensing Act 1988 – Salaries and Allowances Act 1975
			Total
1131 V3	68	112 166	Land Information – Net amount appropriated to deliver outputs – Capital Contribution..... – Transfer of Land Act 1893 – Salaries and Allowances Act 1975
			Total
			TOTAL – PART 15
			GRAND TOTAL
			Total Appropriation Bill No.1 – Recurrent Services
			Total Appropriation Bill No.2 – Capital Purposes.....
			Authorised by Other Statutes
			– Recurrent Services
			– Capital Purposes.....
			– Financing.....
			Total Authorised by Other Statutes
			GRAND TOTAL

(a) The 2002-03 actuals and 2003-04 budget and estimated actuals have been adjusted, where necessary, to be on a comparable basis with 2004-05 budget estimates.

2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
1,485	2,758	2,756	1,304	1,321	1,526	1,533
50	50	50	-	-	-	-
1,535	2,808	2,806	1,304	1,321	1,526	1,533
4,474	3,529	3,550	6,504	4,240	3,799	3,844
806	1,121	1,121	818	818	848	848
5,280	4,650	4,671	7,322	5,058	4,647	4,692
99,688	107,501	107,419	115,261	111,744	107,832	106,656
26,387	24,527	26,924	28,606	28,767	29,035	28,048
48,955	75,797	75,797	2,917	-	-	-
1,246	-	500	500	5,100	5,100	-
126	128	128	128	128	128	128
76,714	100,452	103,349	32,151	33,995	34,263	28,176
1,514	1,415	1,417	1,494	1,576	1,646	1,676
36	-	-	19	42	-	-
1,550	1,415	1,417	1,513	1,618	1,646	1,676
2,452	2,942	2,942	3,076	3,199	3,260	3,260
61,446	69,800	66,900	68,100	70,500	72,200	73,100
4,980	4,300	5,000	5,500	6,000	6,500	7,000
132	132	132	132	132	132	132
69,010	77,174	74,974	76,808	79,831	82,092	83,492
23,174	26,575	26,527	24,508	27,743	28,632	28,634
1,435	7,991	7,991	278	370	1,070	1,070
105	-	-	-	-	-	-
306	249	297	297	297	297	297
25,020	34,815	34,815	25,083	28,410	29,999	30,001
172,294	213,856	214,555	135,555	143,854	148,000	143,345
10,273,348	10,853,744	11,068,725	11,539,128	11,947,428	12,477,730	12,824,813
8,812,924	9,335,168	9,391,418	9,756,388	10,226,553	10,694,836	11,073,766
451,909	488,791	615,402	681,622	610,117	633,094	557,212
894,521	896,939	1,030,721	1,072,397	1,091,085	1,129,693	1,172,325
102,247	112,886	11,224	6,000	7,190	7,344	8,460
11,747	19,960	19,960	22,721	12,483	12,763	13,050
1,008,515	1,029,785	1,061,905	1,101,118	1,110,758	1,149,800	1,193,835
10,273,348	10,853,744	11,068,725	11,539,128	11,947,428	12,477,730	12,824,813

CHAPTER 2

NET APPROPRIATION DETERMINATIONS

NET APPROPRIATION DETERMINATIONS

	2002-03	2003-04	2003-04	2004-05	2005-06	2006-07	2007-08
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
PART 1 - PARLIAMENT							
PARLIAMENT							
Legislative Council:							
GST input credits	93	61	61	61	61	61	61
Other receipts	1	-	-	-	-	-	-
Legislative Assembly:							
GST input credits	166	85	115	115	115	115	115
Sale of Publications and Other Revenue	4	10	10	10	18	10	10
Joint House Committee:							
GST input credits	780	475	475	475	475	475	475
Stationery Supplies and Other Revenue	3	15	3	3	3	3	3
PARLIAMENTARY COMMISSIONER FOR ADMINISTRATIVE INVESTIGATIONS							
Commonwealth Ombudsman	-	5	5	5	5	5	5
Indian Ocean Territories Program	-	2	-	-	-	-	-
GST input credits	56	56	56	56	56	56	56
GST receipts on sales	3	-	-	-	-	-	-
Other receipts	33	18	44	46	47	49	49
PART 2 - PREMIER; MINISTER FOR PUBLIC SECTOR MANAGEMENT; FEDERAL AFFAIRS; SCIENCE; CITIZENSHIP AND MULTICULTURAL INTERESTS							
PREMIER AND CABINET							
GST input credits	5,414	9,303	9,432	10,569	7,888	7,367	5,736
GST receipts on sales	529	570	1,051	947	579	580	582
State Law Publisher.....	3,236	3,100	3,100	2,800	2,700	2,700	2,700
Other Revenue.....	7,246	2,705	7,713	6,372	2,505	2,470	2,524
ROYAL COMMISSION INTO WHETHER THERE HAS BEEN ANY CORRUPT OR CRIMINAL CONDUCT BY WESTERN AUSTRALIAN POLICE OFFICERS							
Government Vehicle Scheme	12	3	7	-	-	-	-
Other Revenue.....	17	-	103	-	-	-	-
GOVERNOR'S ESTABLISHMENT							
Ballroom Hire.....	18	20	20	30	30	30	30
GST input credits	104	63	63	63	63	63	63
OFFICE OF THE PUBLIC SECTOR STANDARDS COMMISSIONER							
GST input credits	96	81	151	75	74	66	76
Other Revenue.....	96	96	96	96	96	96	96
SALARIES AND ALLOWANCES TRIBUNAL							
GST input credits	11	15	15	15	15	15	15
Other Revenue.....	2	3	3	3	3	3	3

NET APPROPRIATION DETERMINATIONS (continued)

	2002-03	2003-04	2003-04	2004-05	2005-06	2006-07	2007-08
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
PART 3 - DEPUTY PREMIER; TREASURER; MINISTER FOR ENERGY							
TREASURY AND FINANCE							
GST input credits.....	2,989	2,579	2,579	2,579	2,599	2,599	2,599
GST receipts on sales.....	630	485	485	485	485	485	485
Land Tax Liability Enquiry Fees	2,758	2,640	2,608	2,640	2,640	2,640	2,640
State Fleet Revenue	385	498	490	725	725	725	725
Government Vehicle Scheme	46	42	50	56	56	56	56
Procurement Service Fees.....	9,114	9,000	9,311	8,035	8,161	8,301	8,301
Corporate services to Office of Energy and Economic Regulation Authority.....	-	-	280	349	349	349	349
Other receipts.....	2,439	1,324	1,044	1,367	1,367	1,367	1,367
OFFICE OF THE AUDITOR GENERAL							
GST input credits.....	147	98	98	104	104	104	104
GST receipts on sales.....	317	302	302	308	308	308	308
Other Revenue	41	20	20	20	20	20	20
OFFICE OF ENERGY							
Gas Trading and Distribution Licenses.....	28	48	30	-	-	-	-
Revenues from Commonwealth for Renewable Energy Initiatives	9,159	3,000	3,000	3,000	3,000	3,000	3,000
GST input credits.....	517	500	500	510	510	510	510
Other Revenue	1,010	-	-	-	-	-	-
PART 4 - MINISTER FOR AGRICULTURE, FORESTRY AND FISHERIES; THE MID-WEST, WHEATBELT AND GREAT SOUTHERN							
AGRICULTURE							
Proceeds from Direct Mail Services	44	9	9	23	21	21	21
Proceeds from Land Management Services...	37	161	161	108	100	100	100
Proceeds from Animal Health Services	1,347	1,166	1,166	1,857	1,857	1,857	1,857
Proceeds from Seed Quality Services	550	927	927	849	769	650	650
Proceeds from Research Support Unit Operations	3,746	3,661	3,057	3,100	3,176	3,254	3,336
Proceeds from Services to Industry	25,513	26,094	37,306	27,915	29,386	25,407	25,007
Commonwealth Specific Purpose Programs:							
Australian Quarantine Inspection Services..	11,462	7,500	4,500	-	-	-	-
Agricultural Research Projects	331	679	347	251	251	251	251
Natural Heritage Trust	24,948	15,500	500	20,800	20,800	-	-
FarmBis	1,110	3,000	325	-	-	-	-
Tuberculosis Freedom Assurance Program	330	400	100	400	400	400	400
National Action Plan	-	-	4,400	6,750	20,750	38,750	40,150
Proceeds from Consultancy Services.....	132	300	300	300	300	300	300
Proceeds from Sale of Intellectual or Genetic Property	1,802	1,825	1,348	1,000	1,008	1,144	1,281
Services to the Rural Business Development Corporation	10,058	5,504	8,226	3,801	2,010	1,533	1,533

NET APPROPRIATION DETERMINATIONS (continued)

	2002-03	2003-04	2003-04	2004-05	2005-06	2006-07	2007-08
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
AGRICULTURE (continued)							
Services to the Agriculture Protection							
Board	4,352	5,404	7,158	5,991	5,921	5,172	5,203
Services to the Agricultural Produce							
Commission	1,171	924	1,988	1,909	1,860	1,860	1,860
Food and Fibre Industry Development	2,803	-	-	-	-	-	-
Biosecurity	2,147	1,730	1,730	1,948	1,765	1,598	1,600
Agricultural Resource Management	1,014	-	-	-	-	-	-
GST input credits	3,129	6,147	6,147	6,147	6,147	6,147	6,147
GST receipts on sales	4,204	3,222	3,222	3,222	3,222	3,222	3,222
FISHERIES							
GST input credits	1,432	2,680	2,000	2,000	2,000	2,000	2,000
GST receipts on sales	571	352	328	328	328	328	328
Sundry Revenue	-	32	-	-	-	-	-
PART 5 - MINISTER FOR LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT; HERITAGE; THE KIMBERLEY, PILBARA AND GASCOYNE; GOLDFIELDS - ESPERANCE							
LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT							
Executive Vehicle Scheme and other							
miscellaneous revenues	1,383	8	628	8	8	8	8
Funds provided by the Commonwealth	25	548	601	601	601	601	601
GST input credits	1,838	150	150	150	150	150	150
Indian Ocean Territories Program	191	196	143	143	143	143	143
Westlink Satellite Communication Service ...	412	527	243	243	244	245	246
PART 6 – MINISTER FOR CONSUMER AND EMPLOYMENT PROTECTION; INDIGENOUS AFFAIRS; MINISTER ASSISTING THE MINISTER FOR PUBLIC SECTOR MANAGEMENT							
CONSUMER AND EMPLOYMENT PROTECTION							
Bill of Sale	18	15	15	15	15	15	15
Business Names Data	-	21	21	21	21	21	21
Business Names Searches	987	812	812	830	830	830	830
Corporate Fees	97	105	105	107	107	107	107
Licences and other regulatory fees	3,903	6,066	4,718	6,831	8,057	8,323	8,595
Register of Encumbered Vehicles (REVS) ...	1,771	1,649	1,649	1,689	1,689	1,689	1,689
Retail Trading Hours Exemptions	-	80	80	80	80	80	80
Trade Measurement	257	239	239	244	244	244	244
Federal Investigation and Advisory Service ..	209	265	265	265	265	265	265
Indian Ocean Territories	165	105	105	107	107	107	107
Recoups from Rental Accommodation Fund ..	1,497	1,706	1,706	1,745	1,745	1,745	1,745
Real Estate and Business Agents							
Supervisory Board and the Settlement							
Agents Supervisory Board	4,337	5,298	5,298	5,417	5,417	5,417	5,417
GST input credits	2,196	1,432	1,619	1,432	1,432	1,432	1,432
GST receipts on sales	192	308	192	192	192	192	192
Business Names Certificates	34	42	42	43	43	43	43
Departmental – Miscellaneous	1,031	332	332	385	385	385	385
Education Kit for Landlords	26	15	15	15	15	15	15

NET APPROPRIATION DETERMINATIONS (continued)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
REGISTRAR, WESTERN AUSTRALIAN INDUSTRIAL RELATIONS COMMISSION							
Service Charges, Transcript and Award Sales and Other Revenue	190	79	79	79	79	79	79
Fee for service – Australian Industrial Registry	289	-	253	277	277		
GST input credits.....	275	345	345	311	311	311	311
GST receipts on sales.....	43	3	3	3	3	3	3
INDIGENOUS AFFAIRS							
GST input credits.....	816	870	824	1,027	1,027	1,027	1,027
Other receipts.....	125	60	470	550	300	300	300
Commonwealth grants.....	101	-	66	-	-	-	-
PART 7 - ATTORNEY GENERAL; MINISTER FOR HEALTH; ELECTORAL AFFAIRS							
JUSTICE							
Proceeds from Supreme Court fees.....	5,589	4,355	5,556	5,690	5,690	5,690	5,690
Proceeds from District Court fees.....	2,461	2,600	2,347	2,404	2,404	2,404	2,404
Proceeds from Magistrates Court fees	4,710	14,000	4,781	5,198	5,198	5,198	5,198
Proceeds from Fines Enforcement Registry fees	9,680	-	9,800	10,365	10,388	10,442	10,495
Proceeds from Family Court fees	1,448	1,514	1,412	1,412	1,412	1,412	1,412
Proceeds from State Administrative Tribunal fees.....	-	-	-	814	814	814	814
Proceeds from Other Boards & Tribunals fees	516	227	205	153	153	153	153
Proceeds from Sheriff's Office fees	195	200	190	200	200	200	200
Proceeds from Public Trustee estate fees.....	7,146	5,692	6,541	6,861	7,521	7,761	7,761
Proceeds from Public Trustee common fund management fees	1,671	2,587	1,738	1,738	1,738	1,738	1,738
Proceeds from Registry of Births, Deaths and Marriages fees	3,531	4,182	4,182	4,782	4,782	4,782	4,782
Proceeds from State Solicitor's fees	2,617	2,400	2,800	2,800	2,800	2,800	2,800
Proceeds from sale of industry goods	1,673	1,210	1,820	1,820	1,820	1,820	1,820
Proceeds from prison canteen sales	3,213	3,200	3,250	3,250	3,250	3,250	3,250
Proceeds from recoup of prisoner telephone calls.....	845	800	800	800	800	800	800
Proceeds from recoup of residential tenancy payments.....	1,061	1,000	1,100	1,100	1,100	1,100	1,100
Proceeds from recoup of workers compensation payments.....	1,945	2,000	2,369	2,100	2,100	2,100	2,100
Proceeds from recoup of criminal injury awards.....	993	750	1,120	1,200	1,237	1,298	850
Proceeds from recoup of legal costs	651	300	700	700	700	700	700
Proceeds from recoup of salary costs.....	1,446	1,500	1,400	1,400	1,400	1,400	1,400
Proceeds from recoup of other costs	1,574	1,297	1,520	1,180	1,180	1,180	1,180
Family Court grant received from the Commonwealth.....	9,746	9,431	10,753	11,022	11,022	11,022	11,022
Indian Ocean Territories grant received from the Commonwealth	-	82	200	200	200	200	200
Schools Assistance grant received from the Commonwealth.....	268	200	250	250	250	250	250
Other grants received.....	565	250	650	650	650	650	650
GST receipts on sales.....	1,264	1,300	1,300	1,300	1,300	1,300	1,300
GST receipts from Australian Taxation Office.....	20,224	21,000	21,000	21,000	21,000	21,000	21,000
Proceeds from other departmental revenue	2,890	13	61	61	61	61	61

NET APPROPRIATION DETERMINATIONS (continued)

	2002-03	2003-04	2003-04	2004-05	2005-06	2006-07	2007-08
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
COMMISSIONER FOR EQUAL OPPORTUNITY							
Proceeds from the provision of Community Education Services	122	120	120	120	120	120	120
Proceeds from the provision of services to the Indian Ocean Territories	20	-	-	-	-	-	-
GST input credits.....	66	62	62	62	62	62	68
GST receipts on sales.....	18	10	10	10	10	10	10
Other Revenue	37	-	-	-	-	-	-
OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS							
Executive Vehicle Scheme	26	20	20	20	20	20	20
Contribution from the Confiscation Account.	500	490	490	690	690	690	690
Miscellaneous Revenue	105	4	4	4	4	4	4
GST input credits.....	365	278	278	278	278	278	278
GST receipts on sales.....	27	2	2	2	2	2	2
OFFICE OF THE INFORMATION COMMISSIONER							
Executive Vehicle Scheme	4	4	4	4	4	4	4
GST input credits.....	29	12	12	12	12	12	12
Other receipts.....	10	-	-	-	-	-	-
HEALTH							
Health Statistics Branch.....	53	10	-	-	5	-	-
Environmental Health Services.....	973	996	932	970	947	953	960
Community Support Services	1,378	1,360	1,401	1,401	1,401	1,401	1,401
Health Promotion Services	665	610	681	696	718	742	766
Miscellaneous Services.....	1,222	652	528	516	518	519	521
Drug and Alcohol Office	134	200	10	75	20	20	20
GST input credits.....	49,894	48,600	49,209	50,685	53,473	56,414	59,517
GST receipts on sales.....	1,331	1,230	945	973	1,002	1,032	1,063
Services provided on behalf of the Commonwealth.....	108,247	110,592	101,226	112,661	113,982	121,945	121,650
WESTERN AUSTRALIAN ELECTORAL COMMISSION							
Extraneous Election Recoups	68	20	20	20	20	20	20
Sale of Rolls and Maps.....	10	20	20	20	20	20	20
Local Government Postal Election Recoups..	830	2,000	2,000	1,000	1,500	1,000	1,500
Sundries	77	3	3	3	3	3	3
GST input credits.....	316	80	80	80	80	80	80

NET APPROPRIATION DETERMINATIONS (continued)

	2002-03	2003-04	2003-04	2004-05	2005-06	2006-07	2007-08
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
PART 8 - MINISTER FOR THE ENVIRONMENT							
CONSERVATION AND LAND MANAGEMENT							
Apiary site rentals	104	103	93	93	93	93	93
Commissions	4	5	5	5	5	5	5
Communication site fees	99	110	124	130	130	130	130
Forest leases	57	50	146	57	57	57	57
GST input credits	3,709	1,500	3,500	4,000	4,000	4,000	4,000
GST receipts on sales	2,986	3,500	3,000	3,000	3,000	3,000	3,000
Proceeds from the disposal of equipment and non-real property	649	300	544	503	734	721	654
Proceeds from sale of real property	480	-	425	-	-	-	-
Wildlife fees	128	110	200	200	200	200	200
ENVIRONMENTAL PROTECTION							
Grants from Industries	1,174	1,722	1,286	797	497	1,055	1,047
GST input credits	1,221	1,080	1,220	1,450	1,449	1,449	1,449
GST receipts from sales	184	120	-	-	-	-	-
Other User Charges	128	34	34	34	34	34	34
Pollution Licence fees	-	5,453	5,453	6,510	7,360	7,560	7,856
Waste Control Licence/Permit fees	-	1,251	764	1,251	1,251	1,251	1,251
Interest	455	-	-	-	-	-	-
Waste Management Recycling Fund	5,696	3,640	4,073	4,100	4,400	4,000	4,000
Waste Management WA	-	2,600	-	-	-	-	-
PART 9 - MINISTER FOR POLICE AND EMERGENCY SERVICES; JUSTICE; COMMUNITY SAFETY							
POLICE SERVICE							
Licences	3,391	3,814	3,814	4,037	4,262	4,467	4,897
Departmental	14,301	12,197	12,582	12,388	12,448	12,448	12,448
Commonwealth	860	644	644	764	644	644	644
GST input credits	12,590	10,835	10,835	9,523	9,523	9,523	9,523
GST receipts on sales	1,189	1,394	1,394	1,388	1,388	1,388	1,388
OFFICE OF THE INSPECTOR OF CUSTODIAL SERVICES							
GST input credits	77	42	42	42	42	42	42
Executive Vehicle Scheme	2	2	2	2	2	2	2

NET APPROPRIATION DETERMINATIONS (continued)

	2002-03	2003-04	2003-04	2004-05	2005-06	2006-07	2007-08
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
PART 10 - MINISTER FOR PLANNING AND INFRASTRUCTURE							
PLANNING AND INFRASTRUCTURE							
Services to the Western Australian Planning Commission.....	3,817	5,920	4,634	5,166	5,166	5,166	5,166
Indian Ocean Territories Program	58	70	77	80	80	80	80
Boat Registration Fees.....	5,711	6,322	6,322	6,000	6,212	6,430	6,657
Jetty Licences	324	317	349	324	332	349	357
Marine Examinations.....	114	90	90	93	96	100	103
Motor Vehicles Licences	11,524	10,460	9,954	10,202	10,551	10,912	11,286
Motor Drivers Licences	4,832	4,685	4,686	4,838	5,004	5,175	5,352
Proof of Age Card.....	78	58	58	75	78	80	83
Motor Vehicle Plate Fees.....	6,863	6,378	6,524	7,348	7,600	7,860	8,129
Recoups for Services Provided	7,619	7,645	7,645	7,000	7,247	7,502	7,767
Temporary Permits	477	361	361	366	379	392	406
Proceeds from Rental Properties	994	1,026	1,026	1,026	1,026	1,026	1,026
Pastoral Leases	1,056	813	813	813	833	853	873
Other Revenue	58	985	823	1,031	1,066	1,102	1,140
GST input credits.....	30,979	34,393	24,740	19,311	18,589	18,589	18,589
GST receipts on sales.....	8,915	10,422	2,841	2,841	2,841	2,841	2,841
PART 11 - MINISTER FOR STATE DEVELOPMENT							
INDUSTRY AND RESOURCES							
Dangerous Goods and Explosives							
Regulations.....	1,014	1,070	1,070	1,092	1,096	1,096	1,096
Departmental fees and charges	2,166	2,033	2,033	2,008	2,008	2,008	2,008
GST	12,515	10,098	10,098	10,157	10,317	10,317	10,317
Petroleum Permits and Licences.....	6,625	14,812	14,642	5,812	5,812	5,812	5,812
Prospecting, Exploration and Other Mining Licences.....	3,237	4,026	4,026	4,203	4,203	4,203	4,203
Scientific Investigative and Advisory Services	5,159	6,209	6,209	6,113	6,296	6,485	6,680
PART 12 - MINISTER FOR EDUCATION AND TRAINING							
EDUCATION AND TRAINING							
Departmental							
Fees - Agricultural Colleges	2,205	2,613	2,571	2,731	2,799	2,869	2,940
Fees - Senior Colleges	2,852	3,292	3,169	3,292	3,374	3,459	3,545
Fees - Swimming Classes	1,078	1,246	1,220	1,167	1,196	1,226	1,257
Fees - Other.....	787	535	535	635	735	735	735
Farm School Revenue.....	3,155	3,200	3,200	3,200	3,200	3,200	3,200
Physical Education Camp Schools							
Revenue.....	1,639	1,442	1,419	1,508	1,545	1,584	1,623
Proceeds from Commercial Activities of Institutions.....	12,731	12,041	11,097	11,624	11,903	11,902	11,937
Recoveries and Refunds - Teachers							
Salaries	3,190	1,970	4,970	4,970	4,970	4,970	4,970
Refunds - Workers Compensation.....	3,554	3,945	3,945	3,945	3,945	3,945	3,945
Revenue - Other.....	5,821	3,106	2,050	2,022	1,882	1,882	1,882
Revenue - Other Capital	904	3,000	3,000	-	-	-	-

NET APPROPRIATION DETERMINATIONS (continued)

	2002-03	2003-04	2003-04	2004-05	2005-06	2006-07	2007-08
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
EDUCATION AND TRAINING (cont'd)							
Commonwealth Programs							
Aboriginal School Education.....	9,056	9,466	10,224	10,505	10,794	11,091	11,396
Aboriginal Training Programs	2,175	3,800	3,800	3,800	3,800	3,800	3,800
Adult Migrant Education Programs	786	673	673	673	673	673	673
Employment Related Programs	1,323	1,200	1,200	1,200	1,200	1,200	1,200
Indian Ocean Territories	7,975	8,154	7,777	8,166	8,574	9,003	9,453
Schools Assistance	165,283	162,094	178,528	184,695	190,626	199,391	198,736
Schools Capital Program	23,527	23,000	23,000	23,000	23,000	23,000	23,000
Special Projects	8,154	2,483	2,732	2,732	2,732	2,732	2,732
Vocational Education and Training	84,786	86,687	85,985	90,523	89,000	89,000	89,000
Vocational Education and Training Capital Program.....	15,192	19,868	19,868	15,512	18,454	13,716	13,716
GST input credits.....	37,334	58,991	58,991	60,950	61,488	62,231	62,231
GST receipts on sales.....	571	1,807	1,807	1,864	1,836	1,846	1,846
EDUCATION SERVICES							
Registration Fees	30	104	104	85	82	81	80
Aboriginal Education and Training Council..	457	325	325	325	325	325	325
Borrowings from WA Treasury Corporation..	32,439	31,000	30,061	26,500	26,500	26,500	26,500
Interest Repayments.....	3,441	3,981	3,981	4,401	4,729	5,069	5,069
Principal Repayments	9,947	13,947	11,456	14,778	15,275	16,140	18,640
Miscellaneous revenue.....	82	90	90	90	90	90	90
GST input credits.....	17,128	19,345	19,345	21,073	23,376	23,376	25,480
Commonwealth Specific Purpose Program:							
The Millennium Indigenous Teacher							
Scholarship Program.....	217	200	200	200	200	200	200
GST Receipts.....	19	24	24	24	24	24	24
PART 13 - MINISTER FOR COMMUNITY DEVELOPMENT, WOMEN'S INTERESTS, SENIORS AND YOUTH; DISABILITY SERVICES; CULTURE AND THE ARTS							
COMMUNITY DEVELOPMENT							
Departmental Services	1,719	1,465	1,237	580	608	579	608
Children's Services	330	383	330	330	330	330	330
Family Law Court of Western Australia.....	685	-	-	-	-	-	-
GST input credits.....	9,800	8,320	11,461	11,349	11,028	10,887	10,887
GST receipts on sales.....	104	80	68	29	31	29	29
Christmas/Cocos Island	81	65	81	81	81	81	81
Supported Accommodation Assistance Program	16,314	16,088	16,694	17,111	17,539	17,978	18,427
Unattached Refugee Children.....	24	16	11	11	11	11	11
National Youth Week	23	-	20	20	20	20	20
Aboriginal Child Care Training	41	39	41	41	41	41	41
CULTURE AND THE ARTS							
Rental income from King Street Arts Centre..	21	40	46	46	45	45	45
Return of investments under the Arts Venture Capital Scheme	20	-	-	-	-	-	-
GST input credits.....	5,418	5,326	5,459	5,326	5,326	5,326	5,326
GST receipts on sales.....	1,333	1,263	1,205	1,263	1,263	1,263	1,263

NET APPROPRIATION DETERMINATIONS (continued)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
PART 14 – MINISTER FOR TOURISM; SMALL BUSINESS; SPORT AND RECREATION; PEEL AND THE SOUTH WEST							
RECREATION CAMPS AND RESERVE BOARD							
Accommodation and Recreation Programs.....	1,856	1,785	1,533	1,598	1,855	2,167	2,232
GST input credits.....	61	217	170	89	89	15	2
GST receipts on sales.....	163	156	153	156	185	217	223
SPORT AND RECREATION							
Sport Participation Services to the Commonwealth.....	868	620	805	806	806	806	806
Sport Development Services to Industry Bodies.....	539	45	803	788	670	670	587
Other Revenue.....	265	270	70	70	70	70	70
GST input credits.....	935	1,007	1,113	1,325	1,228	1,209	1,017
GST receipts on sales.....	266	75	280	165	155	155	149
PART 15 - MINISTER FOR HOUSING AND WORKS; RACING AND GAMING; GOVERNMENT ENTERPRISES; LAND INFORMATION							
HOUSING AND WORKS							
Executive Vehicle Scheme	20	21	21	21	21	21	21
Fremantle Prison.....	1,586	1,730	1,730	1,845	1,904	1,980	2,060
Provision of Contract Services	19,519	15,983	21,175	22,043	17,455	17,471	17,471
GST input credits.....	1,459	100	100	100	100	100	100
GST receipt on sales	38,480	35,273	35,273	35,273	35,273	35,273	35,273
RACING, GAMING AND LIQUOR							
Services to the Racing and Gaming Industries	2,923	2,866	2,931	2,993	3,004	3,087	3,183
Indian Ocean Territories Program	193	206	69	69	69	69	69
Liquor Fees Revenue	1,528	1,500	1,550	1,550	1,550	1,550	1,550
Other Revenue	-	2	2	6	6	6	6
GST input credits.....	193	180	180	180	180	180	180
GST receipts on sales.....	3	25	25	25	25	25	25
LAND INFORMATION							
GST input credits.....	1,757	165	165	165	165	165	165
GST receipts on sales.....	2,526	5,296	3,071	3,296	3,296	3,296	3,201
Land Titles Management Service Fees	46,949	45,819	49,757	51,843	47,013	47,402	47,323
Land Claims Mapping Unit	771	735	735	345	345	345	345
Other Proceeds and Recoups	1,371	516	741	1,000	842	843	843
Government Vehicle Scheme	41	41	41	45	45	45	45
Remote Sensing Satellite Imagery Services...	442	525	525	587	704	811	794
Sales of Maps and Plans	1,360	1,506	1,506	1,339	1,306	1,396	1,281
Valuation Services	10,649	6,375	6,375	9,211	6,492	6,592	9,211
TOTALS	1,220,683	1,213,632	1,219,585	1,239,663	1,254,830	1,267,538	1,280,434

CHAPTER 3

AGENCY INFORMATION IN SUPPORT OF THE ESTIMATES

Part 1 – Part 4

Part 1

Parliament

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000
37	Parliament			
	– Delivery of Outputs	34,478	34,889	35,391
	– Capital Contribution	1,525	1,758	750
	Total	36,003	36,647	36,141
54	Parliamentary Commissioner for Administrative Investigations			
	– Delivery of Outputs	2,782	2,822	2,648
	– Capital Contribution	-	-	136
	Total	2,782	2,822	2,784
	GRAND TOTAL			
	– Delivery of Outputs	37,260	37,711	38,039
	– Capital Contribution	1,525	1,758	886
	Total	38,785	39,469	38,925

PARLIAMENT

PART 1 - PARLIAMENT**DIVISION 1****APPROPRIATION AND FORWARD ESTIMATES**

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Legislative Council							
Item 1 Net amount appropriated to deliver outputs	1,884	1,834	2,229	2,107	2,146	2,306	2,470
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	6,167	6,043	6,273	6,311	6,311	6,311	6,311
Total appropriations provided to deliver outputs	8,051	7,877	8,502	8,418	8,457	8,617	8,781
Legislative Assembly							
Item 2 Net amount appropriated to deliver outputs	3,063	3,170	2,892	3,525	3,256	3,535	3,809
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	10,227	10,174	10,586	10,602	10,597	10,592	10,592
Total appropriations provided to deliver outputs	13,290	13,344	13,478	14,127	13,853	14,127	14,401
Joint House Committee							
Item 3 Net amount appropriated to deliver outputs	12,294	13,257	12,909	12,846	13,142	13,407	13,645
Total appropriations provided to deliver outputs	12,294	13,257	12,909	12,846	13,142	13,407	13,645
Total Delivery of Outputs	33,635	34,478	34,889	35,391	35,452	36,151	36,827
CAPITAL							
Joint House Committee							
Item 113 Capital Contribution	2,795	1,525	1,758	750	-	180	-
Total Capital Contribution	2,795	1,525	1,758	750	-	180	-
GRAND TOTAL	36,430	36,003	36,647	36,141	35,452	36,331	36,827

LEGISLATIVE COUNCIL

PART 1 - PARLIAMENT

DIVISION 1

APPROPRIATION AND FORWARD ESTIMATES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 1 Net amount appropriated to deliver outputs	1,884	1,834	2,229	2,107	2,146	2,306	2,470
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	6,167	6,043	6,273	6,311	6,311	6,311	6,311
Total appropriations provided to deliver outputs	8,051	7,877	8,502	8,418	8,457	8,617	8,781

MISSION

To provide professional, advisory and administrative support to the President, Ministers, Members and Officers of the Legislative Council and its Committees

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Statement of Financial Performance since publication of the 2003-04 Budget to Parliament on 8 May 2003 are outlined below.

	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
Operational Funding	250	250	250	250

OUTPUT AND APPROPRIATION SUMMARY

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
OUTPUTS							
Output 1: Administrative and Procedural Support to the Legislative Council, its Members and Committees.....	13,637	12,936	13,801	13,775			
Total Cost of Outputs.....	13,637	12,936	13,801	13,775	13,995	14,145	14,330
<i>Less Revenues from Ordinary Activities</i>	51	-	-	-	-	-	-
Net Cost of Outputs.....	13,586	12,936	13,801	13,775	13,995	14,145	14,330
Adjustments ^(a)	(5,535)	(5,059)	(5,299)	(5,357)	(5,538)	(5,528)	(5,549)
Appropriation provided to deliver Outputs.	8,051	7,877	8,502	8,418	8,457	8,617	8,781
TOTAL CONSOLIDATED FUND APPROPRIATIONS	8,051	7,877	8,502	8,418	8,457	8,617	8,781

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

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION**Output 1: Administrative and Procedural Support to the Legislative Council, its Members and Committees.**

Administrative and Procedural Support to the Legislative Council, its Members and Committees.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	13,637	12,936	13,801	13,775	
<i>Less Revenues from Ordinary Activities</i>	51	-	-	-	
Net Cost of Output	13,586	12,936	13,801	13,775	
Adjustments ^(a)	(5,535)	(5,059)	(5,299)	(5,357)	
Appropriation for delivery of Output 1	8,051	7,877	8,502	8,418	

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

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	7,258	6,885	7,491	7,372	7,483	7,622	7,767
Superannuation	1,044	747	1,041	1,031	1,031	1,031	1,044
Accommodation	158	140	140	140	150	150	150
Depreciation and amortisation	13	50	15	15	15	15	15
Administration	5,149	5,114	5,114	5,203	5,301	5,312	5,339
Costs of disposal of non-current assets	15	-	-	-	-	-	-
Other expenses	-	-	-	14	15	15	15
TOTAL COST OF SERVICES	13,637	12,936	13,801	13,775	13,995	14,145	14,330
Revenues from ordinary activities							
Proceeds from disposal of non-current assets ..	50	-	-	-	-	-	-
Other Revenue	1	-	-	-	-	-	-
Total Revenues from Ordinary Activities	51	-	-	-	-	-	-
NET COST OF SERVICES	13,586	12,936	13,801	13,775	13,995	14,145	14,330
REVENUES FROM STATE GOVERNMENT							
Output Appropriations	8,051	7,877	8,502	8,418	8,457	8,617	8,781
Resources received free of charge	4,631	4,600	4,600	4,688	4,788	4,788	4,788
Liabilities assumed by the Treasurer	753	510	750	740	740	740	740
TOTAL REVENUES FROM STATE GOVERNMENT	13,435	12,987	13,852	13,846	13,985	14,145	14,309
CHANGE IN EQUITY RESULTING FROM OPERATIONS	(151)	51	51	71	(10)	-	(21)
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	(151)	51	51	71	(10)	-	(21)

(a) The Full Time Equivalent (FTEs) for 2002-03 Actual, 2003-04 Estimated Actual and 2004-05 Estimate are 27, 28 and 27 respectively.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	7	98	12	70	65	60	40
Restricted cash.....	53	40	53	-	5	10	15
Receivables.....	16	34	16	16	16	16	16
Prepayments.....	13	23	23	23	13	13	13
Total current assets.....	89	195	104	109	99	99	84
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	100	150	115	130	145	160	175
Plant, equipment and vehicles.....	124	52	109	94	79	64	49
Other.....	36	36	36	36	36	36	36
Total non-current assets.....	260	238	260	260	260	260	260
TOTAL ASSETS.....	349	433	364	369	359	359	344
CURRENT LIABILITIES							
Payables.....	61	12	45	49	49	49	49
Provision for employee entitlements.....	319	271	304	289	289	289	289
Accrued Salaries.....	45	43	50	5	5	5	11
Total current liabilities.....	425	326	399	343	343	343	349
NON-CURRENT LIABILITIES							
Provision for employee entitlements.....	87	75	77	67	67	67	67
Total non-current liabilities.....	87	75	77	67	67	67	67
TOTAL LIABILITIES.....	512	401	476	410	410	410	416
EQUITY							
Accumulated surplus/(deficit).....	(181)	14	(130)	(59)	(69)	(69)	(90)
Asset revaluation reserve.....	18	18	18	18	18	18	18
Total equity.....	(163)	32	(112)	(41)	(51)	(51)	(72)
TOTAL LIABILITIES AND EQUITY.....	349	433	364	369	359	359	344

**STATEMENT OF CASH FLOWS
(Controlled)**

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Output Appropriations.....	8,001	7,827	8,487	8,403	8,442	8,602	8,766
Net cash provided by State government.....	8,001	7,827	8,487	8,403	8,442	8,602	8,766
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs.....	(7,191)	(6,905)	(7,541)	(7,472)	(7,513)	(7,649)	(7,788)
Superannuation.....	(274)	(237)	(271)	(271)	(271)	(271)	(284)
Accommodation.....	(26)	(140)	(30)	(30)	(40)	(40)	(40)
Administration.....	(650)	(540)	(640)	(611)	(603)	(627)	(654)
Goods and Services Tax.....	(72)	(61)	(61)	(61)	(61)	(61)	(61)
Other.....	-	-	-	(14)	(15)	(15)	(15)
Receipts							
Goods and Services Tax.....	93	61	61	61	61	61	61
Other.....	1	-	-	-	-	-	-
Net cash from operating activities.....	(8,119)	(7,822)	(8,482)	(8,398)	(8,442)	(8,602)	(8,781)
CASH FLOWS FROM INVESTING ACTIVITIES							
Proceeds from sale of non-current assets.....	50	-	-	-	-	-	-
Net cash from investing activities.....	50	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD.....	(68)	5	5	5	-	-	(15)
Cash assets at the beginning of the reporting period.....	128	133	60	65	70	70	70
Cash assets at the end of the reporting period.....	60	138	65	70	70	70	55

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:

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000
GST input credits.....	93	61	61	61
Other receipts.....	1	-	-	-
TOTAL.....	94	61	61	61

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

LEGISLATIVE ASSEMBLY

PART 1 - PARLIAMENT

DIVISION 1

APPROPRIATION AND FORWARD ESTIMATES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 2 Net amount appropriated to deliver outputs	3,063	3,170	2,892	3,525	3,256	3,535	3,809
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	10,227	10,174	10,586	10,602	10,597	10,592	10,592
Total appropriations provided to deliver outputs	13,290	13,344	13,478	14,127	13,853	14,127	14,401

MISSION

To provide effective, efficient and professional support to the Assembly, its Committees and individual Members

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Statement of Financial Performance since publication of the 2003-04 Budget to Parliament on 8 May 2003 are outlined below.

	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
General Demand Increase.....	150	150	150	150

OUTPUT AND APPROPRIATION SUMMARY

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
OUTPUTS							
Output 1: Administrative and Procedural Support to the Legislative Assembly, its Members and Committees.....	22,379	22,073	22,650	23,074			
Total Cost of Outputs	22,379	22,073	22,650	23,074	22,982	23,259	23,538
<i>Less Revenues from Ordinary Activities</i>	29	10	10	10	10	10	10
Net Cost of Outputs	22,350	22,063	22,640	23,064	22,972	23,249	23,528
Adjustments ^(a)	(9,060)	(8,719)	(9,162)	(8,937)	(9,119)	(9,122)	(9,127)
Appropriation provided to deliver Outputs.	13,290	13,344	13,478	14,127	13,853	14,127	14,401
TOTAL CONSOLIDATED FUND APPROPRIATIONS	13,290	13,344	13,478	14,127	13,853	14,127	14,401

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

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION**Output 1: Administrative and Procedural Support to the Legislative Assembly, its Members and Committees.**

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	22,379	22,073	22,650	23,074	
<i>Less Revenues from Ordinary Activities</i>	29	10	10	10	
Net Cost of Output	22,350	22,063	22,640	23,064	
Adjustments ^(a)	(9,060)	(8,719)	(9,162)	(8,937)	
Appropriation for delivery of Output 1	13,290	13,344	13,478	14,127	

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

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	11,466	10,994	11,397	11,728	11,821	12,042	12,272
Superannuation	1,626	1,407	1,626	1,536	1,536	1,536	1,558
Depreciation and amortisation	44	50	50	50	-	-	-
Administration	9,222	9,622	9,577	9,746	9,610	9,666	9,693
Costs of disposal of non-current assets	21	-	-	-	-	-	-
Other expenses.....	-	-	-	14	15	15	15
TOTAL COST OF SERVICES	22,379	22,073	22,650	23,074	22,982	23,259	23,538
Revenues from ordinary activities							
Proceeds from disposal of non-current assets ..	25	-	-	-	-	-	-
Other Revenue	4	10	10	10	10	10	10
Total Revenues from Ordinary Activities	29	10	10	10	10	10	10
NET COST OF SERVICES	22,350	22,063	22,640	23,064	22,972	23,249	23,528
REVENUES FROM STATE GOVERNMENT							
Output Appropriations	13,290	13,344	13,478	14,127	13,853	14,127	14,401
Resources received free of charge.....	7,755	7,700	7,700	7,888	7,988	7,988	7,988
Liabilities assumed by the Treasurer.....	1,200	990	1,200	1,110	1,110	1,110	1,110
TOTAL REVENUES FROM STATE GOVERNMENT	22,245	22,034	22,378	23,125	22,951	23,225	23,499
CHANGE IN EQUITY RESULTING FROM OPERATIONS	(105)	(29)	(262)	61	(21)	(24)	(29)
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	(105)	(29)	(262)	61	(21)	(24)	(29)

(a) The Full Time Equivalents (FTEs) for 2002-03 Actual, 2003-04 Estimated Actual and 2004-05 Estimate are 28, 27 and 28 respectively.

**STATEMENT OF FINANCIAL POSITION
(Controlled)**

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	449	191	220	276	272	268	240
Restricted cash.....	42	43	42	-	4	8	12
Receivables.....	8	72	8	8	6	6	6
Inventories.....	37	76	27	27	17	7	7
Prepayments.....	29	8	29	29	25	21	21
Total current assets.....	565	390	326	340	324	310	286
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	120	170	170	220	220	220	220
Plant, equipment and vehicles.....	147	66	97	47	47	47	47
Other.....	132	132	132	132	132	132	132
Total non-current assets.....	399	368	399	399	399	399	399
TOTAL ASSETS.....	964	758	725	739	723	709	685
CURRENT LIABILITIES							
Payables.....	70	75	91	91	91	101	101
Provision for employee entitlements.....	306	246	312	312	312	312	312
Accrued Salaries.....	45	40	47	-	5	5	10
Other.....	47	-	47	47	47	47	47
Total current liabilities.....	468	361	497	450	455	465	470
NON-CURRENT LIABILITIES							
Provision for employee entitlements.....	88	93	82	82	82	82	82
Total non-current liabilities.....	88	93	82	82	82	82	82
TOTAL LIABILITIES.....	556	454	579	532	537	547	552
EQUITY							
Accumulated surplus/(deficit).....	380	276	118	179	158	134	105
Asset revaluation reserve.....	28	28	28	28	28	28	28
Total equity.....	408	304	146	207	186	162	133
TOTAL LIABILITIES AND EQUITY.....	964	758	725	739	723	709	685

**STATEMENT OF CASH FLOWS
(Controlled)**

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Output Appropriations	13,230	13,294	13,428	14,077	13,853	14,127	14,401
Net cash provided by State government.....	13,230	13,294	13,428	14,077	13,853	14,127	14,401
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs	(11,466)	(10,984)	(11,387)	(11,775)	(11,816)	(12,042)	(12,267)
Superannuation	(424)	(417)	(426)	(426)	(426)	(426)	(448)
Administration	(1,591)	(1,899)	(1,854)	(1,858)	(1,616)	(1,654)	(1,705)
Goods and Services Tax	(110)	(85)	(115)	(115)	(113)	(115)	(115)
Other	-	-	-	(14)	(15)	(15)	(15)
Receipts							
Goods and Services Tax	166	85	115	115	115	115	115
Other	4	10	10	10	18	10	10
Net cash from operating activities	(13,421)	(13,290)	(13,657)	(14,063)	(13,853)	(14,127)	(14,425)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(38)	-	-	-	-	-	-
Proceeds from sale of non-current assets	25	-	-	-	-	-	-
Net cash from investing activities	(13)	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(204)	4	(229)	14	-	-	(24)
Cash assets at the beginning of the reporting period	695	229	491	262	276	276	276
Cash assets at the end of the reporting period.....	491	233	262	276	276	276	252

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:

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000
GST input credits	166	85	115	115
Sale of Publications and Other Revenue	4	10	10	10
TOTAL	170	95	125	125

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

JOINT HOUSE COMMITTEE ^(a) (PARLIAMENTARY SERVICES)

PART 1 - PARLIAMENT

DIVISION 1

APPROPRIATION AND FORWARD ESTIMATES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 3 Net amount appropriated to deliver outputs	12,294	13,257	12,909	12,846	13,142	13,407	13,645
Total appropriations provided to deliver outputs	12,294	13,257	12,909	12,846	13,142	13,407	13,645
CAPITAL							
Item 113 Capital Contribution	2,795	1,525	1,758	750	-	180	-
GRAND TOTAL	15,089	14,782	14,667	13,596	13,142	13,587	13,645

- (a) Following a review during 1997-98 of the support areas of Parliament an amalgamation resulted of the joint functions of the Joint House Committee, the Joint Printing Committee and the Joint Library Committee. Operationally, the combined Department will be referred to as Parliamentary Services, however, for the purpose of the budgetary appropriations, until amendments are enacted in the *Financial Administration and Audit Act (1985)* the name of Joint House Committee will need to be utilised in Budget Statements.

MISSION

To ensure the provision of an appropriate environment and ancillary services to Members of Parliament, Chamber Departments, Parliamentary staff and other users.

OUTPUT AND APPROPRIATION SUMMARY

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Parliamentary Administrative and Support Services	12,403	13,436	12,938	12,880			
Total Cost of Outputs	12,403	13,436	12,938	12,880	13,235	13,489	13,727
<i>Less Revenues from Ordinary Activities</i>	41	35	35	35	35	35	35
Net Cost of Outputs	12,362	13,401	12,903	12,845	13,200	13,454	13,692
Adjustments ^(a)	(68)	(144)	6	1	(58)	(47)	(47)
Appropriation provided to deliver Outputs.	12,294	13,257	12,909	12,846	13,142	13,407	13,645
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	2,795	1,525	1,758	750	-	180	-
TOTAL CONSOLIDATED FUND APPROPRIATIONS	15,089	14,782	14,667	13,596	13,142	13,587	13,645

- (a) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (b) Supporting details are disclosed in the Capital Contribution Statement.

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION**Output 1: Parliamentary Administrative and Support Services.**

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	12,403	13,436	12,938	12,880	
Less Revenues from Ordinary Activities	41	35	35	35	
Net Cost of Output	12,362	13,401	12,903	12,845	
Adjustments ^(a)	(68)	(144)	6	1	
Appropriation for delivery of Output 1	12,294	13,257	12,909	12,846	

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

CAPITAL WORKS PROGRAM

The Parliamentary Services Department capital works program for 2004-05 is \$1.670 million. These funds will be used primarily for:

- continuation of Parliament House Security and associated grounds upgrade;
- building maintenance and Stonework repairs; and
- asset replacement.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-04 \$'000	Estimated Expenditure 2003-04 \$'000	Estimated Expenditure 2004-05 \$'000
WORKS IN PROGRESS				
Building Refurbishment and Upgrade - Parliament House Stonework Repairs.....	980	680	666	240
Furniture and Equipment - Furniture Replacement Program	300	150	150	-
Parliament House Security Parliament House Security Upgrade	1,680	750	750	750
COMPLETED WORKS				
Artwork Acquisition - 2003-04 Program	25	25	25	-
Building Refurbishment and Upgrade - Additions to North Elevation of Parliament House.....	2,450	2,450	1,150	-
Carpet Replacement.....	750	750	30	-
Relocate Members Accommodation.....	250	250	160	-
Relocate Parliamentary Library	250	250	40	-
Security System Upgrade.....	80	80	20	-
South Corridor Offices Enlargement	233	233	233	-
Catering Equipment Replacement - 2003-04 Program	41	41	41	-
Computer Hardware and Software - 2002-03 Program	312	312	184	-
2003-04 Program	195	195	195	-
Information and Communication Systems - Digital Audio Transcription.....	430	430	430	-
Information Management Plan - Implementation	941	941	120	-
Information Technology Cabling Network Upgrade.....	56	56	4	-
TV Captioning	60	60	20	-
TV Facilities in Members' Offices	49	49	28	-
NEW WORKS				
Building Refurbishment and Upgrade - Building Maintenance Backlog.....	1,000	-	-	490
Information and Communication Systems - Asset Replacement - IT and Equipment.....	350	-	-	190
	10,432	7,702	4,246	1,670

CAPITAL CONTRIBUTION

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	2,087	2,435	4,246	1,670	580	330	150
	2,087	2,435	4,246	1,670	580	330	150
LESS							
Drawdowns from the Holding Account	700	910	910	920	580	150	150
Internal Funds and Balances	(1,408)	-	1,578	-	-	-	-
Capital Contribution	2,795	1,525	1,758	750	-	180	-

FINANCIAL STATEMENTS

**STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)**

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	5,022	5,118	4,918	5,177	5,206	5,286	5,386
Superannuation	506	460	510	500	510	510	520
Supplies and services	1,862	2,478	2,078	2,150	2,388	2,393	2,474
Accommodation.....	1,439	1,440	1,640	1,500	1,500	1,500	1,500
Capital User Charge.....	2,402	2,555	2,207	2,304	2,336	2,343	2,351
Depreciation and amortisation	582	960	960	610	630	675	714
Administration.....	90	95	95	80	85	85	85
Other expenses.....	500	330	530	559	580	697	697
TOTAL COST OF SERVICES	12,403	13,436	12,938	12,880	13,235	13,489	13,727
Revenues from ordinary activities							
Proceeds from disposal of non-current assets ..	38	-	30	30	30	30	30
Other Revenue.....	3	35	5	5	5	5	5
Total Revenues from Ordinary Activities	41	35	35	35	35	35	35
NET COST OF SERVICES.....	12,362	13,401	12,903	12,845	13,200	13,454	13,692
REVENUES FROM STATE GOVERNMENT							
Output Appropriations	12,294	13,257	12,909	12,846	13,142	13,407	13,645
Resources received free of charge.....	17	17	17	-	-	-	-
Liabilities assumed by the Treasurer.....	48	-	50	50	50	50	50
TOTAL REVENUES FROM STATE GOVERNMENT	12,359	13,274	12,976	12,896	13,192	13,457	13,695
CHANGE IN EQUITY RESULTING FROM OPERATIONS	(3)	(127)	73	51	(8)	3	3
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	(3)	(127)	73	51	(8)	3	3

(a) The Full Time Equivalent (FTEs) for 2002-03 Actual, 2003-04 Estimated Actual and 2004-05 Estimate are 97, 97 and 98 respectively.

**STATEMENT OF FINANCIAL POSITION
(Controlled)**

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	1,975	340	351	257	257	258	261
Restricted cash.....	156	185	184	-	28	56	56
Receivables.....	252	89	252	252	332	342	342
Amounts receivable for outputs.....	910	920	920	580	150	150	150
Prepayments.....	110	50	100	100	160	180	180
Total current assets.....	3,403	1,584	1,807	1,189	927	986	989
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	-	184	184	214	694	1,219	1,783
Land and Buildings.....	23,432	29,574	26,405	27,671	27,961	27,831	27,521
Plant, equipment and vehicles.....	1,320	1,986	1,635	1,475	1,135	920	666
Other.....	578	603	603	578	578	578	578
Total non-current assets.....	25,330	32,347	28,827	29,938	30,368	30,548	30,548
TOTAL ASSETS.....	28,733	33,931	30,634	31,127	31,295	31,534	31,537
CURRENT LIABILITIES							
Payables.....	770	326	886	877	1,037	1,137	1,137
Provision for employee entitlements.....	718	494	628	518	518	488	488
Accrued Salaries.....	134	147	144	-	16	32	32
Total current liabilities.....	1,622	967	1,658	1,395	1,571	1,657	1,657
NON-CURRENT LIABILITIES							
Provision for employee entitlements.....	338	322	372	327	327	297	297
Total non-current liabilities.....	338	322	372	327	327	297	297
TOTAL LIABILITIES.....	1,960	1,289	2,030	1,722	1,898	1,954	1,954
EQUITY							
Contributed Equity.....	4,519	6,044	6,277	7,027	7,027	7,207	7,207
Accumulated surplus/(deficit).....	5,343	4,869	5,416	5,467	5,459	5,462	5,465
Asset revaluation reserve.....	16,911	21,729	16,911	16,911	16,911	16,911	16,911
Total equity.....	26,773	32,642	28,604	29,405	29,397	29,580	29,583
TOTAL LIABILITIES AND EQUITY.....	28,733	33,931	30,634	31,127	31,295	31,534	31,537

**STATEMENT OF CASH FLOWS
(Controlled)**

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Output Appropriations.....	11,384	12,153	11,805	12,236	12,512	12,732	12,931
Capital Contribution.....	2,795	1,525	1,758	750	-	180	-
Holding Account Drawdowns.....	700	910	910	920	580	150	150
Net cash provided by State government.....	14,879	14,588	14,473	13,906	13,092	13,062	13,081
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs.....	(4,900)	(4,964)	(4,964)	(5,476)	(5,190)	(5,330)	(5,430)
Superannuation.....	(458)	(410)	(410)	(410)	(410)	(410)	(420)
Supplies and services.....	(1,598)	(1,994)	(2,046)	(1,695)	(1,908)	(1,910)	(2,020)
Accommodation.....	(1,645)	(2,046)	(1,846)	(2,056)	(2,152)	(2,092)	(2,092)
Administration.....	(90)	(70)	(70)	(88)	(80)	(80)	(77)
Capital User Charge.....	(2,402)	(2,555)	(2,207)	(2,304)	(2,336)	(2,343)	(2,351)
Goods and Services Tax.....	(641)	(475)	(475)	(475)	(475)	(475)	(475)
Other.....	(521)	(95)	(295)	(500)	(423)	(553)	(553)
Receipts							
Goods and Services Tax.....	780	475	475	475	475	475	475
Other.....	3	15	3	3	3	3	3
Net cash from operating activities.....	(11,472)	(12,119)	(11,835)	(12,526)	(12,496)	(12,715)	(12,940)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(2,087)	(2,435)	(4,246)	(1,670)	(580)	(330)	(150)
Proceeds from sale of non-current assets.....	38	-	12	12	12	12	12
Net cash from investing activities.....	(2,049)	(2,435)	(4,234)	(1,658)	(568)	(318)	(138)
NET INCREASE/(DECREASE) IN CASH HELD.....	1,358	34	(1,596)	(278)	28	29	3
Cash assets at the beginning of the reporting period.....	773	491	2,131	535	257	285	314
Cash assets at the end of the reporting period.....	2,131	525	535	257	285	314	317

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:

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000
GST input credits.....	780	475	475	475
Other Receipts.....	3	15	3	3
TOTAL.....	783	490	478	478

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

PARLIAMENTARY COMMISSIONER FOR ADMINISTRATIVE INVESTIGATIONS

PART 1 - PARLIAMENT

DIVISION 2

APPROPRIATION AND FORWARD ESTIMATES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 4 Net amount appropriated to deliver outputs	2,490	2,477	2,517	2,343	2,204	2,064	2,122
Amount Authorised by Other Statutes - Parliamentary Commissioner Act 1971 ...	305	305	305	305	305	305	305
Total appropriations provided to deliver outputs	2,795	2,782	2,822	2,648	2,509	2,369	2,427
CAPITAL							
Item 114 Capital Contribution	528	-	-	136	-	-	-
GRAND TOTAL.....	3,323	2,782	2,822	2,784	2,509	2,369	2,427

MISSION

To assist the Parliament of Western Australia to be confident that the public sector of the State is accountable for, and is improving the standard of, administrative decision-making, practices and conduct.

SIGNIFICANT ISSUES AND TRENDS

- This budget reflects the transfer of responsibility for the investigation of misconduct allegations against the Police Service from the Parliamentary Commissioner for Administrative Investigations (the Office) to the Corruption and Crime Commission (CCC) on 1 January 2004. Partial funding has been provided to the office in 2004-05 to cover the costs associated with the employment of staff previously performing this function until such time as those staff are redeployed within the public sector.
- The Office has entered into a Memorandum of Understanding with the CCC to ensure efficient cooperation of both agencies in addressing complaints that raise both administrative and misconduct allegations. These new arrangements will be closely monitored to ensure that all complainants are responded to by one of the agencies.
- Benefits of collocating with other accountability agencies will continue to be realised through the introduction of a shared staff development program and opportunities for further partnerships in outreach activities.
- It is expected that the number of complaints the office will receive in 2004-05 relating to public sector organisations (noting that this now excludes misconduct allegations against the Police Service) will be around 1800 allegations.
- The Office has implemented service delivery targets for complaint assessment and for finalisation of investigations. A new team-based structure will be formalised to assist in meeting these objectives.
- The Office will maintain its focus on improved complaint handling by public sector agencies, using the whole of Government Complaint Management Strategy as a benchmark.

OUTPUT AND APPROPRIATION SUMMARY

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Police Service and Railway Special Constables	1,095	1,027	621	-			
Output 2:							
Other Public Sector Organisations.....	1,703	1,848	2,351	2,748			
Output 3:							
Telecommunications Interception Audit.....	45	52	52	52			
Total Cost of Outputs	2,843	2,927	3,024	2,800	2,653	2,504	2,594
<i>Less</i> Revenues from Ordinary Activities	35	33	49	51	52	54	54
Net Cost of Outputs	2,808	2,894	2,975	2,749	2,601	2,450	2,540
Adjustments ^(a)	(13)	(112)	(153)	(101)	(92)	(81)	(113)
Appropriation provided to deliver Outputs.	2,795	2,782	2,822	2,648	2,509	2,369	2,427
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	528	-	-	136	-	-	-
TOTAL CONSOLIDATED FUND APPROPRIATIONS	3,323	2,782	2,822	2,784	2,509	2,369	2,427

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

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

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

Broad, high level government strategic goals are supported at agency level by more specific desired outcomes. Agencies deliver outputs to achieve these desired outcomes, which ultimately contribute to meeting the higher level government strategic goals. The following table illustrates this relationship.

Government Strategic Goal	Desired Outcome	Output(s)
To govern for all Western Australians in an open, effective and efficient manner that also ensures a sustainable future.	The public sector of Western Australia is accountable for, and is improving the standard of, administrative decision-making, practices and conduct.	1. Police Service and Railway Special Constables 2. Other Public Sector Organisations 3. Telecommunications Interception Audit

Outcomes and Key Effectiveness Indicators ^(a)

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Outcome: The public sector of Western Australia is accountable for, and is improving the standard of, administrative decision-making, practices and conduct.					
Percentage of allegations finalised where complainants received some form of assistance (Output 1).....	50%	60%	37%	na	The decrease reflects a new initial assessment process which results in fewer allegations falling into this statistical category.
Percentage of allegations finalised where complainants received some form of assistance (Output 2).....	41%	50%	33%	40%	The decrease reflects a new initial assessment process which results in fewer allegations falling into this statistical category. This measure will be reviewed for the next financial year.

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

Output 1: Police Service and Railway Special Constables ^(a)

Provide an effective and efficient system of investigating, and reviewing the adequacy of internal investigations of, complaints about the Police Service and railway special constables.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	1,095	1,027	621	-	Function transferred to the CCC on 1 January 2004.
Less Revenues from Ordinary Activities	18	17	25	-	
Net Cost of Output	1,077	1,010	596	-	
Adjustments ^(b)	(4)	(39)	(53)	-	
Appropriation for delivery of Output 1	1,073	971	543	-	

(a) This function has been transferred to the Corruption and Crime Commission, effective from 1 January 2004. Overhead costs associated with this function have been transferred to Output 2. Staff previously employed for this function and waiting redeployment, and the associated funding, have been transferred to Output 2.

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Allegations finalised.....	1,775	1,900	679	na	For period 1 July to 31 December 2003. Function transferred to the CCC on 1 January 2004.
Quality					
Matters judged by external reviewer to have been handled satisfactorily.....	0	na	na	na	
Timeliness					
Allegations finalised within 3 months	56%	50%	57%	na	
Average time taken to finalise (days)	119	130	128	na	
Cost (Efficiency)					
Average cost per allegation finalised	\$617	\$541	\$915	na	
Full Time Equivalents (FTEs)	9	9	5	0	

Major Achievements For 2003-04

- Tabling in Parliament of final report on 'Police Response to Assault in the Family Home', with all recommendations accepted by the Commissioner for Police.
- Successful transition of this output area to the new Corruption and Crime Commission, through active participation in working groups, audit and transfer of all applicable files and secondment of experienced staff.
- Participation in the Royal Commission Into Whether There Has Been Any Corrupt or Criminal Conduct by Western Australian Police Officers (Police Royal Commission) round table conferences and handover of case management review to the Police Royal Commission.

Output 2: Other Public Sector Organisations

Provide an effective and efficient system of investigating complaints about public sector organisations.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate ^(a) \$'000	Reason for Significant Variation
Total Cost of Output.....	1,703	1,848	2,351	2,748	Additional costs in 2004-05 due to costs associated with the redeployment of staff.
Less Revenues from Ordinary Activities	17	16	24	51	
Net Cost of Output	1,686	1,832	2,327	2,697	
Adjustments ^(b)	(9)	(73)	(100)	(101)	
Appropriation for delivery of Output 2	1,677	1,759	2,227	2,596	

(a) Costs previously associated with Output 1 have been transferred to Output 2 following the transfer of the function to the Corruption and Crime Commission.

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Allegations finalised.....	2,000	1,900	1,700	1,800	
Quality					
The percentage of completed investigations that met the Ombudsman's standards (based on a random sample).....	na	na	na	100%	New indicator for 2004-05.
Timeliness					
Allegations finalised within 3 months	69%	70%	69%	70%	
Average time taken to finalise (days)	108	90	116	90	
Cost (Efficiency)					
Average cost per allegation finalised	\$851	\$972	\$1,383	\$1,526	Fixed costs spread over fewer complaints after transfer of Police Complaints to the CCC.
Full Time Equivalents (FTEs)	19	19	23	21	

Major Achievements For 2003-04

- Improved operational and investigative practices and procedures resulting in a decrease in the number of old complaints on hand.
- Introduced 'report cards' for major agencies within the Western Australian public sector.
- Initiated two formal investigations into matters of significant public interest.
- Produced 'The Ombudsman's Guidelines for Conducting Administrative Investigations' and a number of information sheets for agencies and complainants.
- Expanded outreach program to raise community awareness of the role and functions of the Office to over 20 community-based and professional organisations.

Major Initiatives For 2004-05

- Implement team structure and investigation project management to enhance staff development and improve effectiveness and efficiency of complaint handling.
- Develop programs in the areas of risk management and quality assurance to monitor consistency, information integrity and high standards of investigation.
- Improve assistance to agencies and complainants through a range of communication strategies including the development of additional information sheets, presentations to agencies and an improved website.
- Expand outreach program, where possible in partnership with other accountability agencies or community organisations, in order to improve the accessibility of the Office to all sectors of the community.

Output 3: Telecommunications Interception Audit

Perform the duties of Principal Inspector and Inspectors under the *Telecommunications (Interception) Western Australia Act 1996*.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	45	52	52	52	
Less Revenues from Ordinary Activities	-	-	-	-	
Net Cost of Output	45	52	52	52	
Adjustments ^(a)	-	-	-	-	
Appropriation for delivery of Output 3	45	52	52	52	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Audit reports required by legislation	2	3	3	2	2004-05 target reduced due to the wind-up of the Anti-Corruption Commission in 2003-04.
Quality					
Ombudsman satisfied with inspection reports and draft ministerial reports.....	100%	100%	100%	100%	
Timeliness					
Statutory time limits met	100%	100%	100%	100%	
Cost (Efficiency)					
Total cost of function.....	\$44,984	\$52,000	\$52,000	\$52,000	
Full Time Equivalent (FTEs)	1	1	1	1	

Major Achievements For 2003-04

- Successful continuation of inspection program and reporting to Ministers.

Major Initiatives For 2004-05

- Maintenance of inspection program.
- Participation in national network of inspectors.

CAPITAL WORKS PROGRAM

The Office's capital works program provides for the rolling replacement of existing assets. Funding was provided in 2002-03 to relocate the Office and it is expected that Phases I and II of the project will be completed in 2003-04 to enable the Office of the Information Commissioner to collocate. Additional funding of \$136,000 has been allocated in 2004-05 to complete the final phase of the project.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-04 \$'000	Estimated Expenditure 2003-04 \$'000	Estimated Expenditure 2004-05 \$'000
WORKS IN PROGRESS				
Collocation - Office Refurbishment.....	672	322	318	350
COMPLETED WORKS				
Computer Hardware and Software -				
2001-02 Program	53	53	24	-
2002-03 Program	62	62	62	-
2003-04 Program	100	100	100	-
Furniture and Equipment -				
2002-03 Program	30	30	30	-
NEW WORKS				
Computer Hardware and Software -				
2004-05 Program	64	-	-	64
Furniture and Equipment -				
2004-05 Program	19	-	-	19
	1,000	567	534	433

CAPITAL CONTRIBUTION

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program.....	29	100	534	433	72	107	106
	29	100	534	433	72	107	106
LESS							
Drawdowns from the Holding Account.....	-	100	100	83	72	107	106
Internal Funds and Balances	(499)	-	434	214	-	-	-
Capital Contribution.....	528	-	-	136	-	-	-

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

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	1,901	1,973	1,973	1,816	1,638	1,499	1,539
Superannuation	213	160	193	181	165	149	152
Supplies and services	349	253	296	242	257	275	276
Accommodation	312	355	355	375	395	395	395
Capital User Charge	-	5	45	45	45	45	45
Depreciation and amortisation	57	80	80	87	90	92	94
Costs of disposal of non-current assets	11	-	-	-	-	-	-
Other expenses	-	101	82	54	63	49	93
TOTAL COST OF SERVICES	2,843	2,927	3,024	2,800	2,653	2,504	2,594
Revenues from ordinary activities							
User charges and fees	-	10	-	-	-	-	-
Grants and subsidies	-	5	5	5	5	5	5
Proceeds from disposal of non-current assets ..	3	-	-	-	-	-	-
Other Revenue	32	18	44	46	47	49	49
Total Revenues from Ordinary Activities	35	33	49	51	52	54	54
NET COST OF SERVICES	2,808	2,894	2,975	2,749	2,601	2,450	2,540
REVENUES FROM STATE GOVERNMENT							
Output Appropriations	2,795	2,782	2,822	2,648	2,509	2,369	2,427
Resources received free of charge	99	112	112	100	100	100	99
Liabilities assumed by the Treasurer	20	-	-	-	-	-	-
TOTAL REVENUES FROM STATE GOVERNMENT	2,914	2,894	2,934	2,748	2,609	2,469	2,526
CHANGE IN EQUITY RESULTING FROM OPERATIONS	106	-	(41)	(1)	8	19	(14)
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	106	-	(41)	(1)	8	19	(14)

(a) The Full Time Equivalent (FTEs) for 2002-03 Actual, 2003-04 Estimated Actual and 2004-05 Estimate are 29, 29 and 22 respectively.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	817	153	335	116	122	140	125
Restricted cash.....	64	68	69	1	7	12	17
Receivables.....	7	9	7	7	7	7	7
Amounts receivable for outputs.....	-	83	83	72	107	106	-
Prepayments.....	-	1	-	-	-	-	-
Total current assets.....	888	314	494	196	243	265	149
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	159	56	56	71	54	40	134
Plant, equipment and vehicles.....	126	237	580	926	908	923	935
Other.....	-	566	-	-	-	-	-
Total non-current assets.....	285	859	636	997	962	963	1,069
TOTAL ASSETS.....	1,173	1,173	1,130	1,193	1,205	1,228	1,218
CURRENT LIABILITIES							
Payables.....	58	61	78	76	74	72	70
Provision for employee entitlements.....	375	385	375	375	375	375	375
Accrued Salaries.....	45	55	52	2	3	9	15
Other.....	-	-	-	9	43	49	55
Total current liabilities.....	478	501	505	462	495	505	515
NON-CURRENT LIABILITIES							
Provision for employee entitlements.....	133	137	104	75	46	40	34
Total non-current liabilities.....	133	137	104	75	46	40	34
TOTAL LIABILITIES.....	611	638	609	537	541	545	549
EQUITY							
Contributed Equity.....	596	626	596	732	732	732	732
Accumulated surplus/(deficit).....	(39)	(96)	(80)	(81)	(73)	(54)	(68)
Asset revaluation reserve.....	5	5	5	5	5	5	5
Total equity.....	562	535	521	656	664	683	669
TOTAL LIABILITIES AND EQUITY.....	1,173	1,173	1,130	1,193	1,205	1,228	1,218

**STATEMENT OF CASH FLOWS
(Controlled)**

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Output Appropriations.....	2,708	2,702	2,742	2,561	2,419	2,277	2,333
Capital Contribution	528	-	-	136	-	-	-
Holding Account Drawdowns.....	-	100	100	83	72	107	106
Net cash provided by State government.....	3,236	2,802	2,842	2,780	2,491	2,384	2,439
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs.....	(1,954)	(1,995)	(1,995)	(1,895)	(1,666)	(1,499)	(1,539)
Superannuation.....	(193)	(160)	(193)	(181)	(165)	(149)	(152)
Supplies and services.....	(211)	(203)	(246)	(175)	(174)	(206)	(213)
Accommodation.....	(312)	(355)	(355)	(375)	(395)	(395)	(395)
Capital User Charge.....	-	(5)	(45)	(45)	(45)	(45)	(45)
Goods and Services Tax	(54)	(56)	(56)	(56)	(56)	(56)	(56)
Other.....	(32)	(37)	-	(14)	(14)	(14)	(53)
Receipts							
User charges and fees	-	10	-	-	-	-	-
Goods and Services Tax	59	56	56	56	56	56	56
Grants and subsidies	-	5	5	5	5	5	5
Other.....	33	18	44	46	47	49	49
Net cash from operating activities.....	(2,664)	(2,722)	(2,785)	(2,634)	(2,407)	(2,254)	(2,343)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(31)	(100)	(534)	(433)	(72)	(107)	(106)
Proceeds from sale of non-current assets	3	-	-	-	-	-	-
Net cash from investing activities.....	(28)	(100)	(534)	(433)	(72)	(107)	(106)
NET INCREASE/(DECREASE) IN CASH HELD							
Cash assets at the beginning of the reporting period	337	241	881	404	117	129	152
Cash assets at the end of the reporting period.....	881	221	404	117	129	152	142

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 Parliamentary Commissioner for Administrative Investigations:

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000
Commonwealth Ombudsman	-	5	5	5
GST Input Credits	56	56	56	56
GST Receipts on Sales	3	-	-	-
Indian Ocean Territories Program	-	2	-	-
Other Receipts.....	33	18	44	46
TOTAL.....	92	81	105	107

The moneys received and retained are to be applied to the Parliamentary Commissioner for Administrative Investigations' outputs as specified in the Budget Statements.

Part 2

Premier; Minister for Public Sector Management; Federal Affairs; Science; Citizenship and Multicultural Interests

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000
67	Premier and Cabinet			
	– Delivery of Outputs	143,676	117,548	142,762
	– Administered Grants, Subsidies and Other Transfer Payments	4,241	18,574	26,637
	– Capital Contribution	-	8,000	42,000
	Total	147,917	144,122	211,399
106	Royal Commission into whether there has been any Corrupt or Criminal Conduct by Western Australian Police Officers			
	– Delivery of Outputs	2,800	2,800	-
	Total	2,800	2,800	-
110	Anti-Corruption Commission			
	– Delivery of Outputs	9,999	9,999	-
	– Capital Contribution	380	380	-
	Total	10,379	10,379	-
114	Governor's Establishment			
	– Delivery of Outputs	3,266	3,202	3,276
	– Capital Contribution	1,040	1,040	-
	Total	4,306	4,242	3,276
122	Office of the Public Sector Standards Commissioner			
	– Delivery of Outputs	3,069	3,327	3,284
	Total	3,069	3,327	3,284
135	Salaries and Allowances Tribunal			
	– Delivery of Outputs	307	306	310
	Total	307	306	310
	GRAND TOTAL			
	– Delivery of Outputs	163,117	137,182	149,632
	– Administered Grants, Subsidies and Other Transfer Payments	4,241	18,574	26,637
	– Capital Contribution	1,420	9,420	42,000
	Total	168,778	165,176	218,269

PREMIER AND CABINET

PART 2 - PREMIER; MINISTER FOR PUBLIC SECTOR MANAGEMENT; FEDERAL AFFAIRS; SCIENCE; CITIZENSHIP AND MULTICULTURAL INTERESTS

DIVISION 3

APPROPRIATION AND FORWARD ESTIMATES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 5 Net amount appropriated to deliver outputs	97,915	143,176	117,048	142,262	138,820	148,453	128,419
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	549	500	500	500	500	500	500
Total appropriations provided to deliver outputs	98,464	143,676	117,548	142,762	139,320	148,953	128,919
ADMINISTERED TRANSACTIONS							
Item 6 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	-	4,241	18,574	26,637	4,027	6,012	-
CAPITAL							
Item 115 Capital Contribution	-	-	8,000	42,000	-	-	-
GRAND TOTAL	98,464	147,917	144,122	211,399	143,347	154,965	128,919

MISSION

Support the Premier and Cabinet in achieving the Government's vision for all Western Australians, through leadership and coordination and the promotion of excellence in the public sector.

SIGNIFICANT ISSUES AND TRENDS

- The organisation and operations of the public sector need to be continually reviewed with a renewed whole of government emphasis that also acknowledges the importance of community engagement. The Department is leading a range of initiatives to improve collaboration in planning, in reviews of priority areas and in service delivery especially in response to social and environmental issues.
- Governments are looking at measures to improve the efficiency and effectiveness of the public sector. Cabinet has endorsed the creation of a number of Shared Service Centres to optimise the quality and cost effectiveness of corporate services, and the Department has a lead role in implementing this change.
- The Western Australian population is ageing and a significant proportion of the public sector workforce is approaching retirement age. The Department is addressing this from two perspectives; assistance in developing the Government response to the Report of the Active Ageing Taskforce, which is a whole of government framework to meet the needs of current seniors and to prepare for the ageing of our population; and increasing opportunities and incentives for younger people to enter the public sector.
- International events have led to increased emphasis on security and emergency management. The Department plays a key role in providing advice and support to the Premier on matters associated with security and emergency management in Western Australia.
- Western Australia is experiencing a severe water supply crisis recording rainfall well below average for three of the last four years. Dam storage levels are at approximately 30% capacity. The State Water Taskforce overseen by the Premier aims to improve conservation and formulate firm policy for new supply sources.

- The reduction of Australia's annual \$32 billion cost of crime requires a concerted and collaborative effort by police, Government agencies, local government and the community. By working in partnership and targeting priority offences, the incidence of crime can be reduced. The Department plays a central role by coordinating Government crime reduction activity, initiating strategic crime prevention projects and mobilising the community to prevent crime.
- Forecasts show that Western Australia's population will grow by approximately 40% by 2025, yet shrink to less than 0.025% of the world's population. The best opportunities for future growth are presented by the development of a niche-based services sector, using high technology production systems, and providing knowledge intensive, well-paid jobs. Investment in science and innovation is essential to allow the State to take advantage of these opportunities. The Government has significantly increased funding for science and innovation through InnovateWA, Centres of Excellence and associated programs.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Statement of Financial Performance since publication of the 2003-04 Budget to Parliament on 8 May 2003 are outlined below.

	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
Anzac Day Commemorations.....	40	40	40	40
Anzac Day - Small Grants Scheme.....	250	-	-	-
Australian Asian Association	35	35	35	35
Burglary Reduction Pilots in Morley, Bentley and Rivervale.....	163	68	68	-
Centre of Excellence.....	100	100	5,700	10,100
Community Engagement	250	-	-	-
Crime Prevention through Environmental Design Fund	1,500	-	-	-
Duyfken Grant Funding.....	50	50	-	-
Ethnic Communities Council (Women's Sub-Committee).....	10	10	10	10
Indian Ocean Climate Initiative.....	250	250	-	-
InnovateWA	1,000	10,000	10,000	14,000
Interactive Virtual Environment Centre.....	-	350	350	-
Joint Management Project	120	-	-	-
Leaders of the Opposition.....	50	51	53	54
Local Government Partnerships.....	86	86	86	86
Ministerial Offices.....	775	750	750	750
Native Title Salaries and Operational Costs	763	763	763	763
175th Anniversary Celebrations	165	-	-	-
Premier's Office.....	460	460	460	460
Recruitment Advertising Management System.....	1,263	792	810	830
Science Communication	-	270	-	-
State Water Strategy	245	-	-	-
Sustainability Roundtable.....	104	104	104	104
WA Greenhouse Strategy	734	610	410	410
Water Research Foundation.....	90	2,090	1,090	-

OUTPUT AND APPROPRIATION SUMMARY

	2002-03 Actual ^(a) \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Support for the Premier as Head of Government	10,643	11,314	11,844	12,194			
Output 2:							
Management of matters of State	53,038	60,375	63,875	61,081			
Output 3:							
Management of policy	5,644	5,595	6,926	7,583			
Output 4:							
Support for the Premier as Minister for Public Sector Management	7,393	8,191	9,364	7,769			
Output 5:							
Parliamentary, statutory and legislative publishing service	2,976	4,125	3,114	3,379			

	2002-03 Actual ^(a) \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
Output 6:							
Management of the Constitutional Centre programs.....	1,167	2,265	3,653	1,777			
Output 7:							
Promotion and support of multiculturalism in Western Australia.....	2,746	2,768	2,998	2,795			
Output 8:							
Native Title policy development, implementation and negotiation.....	6,048	18,404	7,735	12,280			
Output 9:							
Science and innovation promotion and support.....	12,278	32,276	16,598	26,860			
Output 10:							
Support for the implementation of the State's road safety initiatives.....	20,316	19,124	16,741	15,872			
Output 11:							
E-government policy and coordination.....	4,887	3,819	8,860	7,308			
Output 12:							
Implementation of the State crime prevention strategy.....	2,368	6,269	8,824	8,018			
Total Cost of Outputs.....	129,504	174,525	160,532	166,916	159,220	169,655	150,092
<i>Less Revenues from Ordinary Activities.....</i>	<i>23,749</i>	<i>22,175</i>	<i>26,331</i>	<i>23,322</i>	<i>19,430</i>	<i>19,357</i>	<i>19,430</i>
Net Cost of Outputs.....	105,755	152,350	134,201	143,594	139,790	150,298	130,662
Adjustments ^(b)	(7,291)	(8,674)	(16,653)	(832)	(470)	(1,345)	(1,743)
Appropriation provided to deliver Outputs.	98,464	143,676	117,548	142,762	139,320	148,953	128,919
ADMINISTERED TRANSACTIONS							
Appropriation for Administered Grants, Subsidies and Transfer Payments.....	-	4,241	18,574	26,637	4,027	6,012	-
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(c).....	-	-	8,000	42,000	-	-	-
TOTAL CONSOLIDATED FUND APPROPRIATIONS.....	98,464	147,917	144,122	211,399	143,347	154,965	128,919

(a) Adjusted for comparability to reflect the transfer of functions from the former Department of Industry and Technology.

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

(c) 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 Premier; the Minister for Police and Emergency Services, Justice and Community Safety; the Chief Executive Officer and the Treasurer.

The relationship of Ministers to outputs is shown below.

Responsible Minister	Output
Premier; Minister for Public Sector Management; Federal Affairs; Science; Citizenship and Multicultural Interests.	1. Support for the Premier as Head of Government. 2. Management of matters of State. 3. Management of policy. 4. Support for the Premier as Minister for Public Sector Management. 5. Parliamentary, statutory and legislative publishing service. 6. Management of the Constitutional Centre programs. 7. Promotion and support of multiculturalism in Western Australia. 9. Science and innovation promotion and support. 11. E-government policy and coordination.
Deputy Premier; Treasurer; Minister for Energy.	8. Native Title policy development, implementation and negotiation.
Minister for Police and Emergency Services; Justice; Community Safety.	10. Support for the implementation of the State's road safety initiatives. 12. Implementation of the State Crime Prevention Strategy.

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION

Relationship to Government Strategic Goals

Broad, high level government strategic goals are supported at agency level by more specific desired outcomes. Agencies deliver outputs to achieve these desired outcomes, which ultimately contribute to meeting the higher level government strategic goals. The following table illustrates this relationship.

Government Strategic Goal(s)	Desired Outcome(s)	Output(s)
To govern for all Western Australians in an open, effective and efficient manner that also ensures a sustainable future.	The Premier's requirements and those of Cabinet are met.	1. Support for the Premier as Head of Government. 2. Management of matters of State. 3. Management of policy.
	The Premier's obligations as Minister for Public Sector Management are met.	4. Support for the Premier as Minister for Public Sector Management.
	A secure, confidential and time critical printing and publishing service for Parliament and Government.	5. Parliamentary, statutory and legislative publishing service.
	Increased level of community awareness of the Western Australian and Commonwealth Constitutions, and the Australian Federal system of government.	6. Management of the Constitutional Centre programs.
	The strategic transformation of the operations of Government, using technology as a tool to improve internal efficiency, service delivery to citizens and community participation.	11. E-government policy and coordination.

Government Strategic Goal(s)	Desired Outcome(s)	Output(s)
To develop a strong economy that delivers more jobs, more opportunities and greater wealth to Western Australians by creating the conditions required for investment and growth.	Resolution of Native Title matters in accordance with Government Policy.	8. Native Title policy development, implementation and negotiation.
	Science and Innovation has increased in significance as a driver of economic growth for Western Australia.	9. Science and innovation promotion and support.
To enhance the quality of life and wellbeing of all people throughout Western Australia.	A Western Australian society in which there is widespread acceptance of the principles of multiculturalism.	7. Promotion and support of multiculturalism in Western Australia.
	Reducing the number of serious injuries and fatalities in Western Australia through the implementation of road safety programs.	10. Support for the implementation of the State's road safety initiatives.
	A safer and more secure community.	12. Implementation of the State Crime Prevention Strategy.

Outcomes and Key Effectiveness Indicators ^(a)

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Outcome: The Premier's requirements and those of Cabinet are met.					
The extent to which the needs of the Premier and Cabinet are met by services provided by the Department of the Premier and Cabinet.....	3.3	3.5	3.3	3.4	See note (b)
Outcome: The Premier's obligations as Minister for Public Sector Management are met.					
The extent to which the needs of the Premier are met by services provided by the Department of the Premier and Cabinet.....	3.0	3.0	3.0	3.0	See note (c)
Outcome: A secure, confidential and time critical printing and publishing service for Parliament and Government.					
Proportion of Parliamentary documents produced and delivered within agreed timeframes established by each house of Parliament	99.8%	100%	99.8%	100%	
Proportion of documents produced and released in accordance with security and confidentiality requirements	100%	100%	100%	100%	

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Outcome: Increased level of community awareness of the Western Australian and Commonwealth Constitutions, and the Australian Federal system of government.					
Percentage growth in Constitutional Centre customer numbers compared to previous year.	7.23%	8.33%	8.24%	0.00%	Further growth in overall customer numbers is considered unlikely, however substantial growth in demand for travelling and outreach programs is projected for 2004-05.
Percentage increase in use of electronic information provided on the Constitutional Centre web page	1.28%	25.00%	2.01%	8.18%	Projected increase in usage based on availability of new information and incorporation of 175th Celebration web pages in 2004-05.
Level of regional demand/support for travelling or outreach programs	na	78.00%	50.26%	20.00%	Projected growth in demand expected to decline from very high growth rates experienced in first two years of program operation.
Outcome: A Western Australian society in which there is widespread acceptance of the principles of multiculturalism.					
Extent to which the principles of multiculturalism are accepted and practiced in Western Australia	na	na	na	na	Survey instruments in course of preparation will be distributed in May 2004. It is not possible to reliably estimate the result for 2003-04 or a target for 2004-05 until survey data is available.
Extent to which policies and practices of public sector agencies reflect the principles of multiculturalism	na	na	na	na	Survey instruments in course of preparation will be distributed in May 2004. It is not possible to reliably estimate the result for 2003-04 or a target for 2004-05 until survey data is available.
Outcome: Resolution of Native Title matters in accordance with Government Policy.					
Percentage change in the number of claims that the State and native title representative bodies jointly agree to prioritise.....	na	na	na	na	New key effectiveness indicators are being developed and will be reported in the 2005-06 budget.
Outcome: Science and Innovation has increased in significance as a driver of economic growth for Western Australia.					
Index of funding leverage obtained for Western Australia from Centres of Excellence grants ...	9:1	10:1	9:1	9:1	Leading indicator that reports ratio of dollars provided by Commonwealth and other sources for every dollar provided by the State.
Change in level of total investment in scientific research and development in Western Australia	8.32%	na	na	na	Lagging indicator using ABS data published every two years. Data reported as 2002-03 actual is data for period 1999-01. It is not possible to reliably estimate a value for 2001-03 data that will be published in August 2004.

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Outcome: Reducing the number of serious injuries and fatalities in Western Australia through the implementation of road safety programs.					
Deaths from road crashes per 100,000 estimated residential population	9.4	9.0	9.3	8.9	See note (d)
Police reported hospital admissions due to road crashes per 100,000 population	149	147	145	145	See note (e)
Hospital admissions due to road crashes per 100,000 population.....	191	190	190	185	See note (f)
Outcome: The strategic transformation of the operations of Government, using technology as a tool to improve internal efficiency, service delivery to citizens and community participation					
Proportion of Departments that adopt and implement policies, standards and guidelines developed by the Office.....	95%	70%	95%	71%	This indicator refers to the 21 departments of government. It is proposed to release three guidelines and three policies in 2004-05, and estimated that 15 of the 21 departments will adopt/implement more than 50% of policies and guidelines released during the year.
Strategic Management Council E-Government Sub-Committee's satisfaction with quality of advice and support provided.....	3.3	3.2	3.0	3.0	See note (g)
Premier's Office satisfaction with advice and support provided.....	3.0	3.0	3.0	3.0	See note (b)
Outcome: A safer and more secure community.					
Reported rate of home burglary per 1000 residential dwellings.....	52.5	52.5	52.5	47.5	Projected reduction is the outcome of government-wide crime prevention initiatives. See note (h).
Proportion of the community who feel "safe" or "very safe" at home alone after dark	73%	>74%	75%	81%	See note (i). The 2004-05 target is national average for 'feelings of safety'.
Proportion of the community who feel "safe" or "very safe" at home alone during the day....	88%	>88%	89%	92%	See note (i). The 2004-05 target is national average for 'feelings of safety'.

- (a) More details of effectiveness indicators are provided in the annual report.
- (b) Value point along a continuum that ranges from one indicating 'well below expectations' to five indicating 'well above expectations' obtained from standard survey instrument issued to the Premier's Office and to all Ministerial offices.
- (c) Value point along a continuum that ranges from one indicating 'well below expectations' to five indicating 'well above expectations' obtained from standard survey instrument issued to the Premier's Office.
- (d) The 2003-04 figure has been determined by dividing the Western Australian population of 1,927,322 (source: ABS data) by the 179 fatalities that occurred on Western Australian roads during calendar year 2003.
- (e) Data for this indicator is supplied by Main Roads WA and the Injury Research Centre of the University of Western Australia, and is reported for calendar year 2003. Admissions data used to prepare the projections for 2002-03 estimated actual and 2003-04 target reported in the 2003-04 budget statements was incomplete, and resulted in projection of values that have subsequently been found to be incorrect. Data subsequently provided indicates that a value of 147 as the 2003-04 target would have been a more reasonable projection.
- (f) Data for this indicator is supplied by the Department of Health and the Injury Research Centre of the University of Western Australia, and is reported for calendar year 2003.
- (g) Value point along a continuum that ranges from one indicating 'well below expectations' to five indicating 'well above expectations' obtained from standard survey instrument issued to the members of the Strategic Management Committee E-Government Sub-committee.
- (h) This effectiveness indicator uses data published by the Crime Research Centre at the University of Western Australia. Community safety and crime prevention partnerships, and other Office of Crime Prevention strategies are designed to reduce the incidence of home burglary and home invasion, however changes in this indicator are the outcome of policies, programs and actions of several departments and agencies working together on a cross-government basis.
- (i) The data for this indicator is published annually in the "Report on Government Services" as "Perception of safety at home", and is sourced from the Australasian Centre for Policing Research's National Survey of Community Satisfaction with Policing.

Output 1: Support for the Premier as Head of Government

The Department provides administrative support and advice responsive to the Premier's requirements as Head of Government. This output also includes the promotion of Western Australia's interests overseas and communicating Government policies and activities.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	10,643	11,314	11,844	12,194	
Less Revenues from Ordinary Activities	841	-	22	10	
Net Cost of Output	9,802	11,314	11,822	12,184	
Adjustments ^(a)	232	(442)	(537)	(62)	
Appropriation for delivery of Output 1	10,034	10,872	11,285	12,122	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Overseas regions in which Western Australia is represented.....	3	3	3	3	(a)
Office supported.....	1	1	1	1	
Media and communication clients serviced	14	14	14	14	
Quality					
Premier's Office satisfaction with quality of support provided.....	4.0	4.0	4.0	4.0	(b)
Client satisfaction with quality of media and communication services.....	3.8	3.7	3.7	3.8	(b)
Timeliness					
Premier's Office satisfaction with timeliness of support provided.....	4.0	4.0	4.0	4.0	(b)
Client satisfaction with timeliness of media and communication services.....	3.7	3.7	3.7	3.8	(b)
Cost (Efficiency)					
Average cost per region for overseas representation	\$1,438,762	\$1,522,618	\$1,541,684	\$1,515,112	
Average cost per office supported	\$3,307,942	\$3,679,068	\$4,061,295	\$4,227,435	
Average media and communication cost per client.....	\$215,667	\$219,111	\$225,512	\$226,478	
Grants excluded.....	-	-	-	\$250,000	
Full Time Equivalents (FTEs)	55	65	71	72	

(a) The basis of calculation for this quantity/cost indicator was amended during preparation of the Department's 2002-03 annual report. Previously, the indicator reported the number and average cost for overseas offices, however, the resources allocated to the Kobe office in North Asia are substantially less than each of the others. For relevance and transparency, the indicator has been amended to the average number of regions and cost per region in which WA interests are represented. The three regions are Europe, the Middle East and North Asia. The data for prior periods has been recast on the same basis.

(b) Value point along a continuum that ranges from one that indicates 'well below expectations' to five that indicates 'well above expectations' obtained from standard survey instrument issued to the Premier's Office and to all Ministerial offices.

Major Achievements For 2003-04

- The North Asia Agency coordinated the Japan itinerary for a trade mission led by Minister Hon C Brown, MLA to Hyogo Prefecture and Tokyo in November 2003.
- Two Japanese consortiums were assisted in developing feasibility studies to invest in di-methyl ether (DME) production facilities at the Burrup Industrial Estate.
- The Nagata Sangyo Company was assisted in their bid to acquire a starch and gluten factory in Henderson (an investment of \$5-6 million) that will result in the re-employment of 26 people made redundant by the closure of the plant.
- The North Asia Agency assisted the Under Treasurer in re-establishing relationships with major trading houses in Tokyo, and consequently, Treasury Corporation has recommenced business dealings with Japan. The North Asia Agency provides a coordination and certification role for that business.
- With support from the European Office, The Western Australian lobster industry achieved a major breakthrough in a five-year campaign to win tariff concessions from the European Union. A reduction in the tariff rate for frozen lobster from 12½% to 6% has been granted for 1,500 tonnes of lobster for a three-year period commencing 1 January 2004.
- The European Office, along with a number of Western Australian companies, participated in the 'Offshore Europe 2003' oil and gas exhibition in Aberdeen, Scotland. A separate briefing by the State Government and Woodside Energy promoted the State's investment potential to 60 British and European oil and gas industry companies.
- Business migration remained a key objective of the European Office. The State's benefits were promoted through participation in the 'Opportunities Abroad 2003' event in York and the 'Emigrate 2004' migration promotion at Sandown, Surrey. In excess of 30% of UK business migrants travelling to Australia are settling in Western Australia.
- The Middle East Trade Office in Dubai coordinated the involvement of 15 Western Australian companies in the Big Five Building & Construction Industry Exhibition in Dubai, and supported and coordinated the agricultural delegation, led by Minister Hon K M Chance, MLC that visited United Arab Emirates, Oman, Kuwait, Jordan and Egypt. Memoranda of Understanding on commercial interchange were signed with Kuwait and Jordan.
- Support was provided to the Oil & Gas, and Health Trade Mission led by Minister Hon C Brown, MLA to the United Arab Emirates and Qatar, and the Middle East Trade Office and the Western Australia Tourism Commission jointly sponsored an inwards Investment and Trade mission to Perth in February 2004.
- The Middle East Trade Office continues to monitor the potential for Western Australian companies to be involved in the reconstruction of Iraq, and communicates opportunities as they are identified. A number of Western Australian companies have won reconstruction contracts.
- Arrangements have been made with a prominent Kuwaiti company to represent the State's trade interests in Kuwait and Iraq, and negotiations are proceeding with senior business people in the United Arab Emirates in relation to the establishment of the Western Australia-United Arab Emirates Business Association.
- Community-based initiatives across Western Australia were developed and implemented in support of the Government's physical activity message, and Cabinet approved the 2003-04 to 2006-07 Physical Activity Strategy and Implementation Plan.

Major Initiatives For 2004-05

- Japanese investment in the minerals, petroleum and agribusiness industries will be encouraged, in collaboration with the relevant units in the Departments of Agriculture, and Industry and Resources. Promotional activities targeting major trading companies will be undertaken to increase the volume and scope of the products imported from Western Australia.
- A knowledge-based industry mission to Japan targeting business matching will be coordinated in November 2004. The visit of the Premier and/or Deputy Premier to Japan will be supported.

- Promotional events will be undertaken as part of the implementation of the Kansai/Hyogo Strategy. These events will include seminars and dedicated displays, market visits involving business matching, and Kansai-based investor groups visiting Western Australia.
- Involvement of Western Australian food processors and manufacturers in the 2005 Gulf Foods Exhibition will be promoted in conjunction with the Departments of Agriculture, and Industry & Resources. A significant presence for Western Australian companies in the Big Five Construction & Building Industry Exhibition in November 2004 will be encouraged in conjunction with the Western Australian Master Builder's Association.
- The European Office will assist the Western Australian Lobster Industry to develop and implement promotional and marketing strategies to increase exports to Europe.
- The State's Participation in 'Offshore Northern Seas 2004' in September 2004 will be coordinated, and Ausbiotech 2005 will be promoted at European biotechnology events. To maintain Western Australia's image as a business migration destination, the European Office will represent the State at the Emigration Fair in York in June 2004 and the 'Emigrate 2005' show in March 2005.
- Tuscany's participation as the Guest Region at the 2004 Perth Royal Show will be supported by the European Office in conjunction with the Government of Tuscany, the Western Australia Royal Agricultural Society, the Department of Industry and Resources and the Western Australian Italian community.
- A Government-wide coordinated response to the issue of child and adolescent physical activity will be developed and implemented.

Output 2: Management of matters of State

The Department provides a range of services on behalf of the Premier including:

- support for the functions of executive government;
- administration of entitlements for Members of Parliament;
- support for ministerial offices and the leaders of the opposition parties;
- developing whole of government positions on treaties, defence, federal reform and other matters raised through the Council of Australian Governments;
- managing and coordinating Western Australian Government input to federal negotiations; and
- coordinating delivery of government services provided to the Indian Ocean Territories on behalf of the Commonwealth Government.

This output also includes the corporate services function provided to the Anti-Corruption Commission; Governor's Establishment; the Office of the Public Sector Standards Commissioner; the Parliamentary Commissioner for Administrative Investigations; and the Department of Treasury and Finance.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	53,038	60,375	63,875	61,081	
Less Revenues from Ordinary Activities	1,410	352	688	478	
Net Cost of Output	51,628	60,023	63,187	60,603	
Adjustments ^(a)	2,013	(2,008)	(4,090)	(542)	
Appropriation for delivery of Output 2	53,641	58,015	59,097	60,061	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Ministerial Offices supported (including the Leaders of the Opposition)	15	15	15	15	
Members of Parliament provided with entitlements	91	91	91	91	
Executive Government Services provided	290	275	253	223	(a)(b)
Responses provided to the public on behalf of the Premier	15,622	17,100	14,300	18,310	
Briefings on federal affairs matters provided for the Premier as Minister for Federal Affairs.....	164	75	285	285	
Developed, monitored and reviewed Indian Ocean Territory Service Delivery Arrangements	30	32	30	32	
Quality					
Ministerial Office satisfaction with quality of service provided.....	3.6	3.4	3.5	3.5	(c)
Members of Parliament satisfaction with quality of service provided.....	3.2	3.2	3.2	3.2	(c)
Client satisfaction with quality of Executive Government and correspondence services provided.....	4.0	3.5	3.7	3.7	(c)
Timeliness					
Ministerial Office satisfaction with timeliness of service provided	3.5	3.4	3.5	3.5	(c)
Members of Parliament satisfaction with timeliness of service provided	3.2	3.3	3.2	3.2	(c)
Client satisfaction with timeliness of Executive Government and correspondence services provided	4.0	3.4	3.7	3.7	(c)
Cost (Efficiency)					
Average operating cost per Ministerial Office (including the Leaders of the Opposition)....	\$1,365,761	\$1,373,013	\$1,534,670	\$1,405,924	
Average cost of administration per Ministerial Office (including the Leaders of the Opposition).....	\$300,809	\$330,112	\$415,913	\$411,404	
Average entitlement cost per Member of Parliament.....	\$195,390	\$220,103	\$207,601	\$210,294	
Average cost of administration per Member of Parliament.....	\$5,244	\$4,931	\$8,883	\$8,332	
Average cost per Executive Government Service.....	\$12,400	\$15,515	\$10,939	\$12,171	(a)(b)
Average cost per response provided to the public on behalf of the Premier.....	\$38	\$48	\$47	\$35	
Average cost per briefing provided for the Premier	\$3,670	\$9,698	\$2,346	\$2,334	
Average cost of administration per Indian Ocean Territory Service Delivery Arrangement.....	\$6,425	\$5,404	\$9,939	\$9,119	
Support provided to Inquiries and Community Service Obligations.....	\$3,041,922	\$7,239,923	\$7,507,814	\$5,561,989	(d) Includes funding for Functional Review implementation.
Community Service grants excluded	\$671,748	\$410,200	\$2,406,256	\$3,490,108	(e)
Corporate services provided to external agencies	\$699,156	\$720,308	\$600,033	\$552,624	(f)
Severance(s) excluded	\$378,594				
Full Time Equivalents (FTEs)	417	428	472	478	

- (a) The number of Executive Government Services includes Parliamentary Sitting Days that are projected to reduce in a State Election year. The 12% reduction in the number of services projected for 2004-05 is matched by a similar increase in the average cost per service.
- (b) The treatment of Ministerial Chauffeur services as a component of this indicator has been amended with a high proportion of the expense allocated to Ministerial Office operating costs to more accurately allocate expenditure for services provided. Prior period data has been recast to accommodate this change.
- (c) Value point along a continuum that ranges from one that indicates 'well below expectations' to five that indicates 'well above expectations' obtained from standard survey instrument issued to the Premier's Office and to all Ministerial offices.
- (d) This data includes funding for Functional Review implementation. Substantial funding for this initiative was repositioned from 2002-03 to 2003-04, increasing estimated expenditure in the current year.

- (e) Approximately \$1.0 million in community service grants was repositioned from 2003-04 to 2004-05 during the mid year review increasing the projected expenditure for 2004-05.
- (f) The cost of corporate services provided to external agencies reduced between 2002-03 and 2003-04 as the Department of Treasury and Finance took over delivery of its corporate information (records management) function from 1 July 2003; a service previously provided by the Department of the Premier and Cabinet. In 2003-04, the Department provided additional resources for the implementation of a replacement personnel and payroll system, and a proportion of that expense has been allocated to external agencies to which services are provided.

Major Achievements For 2003-04

- The Department hosted and coordinated the Third National Counter-Terrorism Committee meeting in Perth in December 2003.
- The Department coordinated arrangements associated with the Bali Memorial dedication ceremony on 12 October 2003.
- The Department coordinated arrangements for the State Funeral Service for the late Mrs Shirley de la Hunty (nee Strickland) AO MBE.
- The Department coordinated arrangements associated with official visits by the Premier to the People's Republic of China, the Republic of Korea, North America, the United Kingdom and Europe throughout the year.
- The Department coordinated arrangements for the visit to Western Australia by His Royal Highness Crown Prince Maha Vajiralongkorn of Thailand.
- The Department provided support to the Premier for Heads of Government negotiations on a national water initiative, energy market reform, natural disaster relief and mitigation, bushfires inquiry, indigenous child protection, research involving human embryos, national greenhouse policy, national counter-terrorism, mass casualty events involving Australians overseas, health, and compliance with the National Code for the Building and Construction Industry as a condition of Commonwealth funding.
- The Department represented the State on the Commonwealth-State Standing Committee on Treaties to make sure Western Australia's interests were recognised in international treaties being negotiated by the Commonwealth, and Western Australia's submissions to various treaty negotiations were coordinated. Major treaties under negotiation include the Australia-United States Free Trade Agreement, the Australia-Thailand Closer Economic Relations Free Trade Agreement; the World Trade Organisation General Agreement on Trade in Services; and a number of United Nations and International Labour Organisation Conventions.
- The Department negotiated the signature by the Commonwealth and State Ministers of a new Service Delivery Arrangement for services to be provided to the Indian Ocean Territories by the Office of Energy. 30 Service Delivery Arrangements are now in place between the State and the Commonwealth. Eight Service Delivery Arrangements for services delivered by State agencies were reviewed and renegotiated for a further four years with the Commonwealth.
- The Department facilitated and led high level negotiations between the Commonwealth and relevant State agencies, and convened and participated in working groups to progress high priority defence issues of strategic importance to Western Australia, including army training areas, strategic land use, and unexploded ordnance.

Major Initiatives For 2004-05

- The Department will coordinate the formalities associated with the State General Election in 2004-05 including oversight of the Caretaker Conventions.
- The Department will work with the Western Australian Olympic Council to coordinate the Premier's involvement in the welcome home functions for Western Australian participants in the 2004 Olympic and Paralympic Games.
- In line with the Gordon Inquiry recommendations, a bilateral agreement will be negotiated with the Commonwealth to give priority within existing and new program funding and delivery to indigenous child protection strategies, and services in specific communities.
- Two expiring Service Delivery Arrangements for services to the Indian Ocean Territories will be reviewed and renegotiated with the Commonwealth.

Output 3: Management of policy

The Department provides advice to and co-ordination for the Premier and Cabinet on key policy matters to ensure an effective government- wide perspective in the following areas:

- Citizens & Civics;
- Economic Policy;
- Environmental Policy;
- Regional Policy;
- Social Policy; and
- Sustainability.

The Policy Division also provides support to Cabinet Standing Committees. The Cabinet Standing Committees have endorsed terms of reference which include overview of Cabinet decision-making and advising Cabinet on the impact of Government policies and decisions on Western Australian communities. The Standing Committees' key priorities include developing policies which include social and environmental, as well as economic and regional objectives.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	5,644	5,595	6,926	7,583	
Less Revenues from Ordinary Activities	89	-	11	7	
Net Cost of Output	5,555	5,595	6,915	7,576	
Adjustments ^(a)	(148)	(202)	(217)	22	
Appropriation for delivery of Output 3	5,407	5,393	6,698	7,598	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Provision of information (hours)	10,500	8,800	12,000	13,000	(a)
Policy co-ordination and review (hours).....	19,000	19,000	21,200	22,000	(a)
Policy development (hours).....	16,700	15,200	17,000	18,000	(a)
Project management (hours).....	8,400	6,200	8,600	9,000	(a)
Quality					
Premier's Office satisfaction with quality of services provided	2.0	4.0	3.0	3.0	(b)
Ministerial Office satisfaction with quality of services provided	3.1	3.4	3.1	3.2	(b)
Timeliness					
Premier's Office satisfaction with timeliness of services provided	2.0	4.0	3.0	3.0	(b)
Ministerial Office satisfaction with timeliness of services provided.....	3.1	3.4	3.1	3.2	(b)
Cost (Efficiency)					
Average cost per hour of provision of information	\$86	\$97	\$126	\$102	(a)
Average cost per hour of policy co-ordination and review	\$93	\$160	\$134	\$114	(a)
Average cost per hour of policy development .	\$81	\$69	\$93	\$84	(a)
Average cost per hour of project management.	\$120	\$56	\$103	\$90	(a)
Value of grants excluded	\$484,309	\$320,000		\$1,272,000	
Severances excluded.....	\$136,396				
175th Anniversary of European Settlement celebration funding excluded.....			\$100,000	\$150,000	Special funding provided in 2003-04 and 2004-05 for promotion of the 175th Anniversary celebrations.
Full Time Equivalents (FTEs)	36	41	49	48	

- (a) The Crime Prevention function, previously part of the Management of Policy output is to be established as Output 12 effective 1 July 2004. For comparative purposes, 2003-04 estimated actual quantity and cost indicators have been reported as though the new output existed for the year ended 30 June 2004. Comparative values excluding resources allocated to Crime Prevention initiatives have been recast for 2002-03 actual and 2003-04 budget period using existing data.
- (b) Value point along a continuum that ranges from one that indicates 'well below expectations' to five that indicates 'well above expectations' obtained from standard survey instrument issued to the Premier's Office and to all Ministerial offices.

Major Achievements For 2003-04

- The Waterwise Rebate Scheme developed by the Department was launched in 2003.
- The Department implemented the State Water Strategy including the following key elements:
 - a sustainable water management plan with local government authorities;
 - the State-wide Irrigation Review;
 - a Waterwise on the Farm Program involving farmers in the Harvey Irrigation Area and Scott Region; and
 - investigations into the feasibility of a 45 Gigalitre water allocation from the South-West Yarragadee Aquifer into the Integrated Water Supply System.
- In conjunction with the Water Corporation, the Office of Water Regulation and United Utilities Ltd, a proposal to provide an alternative water supply to the goldfields was investigated. The proposal is to pump desalinated seawater via a pipeline from Esperance to Kalgoorlie.
- The Department established the Gngangara Co-ordinating Committee (comprising representatives of various Government agencies and the Commonwealth Scientific and Industrial Research Organisation [CSIRO]) to co-ordinate a sustainable management framework for the Gngangara Mound water and land use.
- The Department launched the Premier's Water Foundation to promote and enhance water related research and development activities.
- The Department, in partnership with the Department of Local Government and Regional Development, formulated a Regional Development Policy, *Regional Western Australia a Better Place to Live* to provide a framework for the sustainable economic, and environmental and social development of regional Western Australia.
- The Department has assisted in the development of a connections policy for regional Western Australia as part of the Regional Electricity Supply Committee.
- The Department has assisted with the development of a planning and management strategy for the Carnarvon/Ningaloo Coast.
- The Department managed the Premier's Rockingham Planning and Development Taskforce that prepared the report for the Cabinet Standing Committee on Regional Policy consideration.
- The Department contributed to the development of the Swan River management initiatives for government, including the proposal for a Swan River Act and Swan/Canning River Park.
- The Department played a key role in formulating the Government's response to hazardous waste policy issues, including the Brookdale liquid waste treatment facility and the process to identify a new hazardous waste precinct.
- The Department was instrumental in the development of a State Greenhouse Strategy and represented Western Australia nationally and internationally on greenhouse policy.
- The Department contributed to the response to national natural resource management policy issues, including Commonwealth funding matters, in particular signing of a Bilateral Agreement for the National Action Plan for Salinity and Water Quality.
- The Department assisted in the Government's environmental legislation program: monitoring and advising on whole of government aspects, co-ordinating resolution of conflicting advice and, for the Nuclear Waste Amendment Bill, instructing drafting.

- The Department co-ordinated the Government response to Commonwealth inquiries including:
 - Productivity Commission Inquiry into the Impacts of Native Vegetation and Biodiversity Regulations;
 - House of Representatives Standing Committee on Environment and Heritage 'Inquiry into Sustainable Cities 2025'; and
 - Senate Inquiry into Invasive Species.
- The Department co-ordinated the submission to obtain National Heritage Trust funding to address water quality issues in the Peel-Harvey Inlet.
- The Citizenship Strategy entitled *A Voice for All: Strengthening Democracy*, was launched in May 2004. This strategy, an Australian first, encompasses a diverse range of citizenship and government policy initiatives in a 'whole of government' approach to citizenship and governance.
- A new guide to complement the *Consulting Citizens* series, *Consulting Citizens: Engaging with Aboriginal Western Australians* was produced and launched in partnership with the Department of Indigenous Affairs and Aboriginal and Torres Strait Islander Commission (ATSIC).
- The Department finalised the State Sustainability Strategy and Action Plan, which was released by the Premier in September 2003.
- The Department organised the Third Conference of the Network of Regional Governments for Sustainable Development that was hosted by the Western Australian Government and attended by delegates from 17 regional governments from around the world.
- The Department developed the State Early Years Strategy launched in October 2003, and co-ordinated the implementation of the strategy through a whole of government steering group.
- The Department developed an Industry Plan for the Non-government Human Services Sector in collaboration with peak non-government organisations and State government agencies.
- The Department co-ordinated the response to the Gordon Inquiry ensuring the rollout of initiatives across all government agencies through a collaborative process with ATSIC Regional Councils.
- The Department assisted the Office of Seniors' Interests and Volunteering to develop the State Government response to the Active Ageing Taskforce.

Major Initiatives For 2004-05

- The Department will complete a statewide Irrigation Review and provide a mid-year interim report to Government.
- The Department will co-ordinate intergovernmental activities and provide a report to the Environmental Protection Authority with regard to the Gnarara Mound land/water use planning.
- The Department will co-fund and support the International Council for Local Environmental Initiatives (ICLEI) to recruit further councils for the Western Australian Water Campaign.
- The Department, in partnership with the Department of Local Government and Regional Development, will promote and implement the Regional Development Policy for Western Australia.
- The Department will play a key role in overseeing the coordination of the Government's commitments on the Carnarvon/Ningaloo Coast.
- The Department will establish a Greenhouse Unit and commence implementation of the Greenhouse Strategy.
- The Department will assist in developing strategic policy on waste management and the establishment of new hazardous waste precincts.
- The Department will co-ordinate the finalisation of the policy for Indigenous Ownership and Joint Management of Conservation Lands.

- The Department will implement the whole of Government/Community Citizenship Policy and Five-Year Strategic Plan.
- The Department will co-ordinate the implementation of the State Sustainability Strategy across Government.
- The Department will develop and finalise a Sustainability Code of Practice for government agencies and a corresponding resource guide.
- The Department will undertake a specific project to support reform and development of a non-government Human Services Sector.

Output 4: Support for the Premier as Minister for Public Sector management.

The Department provides advice, assistance and support to the Minister for Public Sector Management and the public sector on a range of public sector management matters, including:

- functions under the Public Sector Management Act 1994, including as the employer of Chief Executive Officers and manager of the Senior Executive Service;
- quality human resource management and change, including redeployment and recruitment programs and management and workforce development;
- whole of government reporting on public sector workforce demographics, trends and management issues; and
- support for organizational restructuring and promotion of whole-of-government management improvement strategies and special projects.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	7,393	8,191	9,364	7,769	
Less Revenues from Ordinary Activities	1,534	1,646	1,754	1,141	
Net Cost of Output	5,859	6,545	7,610	6,628	
Adjustments ^(a)	222	(147)	(573)	61	
Appropriation for delivery of Output 4	6,081	6,398	7,037	6,689	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Senior executive service members managed (including CEOs).....	364	362	336	336	
Public sector management recruitment and redeployment services	823	785	734	720	
Workforce development provided (hours).....	6,159	4,000	6,000	6,000	
Publications provided for the public sector.....	37	30	32	na	(a)
Policy advice and policy implementation provided (hours)	18,600	19,500	15,863	16,000	
Public Sector Management program (PSM) participants	41	40	100	95	

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quality					
Premier's Office satisfaction with quality of support as employer of public sector CEOs and manager of the SES.....	3.0	3.0	3.0	3.0	(b)
Agency satisfaction with quality of public sector management advisory, recruitment and redeployment services.....	3.4	3.5	3.5	3.5	(b)
Participant satisfaction with the relevance of workforce development provided	4.1	3.3	4.1	4.2	(c)
User satisfaction with quality of publications provided for the public sector	na	80%	na	na	(a)
Client satisfaction with the relevance of policy advice and implementation support provided.....	4.2	3.2	4.2	4.2	(d)
Participant satisfaction with the relevance of the PSM Program.....	4.9	4.1	4.1	4.1	(e)
Timeliness					
Premier's Office satisfaction with timeliness of support as employer of public sector CEOs and manager of the SES.....	3.0	3.0	3.0	3.0	(b)
Agency satisfaction with timeliness of public sector management advisory, recruitment and redeployment services.....	3.4	3.5	3.5	3.5	(b)
Participant satisfaction with the timeliness of workforce development provided	3.8	3.3	3.8	3.8	(c)
Publications produced within required timeframe.....	100%	100%	100%	na	(a)
Client satisfaction with the timeliness of policy advice and implementation support provided.....	4.2	3.2	4.1	4.1	(d)
Cost (Efficiency)					
Average cost per senior executive service member (including CEOs)	\$1,420	\$1,632	\$1,537	\$1,573	
Average cost per public sector management advisory, recruitment and redeployment service.....	\$1,882	\$2,451	\$2,333	\$2,353	
Average cost per hour of workforce development provided	\$130	\$185	\$150	\$151	
Average cost per publication issued for the public sector	\$38,387	\$47,821	\$74,916	na	(a)
Cost of policy advice and policy implementation support provided	\$85	\$99	\$114	\$104	
Average cost per participant attending the Public Sector Management Program.....	\$6,220	\$11,703	\$3,473	\$3,860	
Copyright administered on behalf of government.....	\$953,343	\$821,000	\$1,262,600		
Grants excluded.....	\$325,385	\$280,000	\$412,388	\$464,880	
Full Time Equivalents (FTEs)	51	56	52	54	

- (a) The introduction of the Recruitment Advertising Management System (RAMS) in 2003-04 has significantly changed the services provided by this function. New indicators are under development for 2004-05 and outyears, therefore no estimate has been made for 2004-05.
- (b) Value point along a continuum that ranges from one that indicates 'well below expectations' to five that indicates 'well above expectations' obtained from standard survey instrument issued to the Premier's Office and to all Agency Chief Executives.
- (c) Value point along a continuum that ranges from one that indicates 'well below expectations' to five that indicates 'well above expectations' obtained from surveys issued to a random sample of workforce development participants.
- (d) Value point along a continuum that ranges from one that indicates 'well below expectations' to five that indicates 'well above expectations' obtained from surveys issued to recipients of policy advice and implementation support provided by the Review and coordination branch.
- (e) Value point along a continuum that ranges from one that indicates 'well below expectations' to six that indicates 'well above expectations' obtained from a survey issued to all participants.

Major Achievements For 2003-04

- A whole of government complaints management strategy was finalised in conjunction with the Strategic Management Council.

- A State level agreement with the Australasian Performing Rights Association Ltd has been negotiated covering the copyright obligations for the performance of musical works and any lyrics associated with those musical works by departments and agencies.
- The Department maintained a lead role in response to the public liability and professional indemnity insurance crisis, with the introduction and passage of the *Civil Liability Amendment Bill 2003*, coordination of the risk management education campaign delivered by the Department of Sport and Recreation, and development of a web-based risk management toolkit by the Insurance Commission of Western Australia.
- A register of statutory authorities, boards and committees and ministerial advisory committees has now been published on the internet at <http://www.boards.dpc.wa.gov.au/>
- A joint research project with the Centre for Labour Market Research to assess the impact of the ageing population on the Western Australian public sector was completed and the results released.
- The Recruitment Advertising Management System (RAMS), a web-based portal for redeployment, government career opportunities and entry-level recruitment was launched.
- The business case for Corporate Services and Procurement reform was developed and endorsed by Cabinet in January 2004.
- Program Offices for Shared Corporate Service and Procurement Reform were established to lead implementation of the endorsed business models.

Major Initiatives For 2004-05

- Implementation of the State Strategic Planning Framework *Better Planning: Better Services* will be progressed.
- An evaluation report against planned actions in the Integrated Workforce Management Framework (the Government's strategic plan for management of the government workforce) will be completed in the first quarter 2004-05.
- A Candidate Management System will be implemented to support and track the recruitment process. This system will enable agencies to achieve significant efficiency gains.
- A Workforce Development Policy will be developed for the public sector.
- The Department will manage and monitor implementation of the Shared Corporate Services model across the public sector.

Output 5: Parliamentary, statutory and legislative publishing service.

Through the State Law Publisher, the Department provides a secure, confidential and time critical printing and publishing service to meet the needs of Parliament and Government.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	2,976	4,125	3,114	3,379	
Less Revenues from Ordinary Activities	3,156	3,143	3,152	2,780	
Net Cost of Output	(180)	982	(38)	599	
Adjustments ^(a)	268	(753)	135	(60)	
Appropriation for delivery of Output 5	88	229	97	539	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Printing images produced	14,000,000	12,000,000	13,500,000	11,500,000	(a)
Publications sold.....	346,375	340,000	360,000	290,000	(a)
Quality					
Client satisfaction with quality of service provided.....	94%	92%	92%	92%	(b)
Timeliness					
Parliamentary documents produced on time....	99.8%	100%	100%	100%	
Cost (Efficiency)					
Average cost per printing image produced	\$0.08	\$0.14	\$0.09	\$0.12	(a)
Average cost per publication sold.....	\$5.04	\$7.28	\$5.19	\$6.99	(a)
Full Time Equivalents (FTEs)	26	27	26	27	

- (a) Level of printing activity is projected to decrease post 1 July 2004 when free-of-charge, on-line access to Western Australian legislation is to be provided to the general public.
- (b) Client satisfaction measure obtained from an independent survey of State Law Publisher clients

Major Achievements For 2003-04

- The reprints program fostered jointly with the Parliamentary Counsel's Office resulted in 180 titles of legislation being consolidated and reprinted to February 2004, with a forecast total of 260 titles for the financial year.
- The Department continued to provide support to the Royal Commission Into Whether There Has Been Corrupt Or Criminal Conduct By Any Western Australian Police Officer over the past 12 months with hosting of website facilities, assistance with various printing requirements and publication of the final report.
- Personalised legislation products were developed for clients in both electronic and hard copy format, with value-added features such as history and inclusion of subsidiary legislation relevant to the principal legislation title.
- Ongoing support was provided to the Parliament with printing and production of chamber documents such as Notice Papers, Daily and Weekly Hansard, Bills, Votes and Proceedings, etc., and processing electronic versions of these documents for publishing on the Parliament website.

Major Initiatives For 2004-05

- Online access to WA legislation will be provided free of charge from 1 July 2004 as a result of a Government policy decision. The service will provide free access to all the legislation materials currently available on a subscription basis.

Output 6: Management of the Constitutional Centre programs.

The Government is committed to helping educate the community on the Western Australian and Commonwealth Constitutions, and the Federal system of government through the provision of exhibitions and programs at the Constitutional Centre.

	2002-03 Actual	2003-04 Budget	2003-04 Estimated Actual	2004-05 Budget Estimate	Reason for Significant Variation
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Output.....	1,167	2,265	3,653	1,777	
Less Revenues from Ordinary Activities	78	10	50	17	
Net Cost of Output	1,089	2,255	3,603	1,760	
Adjustments ^(a)	(65)	(20)	19	2	
Appropriation for delivery of Output 6	1,024	2,235	3,622	1,762	

- (a) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Customers of the Constitutional Centre.....	59,645	65,000	65,000	65,000	
Quality					
Customer satisfaction with the Constitutional Centre programs	4.8	4.7	4.7	4.7	(a)
Timeliness					
Customer satisfaction with timeliness of services provided	4.8	4.7	4.7	4.7	(a)
Cost (Efficiency)					
Average cost per customer of the Constitutional Centre	\$18	\$15	\$17	\$14	(b)
175th Anniversary of European Settlement celebration funding excluded.....		\$1,250,000	\$1,940,000	\$490,000	(c) Special funding provided in 2003-04 and 2004-05 for promotion of the 175th Anniversary celebrations.
Grants excluded.....	\$116,455	\$42,000	\$619,334	\$354,334	
Full Time Equivalents (FTEs)	7	6	7	6	

- (a) Value point along a continuum that ranges from one that indicates 'well below expectations' to five that indicates 'well above expectations' obtained from survey forms issued to all visitors to the centre.
- (b) The average cost per customer of the Constitutional Centre is marginally higher in 2003-04 as a consequence of service and contract expenditures related to the 175th Anniversary celebrations not able to be separately identified.
- (c) Special funding was provided in 2003-04 for the 175th Anniversary of European Settlement of Western Australia in 2004. The Constitutional Centre provides secretariat and support services to the Coordinating Committee that is planning and coordinating celebration events. During the 2003-04 mid year review, \$475,000 was repositioned to 2004-05.

Major Achievements For 2003-04

- The joint Civics Education Outreach program, conducted with the Parliamentary Education Office and the Electoral Education Centre, continued in the southwest region of the State and expanded along the Great Eastern Highway from Northam to Kalgoorlie.
- A series of public forums, conferences and lectures examined the Western Australian Constitution, relationships with the High Court, Senate reform and the history of responsible government in Western Australia.
- The 175th Anniversary program of events was implemented, including the establishment and management of a website, and implementation of an events calendar. Initiatives in this program included special birth certificates, song contests, community grants and commemorative coins.
- The Department co-ordinated the 2003 Premier's Awards and commenced planning the 2004 awards.

Major Initiatives For 2004-05

- A research partnership between the Constitutional Centre and the Curtin Centre for Government and Constitutional Law will be established to provide high quality research, and public lectures and workshops in areas relating to the State and Commonwealth Constitutions.
- The Joint Civics Outreach Program will be expanded into new regional areas.
- In conjunction with the Department of Indigenous Affairs, initiatives will be developed to encourage the participation of Indigenous students in Civics programs.

Output 7: Promotion and support of multiculturalism in Western Australia.

The Office of Multicultural Interests assists in delivering Government's commitments set out in the Western Australian Charter of Multiculturalism by:

- promoting the ideals of multiculturalism to public sector agencies and the community; and
- developing and influencing policies that reflect the principles of multiculturalism.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	2,746	2,768	2,998	2,795	
Less Revenues from Ordinary Activities	22	-	1	4	
Net Cost of Output	2,724	2,768	2,997	2,791	
Adjustments ^(a)	33	(50)	(280)	12	
Appropriation for delivery of Output 7	2,757	2,718	2,717	2,803	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Initiatives undertaken to promote multicultural principles to the wider community.....	25	20	20	22	(a)
Initiatives undertaken to support public sector agency implementation of policies and practices reflecting the principles of multiculturalism.....	10	12	13	20	(b)
Units of major policy development and/or research undertaken	31	21	21	20	
Multicultural grants administered.....	112	100	150	130	(c)
Quality					
Ministerial satisfaction with the quality of policy initiatives	3.4	4.0	3.5	3.5	(d)
Proportion of public sector agencies satisfied with support received from the Office of Multicultural Interests.....	na	65%	na	na	(e)
Proportion of initiatives meeting targeted objectives.....	na	70%	na	na	(f)
Timeliness					
Ministerial satisfaction with timeliness of policy initiatives.	3.3	4.0	3.4	3.4	(d)
Proportion of policy development and research projects within 10% of planned project time.....	na	70%	na	na	(f)
Cost (Efficiency)					
Average cost per initiative undertaken to promote multicultural principles to the wider community.....	\$36,475	\$37,947	\$50,428	\$41,714	(a)
Average cost per initiative undertaken to support public sector agency implementation of policies and practices reflecting the principles of multiculturalism.....	\$38,492	\$34,973	\$31,936	\$18,893	(b)
Average cost per unit of major policy development and/or research undertaken	\$16,199	\$46,511	\$45,717	\$43,071	
Average cost per multicultural grant administered	\$1,777	\$1,507	\$914	\$895	
Value of grants excluded.....	\$376,287	\$462,000	\$477,000	\$522,000	
Severances excluded.....	\$372,966				
Full Time Equivalents (FTEs)	18	18	21	22	

(a) The number of community initiatives is projected to increase by two (10%) for 2004-05. This increase and a reduction in expenditure (funds carried over from 2002-03 to 2003-04) results in a significant decrease in the average cost per initiative for 2004-05.

(b) The number of public sector initiatives is projected to increase by seven (54%) for 2004-05. This increase and a reduction in expenditure (funds carried over from 2002-03 to 2003-04) results in a significant decrease in the average cost per initiative for 2004-05.

- (c) Grants administered by this output are predominantly small community grants and the numbers vary year-to-year dependent upon demand.
- (d) Value point along a continuum that ranges from one that indicates 'well below expectations' to five that indicates 'well above expectations' obtained from standard survey instrument issued to the Premier's Office and to all Ministerial offices.
- (e) Community and Public Sector surveys will be conducted in the fourth quarter 2003-04 to establish the baseline for this indicator. The target public sector agency satisfaction rating provided in the 2003-04 budget was based on an estimate provided by the output manager, and no better estimate can be made until the survey is implemented.
- (f) No data is available for past periods for these indicators. Estimates provided in the 2003/04 budget were based on the output manager's judgement, but as the standards and data reporting have not yet been finalised, it is not feasible to make further estimates until reporting systems are in place.

Major Achievements For 2003-04

- Government's Anti-Racism Strategy addresses the following issues:
 - Racial Vilification;
 - Schools and Racism; and
 - Public Sector Racism and Equality.
- The draft Multicultural Charter was released to the public and Government agencies for comment. Recommendations from the public and agencies, and agency implementation strategies have been incorporated into a report to be submitted to Cabinet.
- The Office conducted a range of community education and awareness raising events throughout 2003-04 including Harmony Week.
- A needs analysis was undertaken to identify demand, and options for the provision of translator and interpreter services in Western Australia, and its recommendations submitted to the Premier for consideration. The recommendations included:
 - a review of the State Languages Policy;
 - development of a whole-of-government policy framework; and
 - re-assessment of the requirements for establishing a State-based Interpreter and Translation Service.
- An Expression of Interest was called to conduct a feasibility study to be completed by September 2004 for the establishment of a skilled migration unit within the public sector.

Major Initiatives For 2004-05

- Community Profiles will be developed for the large and emerging ethnic communities in Western Australia.
- Research will be conducted to identify issues of risk for ethnic youth and ways of addressing those risks.
- An initiative to address racism in schools will be developed and piloted.
- An education package will be developed targeting schools and the wider community to raise awareness about multiculturalism in the context of equal opportunity, anti-discrimination and human rights.
- An initiative to address systemic discrimination in the public sector will be piloted.
- To address recommendations of the report on the 'Need for Translator and Interpreter Services', the Government's Language Services Policy will be reviewed to ensure that it meets departmental and community needs and expectations.

Output 8: Native Title policy development, implementation and negotiation. (Deputy Premier)

The Office implements Government's Native Title objectives through:

- resolution of Native Title Applications;
- minimising the State's exposure to compensation liability for invalid future acts and/or compensation for the extinguishment or impairment of native title;
- resolution of native title compensation applications wherever possible by agreement;
- developing and implementing policies, procedures and practices across Government that ensure the future act regime is administered efficiently and consistently; and
- negotiation and involvement in the implementation of project agreements.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output ^(a)	6,048	18,404	7,735	12,280	
Less Revenues from Ordinary Activities	1,652	-	3	4	
Net Cost of Output	4,396	18,404	7,732	12,276	
Adjustments ^(b)	1,254	(4,054)	(5,460)	(447)	
Appropriation for delivery of Output 8	5,650	14,350	2,272	11,829	(c)

(a) Full time equivalents (FTEs) are 15 for 2002-03, 22 for 2003-04 budget, 19 for 2003-04 estimated and 27 for 2004-05 target.

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

(c) The significant variance in the cost of this output between 2003-04 estimated actual and 2004-05 budget estimate is the result of mid year review repositioning of appropriation from 2003-04 into outyears of \$12,123,000; and additional funding for salaries and contingencies of \$763,000 from 2004-05 budget.

Output Performance Measures

New output performance measures are being developed and will be reported in the 2005-06 budget.

Major Achievements For 2003-04

- The Department pursued opportunities for determinations of Native Title in the following areas; Central Desert region - Martu Stage 2 and in the Kimberley region -Miriwung Gajerrong Number 1 claim, Karajarri Area B and Bardi Jawi.
- The Department facilitated the signing of an Indigenous Land Use Agreement in the Pilbara region with the Eastern Guruma claimants and Hamersley Iron.
- The Department is facilitating the signing of the Central Wheatbelt Indigenous Land Use Agreement, expected by June 2004.
- The Department has reviewed the *Guidelines for the Provision of Material in Support of Applications for a Determination of Native Title October 2002* to address developing native title case law.
- Jointly with the Department of Industry and Resources, the Department developed and implemented strategies that will reduce the backlog of mining tenement applications in a staged and manageable timeframe.
- The Department led the negotiations between the State and the Kimberley Land Council that have resulted in the settlement of a Framework Agreement that represents an agreed process for the Ord Stage 2 negotiations.

Major Initiatives For 2004-05

- The Department will continue to pursue opportunities for determinations of native title in accordance with Government policy favouring negotiation rather than litigation, wherever possible.
- The Department will seek a litigated outcome to claims where a mediated outcome is not possible due to the limitations of the *Native Title Act 1993* and the applicable case law, or where a consent determination offer has not been accepted. This will bring certainty and closure to a number of long outstanding claims.
- The Department will continue to lead the negotiations for the Ord Stage 2 global negotiations.

Output 9: Science and innovation promotion and support.

The Office coordinates implementation of Government's InnovateWA policy and strategy by:

- undertaking science policy development and providing support to the Premier's Science Council;
- identifying and promoting science and innovation opportunities;
- supporting the development of Western Australian research capability and infrastructure;
- administering research scholarships and fellowships; and

– promoting science and innovation in schools and through the Scitech Discovery Centre.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	12,278	32,276	16,598	26,860	
Less Revenues from Ordinary Activities	21	-	3	4	
Net Cost of Output	12,257	32,276	16,595	26,856	
Adjustments ^(a)	(7,672)	36	(3,684)	(60)	
Appropriation for delivery of Output 9	4,585	32,312	12,911	26,796	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
FTEs required to provide support to the Premier's Science Council.....	1.01	1.2	1.22	1.17	(a)
FTEs applied to policy development and advice provided to the Premier and Government.....	1.2	1.6	1.83	2.47	(b)
Research capability and infrastructure grants administered	60	64	62	64	
Funding applications reviewed	101	94	55	65	(c)
Science and innovation programs and projects managed	8	9	6	7	
International science projects managed	3	3	3	3	
Quality					
Premier's Office satisfaction with quality of support received.....	3.0	3.0	3.0	3.0	(d)
Key stakeholder satisfaction with level of support provided and interaction with the Office of Science and Innovation.....	na	3.6	3.8	3.8	(e)
Percentage of Centres of Excellence (COE) and Major National Research Facility (MNRF) grant recipients meeting objectives	na	80%	80%	80%	
Percentage of peer reviews supportive of proposed major Centres of Excellence in Science and Innovation.....	na	100%	100%	100%	(f)
Timeliness					
Premier's Office satisfaction with timeliness of support received.....	3.0	3.0	3.0	3.0	(d)
Percentage of COE and MNRF grant payments made in accordance with invoice..	na	90%	90%	90%	
Percentage of project milestones achieved in accordance with agreements	na	80%	80%	80%	
Cost (Efficiency)					
Cost of support provided to the Premier's Science Council	\$191,642	\$146,893	\$229,426	\$179,544	(a)
Cost of science policy development and advice	\$238,147	\$172,090	\$333,624	\$341,235	(b)
Average cost of administration per research capability and infrastructure grant	\$11,826	\$5,510	\$7,295	\$8,218	(g)
Average cost per funding application reviewed	\$2,045	\$2,251	\$5,104	\$4,303	(c)
Average cost per science and innovation program and project managed.....	\$44,377	\$54,581	\$74,062	\$67,503	
Average cost per international science project managed	\$85,625	\$51,953	\$191,760	\$94,061	(h)
Grants excluded.....	\$10,319,843	\$30,745,232	\$14,281,830	\$24,779,189	(i)
Full Time Equivalent (FTEs)	12	19	13	21	

- (a) This indicator reports FTEs allocated to support of the Premier's Science Council for the period. The cost of support includes salaries and contingencies expenditure and is not restricted to salary and related costs. The projected cost variance between 2003-04 and 2004-05 is due to the reallocation of resources within the output.
- (b) This indicator reports FTEs allocated to science and innovation policy development for the period. The cost of the activity includes salaries and contingencies expenditure and is not restricted to salary and related costs.
- (c) The number of funding applications reviewed is projected to increase in 2004-05 given the increase in grant funding for InnovateWA and other initiatives planned. The 18% increase in quantity leads to comparable reduction in average cost per application reviewed.
- (d) Value point along a continuum that ranges from one that indicates 'well below expectations' to five that indicates 'well above expectations' obtained from standard survey instrument issued to the Premier's Office.
- (e) Value point along a continuum that ranges from one that indicates 'well below expectations' to five that indicates 'well above expectations' obtained from standard survey instrument issued to key stakeholders.
- (f) External/peer reviews supportive of proposed major Centres of Excellence (COE) was a new indicator in 2003-04, and it reports the results of reviews undertaken of prospective COE funding applications. These reviews address technical merit, and the indicator value is the percentage of reviews that recommend funding approval.
- (g) The average cost per grant administered is projected to increase in 2004-05 as a result of additional funding approved in the budget to support expansion of Science and Innovation grant programs.
- (h) The average cost per international science project managed is projected to decrease significantly in 2004-05. Funding provided in 2002-03 for the Square Kilometre Array project but repositioned to 2003-04 will be spent in 2003-04 increasing the average cost per project for this period.
- (i) \$21.794 million in unexpended grant funds were repositioned from 2003-04 to 2004-05 and outyears during the mid year review. Grants made through the Centres of Excellence and WA Major Research Facility programs are for periods up to five years and are paid progressively over that period. Repositioning of grant appropriation on an ongoing basis to allow for disbursement arrangements is anticipated.

Major Achievements For 2003-04

- The Premier's Science Awards, held in conjunction with the Scitech Discovery Centre, were expanded to include new categories in primary, secondary and tertiary education.
- In accordance with recommendations made by the Premier's Science Council, a program to provide peer support by university students to secondary science students was developed, and a Major Research Facility program initiated to support the establishment of a \$60 million research centre in Western Australia.
- The Department coordinated the State's involvement in a Cooperative Framework on Tropical Science, Knowledge and Innovation agreement between Western Australia, the Northern Territory, and Queensland, and coordinated Western Australian representation in the Tropical Futures Forum which established priorities for a cooperative, multi-disciplinary approach to tropical science.
- Formal agreements in support of 14 new Cooperative Research Centres were developed. One of these centres, the Cooperative Research Centre for Sustainable Resource Processing, will be headquartered in Western Australia.
- Funding agreements with four Centres of Excellence ended. Three of those Centres continue to operate with investment from sources other than State funds, those Centres being the:
 - Australian International Gravitational Observatory;
 - Centre for Land Rehabilitation; and
 - Australian Centre for Geomechanics.
- A new five-year agreement between the State and the Scitech Discovery Centre was negotiated in July 2003 providing \$24 million for Scitech's operation, and the improvement of facilities at the existing City West site. The first phase of the refurbishment involved the construction of the new Planetarium.
- A joint venture between Scitech and the Department established a science Internet portal (<http://www.scitech.org.au>) providing open access for Western Australians to relevant research activities.
- The Neville Stanley Awards Program was recommenced. The program provides financial support for young graduates to develop relationships with private sector research interests through undertaking small research projects in a collaborative academic environment.
- In conjunction with the Commonwealth Scientific and Industrial Research Organisation's (CSIRO) Australia Telescope National Facility Division, Western Australia progressed its bid to have the international Low Frequency Array radio astronomy project based in the State's Mid West.
- The international Square Kilometre Array Radio Astronomy Conference was managed and coordinated. The Conference was held in Geraldton and attended by members of the Steering Committee and sub-committees, and 130 delegates from around the world.

- In conjunction with leading international nanoscientists, the Department negotiated the staging of an international conference in Broome in September 2004. This conference will bring together world leaders in computational nanoscience, which has been identified as a strategic research and development opportunity for Western Australia.
- The Department has promoted the development of the Integrated Agricultural Research Institute, with the Chief Scientist appointed as Chairman. The Department will support this initiative through the detailed business-planning phase.
- The Strategic Research Fund for the Marine Environment (SRFME) Joint Venture in which the Department is a partner achieved its key milestone with the reestablishment of the CSIRO Division of Marine Research in Western Australia with more than 20 scientific staff.
- \$1.25 million was allocated under the SRFME Collaborative Research Program to four projects that will deliver a greater understanding of key components of the marine environment in Western Australia and assist environmental decision-making.
- The Chief Scientist participated in the Chemistry Centre (WA) Review Team to investigate its future, and following Cabinet approval for detailed planning and development of the Chemistry Alliance concept, was appointed to the Chemistry Steering Committee.

Major Initiatives For 2004-05

- A further \$50 million over five years for InnovateWA will be used to implement new programs developed by the Premier's Science Council and extend the current Premier's Research Fellowships and Collaborative Research Grants programs.
- The agreement between the Government and the successful applicant to the Western Australian Major Research Facility program will be completed, and the research facility established.
- Fixed submission dates and guaranteed decision timelines on applications to the Centres of Excellence program will be introduced, and opportunities will be pursued to consolidate existing Centres of Excellence in order to establish larger scale Research Institutes and develop new Western Australian Major Research Facilities.
- Centres of Excellence outcomes will be communicated and promoted to the business community to encourage private sector investment in strategically important long-term research initiatives.
- A review of the operations and functions of Scitech will be conducted.
- Radio interference studies will be conducted in the Mid West to support the bid for the Square Kilometre Array project.
- A review will be conducted of the operations and research activities of the United Nations Educational, Scientific and Cultural Organisation's Intergovernmental Oceanographic Commission Perth regional office.
- The Strategic Research Fund for the Marine Environment, a joint venture between the Department and the CSIRO will begin undertaking critical marine environmental projects in the mid west coast region of Western Australia. These projects will have particular relevance for multiple use of the marine environment in this region including the new Jurien Bay Marine Park.

Output 10: Support for the implementation of the State's road safety initiatives. (Minister for Police and Emergency Services, Justice, Community Safety)

Support is provided to the Road Safety Council to undertake implementation, monitoring and evaluation of the State's road safety initiatives.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	20,316	19,124	16,741	15,872	
Less Revenues from Ordinary Activities	13,386	16,300	15,202	14,203	
Net Cost of Output	6,930	2,824	1,539	1,669	
Adjustments ^(a)	(4,880)	(1,142)	69	(80)	
Appropriation for delivery of Output 10	2,050	1,682	1,608	1,589	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Major awareness-raising campaigns.....	4	4	4	4	
Road Safety Initiatives undertaken	10	10	10	9	
FTEs providing support services to the Road Safety Council	2.94	3.0	3.0	3.0	(a)
Grants administered.....	11	9	10	10	
Quality					
Level of community awareness of road safety campaigns.....	67.5%	75%	75%	75%	(b)
Road Safety Council satisfaction with support provided.....	na	70%	70%	70%	(c)
Timeliness					
Proportion of road safety education campaigns conducted in accordance with priorities schedule.....	90%	90%	90%	90%	
Proportion of road safety initiatives conducted within timeframes set by the Road Trauma Trust Fund performance agreements.....	80%	77%	80%	80%	
Proportion of road safety grants administered in timeframes set by the Road Trauma Trust Fund performance agreements.....	80%	77%	80%	80%	
Cost (Efficiency)					
Average cost per major awareness-raising campaign	\$1,721,703	\$1,371,743	\$1,500,064	\$1,276,678	
Average cost per road safety initiative.....	\$367,086	\$463,291	\$265,685	\$251,244	
Cost of support services provided to the Road Safety Council	\$270,713	\$324,658	\$226,274	\$232,854	(a)
Average cost of administration per grant.....	\$8,805	\$6,558	\$8,479	\$7,100	
Grants excluded.....	\$9,390,299	\$8,620,000	\$7,772,639	\$8,200,000	
Full Time Equivalents (FTEs)	17	18	19	19	

(a) This indicator reports FTEs allocated to support of the Road Safety Council for the period. The cost of support includes salaries and contingencies expenditure and is not restricted to salary and related costs.

(b) Rating obtained from an independent annual survey issued to a random sample of the general public.

(c) Rating obtained from an annual survey of the members of the Road Safety Council.

Major Achievements For 2003-04

- Government endorsed 'Arriving Safely', a new road safety strategy for Western Australia from 2003-07, and key agencies have commenced implementation of the initiatives.
- Major statewide road safety community education programs focussing on drink driving, use of restraints, fatigue and speeding were conducted, with an increasingly regional focus.
- The Strategic Traffic Enforcement Program was implemented statewide.
- The implementation of fleet safety strategies in conjunction with WorkSafe and key agencies, including the development of a "whole of Government" policy to purchase fleet cars with available safety features as standard practice have commenced.
- A public discussion paper was developed outlining a proposed comprehensive program to address recidivist drink drivers.
- Government has endorsed the development of a new enforcement program to detect and prosecute drivers impaired through the use of licit and/or illicit drugs.
- A review of *Road Traffic Act 1974* penalties was conducted to recommend to Government, an appropriate level and mix of penalties (including demerit points, fines, licence suspension and custodial sentences).
- Government agencies continued to work with the rail industry at National, State and local level to improve safety at railway level crossings.
- Actions to reduce the over-representation of Aboriginal people in road crashes were included in 'Arriving Safely', the Road Safety Strategy for Western Australia 2003-07, and are ongoing.

Major Initiatives For 2004-05

- Implementation of the five-year 'Arriving Safely: Western Australian Road Safety Strategy 2003-2007' will be progressed.
- The Drug Impaired Driving Program will be implemented.
- Major statewide road safety community education programs will be conducted focussing on drink driving, use of restraints, fatigue and speeding. The National Road Safety Policing, Education and Research Conference will be hosted in Western Australia.
- The National Road Safety Policing, Education and Research Conference will be hosted in Western Australia.

Output 11: E-government policy and coordination.

The Office will:

- develop an e-government strategy for the public sector;
- develop a policy framework, standards and guidelines that are consistent with national and international best practice;
- coordinate and facilitate cross sector implementation of the strategy and policy framework;
- initiate, lead and coordinate strategic e-government projects; and
- encourage a better understanding of e-government and promote its benefits to the public sector, business and the community.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	4,887	3,819	8,860	7,308	
Less Revenues from Ordinary Activities	919	216	4,325	3,869	
Net Cost of Output	3,968	3,603	4,535	3,439	
Adjustments ^(a)	1,139	1	(331)	332	
Appropriation for delivery of Output 11	5,107	3,604	4,204	3,771	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Departments that adopt and implement policies, standards and guidelines developed	20	17	20	15	(a)
Significant e-government initiatives in which the Office is involved.....	11	6	9	7	(b)
FTEs required to develop e-government strategy	5.28	5.5	2.48	1.65	(c)
Quality					
Premier's Office satisfaction with quality of advice and support provided	3.1	3.0	3.0	3.0	(d)
Strategic Management Council E-government Sub-Committee's satisfaction with quality of advice and support provided	3.1	3.2	3.0	3.0	(e)
Timeliness					
Premier's Office satisfaction with timeliness of advice and support provided	3.1	3.0	3.0	3.0	(d)
Strategic Management Council E-government Sub-Committee's satisfaction with timeliness of advice and support provided	3.4	3.2	3.0	3.0	(e)
Cost (Efficiency)					
Average cost per department that adopts and implements policies, standards and guidelines.....	\$77,484	\$74,131	\$75,857	\$95,386	(a)(f)
Average cost per significant e-government initiative in which the Office is involved	\$193,311	\$241,861	\$288,806	\$266,096	(f)
Cost of development of e-government strategy	\$1,210,683	\$1,107,469	\$743,688	\$471,557	(c)(f)
Grants excluded.....	-	-	\$4,000,000	\$3,543,079	(f)
Full Time Equivalent (FTEs)	20	21	19	19	

(a) This indicator refers to the 21 departments of government. It is proposed to release three guidelines and three polices in 2004-05, and estimated that 15 of the 21 departments will adopt/implement more than 50% of policies and guidelines released during the year.

(b) This indicator reports the number of e-government initiatives undertaken by the Office. In 2004-05, the number of initiatives will be reduced by the cessation of one project and completion of a short-term, once-off survey initiative.

- (c) This indicator reports FTEs allocated to development of e-government strategy for the period. The cost of support includes salaries and contingencies expenditure and is not restricted to salary and related costs. The reduction in the FTE's allocated and the projected cost of this activity is due to a reallocation of resources following completion of development of the e-government strategy. Remaining resources are allocated to implementation and monitoring activities.
- (d) Value point along a continuum that ranges from one that indicates 'well below expectations' to five that indicates 'well above expectations' obtained from standard survey instrument issued to the Premier's Office and to all Ministerial Offices.
- (e) Value point along a continuum that ranges from one that indicates 'well below expectations' to five that indicates 'well above expectations' obtained from a survey instrument issued to the members of the E-Government sub-committee of the Strategic Management Council.
- (f) The Office of E-Government was established on 3 February 2003. Expenditure by the Department of Industry and Technology (DoIT) for the period 1 July 2002-03 February 2003 for inclusion in these statements has been provided by the Department of Treasury and Finance. As the functions transferred to the Department of the Premier and Cabinet incorporated elements of several DoIT functions, cost indicators derived for 2002-03 actual are not fully compatible with outyears.

Major Achievements For 2003-04

- The E-government Strategy for the Western Australian Public Sector was prepared.
- Policy frameworks including Guidelines for Evaluating E-government Projects and an electronic Government Interoperability Framework of technical standards (e-GIF) were released for agency use.
- A process for evaluating e-government projects in accordance with the E-government Strategy and the State Strategic Framework was developed.
- A range of security services (GovSecure) was developed. The services are designed to increase the integrity, confidentiality and availability of Government information.
- A survey was conducted to identify the present e-government position of the Western Australian public sector.
- Contract negotiations were completed and trials of the Network WA project were commenced. The project will expand broadband telecommunications in regional Western Australia for the delivery of health and education services.

Major Initiatives For 2004-05

- The Department will identify and lead cross-government and whole of government e-government initiatives.
- The Functional Review Implementation Team (FRIT) will be supported in the development of policies and frameworks to support planned public sector reforms.
- A program to raise awareness of e-government issues will be implemented.

Output 12: Implementation of the State Crime Prevention Strategy (Minister for Police and Emergency Services, Justice, Community Safety)

The Office of Crime Prevention implements the State Crime Prevention Strategy by:

- providing high level advice to the Government;
- conducting policy research and development to identify effective methods to reduce crime;
- establishing community safety and crime prevention partnerships and plans;
- communicating with key stakeholders and the community; and
- managing and evaluating projects supported by grant funding.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	2,368	6,269	8,824	8,018	
Less Revenues from Ordinary Activities	641	508	1,120	805	
Net Cost of Output	1,727	5,761	7,704	7,213	
Adjustments ^(a)	313	107	(1,704)	(10)	
Appropriation for delivery of Output 12	2,040	5,868	6,000	7,203	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Community safety and crime prevention partnerships established.....			12	50	(a)(b)
Local community crime profiles managed.....			142	142	(a)
Hours of research and policy development, and support to the Community Safety and Crime Prevention Council			26,400	27,400	(a)(c)
\$millions in grants administered.....			6.09	5.73	(a)
Quality					
Minister for Community Safety's Office satisfaction with quality of support provided			3.0	3.0	(a)(d)
Evaluation rating of programs and projects			na	na	(a)(e)
Timeliness					
Minister for Community Safety's Office satisfaction with timeliness of support provided.....			3.0	3.0	(a)(d)
Proportion of projects achieving key milestones and completed on time			na	na	(a)(e)
Cost (Efficiency)					
Average cost per community safety and crime prevention partnership established.....			\$50,903	\$13,096	(a)(f)
Average cost per local community crime profile managed			\$1,275	\$838	(a)(f)
Cost of research and policy development, and support to the Community Safety and Crime Prevention Council			\$1,327,193	\$1,121,549	(a)(f)
Average cost per \$1million in grants administered			\$100,301	\$69,259	(a) (f)
Grants excluded.....	\$1,099,139	\$4,209,000	\$6,094,553	\$5,725,553	
Full Time Equivalents (FTEs)	9	9	11	11	

- (a) The activities undertaken by this new output commenced in 2003-04, therefore it has not been possible to provide comparative data for 2002-03 actual and 2003-04 budget periods.
- (b) The establishment of community safety and crime prevention partnerships is the major initiative for the Office, thus it is projected that a significant number of new partnerships will be developed in 2004-05. Consequently, the projected cost per partnership in 2004-05 will decrease significantly.
- (c) This indicator identifies the hours (standard hours per FTE) committed to research, policy development and policy support for the Community Safety and Crime Prevention Council. The cost of this support includes salaries and contingencies expenditure and is not restricted to salary and related costs.
- (d) Value point along a continuum that ranges from one that indicates 'well below expectations' to five that indicates 'well above expectations' obtained from standard survey instrument issued to the Minister's Office.
- (e) Data is not yet available for these new indicators. Data collection systems and standards are being developed to capture and record this information.
- (f) The 2003-04 costs for each indicator are higher as a result of the expenditure of non-grant funding carried over from 2002-03 not provided in 2004-05.

Major Achievements For 2003-04

- The Department established across-government coordination of community safety and crime prevention partnership arrangements with local government, including a three-year time frame for local government involvement and development of community safety and crime prevention plans.
- The Department replaced the Safer WA Council with the Community Safety and Crime Prevention Council.
- The Department established the Community Safety and Crime Prevention Partnership Fund to support crime prevention projects.
- The Department established a Community Engagement Team to develop effective strategies to strengthen community involvement for crime prevention in Western Australia, and produced a manual to assist with the development of community safety and crime prevention plans.
- The Department instituted the Northbridge curfew.

- The “U-TURN” Joint Project was established with the Commonwealth Attorney General’s Department and the National Motor Vehicle Theft Reduction Council. The two-year pilot program supports a mixture of mechanical training, case management and post course support to young people with a history of motor vehicle theft offences.
- A Burglary Reduction Taskforce was established. The Taskforce co-ordinates and leads cross-government action to reduce the incidence of burglary in Western Australia.
- The Department commissioned a feasibility study into preventing burglary in industrial precincts.
- The Office of Crime Prevention’s website was established as an interactive knowledge management kiosk.
- The Government released a discussion paper on the introduction of Parental Responsibility Contracts and Orders.
- The Department, in partnership with the Western Australian Police Service, Department of Indigenous Affairs and Aboriginal and Torres Strait Islander Commission has continued to address the issues highlighted in the Gordon Inquiry by engaging Indigenous communities in developing community safety and crime prevention initiatives.

Major Initiatives For 2004-05

- The Department will develop a comprehensive policy and suitable program responses to incidents of crime and anti-social behaviour in the community, community violence and rural crime.
- A State Crime Prevention Through Environmental Design policy will be established.
- The residential burglary reduction project, ‘Operation Burglary Countdown’ will be continued and extended to a regional centre.
- The Department will improve access to justice for Aboriginal victims and address the over-involvement of indigenous young people in crime.
- The Department will develop a training agenda to support community safety and crime prevention partnerships.
- The Department will establish a risk management and problem-oriented approach to temporal and seasonal crime and anti-social hotspots.
- The Department will conduct a Community Safety Month in 2004.

CAPITAL WORKS PROGRAM

The Department's Capital Works Program includes \$50 million towards the establishment of Shared Service Centres.

The Program also includes continued funding for the InnovateWA initiative totalling \$20 million over four years.

In addition to the above, the Department's asset replacement program and fitout costs associated with Parliamentary electorate offices is also funded.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-04 \$'000	Estimated Expenditure 2003-04 \$'000	Estimated Expenditure 2004-05 \$'000
WORKS IN PROGRESS				
E-Government Asset Purchases	77	35	14	14
Office of Science – InnovateWA	20,000	2,241	2,241	7,720
Corporate Services and Procurement Implementation	50,000	8,000	8,000	42,000
Partitioning and Accommodation Replacement/Upgrade - 1999-00 Program	200	176	3	24
COMPLETED WORKS				
Office of Multicultural Interests Relocation	350	350	350	-
Asset Replacement / Upgrade - Cabinet Services Refurbishment	113	113	-	-
Native Title Agreements - Infrastructure - 1999-2003 Program	3,820	3,820	2,790	-
2003-04 Program	2,350	2,350	2,350	-
Computer Hardware and Software - 2003-04 Program	600	600	600	-
Electorate Offices Equipment Upgrade - 2002-03 Program	200	200	46	-
2003-04 Program	850	850	850	-
Office Equipment and Furniture	45	45	17	-
NEW WORKS				
Partitioning and Accommodation Replacement/Upgrade - 2004-05 Program	250	-	-	234
Asset Replacement / Upgrade - Parliamentary Electorate Office Fitouts - Electoral Redistribution	1,600	-	-	600
Computer Hardware and Software - 2004-05 Program	600	-	-	600
Electorate Offices Equipment Upgrade - 2004-05 Program	1,286	-	-	1,286
	82,341	18,780	17,261	52,478

CAPITAL CONTRIBUTION

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	2,101	8,320	17,261	52,478	6,119	7,104	2,700
	2,101	8,320	17,261	52,478	6,119	7,104	2,700
LESS							
Drawdowns from the Holding Account	1,381	1,729	1,479	2,100	1,834	834	2,700
Funding included in output appropriations ^(a) ..	1,650	6,591	7,381	7,720	4,027	6,012	-
Other	60	-	-	-	-	-	-
Internal Funds and Balances	(990)	-	401	658	258	258	-
Capital Contribution	-	-	8,000	42,000	-	-	-

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

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2002-03 Actual ^(a) \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(b)	45,399	46,394	49,868	50,951	49,285	48,906	49,428
Superannuation	4,176	4,279	4,329	4,219	4,111	4,098	4,094
Grants and subsidies ^(c)	25,446	60,015	40,470	56,121	53,977	60,508	39,562
Supplies and services	39,597	49,466	50,631	40,090	36,386	41,332	42,363
Accommodation	10,209	11,294	10,700	11,148	11,098	11,098	11,098
Capital User Charge	2,144	766	1,931	1,356	1,422	1,469	1,453
Depreciation and amortisation	2,458	2,311	2,603	2,933	2,838	2,141	1,989
Other expenses	75	-	-	98	103	103	105
TOTAL COST OF SERVICES	129,504	174,525	160,532	166,916	159,220	169,655	150,092
Revenues from ordinary activities							
User charges and fees	4,941	4,129	4,285	3,410	3,370	3,351	3,423
Regulatory Fees and Fines	11,207	13,000	11,000	11,000	11,000	11,000	11,000
Grants and subsidies	565	-	5,193	4,626	779	724	724
Interest	363	-	205	205	200	200	200
Proceeds from disposal of non-current assets ..	23	-	-	-	-	-	-
Other Revenue	6,650	5,046	5,648	4,081	4,081	4,082	4,083
Total Revenues from Ordinary Activities	23,749	22,175	26,331	23,322	19,430	19,357	19,430
NET COST OF SERVICES	105,755	152,350	134,201	143,594	139,790	150,298	130,662
REVENUES FROM STATE GOVERNMENT							
Output Appropriations	98,464	143,676	117,548	142,762	139,320	148,953	128,919
Resources received free of charge	1,112	1,350	1,230	1,132	1,127	1,127	1,125
Liabilities assumed by the Treasurer	640	1,100	650	650	650	650	650
TOTAL REVENUES FROM STATE GOVERNMENT	100,216	146,126	119,428	144,544	141,097	150,730	130,694
CHANGE IN EQUITY RESULTING FROM OPERATIONS	(5,539)	(6,224)	(14,773)	950	1,307	432	32
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	(5,539)	(6,224)	(14,773)	950	1,307	432	32

(a) Adjusted for comparability to reflect the transfer of functions from the former Department of Industry and Technology.

(b) The Full Time Equivalents (FTEs) for 2002-03 Actual, 2003-04 Estimated Actual and 2004-05 Estimate are 683, 779 and 804 respectively.

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

**STATEMENT OF FINANCIAL POSITION
(Controlled)**

	2002-03 Actual ^(a) \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	20,398	1,056	3,553	3,790	5,694	5,845	6,117
Restricted cash.....	6,500	4,263	6,432	4,244	4,087	3,985	4,140
Receivables.....	1,617	1,481	1,565	1,598	1,370	1,331	1,192
Inventories.....	205	201	205	205	205	205	205
Amounts receivable for outputs.....	1,729	2,100	2,100	1,834	834	2,700	-
Prepayments.....	3,134	1,184	2,176	2,655	2,415	2,535	2,475
Total current assets.....	33,583	10,285	16,031	14,326	14,605	16,601	14,129
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	8,078	8,729	10,423	12,951	16,721	17,904	21,690
Plant, equipment and vehicles.....	4,152	4,959	5,359	5,296	4,236	3,690	4,333
Other.....	1,861	1,816	1,391	1,279	1,594	1,090	1,158
Total non-current assets.....	14,091	15,504	17,173	19,526	22,551	22,684	27,181
TOTAL ASSETS.....	47,674	25,789	33,204	33,852	37,156	39,285	41,310
CURRENT LIABILITIES							
Payables.....	4,630	2,179	2,851	2,661	2,721	2,675	2,699
Provision for employee entitlements.....	7,499	8,037	8,550	9,432	10,344	11,234	12,151
Accrued Salaries.....	1,052	1,314	1,541	-	171	171	343
Other.....	18	71	18	18	18	18	18
Total current liabilities.....	13,199	11,601	12,960	12,111	13,254	14,098	15,211
NON-CURRENT LIABILITIES							
Provision for employee entitlements.....	3,352	3,764	3,894	4,441	5,295	6,148	7,028
Total non-current liabilities.....	3,352	3,764	3,894	4,441	5,295	6,148	7,028
TOTAL LIABILITIES.....	16,551	15,365	16,854	16,552	18,549	20,246	22,239
EQUITY							
Contributed Equity.....	22,327	3,055	22,327	22,327	22,327	22,327	22,327
Accumulated surplus/(deficit).....	7,928	6,501	(6,845)	(5,895)	(4,588)	(4,156)	(4,124)
Asset revaluation reserve.....	868	868	868	868	868	868	868
Total equity.....	31,123	10,424	16,350	17,300	18,607	19,039	19,071
TOTAL LIABILITIES AND EQUITY.....	47,674	25,789	33,204	33,852	37,156	39,285	41,310

(a) Adjusted for comparability to reflect the transfer of functions from the former Department of Industry and Technology.

**STATEMENT OF CASH FLOWS
(Controlled)**

	2002-03 Actual ^(a) \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Output Appropriations.....	93,277	139,842	112,870	138,077	134,390	145,000	125,134
Holding Account Drawdowns.....	1,381	1,729	1,479	2,100	1,834	834	2,700
Net cash provided by State government.....	94,658	141,571	114,349	140,177	136,224	145,834	127,834
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs.....	(43,295)	(44,585)	(47,649)	(51,071)	(47,356)	(47,171)	(47,468)
Superannuation.....	(3,611)	(3,179)	(3,703)	(3,569)	(3,461)	(3,448)	(3,444)
Supplies and services.....	(39,617)	(47,656)	(47,956)	(39,287)	(34,596)	(40,292)	(41,147)
Grants and subsidies.....	(24,646)	(60,015)	(40,697)	(56,121)	(53,977)	(60,508)	(39,562)
Accommodation.....	(11,018)	(11,294)	(10,237)	(11,148)	(11,098)	(11,098)	(11,098)
Capital User Charge.....	(190)	(766)	(3,884)	(1,356)	(1,422)	(1,469)	(1,453)
Goods and Services Tax.....	(7,563)	(10,102)	(12,130)	(13,068)	(9,676)	(9,342)	(7,592)
Other.....	(54)	-	-	(98)	(103)	(103)	(105)
Receipts							
Regulatory fees and fines.....	11,207	13,000	11,000	11,000	11,000	11,000	11,000
User charges and fees.....	5,032	4,059	4,235	3,460	3,345	3,364	3,417
Interest.....	363	-	205	205	200	200	200
Goods and Services Tax.....	7,346	9,873	12,321	12,976	9,899	9,368	7,738
Grants and subsidies.....	565	-	5,193	4,626	779	724	724
Other.....	6,689	5,046	5,380	4,081	4,081	4,082	4,083
Net cash from operating activities.....	(98,792)	(145,619)	(127,922)	(139,370)	(132,385)	(144,693)	(124,707)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(2,581)	(3,018)	(3,340)	(2,758)	(2,092)	(1,092)	(2,700)
Purchase of investments.....	(1)	-	-	-	-	-	-
Proceeds from sale of non-current assets.....	19	-	-	-	-	-	-
Net cash from investing activities.....	(2,563)	(3,018)	(3,340)	(2,758)	(2,092)	(1,092)	(2,700)
NET INCREASE/(DECREASE) IN CASH HELD.....	(6,697)	(7,066)	(16,913)	(1,951)	1,747	49	427
Cash assets at the beginning of the reporting period.....	15,040	12,385	26,898	9,985	8,034	9,781	9,830
Net cash transferred to/from other agencies.....	18,555	-	-	-	-	-	-
Cash assets at the end of the reporting period.....	26,898	5,319	9,985	8,034	9,781	9,830	10,257

(a) Adjusted for comparability to reflect the transfer of functions from the former Department of Industry and Technology.

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Supplies and services.....	(2)	-	(16,333)	(18,917)	-	-	-
Grants and subsidies.....	-	(4,241)	(2,241)	(7,720)	(4,027)	(6,012)	-
Transfer of Assets/Liabilities.....	-	-	(155)	-	-	-	-
Financing Activities							
Investing Activities							
Purchase of non-current assets.....	-	-	(8,000)	(42,000)	-	-	-
TOTAL ADMINISTERED CASH OUTFLOWS.....	(2)	(4,241)	(26,729)	(68,637)	(4,027)	(6,012)	-
CASH INFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Appropriations.....	-	4,241	18,574	26,637	4,027	6,012	-
Capital Contribution.....	-	-	8,000	42,000	-	-	-
Financing Activities							
Investing Activities							
TOTAL ADMINISTERED CASH INFLOWS.....	-	4,241	26,574	68,637	4,027	6,012	-
NET CASH INFLOWS/(OUTFLOWS) FROM ADMINISTERED TRANSACTIONS.....	(2)	-	(155)	-	-	-	-

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
State Water Strategy.....	-	-	-	1,272	1,000	1,000	-
Public Sector Management.....	325	280	413	465	465	465	465
Constitutional Centre.....	117	42	1,144	844	354	354	354
Multicultural Interests.....	376	462	477	522	522	522	522
Native Title Agreements.....	2,662	14,928	3,881	7,030	5,518	2,350	2,350
Science and Innovation.....	10,320	30,745	14,282	24,779	33,467	43,194	23,900
Office of Road Safety.....	9,390	8,620	7,773	8,200	8,300	8,300	8,300
Office of E-Government.....	-	-	4,000	3,543	-	-	-
Office of Crime Prevention.....	1,100	4,209	6,094	5,726	3,140	3,140	3,140
Community Grants.....	726	409	2,406	3,740	1,211	1,183	531
Citizens and Civics.....	430	320	-	-	-	-	-
TOTAL	25,446	60,015	40,470	56,121	53,977	60,508	39,562

DETAILS OF THE ADMINISTERED TRANSACTIONS EXPENSES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
OTHER STATE SERVICES							
Royal Commission into Finance Broking Industry.....	157	-	-	-	-	-	-
Office of Science and Innovation - InnovateWA	-	4,241	2,241	7,720	4,027	6,012	-
Functional Review Implementation.....	-	-	16,333	18,917	-	-	-
TOTAL	157	4,241	18,574	26,637	4,027	6,012	-

DETAILS OF THE ADMINISTERED TRANSACTIONS REVENUE

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
OTHER							
Office of Science and Innovation - InnovateWA	-	4,241	2,241	7,720	4,027	6,012	-
Functional Review Implementation.....	-	-	16,333	18,917	-	-	-
TOTAL	-	4,241	18,574	26,637	4,027	6,012	-

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:

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000
State Law Publisher	3,236	3,100	3,100	2,800
Other Revenue.....	7,246	2,705	7,713	6,372
GST input credits.....	5,414	9,303	9,432	10,569
GST Receipts on sales	529	570	1,051	947
TOTAL.....	16,425	15,678	21,296	20,688

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

ROYAL COMMISSION INTO WHETHER THERE HAS BEEN ANY CORRUPT OR CRIMINAL CONDUCT BY WESTERN AUSTRALIAN POLICE OFFICERS

PART 2 - PREMIER; MINISTER FOR PUBLIC SECTOR MANAGEMENT; FEDERAL AFFAIRS; SCIENCE; CITIZENSHIP AND MULTICULTURAL INTERESTS

APPROPRIATION AND FORWARD ESTIMATES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Net amount appropriated to deliver outputs	15,200	2,800	2,800	-	-	-	-
Total appropriations provided to deliver outputs	15,200	2,800	2,800	-	-	-	-
GRAND TOTAL.....	15,200	2,800	2,800	-	-	-	-

SIGNIFICANT ISSUES AND TRENDS

- Following a recommendation of the Police Royal Commission and the passing, in December 2003, of the *Corruption and Crime Commission Act 2004*, the Corruption and Crime Commission was created and commenced operations in January 2004.
- The Police Royal Commission presented its Final Report to His Excellency the Governor on 29 January 2004 and this report was subsequently table in Parliament on 4 March 2004.
- By Order of His Excellency the Governor, published in the Government Gazette of 16 February 2004, the Police Royal Commission was fixed to have ended on the date of the order. As a consequence of this Order, the operations of the Police Royal Commission have been wound up and all of its public property and its records have been transferred to the Corruption and Crime Commission.

FINANCIAL STATEMENTS

**STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)**

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses.....	6,617	1,700	1,773	-	-	-	-
Superannuation.....	622	-	-	-	-	-	-
Supplies and services.....	2,177	1,006	1,006	-	-	-	-
Accommodation.....	976	100	100	-	-	-	-
Depreciation and amortisation.....	1,911	1,834	1,834	-	-	-	-
Administration.....	209	-	-	-	-	-	-
State Taxes.....	23	-	-	-	-	-	-
Other expenses.....	1,982	-	-	-	-	-	-
TOTAL COST OF SERVICES.....	14,517	4,640	4,713	-	-	-	-
Revenues from ordinary activities							
User charges and fees.....	-	3	3	-	-	-	-
Interest.....	1	-	-	-	-	-	-
Other Revenue.....	12	-	-	-	-	-	-
Total Revenues from Ordinary Activities.....	13	3	3	-	-	-	-
NET COST OF SERVICES.....	14,504	4,637	4,710	-	-	-	-
REVENUES FROM STATE GOVERNMENT							
Output Appropriations.....	15,200	2,800	2,800	-	-	-	-
Resources received free of charge.....	46	-	-	-	-	-	-
TOTAL REVENUES FROM STATE GOVERNMENT.....	15,246	2,800	2,800	-	-	-	-
CHANGE IN EQUITY RESULTING FROM OPERATIONS.....	742	(1,837)	(1,910)	-	-	-	-
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS.....	742	(1,837)	(1,910)	-	-	-	-

**STATEMENT OF CASH FLOWS
(Controlled)**

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Output Appropriations	15,200	2,800	2,800	-	-	-	-
Net cash provided by State government.....	15,200	2,800	2,800	-	-	-	-
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs	(6,247)	(1,945)	(1,945)	-	-	-	-
Superannuation	(622)	-	-	-	-	-	-
Supplies and services	(2,326)	-	-	-	-	-	-
Accommodation	(1,099)	-	-	-	-	-	-
Goods and Services Tax	(736)	-	-	-	-	-	-
Other	(1,697)	(1,206)	(1,206)	-	-	-	-
Receipts							
User charges and fees	-	3	3	-	-	-	-
Interest	1	-	-	-	-	-	-
Goods and Services Tax	1,081	-	-	-	-	-	-
Other	12	-	-	-	-	-	-
Net cash from operating activities	(11,633)	(3,148)	(3,148)	-	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(2,233)	-	-	-	-	-	-
Net cash from investing activities	(2,233)	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	1,334	(348)	(348)	-	-	-	-
Cash assets at the beginning of the reporting period	2,899	348	4,233	-	-	-	-
Net cash transferred to/from other agencies	-	-	(3,885)	-	-	-	-
Cash assets at the end of the reporting period.....	4,233	-	-	-	-	-	-

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

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000
Government Vehicle Scheme	12	3	7	-
Other	17	-	103	-
TOTAL.....	29	3	110	-

ANTI-CORRUPTION COMMISSION

PART 2 - PREMIER; MINISTER FOR PUBLIC SECTOR MANAGEMENT; FEDERAL AFFAIRS; SCIENCE; CITIZENSHIP AND MULTICULTURAL INTERESTS

APPROPRIATION AND FORWARD ESTIMATES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Net amount appropriated to deliver outputs	9,832	9,999	9,999	-	-	-	-
Total appropriations provided to deliver outputs	9,832	9,999	9,999				
CAPITAL							
Capital Contribution	480	380	380	-	-	-	-
GRAND TOTAL	10,312	10,379	10,379				

SIGNIFICANT ISSUES AND TRENDS

The *Corruption and Crime Commission Act 2003* passed through Parliament in December 2003 and was proclaimed for commencement on 1 January 2004. The *Anti-Corruption Commission Act 1988* will be repealed once the Corruption and Crime Commission certifies that all the functions of the Anti-Corruption Commission (ACC) have been exhausted and that ACC staff have been appropriately managed. This is expected to occur by 30 June 2004.

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	5,336	5,424	5,395	-	-	-	-
Superannuation	512	650	650	-	-	-	-
Supplies and services	2,309	3,020	3,057	-	-	-	-
Accommodation	1,078	1,268	1,268	-	-	-	-
Capital User Charge	837	606	606	-	-	-	-
Depreciation and amortisation	952	851	851	-	-	-	-
Administration	81	55	55	-	-	-	-
TOTAL COST OF SERVICES	11,105	11,874	11,882	-	-	-	-
Revenues from ordinary activities							
Interest	343	170	170	-	-	-	-
Other Revenue	20	25	25	-	-	-	-
Total Revenues from Ordinary Activities	363	195	195	-	-	-	-
NET COST OF SERVICES	10,742	11,679	11,687	-	-	-	-
REVENUES FROM STATE GOVERNMENT							
Output Appropriations	9,832	9,999	9,999	-	-	-	-
Resources received free of charge	207	205	205	-	-	-	-
Liabilities assumed by the Treasurer	2	63	63	-	-	-	-
TOTAL REVENUES FROM STATE GOVERNMENT	10,041	10,267	10,267	-	-	-	-
CHANGE IN EQUITY RESULTING FROM OPERATIONS	(701)	(1,412)	(1,420)	-	-	-	-
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	(701)	(1,412)	(1,420)	-	-	-	-

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CURRENT ASSETS							
Cash	6,554	3,518	5,076	-	-	-	-
Receivables	67	176	98	-	-	-	-
Amounts receivable for outputs	270	283	283	-	-	-	-
Prepayments	201	60	60	-	-	-	-
Total current assets	7,092	4,037	5,517	-	-	-	-
NON-CURRENT ASSETS							
Amounts receivable for outputs	1,492	2,233	2,060	-	-	-	-
Plant, equipment and vehicles	824	2,070	573	-	-	-	-
Other	2,189	1,460	2,239	-	-	-	-
Total non-current assets	4,505	5,763	4,872	-	-	-	-
TOTAL ASSETS	11,597	9,800	10,389	-	-	-	-
CURRENT LIABILITIES							
Payables	274	220	220	-	-	-	-
Provision for employee entitlements	536	546	546	-	-	-	-
Accrued Salaries	136	45	45	-	-	-	-
Total current liabilities	946	811	811	-	-	-	-
NON-CURRENT LIABILITIES							
Provision for employee entitlements	533	353	500	-	-	-	-
Total non-current liabilities	533	353	500	-	-	-	-
TOTAL LIABILITIES	1,479	1,164	1,311	-	-	-	-
EQUITY							
Contributed Equity	902	1,282	1,282	(7,796)	(7,796)	(7,796)	(7,796)
Accumulated surplus/(deficit)	9,216	7,354	7,796	7,796	7,796	7,796	7,796
Total equity	10,118	8,636	9,078	-	-	-	-
TOTAL LIABILITIES AND EQUITY	11,597	9,800	10,389	-	-	-	-

STATEMENT OF CASH FLOWS
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Output Appropriations	9,029	9,148	9,148	-	-	-	-
Capital Contribution	480	380	380	-	-	-	-
Holding Account Drawdowns.....	70	270	270	-	-	-	-
Net cash provided by State government.....	9,579	9,798	9,798	-	-	-	-
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs	(5,103)	(5,460)	(5,460)	-	-	-	-
Superannuation	(486)	(587)	(587)	-	-	-	-
Supplies and services.....	(2,157)	(2,805)	(2,805)	-	-	-	-
Accommodation.....	(1,084)	(1,268)	(1,268)	-	-	-	-
Administration.....	(77)	(55)	(55)	-	-	-	-
Capital User Charge.....	(837)	(606)	(606)	-	-	-	-
Goods and Services Tax	(370)	(430)	(430)	-	-	-	-
Receipts							
Interest.....	343	170	170	-	-	-	-
Goods and Services Tax	391	390	390	-	-	-	-
Other.....	15	25	25	-	-	-	-
Net cash from operating activities.....	(9,365)	(10,626)	(10,626)	-	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(798)	(650)	(650)	-	-	-	-
Net cash from investing activities.....	(798)	(650)	(650)	-	-	-	-
CASH FLOWS FROM FINANCING ACTIVITIES							
Net cash from financing activities	-	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(584)	(1,478)	(1,478)	-	-	-	-
Cash assets at the beginning of the reporting period	7,138	4,996	6,554	-	-	-	-
Net cash transferred to/from other agencies.....	-	-	(5,076)	-	-	-	-
Cash assets at the end of the reporting period.....	6,554	3,518	-	-	-	-	-

GOVERNOR'S ESTABLISHMENT

PART 2 - PREMIER; MINISTER FOR PUBLIC SECTOR MANAGEMENT; FEDERAL AFFAIRS; SCIENCE; CITIZENSHIP AND MULTICULTURAL INTERESTS

DIVISION 4

APPROPRIATION AND FORWARD ESTIMATES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 7 Net amount appropriated to deliver outputs	2,026	1,953	1,878	1,946	1,968	1,996	2,017
Amount Authorised by Other Statutes							
- Governor's Establishment Act 1992	1,119	1,163	1,163	1,163	1,166	1,166	1,166
- Salaries and Allowances Act 1975	150	150	161	167	167	167	167
Total appropriations provided to deliver outputs	3,295	3,266	3,202	3,276	3,301	3,329	3,350
CAPITAL							
Capital Contribution	1,325	1,040	1,040	-	-	-	-
GRAND TOTAL	4,620	4,306	4,242	3,276	3,301	3,329	3,350

MISSION

To provide effective support to the Governor and effective management of the Governor's Establishment. The objectives are to ensure the Governor's requirements as representative of the Crown are met and to support the conservation and development of the Domain as a significant heritage asset.

SIGNIFICANT ISSUES AND TRENDS

- Ongoing implementation of the Conservation Management Plan to preserve Government House, Ballroom and Gardens as a heritage asset.

OUTPUT AND APPROPRIATION SUMMARY

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Effective support to the Governor	556	850	786	800			
Output 2:							
Management of the Governor's Establishment	2,717	2,420	2,420	2,482			
Total Cost of Outputs	3,273	3,270	3,206	3,282	3,306	3,390	3,411
<i>Less</i> Revenues from Ordinary Activities	18	20	20	30	30	30	30
Net Cost of Outputs	3,255	3,250	3,186	3,252	3,276	3,360	3,381
Adjustments ^(a)	40	16	16	24	25	(31)	(31)
Appropriation provided to deliver Outputs.	3,295	3,266	3,202	3,276	3,301	3,329	3,350
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	1,325	1,040	1,040	-	-	-	-
TOTAL CONSOLIDATED FUND APPROPRIATIONS	4,620	4,306	4,242	3,276	3,301	3,329	3,350

- (a) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (b) Supporting details are disclosed in the Capital Contribution Statement.

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION**Output 1: Effective support to the Governor**

Support the Governor in performing the constitutional, statutory, official, ceremonial, community and civic duties associated with the Governor's role.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output	556	850	786	800	
<i>Less</i> Revenues from Ordinary Activities	-	-	-	-	
Net Cost of Output	556	850	786	800	
Adjustments ^(a)	16	(1)	4	6	
Appropriation for delivery of Output 1 ^(b)	572	849	790	806	

- (a) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (b) The Full Time Equivalents (FTEs) employed in this output during 2003-04 was 7 and is estimated to be 7 for the 2004-05 Budget.

Major Achievements For 2003-04

- Completed a number of official visits to the Central, Mid West and the Great Southern regional areas of Western Australia.
- Provided official hospitality to patronage and service organisations from throughout Western Australia.
- Provided official hospitality for visits by Diplomatic, Consular and other dignitaries.

Major Initiatives For 2004-05

- Undertake an official visit to China at the invitation of Western Australia's sister State.
- Undertake official visits to selected regional areas of Western Australia.
- Provide official hospitality for visits by Diplomatic, Consular and other dignitaries.

Output 2: Management of the Governor's Establishment

Effectively manage the financial and administrative requirements of the Establishment including capital works program, heritage building management, planning and coordinating official visits, and provision of hospitality on behalf of the State.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	2,717	2,420	2,420	2,482	
Less Revenues from Ordinary Activities	18	20	20	30	
Net Cost of Output	2,699	2,400	2,400	2,452	
Adjustments ^(a)	24	17	12	18	
Appropriation for delivery of Output 2^(b)	2,723	2,417	2,412	2,470	

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

(b) The Full Time Equivalents (FTEs) employed in this output during 2003-04 was 19 and is estimated to be 19 for the 2004-05 Budget.

Major Achievements For 2003-04

- Completed restoration works to the cellar roof and courtyard to repair "concrete cancer" damage.
- Substantial works completed toward the refurbishment of the Government House Ballroom including provision for disabled access and upgrade of services to comply with building codes and occupational health and safety standards.

Major Initiatives For 2004-05

- Continue with selected maintenance and refurbishment works in accordance with the Grounds Conservation Management Plan.
- Review and update the Asset Maintenance Program on completion of Ballroom works.

CAPITAL WORKS PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-04 \$'000	Estimated Expenditure 2003-04 \$'000	Estimated Expenditure 2004-05 \$'000
COMPLETED WORKS				
Government House Ballroom Refurbishment:				
Ballroom Refurbishment.....	2,035	2,035	1,989	-
Cellars and Roof Refurbishment.....	710	710	664	-
	<u>2,745</u>	<u>2,745</u>	<u>2,653</u>	<u>-</u>

CAPITAL CONTRIBUTION

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program.....	92	1,235	2,653	-	100	400	-
	92	1,235	2,653	-	100	400	-
LESS							
Drawdowns from the Holding Account.....	185	195	195	-	100	400	-
Internal Funds and Balances.....	(1,418)	-	1,418	-	-	-	-
Capital Contribution.....	<u>1,325</u>	<u>1,040</u>	<u>1,040</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	1,296	1,270	1,406	1,369	1,397	1,423	1,442
Superannuation	103	120	110	111	111	111	111
Supplies and services	700	590	658	716	707	763	765
Accommodation	17	-	-	-	-	-	-
Capital User Charge	882	912	837	883	887	889	889
Depreciation and amortisation	195	195	195	195	195	195	195
Administration	-	98	-	-	-	-	-
Other expenses	80	85	-	8	9	9	9
TOTAL COST OF SERVICES	3,273	3,270	3,206	3,282	3,306	3,390	3,411
Revenues from ordinary activities							
User charges and fees	18	-	20	30	30	30	30
Other Revenue	-	20	-	-	-	-	-
Total Revenues from Ordinary Activities	18	20	20	30	30	30	30
NET COST OF SERVICES	3,255	3,250	3,186	3,252	3,276	3,360	3,381
REVENUES FROM STATE GOVERNMENT							
Output Appropriations	3,295	3,266	3,202	3,276	3,301	3,329	3,350
Resources received free of charge	80	40	40	32	31	31	31
Liabilities assumed by the Treasurer	4	-	-	-	-	-	-
TOTAL REVENUES FROM STATE GOVERNMENT	3,379	3,306	3,242	3,308	3,332	3,360	3,381
CHANGE IN EQUITY RESULTING FROM OPERATIONS	124	56	56	56	56	-	-
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	124	56	56	56	56	-	-

(a) The Full Time Equivalent (FTEs) for 2002-03 Actual, 2003-04 Estimated Actual and 2004-05 Estimate are 26, 26 and 26 respectively.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	2,009	336	458	467	426	421	450
Restricted cash.....	40	314	45	-	5	10	15
Receivables.....	8	28	8	11	12	12	12
Amounts receivable for outputs.....	195	-	-	100	400	-	-
Prepayments.....	1	-	1	1	1	1	1
Total current assets.....	2,253	678	512	579	844	444	478
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	141	336	336	431	226	421	616
Land and Buildings.....	7,035	9,502	9,612	9,044	8,876	9,081	8,886
Plant, equipment and vehicles.....	189	169	218	247	276	276	276
Other.....	692	724	706	1,120	1,235	1,235	1,235
Total non-current assets.....	8,057	10,731	10,872	10,842	10,613	11,013	11,013
TOTAL ASSETS.....	10,310	11,409	11,384	11,421	11,457	11,457	11,491
CURRENT LIABILITIES							
Payables.....	62	48	29	55	50	45	99
Provision for employee entitlements.....	210	287	210	210	209	209	209
Accrued Salaries.....	34	19	45	-	5	10	15
Total current liabilities.....	306	354	284	265	264	264	323
NON-CURRENT LIABILITIES							
Provision for employee entitlements.....	94	110	94	94	75	75	50
Total non-current liabilities.....	94	110	94	94	75	75	50
TOTAL LIABILITIES.....	400	464	378	359	339	339	373
EQUITY							
Contributed Equity.....	1,595	2,635	2,635	2,635	2,635	2,635	2,635
Accumulated surplus/(deficit).....	385	380	441	497	553	553	553
Asset revaluation reserve.....	7,930	7,930	7,930	7,930	7,930	7,930	7,930
Total equity.....	9,910	10,945	11,006	11,062	11,118	11,118	11,118
TOTAL LIABILITIES AND EQUITY.....	10,310	11,409	11,384	11,421	11,457	11,457	11,491

STATEMENT OF CASH FLOWS
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Output Appropriations	2,990	3,071	3,007	3,081	3,106	3,134	3,155
Capital Contribution	1,325	1,040	1,040	-	-	-	-
Holding Account Drawdowns.....	185	195	195	-	100	400	-
Net cash provided by State government.....	4,500	4,306	4,242	3,081	3,206	3,534	3,155
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs	(1,276)	(1,292)	(1,358)	(1,414)	(1,397)	(1,423)	(1,442)
Superannuation	(100)	(120)	(110)	(111)	(111)	(111)	(111)
Supplies and services.....	(712)	(403)	(653)	(651)	(678)	(678)	(680)
Accommodation.....	(19)	-	-	-	-	-	-
Administration.....	-	(310)	-	-	-	-	-
Capital User Charge.....	(872)	(912)	(837)	(883)	(887)	(889)	(889)
Goods and Services Tax	(91)	(63)	(98)	(73)	(83)	(83)	(83)
Other.....	-	(20)	-	(8)	(9)	(9)	(9)
Receipts							
User charges and fees	18	-	20	30	30	30	30
Goods and Services Tax	104	63	63	63	63	63	63
Other.....	-	20	-	-	-	-	-
Net cash from operating activities.....	(2,948)	(3,037)	(2,973)	(3,047)	(3,072)	(3,100)	(3,121)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(185)	(1,305)	(2,815)	(70)	(170)	(434)	-
Net cash from investing activities.....	(185)	(1,305)	(2,815)	(70)	(170)	(434)	-
NET INCREASE/(DECREASE) IN CASH HELD							
.....	1,367	(36)	(1,546)	(36)	(36)	-	34
Cash assets at the beginning of the reporting period	682	686	2,049	503	467	431	431
Cash assets at the end of the reporting period.....	2,049	650	503	467	431	431	465

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:

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000
Ballroom Hire.....	18	20	20	30
GST input credits.....	104	63	63	63
TOTAL.....	122	83	83	93

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

OFFICE OF THE PUBLIC SECTOR STANDARDS COMMISSIONER

PART 2 - PREMIER; MINISTER FOR PUBLIC SECTOR MANAGEMENT; FEDERAL AFFAIRS; SCIENCE; CITIZENSHIP AND MULTICULTURAL INTERESTS

DIVISION 5

APPROPRIATION AND FORWARD ESTIMATES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 8 Net amount appropriated to deliver outputs	2,872	2,837	3,095	3,052	3,140	3,181	3,240
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	232	232	232	232	232	232	232
Total appropriations provided to deliver outputs	3,104	3,069	3,327	3,284	3,372	3,413	3,472
CAPITAL							
Capital Contribution	461	-	-	-	-	-	-
GRAND TOTAL	3,565	3,069	3,327	3,284	3,372	3,413	3,472

MISSION

To achieve better practice within public authorities in people management, workforce diversity and ethical behaviour through education, capacity building and independent oversight.

SIGNIFICANT ISSUES AND TRENDS

- There is a need to ensure that public sector bodies and employees view ethical principles and good human resource management practice as an integral part of business processes. The Office of the Public Sector Standards Commissioner (the Office) will continue to assist public sector bodies to improve their capacity to comply with and achieve ethical and human resource management outcomes.
- The establishment of 'Shared Corporate Service Centres' is intended to lead to more effective and efficient service within the public sector and will provide challenges for the sector. The Office will continue to monitor compliance issues and provide assistance to the Service Centres in relation to the Standards, ethical codes and equity and diversity.
- The introduction of the *Public Interest Disclosure Act 2003* provides a legislated process for lodging disclosures and for providing protection to those who make disclosures in the public interest. The Commissioner will monitor compliance with the Act and continue to improve the assistance materials offered to agencies.
- Pay equity for women is an Australia wide-issue and Western Australia has a higher rate of pay inequity than other States. Initiatives designed to address this issue at the national or state level may have implications for the activities and services provided by this Office, and direct future program development in this area.
- Requests for independent advice on selection and reappointment of Chief Executive Officers (CEO) is expected to remain at current levels, as existing CEOs continue to retire or take up opportunities elsewhere.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Statement of Financial Performance since publication of the 2003-04 Budget to Parliament on 8 May 2003 are outlined below.

	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
Public Interest Disclosure Act	210	210	210	210

OUTPUT AND APPROPRIATION SUMMARY

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Development and monitoring of human resource standards, ethical codes and public interest disclosure guidelines	1,743	1,831	2,384	2,175			
Output 2:							
Advice and evaluation of equity and diversity in public employment	969	1,165	1,087	1,162			
Output 3:							
Independent Chief Executive Officer Selection and Reappointment Advice.....	588	333	330	288			
Total Cost of Outputs	3,300	3,329	3,801	3,625	3,622	3,626	3,658
<i>Less</i> Revenues from Ordinary Activities	280	96	96	96	96	96	96
Net Cost of Outputs	3,020	3,233	3,705	3,529	3,526	3,530	3,562
Adjustments ^(a)	84	(164)	(378)	(245)	(154)	(117)	(90)
Appropriation provided to deliver Outputs.	3,104	3,069	3,327	3,284	3,372	3,413	3,472
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	461	-	-	-	-	-	-
TOTAL CONSOLIDATED FUND APPROPRIATIONS	3,565	3,069	3,327	3,284	3,372	3,413	3,472

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

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

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION

Relationship to Government Strategic Goals

Broad, high level government strategic goals are supported at agency level by more specific desired outcomes. Agencies deliver outputs to achieve these desired outcomes, which ultimately contribute to meeting the higher level government strategic goals. The following table illustrates this relationship.

Government Strategic Goal(s)	Desired Outcome(s)	Output(s)
To govern for all Western Australians in an open, effective and efficient manner that also ensures a sustainable future.	In public authorities there is accountability for and achievement of: <ul style="list-style-type: none"> - merit, equity and probity in human resource management (public sector only); - work force diversity at all levels of employment; and - conduct and integrity in the performance of official duties. 	<ol style="list-style-type: none"> 1. Development and monitoring of human resource standards, ethical codes and public interest disclosure guidelines 2. Advice and evaluation of equity and diversity in public employment 3. Independent Chief Executive Officer Selection and Reappointment Advice

Outcomes and Key Effectiveness Indicators ^(a)

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Outcome: In public authorities there is accountability for and achievement of:					
- merit, equity and probity in human resource management (public sector only);					
- work force diversity at all levels of employment; and					
- conduct and integrity in the performance of official duties.					
Percentage of public authorities that have provided all reports as required by legislation ^(b)	99%	na	98%	100%	
Human Resource management practitioners satisfied about the effectiveness of the Standards ^{(c) (f)}	76%	75%	75%	na	
Human Resource management practitioners satisfied about the provision of guidance to assist agencies to develop codes of conduct ^{(c) (f)}	62%	75%	65%	na	
Human Resource management practitioners satisfied about the effectiveness of the breach Regulations ^{(c) (f)}	55%	70%	55%	na	
Human Resource management practitioners satisfied that the Code of Ethics provides adequate guidance to ethical decision making ^{(c) (f)}	81%	75%	80%	na	
Percentage of substantial breaches of the Recruitment, Selection and Appointment Standards Referred to the Commissioner's Office per the number of advertised vacancies filled in the sector ^(c)	0.1%	0.1%	0.1%	na	

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
The percentage of employees expressing a view who agree that there is compliance with the human resource management standards ^{(b) (d)}	na	na	59%	65%	
The percentage of employees expressing a view who agree that there is compliance with the ethical codes ^{(b) (d)}	na	na	80%	80%	
Improvement in the public sector composite equity index for women, people with disabilities, Indigenous Australians and people from culturally diverse backgrounds ^{(b) (g)}	na	na	na	na	
Improvement of position of Indigenous staff in the public sector (over 5 years) ^{(e) (f)}	+0.4%	+0.7%	+0.6%	+0.9%	
Improvement of position of women in the public sector (over 5 years) ^(f)	+4.3%	+4.0%	+4.4%	+3.0%	
Improvement of position of people from culturally diverse backgrounds in the public sector (over 5 years) ^{(e) (f)}	+0.5%	+1.2%	+1.7%	+2.8%	
Improvement of position of people with disabilities in the public sector (over 5 years) ^{(e) (f)}	+0.1%	+1.7%	+0.3%	+1.0%	
Percentage of Commissioner's nominations for CEO positions accepted by Minister.....	100%	100%	86%	100%	

- (a) More details of effectiveness indicators are provided in the annual report.
- (b) New key effectiveness indicator developed following a review of the Office's Output Based Management structure. Comparable information for 2002-03 and 2003-04 has been provided where possible.
- (c) Estimates for these indicators are based on last year's figures as the survey will not be conducted till May 2004.
- (d) These percentages are measured by aggregated responses to selected climate survey questions conducted in a sample of agencies across the sector. The percentage is obtained by dividing the number of respondents who agree by the total number who express an opinion. People who neither agree nor disagree or who do not answer the question are excluded from the calculation.
- (e) For the key effectiveness indicator for Indigenous staff, people with disabilities and people from culturally diverse backgrounds, the increase for each year will be based on the improvement in position in the public sector since 2000 due to improved sample size in that year which allowed more accurate estimates.
- (f) This indicator will be replaced by new indicators in 2004-05 following a review of the Office's Output Based Management structure.
- (g) The composite equity index is a single measure that combines key measures of equity in public employment for women, Indigenous Australians, people from culturally diverse backgrounds and people with disabilities. The key measures of equity for each group are the variation between the workforce % and the community % and the variation between the Equity Index (a measure of the distribution of the group across all levels of the workforce) and the ideal Equity Index of 100. This measure is currently being tested and will replace the other four improvement indicators in 2004-05.

Output 1: Development and monitoring of human resource standards, ethical codes and public interest disclosure guidelines

Develop Standards and codes, assist public authorities to comply and provide independent oversight to monitor and report on compliance to Parliament and Ministers for the Public Sector Management Act (PSM) and the Public Interest Disclosure Act (PID).

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	1,743	1,831	2,384	2,175	Increase cost in 2003-04 associated with Health Review, PID and staff severance payment. Estimate for 2004-05 includes approved recurrent funding for PID.
Less Revenues from Ordinary Activities	2	2	2	2	
Net Cost of Output	1,741	1,829	2,382	2,173	
Adjustments ^(a)	81	(88)	(230)	(150)	
Appropriation for delivery of Output 1	1,822	1,741	2,152	2,023	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Public sector agencies assisted and reported on for the PSM Act	133	267	115	115	
Public authorities assisted and reported on for the PID Act ^(a)	na	na	263	263	
Quality					
Satisfaction with the standards and ethical code and the assistance provided by the Office ^(b)	78%	70%	75%	na	
Satisfaction of corporate executives with the effectiveness review on ethics and human resources ^(c)	na	na	80%	80%	
Timeliness					
Breach of standards claims handled within 4 weeks.....	78%	80%	80%	80%	
Cost (Efficiency)					
Average cost of assistance and monitoring per public sector agency for the PSM Act.....	\$13,105	\$6,858	\$18,904	\$17,086	
Average cost of assistance and monitoring per public authority for the PID Act	na	na	\$798	\$798	
Full Time Equivalents (FTEs)	17	16	16	16	

(a) A new quantity measure has been included because the Office now has responsibilities under the PID Act which cover the public sector, local government and public universities.

(b) This measure has been replaced following a review of the Office's Output Based Management structure.

(c) This is a new measure for 2004-05. Comparable information for 2002-03 and 2003-04 has been provided where possible.

Major Achievements For 2003-04

- Developed an ethics framework for the public sector which assists agencies to improve implementation of ethical codes in their organisation. Commenced the development of measures that focus on the extent of compliance with the Code of Ethics across the sector.
- Developed systems to report on compliance with the *Public Interest Disclosure Act 2003*.
- Produced assistance materials to support agencies with the implementation of the *Public Interest Disclosure Act 2003*.
- Completed a review of compliance by the Royal Street Divisions of the Department of Health with the Human Resource Management Standards and ethical codes.
- Assistance has been provided to enable public sector bodies to achieve compliance with human resource management Standards and ethics and to revise codes of conduct.
- Completed a review of the Public Sector Management (Examination and Review) Regulations 2001.
- Completed and reported to Parliament the findings, conclusions and recommendations of a thematic review of the Performance Management Standard across four agencies.

Major Initiatives For 2004-05

- Develop consultancy materials to support agencies in their implementation of the ethics framework
- Develop systems to monitor compliance with the *Public Interest Disclosure Act 2003*.
- Continue the development of assistance material to raise awareness of the *Public Interest Disclosure Act 2003*.
- Refine the design of the Office's website to enhance agencies' capacity to access electronic support materials
- Amended regulations prescribing procedures for the administration of Public Sector Standard breach claims will be communicated to the sector. Training sessions to assist agencies to apply the new regulations will be conducted.
- Commence a thematic review of the 'Acting' Standard across the public sector that examines compliance with the Standard.
- Undertake reviews of a selection of individual agencies to examine compliance with the Public Sector Standards in Human Resource Management.

Output 2: Advice and evaluation of equity and diversity in public employment

Advise and assist public authorities to achieve their Equal Employment Opportunity and diversity objectives and evaluate and report on progress in meeting their responsibilities under Part IX of the *Equal Opportunity Act*.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	969	1,165	1,087	1,162	
Less Revenues from Ordinary Activities	16	32	32	32	
Net Cost of Output	953	1,133	1,055	1,130	
Adjustments ^(a)	27	(64)	(112)	(83)	
Appropriation for delivery of Output 2	980	1,069	943	1,047	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Public Authorities assisted and reported on ^(a) .	293	267	263	263	
Quality					
Satisfaction of corporate executives with effectiveness review on equity and diversity.	86%	75%	80%	80%	
Satisfaction of diversity forum members with support and assistance provided by the Office.....	92%	75%	90%	80%	
Timeliness					
Timeframes between request for assistance and response ^(b)	0.4 working days	3 working days	0.3 working days	na	
Time for comparative benchmark reports on progress to be provided after receipt of data from public authorities.....	10 weeks	10 weeks	10 weeks	10 weeks	
Cost (Efficiency)					
Average cost of advice and evaluation per public authority.....	\$3,307	\$4,363	\$4,133	\$4,418	
Full Time Equivalent (FTEs)	9	11	9	9	

(a) There has been a reduction in the number of agencies due to amalgamations arising from Machinery of Government changes. This includes the amalgamation of 27 health agencies into a single Department of Health. This reduced number of agencies affects both the quantity and cost measures.

(b) This measure will not be used in 2004-05 following a review of the Output Based Management structure of the Office.

Major Achievements For 2003-04

- Provided progress reports to the Minister and public sector agencies on the achievement of the Equity and Diversity Plan objectives and sought further aspirational objectives from agencies for women in management, Indigenous Australians, people with disabilities and people from culturally diverse backgrounds.
- Finalised and distributed revised indicators of cultural diversity and disability status of employees in public authorities to enable the development of targeted strategies.
- Developed a strategy to assist public authorities to increase the representation of people with disabilities employed in the public sector to achieve objectives in the Government's Equity and Diversity Plan.
- Provided a strong focus during consultancy services on the importance of equitable classification levels that recognise skill levels for identified Indigenous positions.
- Contributed to the development of a strategy for improved representation of women in management positions in Local Government through participation on the Ministerial Advisory Committee.
- Developed and launched an interactive CD ROM as a learning tool to help public sector agencies build an environment that affirms and respects Indigenous cultural values in the workplace and provide tips and strategies for both managers and Indigenous employees.
- Developed a web-based package for public sector agencies to forward data for their annual reports and to provide calculations and charts to give immediate feedback on key measures and trends for their agency.

Major Initiatives For 2004-05

- Complete development work of, and comprehensively test, a single Equity Index for use in Public Sector reporting on the representation and distribution of equity groups in the public sector workforce.
- Identify diversity improvement strategies consistent with the Equity and Diversity Planning framework for the employment of people from Culturally and Linguistically Diverse Backgrounds and integrate this with the whole of government Anti-Racism Strategy.
- Initiate the development of forward planning objectives for the Equity and Diversity plan beyond 2005, revise the agency consultancy model to support agency achievement of targets through implementation of existing strategies for women in management, Indigenous employment and the improved representation of people with disabilities.
- Develop and provide targeted support strategies for Local Government authorities to improve the representation and distribution of women in the Local Government workforce.
- Undertake website development to provide for enhanced integration of data entry and benchmarking for public authorities as well as providing interactive elements to support public authority planning and monitoring.

Output 3: Independent Chief Executive Officer Selection and Reappointment Advice

Provide independent advice to the Minister about reappointment and persons suitable for vacant CEO positions by using fair and comprehensive processes.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	588	333	330	288	Reduction in costs reflect a reduction in FTEs associated with this output.
Less Revenues from Ordinary Activities	262	62	62	62	
Net Cost of Output	326	271	268	226	
Adjustments ^(a)	(24)	(12)	(36)	(12)	
Appropriation for delivery of Output 3	302	259	232	214	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
CEO selections	14	8	14	14	
Quality					
Percentage of CEO nominations accepted by the Minister.....	100%	100%	86%	100%	The Minister accepted the Commissioner's nomination in 2003-04 for 12 out of 14 positions.
Timeliness					
Average time to handle CEO selections	11 weeks	10 weeks	16 weeks	10 weeks	Processing delayed due to panel member availability, and processing six positions over Christmas/New Year period.
Cost (Efficiency)					
Average cost per CEO selection	\$42,000	\$41,625	\$23,571	\$20,571	
Full Time Equivalents (FTEs)	3	2	1	1	

Major Achievements For 2003-04

- The Commissioner's nominations were accepted for 12 out of 14 positions for which the Minister for Public Sector Management announced appointments.
- A new contract was entered into, following a public tender process, to engage five executive recruitment firms to assist with executive search and selection processing.

Major Initiatives For 2004-05

- An examination will be completed of possible techniques that may be used to enhance the type of information collected about applicants during selection processes.

CAPITAL WORKS PROGRAM

The Office's 2004-05 capital works program primarily relates to the replacement of existing assets within the Office. Funding was provided in 2002-03 to relocate the Office and it is expected the project will be fully completed in 2003-04.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-04 \$'000	Estimated Expenditure 2003-04 \$'000	Estimated Expenditure 2004-05 \$'000
COMPLETED WORKS				
Furniture and Office Equipment -				
2002-03 Program	12	12	11	-
2003-04 Program	14	14	14	-
Partitioning and Accommodation -				
Office Furniture	83	83	83	-
Office Relocation	439	439	334	-
Replacement of Computing Equipment -				
2002-03 Program	68	68	12	-
2003-04 Program	78	78	78	-
PABX replacement	38	38	38	-
Records Management Upgrade – 2003-04	1	1	1	-
NEW WORKS				
Furniture and Office Equipment -				
2004-05 Program	18	-	-	18
Replacement of Computing Equipment -				
2004-05 Program	92	-	-	92
	843	733	571	110

CAPITAL CONTRIBUTION

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	173	93	571	110	164	102	120
	173	93	571	110	164	102	120
LESS							
Drawdowns from the Holding Account	85	93	93	110	164	102	120
Internal Funds and Balances	(373)	-	478	-	-	-	-
Capital Contribution	461	-	-	-	-	-	-

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	1,946	2,107	2,339	2,357	2,386	2,466	2,522
Superannuation	158	256	214	220	220	200	193
Supplies and services	817	312	626	415	368	323	317
Accommodation	247	270	324	265	262	267	257
Capital User Charge	32	35	35	45	48	48	48
Depreciation and amortisation	85	163	175	212	235	219	219
Administration	-	60	60	60	60	60	60
Costs of disposal of non-current assets	15	-	-	-	-	-	-
Other expenses	-	126	28	51	43	43	42
TOTAL COST OF SERVICES	3,300	3,329	3,801	3,625	3,622	3,626	3,658
Revenues from ordinary activities							
Other Revenue	280	96	96	96	96	96	96
Total Revenues from Ordinary Activities	280	96	96	96	96	96	96
NET COST OF SERVICES	3,020	3,233	3,705	3,529	3,526	3,530	3,562
REVENUES FROM STATE GOVERNMENT							
Output Appropriations	3,104	3,069	3,327	3,284	3,372	3,413	3,472
Resources received free of charge	123	106	124	108	108	109	110
Liabilities assumed by the Treasurer	2	44	2	2	2	2	2
TOTAL REVENUES FROM STATE GOVERNMENT	3,229	3,219	3,453	3,394	3,482	3,524	3,584
CHANGE IN EQUITY RESULTING FROM OPERATIONS	209	(14)	(252)	(135)	(44)	(6)	22
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	209	(14)	(252)	(135)	(44)	(6)	22

(a) The Full Time Equivalents (FTEs) for 2002-03 Actual, 2003-04 Estimated Actual and 2004-05 Estimate are 29, 26 and 26 respectively.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	436	322	150	42	16	15	8
Restricted cash.....	656	74	275	198	206	215	232
Receivables.....	94	86	74	69	69	69	71
Amounts receivable for outputs.....	93	110	110	164	102	120	-
Prepayments.....	1	-	-	-	-	-	-
Total current assets.....	1,280	592	609	473	393	419	311
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	266	404	427	596	853	1,075	1,420
Plant, equipment and vehicles.....	246	171	643	541	470	353	273
Other.....	-	372	-	-	-	-	(43)
Total non-current assets.....	512	947	1,070	1,137	1,323	1,428	1,650
TOTAL ASSETS	1,792	1,539	1,679	1,610	1,716	1,847	1,961
CURRENT LIABILITIES							
Payables.....	99	51	100	99	100	98	38
Provision for employee entitlements.....	351	434	435	507	581	653	729
Accrued Salaries.....	47	67	69	-	8	9	17
Amounts due to the Treasurer.....	300	300	300	300	300	300	300
Total current liabilities.....	797	852	904	906	989	1,060	1,084
NON-CURRENT LIABILITIES							
Provision for employee entitlements.....	173	257	205	269	336	402	470
Total non-current liabilities.....	173	257	205	269	336	402	470
TOTAL LIABILITIES	970	1,109	1,109	1,175	1,325	1,462	1,554
EQUITY							
Contributed Equity.....	531	501	531	531	531	531	531
Accumulated surplus/(deficit).....	291	(71)	39	(96)	(140)	(146)	(124)
Total equity.....	822	430	570	435	391	385	407
TOTAL LIABILITIES AND EQUITY	1,792	1,539	1,679	1,610	1,716	1,847	1,961

**STATEMENT OF CASH FLOWS
(Controlled)**

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Output Appropriations.....	2,745	2,821	3,041	2,951	3,013	3,071	3,127
Capital Contribution	461	-	-	-	-	-	-
Holding Account Drawdowns.....	85	93	108	110	164	102	120
Net cash provided by State government.....	3,291	2,914	3,149	3,061	3,177	3,173	3,247
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs.....	(1,767)	(2,005)	(2,197)	(2,285)	(2,227)	(2,327)	(2,376)
Superannuation.....	(153)	(212)	(212)	(218)	(218)	(198)	(191)
Supplies and services.....	(682)	(312)	(507)	(313)	(269)	(216)	(211)
Accommodation.....	(219)	(270)	(324)	(265)	(262)	(267)	(257)
Administration.....	-	(60)	(60)	(60)	(60)	(60)	(60)
Capital User Charge.....	(32)	(35)	(35)	(45)	(48)	(48)	(48)
Goods and Services Tax	(105)	(76)	(129)	(70)	(74)	(66)	(77)
Other.....	-	(20)	(28)	(51)	(43)	(43)	(67)
Receipts							
Goods and Services Tax	96	81	151	75	74	66	76
Other.....	287	96	96	96	96	96	96
Net cash from operating activities.....	(2,575)	(2,813)	(3,245)	(3,136)	(3,031)	(3,063)	(3,115)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(129)	(93)	(572)	(110)	(164)	(102)	(120)
Net cash from investing activities.....	(129)	(93)	(572)	(110)	(164)	(102)	(120)
NET INCREASE/(DECREASE) IN CASH HELD	587	8	(668)	(185)	(18)	8	12
Cash assets at the beginning of the reporting period	505	388	1,092	424	239	221	229
Cash assets at the end of the reporting period.....	1,092	396	424	239	221	229	241

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 Office:

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000
GST input credits.....	96	81	151	75
Other Revenue.....	96	96	96	96
TOTAL.....	192	177	247	171

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

SALARIES AND ALLOWANCES TRIBUNAL

PART 2 - PREMIER; MINISTER FOR PUBLIC SECTOR MANAGEMENT; FEDERAL AFFAIRS; SCIENCE; CITIZENSHIP AND MULTICULTURAL INTERESTS

DIVISION 6

APPROPRIATION AND FORWARD ESTIMATES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 9 Net amount appropriated to deliver outputs	351	307	306	310	319	321	335
Total appropriations provided to deliver outputs.....	351	307	306	310	319	321	335
GRAND TOTAL	351	307	306	310	319	321	335

MISSION

To ensure the requirements of the Salaries and Allowances Act 1975 are met.

SIGNIFICANT ISSUES AND TRENDS

- The recent electoral boundaries redistribution undertaken by the Electoral Distribution Commissioners requires an extensive review of entitlements for Members of Parliament.
- A general review addressing Special Division and prescribed office remuneration and relativities will be undertaken.

OUTPUT AND APPROPRIATION SUMMARY

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Support Services to the Salaries and Allowances Tribunal.....	452	301	374	306	309	283	325
Total Cost of Outputs	452	301	374	306	309	283	325
<i>Less Revenues from Ordinary Activities</i>	2	3	3	3	3	3	3
Net Cost of Outputs	450	298	371	303	306	280	322
Adjustments ^(a)	(99)	9	(65)	7	13	41	13
Appropriation provided to deliver Outputs	351	307	306	310	319	321	335
TOTAL CONSOLIDATED FUND APPROPRIATIONS	351	307	306	310	319	321	335

(a) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, 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 Chairman, the Executive Officer and the Treasurer.

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

Broad, high level government strategic goals are supported at agency level by more specific desired outcomes. Agencies deliver outputs to achieve these desired outcomes, which ultimately contribute to meeting the higher level government strategic goals. The following table illustrates this relationship.

Government Strategic Goal(s)	Desired Outcome(s)	Output(s)
To govern for all Western Australians in an open, effective and efficient manner that also ensures a sustainable future.	A fair and equitable system of remuneration for the Governor, Members of Parliament, Senior Government Officers, Judicial and Magisterial Officers and superannuation benefits for Members of Parliament.	1. Support Services to the Salaries and Allowances Tribunal

Outcomes and Key Effectiveness Indicators ^(a)

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Outcome: A fair and equitable system of remuneration for the Governor, Members of Parliament, Senior Government Officers, Judicial and Magisterial Officers and superannuation benefits for Members of Parliament.					
The extent to which the Salaries and Allowances Tribunal is satisfied with the support services provided	100%	100%	100%	100%	

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

Output 1: Support Services to the Salaries and Allowances Tribunal

Determine the remuneration paid or provided to holders of ministerial, parliamentary and certain other public offices, and determine matters relating to the superannuation and certain other post retirement benefits of Members of Parliament. Report on remuneration to be paid or provided to members of the Judiciary and Magistracy, the Commissioner and the Parliamentary Inspector of the Corruption and Crime Commission.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	452	301	374	306	Reflects additional cost in 2003-04 of obtaining expert advice on matters under review by the Tribunal.
Less Revenues from Ordinary Activities	2	3	3	3	
Net Cost of Output	450	298	371	303	
Adjustments ^(a)	(99)	9	(65)	7	
Appropriation for delivery of Output 1	351	307	306	310	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Determinations/Reports.....	11	8	13	12	
Quality					
Tribunal satisfaction with quality of service provided.....	100%	100%	100%	100%	
Timeliness					
Completed within statutory requirements.....	100%	100%	95%	100%	Recommendation on remuneration for members of the Anti-Corruption Commission delayed as they were incorporated in the December 2003 report into judicial remuneration.
Cost (Efficiency)					
Average cost per determination/report.....	\$41,090	\$37,600	\$28,769	\$25,500	Costs allocated over a greater number of determinations/reports.
Full Time Equivalents (FTEs)	2	1	1	1	

Major Achievements For 2003-04

- The determinations and reports were made in accordance with the *Salaries and Allowances Act 1975*.

Major Initiatives For 2004-05

- Ongoing program of reviews and determinations relating to the remuneration of Members of Parliament, the judiciary and public sector chief executive officers and, statutory office holders.
- Ongoing reviews and determinations relating to post retirement benefits for Members of Parliament including possible redundancy arrangements.
- Review of electorate allowances as a result of electoral redistribution.

CAPITAL WORKS PROGRAM

The Salaries and Allowances Tribunal will spend \$6,000 in 2004-05 to continue its rolling replacement of office equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-04 \$'000	Estimated Expenditure 2003-04 \$'000	Estimated Expenditure 2004-05 \$'000
COMPLETED WORKS				
Asset Replacement Program 2003-04 Program	6	6	6	-
NEW WORKS				
Asset Replacement Program 2004-05 Program	6	-	-	6
	12	6	6	6

CAPITAL CONTRIBUTION

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	6	6	6	6	6	6	6
	6	6	6	6	6	6	6
LESS							
Drawdowns from the Holding Account	6	6	6	6	6	6	6
Capital Contribution	-	-	-	-	-	-	-

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	256	100	83	90	91	60	94
Superannuation	17	12	12	12	12	12	12
Supplies and services	108	124	215	140	140	144	147
Accommodation	46	54	46	46	46	46	46
Capital User Charge	17	6	13	12	14	15	20
Depreciation and amortisation	8	5	5	6	6	6	6
TOTAL COST OF SERVICES	452	301	374	306	309	283	325
Revenues from ordinary activities							
Other Revenue	2	3	3	3	3	3	3
Total Revenues from Ordinary Activities	2	3	3	3	3	3	3
NET COST OF SERVICES	450	298	371	303	306	280	322
REVENUES FROM STATE GOVERNMENT							
Output Appropriations	351	307	306	310	319	321	335
Resources received free of charge	15	11	11	11	11	11	11
TOTAL REVENUES FROM STATE GOVERNMENT	366	318	317	321	330	332	346
CHANGE IN EQUITY RESULTING FROM OPERATIONS							
Change in Equity arising from transfer of assets/liabilities	(84)	20	(54)	18	24	52	24
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	(82)	20	(54)	18	24	52	24

(a) The Full Time Equivalents (FTEs) for 2002-03 Actual, 2003-04 Estimated Actual and 2004-05 Estimate are 2, 1 and 1 respectively.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	221	181	145	164	187	211	234
Restricted cash.....	5	5	5	-	1	1	2
Receivables.....	1	1	1	1	1	1	1
Amounts receivable for outputs.....	7	6	6	6	6	6	6
Total current assets.....	234	193	157	171	195	219	243
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	-	11	-	5	11	11	15
Plant, equipment and vehicles.....	11	10	13	13	13	13	13
Total non-current assets.....	11	21	13	18	24	24	28
TOTAL ASSETS.....	245	214	170	189	219	243	271
CURRENT LIABILITIES							
Payables.....	22	2	3	3	3	3	3
Provision for employee entitlements.....	7	7	1	6	8	10	12
Accrued Salaries.....	4	4	4	-	-	-	-
Total current liabilities.....	33	13	8	9	11	13	15
NON-CURRENT LIABILITIES							
Provision for employee entitlements.....	29	17	33	33	37	7	9
Total non-current liabilities.....	29	17	33	33	37	7	9
TOTAL LIABILITIES.....	62	30	41	42	48	20	24
EQUITY							
Contributed Equity.....	6	9	6	6	6	6	6
Accumulated surplus/(deficit).....	177	175	123	141	165	217	241
Total equity.....	183	184	129	147	171	223	247
TOTAL LIABILITIES AND EQUITY.....	245	214	170	189	219	243	271

**STATEMENT OF CASH FLOWS
(Controlled)**

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Output Appropriations.....	344	294	301	299	307	315	325
Holding Account Drawdowns.....	6	6	6	6	6	6	6
Net cash provided by State government.....	350	300	307	305	313	321	331
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs.....	(260)	(93)	(85)	(89)	(85)	(88)	(90)
Superannuation.....	(17)	(12)	(12)	(12)	(12)	(12)	(12)
Supplies and services.....	(91)	(113)	(209)	(129)	(129)	(133)	(136)
Accommodation.....	(46)	(54)	(46)	(46)	(46)	(46)	(46)
Capital User Charge.....	(5)	(6)	(28)	(12)	(14)	(15)	(20)
Goods and Services Tax.....	(10)	(15)	(15)	(15)	(15)	(15)	(15)
Receipts							
Goods and Services Tax.....	11	15	15	15	15	15	15
Other.....	2	3	3	3	3	3	3
Net cash from operating activities.....	(416)	(275)	(377)	(285)	(283)	(291)	(301)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(6)	(6)	(6)	(6)	(6)	(6)	(6)
Net cash from investing activities.....	(6)	(6)	(6)	(6)	(6)	(6)	(6)
NET INCREASE/(DECREASE) IN CASH HELD.....	(72)	19	(76)	14	24	24	24
Cash assets at the beginning of the reporting period.....	298	166	226	150	164	188	212
Cash assets at the end of the reporting period.....	226	185	150	164	188	212	236

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 Tribunal:

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000
GST input credits.....	11	15	15	15
Other revenue.....	2	3	3	3
TOTAL.....	13	18	18	18

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

Part 3

Deputy Premier; Treasurer; Minister for Energy

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000
145	Treasury and Finance			
	– Delivery of Outputs	55,392	55,445	54,626
	– Administered Grants, Subsidies and Other Transfer Payments	1,158,066	1,185,976	1,300,011
	– Capital Contribution	400	400	400
	Total	1,213,858	1,241,821	1,355,037
179	Office of the Auditor General			
	– Delivery of Outputs	11,168	11,479	12,740
	– Capital Contribution	122	122	113
	Total	11,290	11,601	12,853
190	Economic Regulation Authority.....			
	– Delivery of Outputs	1,672	1,277	4,153
	Total	1,672	1,277	4,153
198	Western Australian Treasury Corporation .....	...	...	...
199	Office of Energy			
	– Delivery of Outputs	15,901	25,775	15,224
	– Capital Contribution	110	110	-
	Total	16,011	25,885	15,224
217	Western Power Corporation.....	...	...	...
	GRAND TOTAL			
	– Delivery of Outputs	84,133	93,976	86,743
	– Administered Grants, Subsidies and Other Transfer Payments	1,158,066	1,185,976	1,300,011
	– Capital Contribution	632	632	513
	Total	1,242,831	1,280,584	1,387,267

TREASURY AND FINANCE

PART 3 - DEPUTY PREMIER; TREASURER; MINISTER FOR ENERGY

DIVISION 7

APPROPRIATION AND FORWARD ESTIMATES

	2002-03 Actual (e) \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 10 Net amount appropriated to deliver outputs.....	57,905	54,543	54,596	53,777	55,683	56,797	58,020
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975.....	799	849	849	849	849	849	849
Total appropriations provided to deliver outputs.....	58,704	55,392	55,445	54,626	56,532	57,646	58,869
ADMINISTERED							
Community Service Obligation Payments ^(a)							
Item 11 - Electricity Corporation.....	34,170	32,932	38,170	47,930	53,381	56,465	63,268
Item 12 - Forest Products Commission.....	1,570	1,300	1,300	1,070	1,070	1,070	1,070
Item 13 - Water Corporation of Western Australia.....	258,403	267,075	268,257	273,613	282,933	295,042	306,305
Item 14 - Western Australian Land Authority.....	30,417	26,424	35,373	27,538	22,287	7,355	7,355
Grants, Subsidies and Transfer Payments							
Item 15 - Aerial Shark Surveillance Program.....	196	110	110	110	-	-	-
Item 16 - Albany Port Authority.....	171	173	173	173	149	-	-
Item 17 - Armadale Redevelopment Authority.....	-	750	750	1,030	1,120	1,150	1,200
Item 18 - First Home Owners' Assistance....	118,350	114,500	104,200	113,500	122,300	123,200	125,000
Item 19 - GST Administration Costs.....	55,216	56,300	53,300	57,500	59,000	60,500	62,000
Item 20 - HIH Insurance Rescue Package ...	237	600	500	500	500	600	384
Item 21 - Office of Health Review^(b).....	-	1,036	1,036	1,189	1,215	1,241	1,263
Item 22 - On Road Diesel Subsidies.....	4,836	4,499	5,800	5,000	5,000	5,000	5,000
Item 23 - Pensioner Concessions - Emergency Services Levy.....	-	3,500	3,500	5,400	5,400	5,400	5,400
Item 24 - Pensioner Concessions - Local Government and Water Rates.....	38,418	35,223	40,900	42,500	44,700	46,900	49,200
Item 25 - Provision for Unfunded Liabilities in the Government Insurance Fund.....	9,430	5,908	5,908	4,711	4,030	2,970	-
Item 26 - Refund of Past Years Revenue Collections - Public Corporations.....	5,978	100	100	100	100	100	100
Item 27 - Refund of Past Years Revenue Collections - All Other.....	9,746	5,111	8,083	5,111	5,111	5,111	5,111
Item 28 - State Housing Commission - Emergency Services Levy.....	-	1,300	1,300	2,100	2,100	2,100	2,100
Item 29 - State Housing Commission - General Housing Funding.....	2,500	1,000	2,000	1,000	2,000	1,000	1,000
Item 30 - State Housing Commission - Indigenous Housing.....	11,551	18,483	18,483	18,483	18,483	17,000	17,000
Item 31 - State Housing Commission - Subsidies for Housing.....	3,480	3,480	3,480	3,480	3,480	3,480	3,480
Item 32 - State Property - Emergency Services Levy.....	-	6,500	6,500	9,000	9,000	9,000	9,000
Item 33 - Western Australian Building Management Authority Interest^(c).....	10,142	9,191	7,989	6,615	5,506	4,411	3,950
Item 34 - All Other Grants, Subsidies and Transfer Payments.....	3,613	3,675	3,282	3,325	3,520	3,473	3,181

	2002-03 Actual (e) \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
Extended Payroll Tax Amnesty	3,959	-	-	-	-	-	-
Midland Redevelopment Authority.....	250	200	500	-	300	300	300
Ord Irrigation Subsidy.....	2,801	-	-	-	-	-	-
Rail Access Regulator.....	545	640	395	-	-	-	-
Treasurer's Indemnity to the Insurance							
Commission.....	376	-	-	-	-	-	-
Water Corporation of Western Australia....	193	1,400	1,400	-	-	-	-
Water Corporation of Western Australia (State Water Strategy Rebate Scheme).....	2,426	-	3,800	-	-	-	-
Western Australian Gas Disputes							
Arbitrator.....	-	-	20	-	-	-	-
Authorised by Other Statutes							
Financial Agreement Act 1995 – Interest....	428	290	528	-	-	-	-
Gold Corporation Act 1987.....	-	64	64	64	64	64	64
Judges' Salaries and Pensions Act 1950.....	4,183	3,863	3,835	3,988	4,146	4,311	4,483
Loan (Financial Agreement) Act 1991:							
- Interest	20,736	19,750	19,695	19,479	18,505	16,623	15,587
- Loan Guarantee Fees	657	636	636	610	585	561	536
Parliamentary Superannuation Act 1970	5,190	6,845	6,782	17,500	7,950	8,104	8,263
State Superannuation Act 2000	401,346	419,618	427,155	422,065	428,964	435,949	442,931
Tobacco Control Act 1990^(b)	-	16,930	16,930	17,357	17,748	18,147	18,601
Unclaimed Money (Superannuation and RSA Providers) Act 2003	-	-	50	50	50	50	50
Unclaimed Money Act 1990	101	500	500	500	500	500	500
Western Australian Treasury Corporation Act 1986:							
- Interest	35,945	36,124	39,121	55,803	60,791	73,061	84,645
- Loan Guarantee Fees	879	1,033	895	1,006	1,223	1,471	1,532
Total Administered.....	1,078,439	1,107,063	1,132,800	1,169,400	1,193,211	1,211,709	1,249,859
CAPITAL							
Item 116 Capital Contribution	1,000	400	400	400	-	350	-
ADMINISTERED CAPITAL							
Government Equity Contributions ^(a)							
Item 117 - Armadale Redevelopment Authority	-	2,000	2,000	2,000	2,000	2,000	2,000
Item 118 - Department of Health^(d)	-	-	-	61,152	91,424	112,700	140,500
Item 119 - Electricity Corporation	-	-	1,470	10,450	12,050	6,000	6,000
Item 120 - Forest Products Commission	1,270	1,289	1,289	1,291	1,291	1,291	1,291
Item 121 - Fremantle Port Authority	221	221	924	1,222	222	222	223
Item 122 - State Housing Commission	15,000	15,500	15,500	19,500	15,000	15,000	15,000
Item 123 - Western Australian Building Management Authority^(c)	7,066	7,033	7,033	7,275	7,528	7,886	8,156
Item 124 - Western Australian Land Authority	5,000	5,000	5,000	5,000	-	-	-
Authorised by Other Statutes							
Financial Agreement Act 1995 - Sinking Fund.....	69	8,020	8,020	-	-	-	-
Loan (Financial Agreement) Act 1991 - Capital Repayments.....	11,678	11,940	11,940	12,208	12,483	12,763	13,050
Western Australian Treasury Corporation Act 1986 - Capital Repayments.....	38,765	-	-	10,513	10,809	10,853	10,853
Total Capital Contribution	80,069	51,403	53,576	131,011	152,807	169,065	197,073
GRAND TOTAL.....	1,217,212	1,213,858	1,241,821	1,355,037	1,402,550	1,438,420	1,505,801

(a) Actuals for 2002-03 and 2003-04 Budget estimates adjusted to exclude appropriations to the Western Australian Government Railways Commission. Appropriations for these periods are included in the statements for the Public Transport Authority, created on 1 July 2003.

(b) The items *Office of Health Review* and *Tobacco Control Act 1990* were previously administered by the Health Department.

- (c) The functions of the Western Australian Building Management Authority (WABMA) were transferred to the Department of Housing and Works (DHW) as part of Machinery of Government changes in 2002-03. For legal reasons, loans held by WABMA cannot be transferred to DHW. The Consolidated Fund provides appropriation support for the interest and capital repayments associated with this debt.
- (d) Reflects global funding to be applied to health reforms and related broader health initiatives as part of the Department of Health's Capital Works Program. The Department of Health will be required to submit business cases and planning details for Government approval to access these funds.
- (e) Adjusted for comparability to reflect the transfer of functions from the former Department of Industry and Technology.

MISSION

To provide quality economic and financial advice, financial management, fair and equitable revenue laws administration and effective government procurement.

SIGNIFICANT ISSUES AND TRENDS

Economic outlook

- Bolstered by continuing high levels of housing and related activity, a resilient export sector and burgeoning business investment, the Western Australian economy is likely to achieve near record growth in 2003-04. This will moderate, but remain high, in 2004-05 as current investment delivers increased export capacity to meet demand, especially from China. In this environment maintaining and promoting a thorough understanding of the Western Australian economy, especially the drivers of and constraints on growth and impact on State revenues, remain a key underpinning of the department's economic and financial policy advice to government.

Financial management

- Implementation of Functional Review Taskforce reforms, particularly in relation to the public sector wide issues of government procurement, a move towards centralised corporate services, and improved asset management.
- The Financial Reporting Council has given the Australian Accounting Standards Board a strategic direction to adopt international accounting standards with effect from reporting periods commencing on or after 1 January 2005. This will result in changes to the accounting treatment for some assets, liabilities, expenses and revenues, both at agency and whole-of-government level. For entities with financial years ending on 30 June:
 - 2003-04 and 2004-05 annual reports need to disclose the expected material impacts of transition to international accounting standards; and
 - 2005-06 annual reports require 2004-05 comparative results to be reported in accordance with international accounting standards.
- Ensuring the State's triple-A credit rating remains secure will be pursued, including through making submissions to the two major rating agencies. In addition, provision of quality financial management advice is essential for achieving public sector financial outcomes that are consistent with the State's credit rating and with the Government's service delivery priorities. Developments in the State's revenues (particularly as they are affected by conditions in the property market, the impact of the exchange rate and commodity price fluctuations), and the ongoing challenge of containing expense pressures, in areas such as health and education are significant issues in this area.
- Production of a Pre-election Financial Projections Statement is required under the *Government Financial Responsibility Act 2000* within ten days after the Legislative Assembly is dissolved or expires. This is a key document that sets out the most recent financial projections going into the State election.

Commonwealth-State relations

- The Commonwealth Grants Commission's 2004 Review of its methodology for sharing GST revenue amongst the States provided a major boost to the State's revenues. The results of this review were achieved through a long process of review of the State's relative capacity to provide essential public services and to raise revenue from its own sources. The result was a considerable benefit to Western Australia. Nevertheless, broader reform issues in Commonwealth-State relations remain - including the need for more flexibility in specific purpose payments and better sharing between Commonwealth and States of the costs of economic development to reflect the Commonwealth being the chief beneficiary in terms of tax revenue from major projects.
- As the revenue from the GST begins to bolster State receipts and the need for top-up funding from the Commonwealth recedes, States now have:
 - a more direct financial exposure to the GST policy arrangements;
 - increased interest in the efficiency of the Australian Taxation Office in administering the GST and the cost-effectiveness of the First Home Owners Grant scheme; and

- greater concern with the accuracy of GST revenue forecasting (the Commonwealth previously bore the associated financial risks, but this has now moved to the State as it no longer relies on budget balancing grants which supplemented the GST up to 2002-03).
- The major objective of the intergovernmental agreement between the Commonwealth and the States in 2000, which saw all revenues from the GST passed to the States, was to provide States with revenues that grow more in line with the economy and community demand. States will have a keen interest in ensuring that the Commonwealth does not move to offset these gains to the States, through reducing specific purpose payments to the States, tightening the restrictions on such payments, or through other means.

Energy reform

- Lower costs and greater choice for energy consumers are being pursued through changes in the market arrangements for the provision of electricity and gas. Independent regulation of network access is intended to enhance competition across the electricity market and increase pressure for lower electricity prices. The introduction of full retail contestability in the gas market is designed to produce similar outcomes.

National competition policy

- The State is progressing its remaining obligations under National Competition Policy (NCP) agreements with the Commonwealth and is reviewing matters, which have been assessed by the National Competition Council as not being compliant with NCP principles. National Competition Policy involves reviews of anti-competitive provisions in all statutes, the extension of competitive neutrality provisions across government business operations, and implementation of reform where this has been shown to further the public interest.

Revenue laws administration

- The level of economic activity, particularly as it affects transaction activity in the property market and employment growth will continue to impact on the level of demand for services.
- Ongoing monitoring of the level of tax evasion and avoidance in the community will continue through the use of appropriate compliance strategies. Where avoidance is detected, proposals for countervailing legislation will be prepared for consideration by government.
- Development of strategies designed to improve compliance, including better use and co-ordination of information held by the Office of State Revenue (OSR), revenue authorities of other jurisdictions, and other government agencies will be ongoing.
- There will be a greater focus on education initiatives to ensure taxpayers and their agents are well informed of their obligations and rights, particularly as a result of a greater reliance on self-assessment as a means of tax administration.
- Outcomes of the 2005 review process in respect of State taxes required under the Intergovernmental Agreement on Commonwealth-State Financial Relations may impact on what taxes will be collected in the future. This review requires a range of State taxes to be examined for potential future abolition. Notably, a number of these taxes have already been abolished in this State as a result of the Business Tax Review changes.
- The department will continue to explore opportunities to partner with other government agencies where opportunities exist to provide improved services to common customers.
- Increasing contact will occur with industry and professional bodies to ensure their views are considered in the design of taxation and grant administrative arrangements and to increase the department's awareness of issues important to their members.

Government procurement

- Significant benefits are being sought from leveraging purchasing power on a whole-of-government basis while ensuring probity and equity principles are maintained for public sector procurement.

- An implementation plan has now been developed as part of the review on how the procurement function should best be delivered, consistent with the objectives mentioned in the proceeding point and with the proposed shared corporate services across the public service. A new approach to E-procurement is also being progressed.
- A program management office has been established to lead and co-ordinate the procurement reform initiatives in conjunction with the Functional Review Implementation Team (FRIT).

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Statement of Financial Performance since publication of the 2003-04 Budget to Parliament on 8 May 2003 are outlined below.

	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
Electricity Reform Monitoring	153	153	153	153
Tax Administration Initiatives	379	755	1,196	1,219

OUTPUT AND APPROPRIATION SUMMARY

	2002-03 Actual (c)(d) \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Resourcing of Services and Budget							
Development.....	6,767	7,160	7,618	7,896			
Output 2:							
Asset Management and Financing.....	2,127	2,243	2,070	2,340			
Output 3:							
Fiscal Management and Reporting.....	3,520	3,651	3,459	3,823			
Output 4:							
Financial Management Framework							
Development and Advice.....	2,142	1,879	2,000	2,006			
Output 5:							
Structural Policy Development and Advice.....	2,107	2,233	2,165	2,120			
Output 6:							
Economic, Revenue and Intergovernmental							
Policy Development and Advice.....	3,747	3,398	3,132	3,432			
Output 7:							
Revenue Assessment and Collection.....	29,357	29,966	30,839	31,066			
Output 8:							
Grants and Subsidies Administration.....	1,937	2,374	2,164	2,216			
Output 9:							
Development and implementation of public							
sector procurement arrangements and							
systems.....	35,597	27,384	27,195	21,057			
Total Cost of Outputs.....	87,301	80,288	80,642	75,956	77,980	79,088	80,495
<i>Less Revenues from Ordinary Activities.....</i>	<i>12,398</i>	<i>13,504</i>	<i>13,783</i>	<i>13,172</i>	<i>13,298</i>	<i>13,438</i>	<i>13,438</i>
Net Cost of Outputs.....	74,903	66,784	66,859	62,784	64,682	65,650	67,057
Adjustments ^(a)	(16,199)	(11,392)	(11,414)	(8,158)	(8,150)	(8,004)	(8,188)
Appropriation provided to deliver Outputs.	58,704	55,392	55,445	54,626	56,532	57,646	58,869
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b).....	1,000	400	400	400	-	350	-
TOTAL CONSOLIDATED FUND APPROPRIATIONS.....	59,704	55,792	55,845	55,026	56,532	57,996	58,869

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

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

(c) Adjusted for comparability to reflect the transfer of functions from the former Department of Industry and Technology.

(d) 2002-03 actual output costs and measures have been derived based on a direct conversion from the old output structure to the new output structure.

RESOURCE AGREEMENT

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

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION

Relationship to Government Strategic Goals

Broad, high level government strategic goals are supported at agency level by more specific desired outcomes. Agencies deliver outputs to achieve these desired outcomes, which ultimately contribute to meeting the higher level government strategic goals. The following table illustrates this relationship.

Government Strategic Goal	Desired Outcomes	Outputs
To develop a strong economy that delivers more jobs, more opportunities and greater wealth to Western Australians by creating the conditions required for investment and growth.	Government and public sector agencies are well informed on resource allocation issues.	1. Resourcing of Services and Budget Development
	Public sector financial management and reporting is accountable, transparent and timely.	2. Asset Management and Financing 3. Fiscal Management and Reporting 4. Financial Management Framework Development and Advice
	Government, business and the community are well informed on economic policy.	5. Structural Policy Development and Advice 6. Economic, Revenue and Intergovernmental Policy Development and Advice
	Due and payable revenue is collected and eligible grants, subsidies and rebates paid.	7. Revenue Assessment and Collection 8. Grants and Subsidies Administration
	Value for money and probity from public sector procurement.	9. Development and implementation of public sector procurement arrangements and systems

Outcomes and Key Effectiveness Indicators ^(a)

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Outcome: Government and public sector agencies are well informed on resource allocation issues.					
Percentage of stakeholders who believe that DTF has kept them well informed on resource allocation issues.....	79%	75%	75%	75%	
Outcome: Public sector financial management and reporting is accountable, transparent and timely.					
Percentage of stakeholders who believe that DTF guidance on accounting and financial policies assists them to improve service delivery and increases public sector accountability.....	73%	75%	75%	75%	
Percentage of agencies that met reporting timeliness and information requirements.....	35%	75%	50%	75%	
Outcome: Government, business and the community are well informed on economic policy.					
Percentage of stakeholders who believe that the Department of Treasury and Finance (DTF) has kept them well-informed on economic policy issues.....	70%	75%	75%	75%	

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Outcome: Due and payable revenue is collected and eligible grants, subsidies and rebates paid.					
Percentage of assessments paid and returns lodged by the due date	88%	87%	87%	87%	
Extent to which pay-roll tax persons audited had paid their correct liability	34%	30%	30%	30%	
Extent to which all registered stamp duty rental persons audited had paid their correct liability.....	47%	40%	40%	40%	
Extent to which all recipients of First Home Owner Grants audited had paid their correct concession.....	99%	98%	98%	98%	
Extent to which all recipients of Pensioner Rebate Scheme subsidies audited claim the correct concession	99%	99%	99%	99%	
Outcome: Value for money and probity from public sector procurement.					
Extent to which client agencies agree that their contracts were awarded on a value for money basis.....	78%	80%	80%	80%	
Extent to which client agencies agree that common use contracts are managed/awarded on a value for money basis	72%	80%	80%	80%	
Extent to which client agencies agree that the contract process satisfied all Government probity requirements.....	na	100%	na	na	Performance indicator discontinued

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

Output 1: Resourcing of Services and Budget Development

To advise and manage the allocation of taxpayers resources to achieve government outcomes.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	6,767	7,160	7,618	7,896	Includes the Investment Services Taskforce and the Treasury Information Management System (TIMS).
Less Revenues from Ordinary Activities	89	62	44	145	
Net Cost of Output	6,678	7,098	7,574	7,751	
Adjustments ^(a)	(58)	(102)	(426)	(63)	
Appropriation for delivery of Output 1	6,620	6,996	7,148	7,688	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Hours of advice to government.....	11,650	12,830	12,500	13,000	
Hours of advice to agencies.....	15,770	17,360	15,000	16,000	
Hours to prepare budget papers.	5,720	7,050	6,500	6,000	
Quality					
Proportion of agencies satisfied with advice received	na	80%	80%	80%	
Timeliness					
Proportion of advice to government within agreed timeframes.....	70%	80%	80%	80%	
Proportion of advice to agencies within agreed timeframes	70%	80%	80%	80%	
Cost (Efficiency)					
Cost of advice to government.....	\$2,368,500	\$2,434,000	\$2,819,000	\$2,921,000	
Cost of advice to agencies.	\$3,248,160	\$3,365,000	\$3,351,000	\$3,553,000	
Cost of producing budget papers.	\$1,150,340	\$1,361,000	\$1,448,000	\$1,422,000	
Full Time Equivalents (FTEs)	62	61	67	69	

Major Achievements For 2003-04

- Assisted government and agencies implement the recommendations of the Functional Review Taskforce (FRT), particularly in relation to the public sector-wide issues of government procurement, a move towards centralised corporate services, and improved asset management.
- Monitored the progress and assisted the management of the 2003-04 budget, through the provision of regular reports and advice to the Expenditure Review Sub-Committee of Cabinet.
- Contributed to the formulation of the 2004-05 budget and forward estimates with process enhancements to increase the quality and timeliness of advice provided to government.
- Continued to improve and foster relationships with agencies, through a program of regular visits, which has led to a better understanding of the agencies' business and the issues impacting them. This has enabled improvement in the quality of advice to both agencies and government.
- Participated in and provided advice and support to the Health Reform Committee (HRC) review of the Western Australian health system. The recommendations of the review provide for fundamental reforms to the future of health service delivery in Western Australia which, if successfully implemented, will dramatically enhance the sustainability of the health sector from both a service delivery (quality, safety and access) and financial perspective.

Major Initiatives For 2004-05

- Continue to assist government and agencies in implementing the recommendations of the FRT, particularly in relation to the public sector wide issues of procurement policy.
- Monitor and provide advice to government on the progress of the 2004-05 budget and contribute to the formulation of the 2005-06 budget and forward estimates.
- Provide ongoing advice on major public sector wage agreement negotiations.
- Continue to strengthen relationships with agencies, through regular visits, to better understand the agencies' business and the issues impacting them, and to engage agencies in policy development.
- Actively participate in the implementation of the HRC's recommendations for the reform of the health sector. This will include substantial evaluation of business cases for the investment program to reconfigure health service delivery.

Output 2: Asset Management and Financing

Management and investment of government's cash resources. Management of the financing and leasing of the government's light vehicle fleet. Provision of advice and analysis on alternative asset financing arrangements for existing or proposed public sector infrastructure and services.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	2,127	2,243	2,070	2,340	Insourcing of vehicle facility
Less Revenues from Ordinary Activities	412	517	521	983	
Net Cost of Output	1,715	1,726	1,549	1,357	
Adjustments ^(a)	(18)	(32)	(87)	(11)	
Appropriation for delivery of Output 2	1,697	1,694	1,462	1,346	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Hours of advice on major asset financing projects	1,650	1,700	1,700	1,750	Insourcing of vehicle facility.
Hours on fleet financing and leasing	7,000	7,000	7,200	12,200	
Hours on management and investment of cash resources.....	8,000	8,000	8,250	9,000	
Quality					
Proportion of key stakeholders satisfied with the advice received on major asset financing projects	82%	90%	90%	90%	
Proportion of investment returns that meet industry benchmarks.....	90%	90%	90%	90%	
Unqualified audit reports.....	100%	100%	100%	100%	
Timeliness					
Proportion of key stakeholders satisfied with the timeliness of advice received on major asset financing projects.....	85%	90%	90%	90%	
Proportion of payments made by due date.....	100%	100%	100%	100%	
Cost (Efficiency)					
Cost of advice on major asset financing projects	\$215,000	\$224,000	\$182,000	\$180,000	
Cost of fleet financing and leasing.....	\$588,000	\$599,000	\$570,000	\$1,030,000	
Cost of management and investment of cash resources.....	\$1,324,000	\$1,420,000	\$1,318,000	\$1,130,000	
Full Time Equivalents (FTEs)	17	18	18	21	

Major Achievements For 2003-04

- Awarded a new contract for whole-of-government banking business.
- Commenced provision of shared services for the Office of Energy, the Gas Disputes Regulator and the Economic Regulation Authority.
- Undertook a major review of the Government's vehicle fleet contracts to improve administrative arrangements and to identify potential savings to government in overall fleet costs.
- Provided financial advice to assist in the awarding of contracts for the New MetroRail Project.

- Progressed the first project under the “Partnerships for Growth” policy with the release of the project brief to the two short-listed proponents for the Central Business District (CBD) Courts Project.

Major Initiatives For 2004-05

- Undertake process review to enable transfer of functions to shared services provider.
- Streamline accounting systems and processes for grants and subsidies.
- Award tenders for fleet related contracts for a period of three to five years and implement these contract arrangements.
- Continued assistance to the New MetroRail Project.
- Assist agencies in developing potential Public Private Partnership (PPP) procurement models for various projects.

Output 3: Fiscal Management and Reporting

Development of policy advice on, and monitoring of fiscal strategy and financial targets for the Western Australian Government. Provision and publication of whole of government financial statements. Research and analysis of trends and issues in public sector finances.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	3,520	3,651	3,459	3,823	
Less Revenues from Ordinary Activities	-	206	10	33	
Net Cost of Output	3,520	3,445	3,449	3,790	
Adjustments ^(a)	(208)	(52)	(194)	(30)	
Appropriation for delivery of Output 3	3,312	3,393	3,255	3,760	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Number of reports	30	30	22	23	
Hours of advice to government.....	1,505	5,362	1,560	1,600	
Hours of advice to agencies/other.....	2,879	1,365	2,984	3,000	
Hours preparing budget papers.....	4,341	5,850	4,500	4,500	
Hours preparing the Mid Year Review	870	1,066	902	1,000	
Quality					
Unqualified audit reports.....	100%	100%	100%	100%	
Timeliness					
Advice in agreed timeframes	90%	90%	90%	90%	
Proportion of reports within statutory timeframes.....	100%	100%	100%	100%	
Cost (Efficiency)					
Cost of reports	\$2,605,000	\$2,694,000	\$1,902,000	\$2,103,000	
Cost of advice to government	\$352,000	\$380,000	\$277,000	\$306,000	
Cost of advice to agencies/other	\$105,600	\$95,000	\$450,000	\$498,000	
Cost of producing budget papers	\$387,000	\$416,000	\$657,000	\$726,000	
Cost of producing the Mid Year Review	\$70,400	\$66,000	\$173,000	\$190,000	
Full Time Equivalents (FTEs)	26	27	27	28	

Major Achievements For 2003-04

- Confirmation of the State's triple-A credit rating by both the major ratings agencies (Standard & Poor's, and Moody's Investor Services). Detailed submissions and presentations were provided to both agencies, contributing to this outcome.
- Regular reporting of whole-of-government finances throughout the year has improved financial management accountability and transparency, enabled the State's finances to be closely monitored and emerging issues and trends to be identified, thus improving the department's ability to provide 'advance-warning' advice to government.

Major Initiatives For 2004-05

- Continue to promote sound financial policy and management outcomes by addressing key issues and challenges impacting State finances, through provision of prompt, accurate and comprehensive advice to government and other stakeholders.
- Continue working with agencies and the Office of the Auditor General to identify opportunities for improving the accuracy and timeliness of whole-of-government financial reporting.
- Production of a Pre-election Financial Projections Statement setting out the most recent whole-of-government financial projections going into the State election.

Output 4: Financial Management Framework Development and Advice

Research and development of policies for government relating to the financial management and resourcing framework for the Western Australian public sector. Advice and assistance to stakeholders, particularly public sector agencies, promoting a better appreciation and understanding of financial management initiatives and assisting with the implementation of endorsed policies. Advice in regard to interpretation of Accounting Standards and legislative framework within which the Western Australian public sector discharges its financial management responsibilities.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	2,142	1,879	2,000	2,006	
Less Revenues from Ordinary Activities	-	16	11	38	
Net Cost of Output	2,142	1,863	1,989	1,968	
Adjustments ^(a)	(126)	(27)	(112)	(16)	
Appropriation for delivery of Output 4	2,016	1,836	1,877	1,952	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Hours of advice to government.....	4,696	5,000	3,900	4,000	
Hours of advice to agencies.....	9,702	8,000	10,500	10,500	
Quality					
Proportion of agencies satisfied with advice received	na	80%	80%	85%	
Proportion of peer group representatives who believe that the financial management framework contributes to improvements in accountability and transparency of government operations.....	na	80%	80%	85%	

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Timeliness					
Proportion of advice to government within agreed timeframes.....	na	90%	90%	90%	
Proportion of advice to agencies within agreed timeframes.....	na	90%	90%	90%	
Cost (Efficiency)					
Cost of advice to government.....	\$698,627	\$723,000	\$540,000	\$562,000	
Cost of advice to agencies.....	\$1,443,373	\$1,156,000	\$1,460,000	\$1,444,000	
Full Time Equivalents (FTEs)	17	16	17	18	

Major Achievements For 2003-04

- Completed a gap analysis of all exposure drafts and standards issued by the Australian Accounting Standards Board in relation to the adoption of international accounting standards. The gap analyses will assist agencies and the department to understand the differences and impact on accounting and reporting as a result of adopting the new standards.
- Established an Outcome Structure Review Group to assess changes to agency outcomes, outputs and key performance indicators, with the aim of improving the meaningfulness of this information for all interested parties.
- Conducted seven major forums on topical financial management issues to increase the awareness and knowledge of financial management and accounting policies and practices in the public sector. More than 700 public sector representatives attended these forums.

Major Initiatives For 2004-05

- Assist agencies and other areas of the department to make the transition to international accounting standards – the aim being to ensure that reporting continues to be accountable, transparent and timely under the new regime.
- Assist budget funded agencies to improve the relevance and usefulness of their outcomes, outputs and key performance indicators prior to submission of changes to the Outcome Structure Review Group.

Output 5: Structural Policy Development and Advice

Development of policy advice on microeconomics issues including economic regulation, energy reforms and competition. Oversight of government business enterprises to support shareholder ministers and the budget process.

	2002-03 Actual	2003-04 Budget	2003-04 Estimated Actual	2004-05 Budget Estimate	Reason for Significant Variation
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Output.....	2,107	2,233	2,165	2,120	
Less Revenues from Ordinary Activities	6	20	12	39	
Net Cost of Output	2,101	2,213	2,153	2,081	
Adjustments ^(a)	(183)	(31)	(121)	(17)	
Appropriation for delivery of Output 5	1,918	2,182	2,032	2,064	

- (a) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Hours of advice to Government.....	5,691	6,898	5,936	5,954	
Hours of advice to others.....	9,811	15,110	13,478	15,385	
Quality					
National Competition payments maintained....	100%	100%	45%	45%	
Timeliness					
Achievement of agreed timeframes	83%	80%	70%	70%	
Cost (Efficiency)					
Cost of advice to Government	\$773,509	\$692,000	\$662,000	\$590,000	
Cost of advice to others	\$1,333,491	\$1,541,000	\$1,503,000	\$1,530,000	
Full Time Equivalents (FTEs)	19	20	19	19	

Major Achievements For 2003-04

- Developed legislation that will increase accountability of commercial agencies through the requirement for them to prepare and report Strategic Development Plans (SDP) and Statements of Corporate Intent (SCI).
- Managed the establishment of the Economic Regulation Authority (ERA) from 1 January 2004. The Authority is a single economic regulator for the water, rail, gas and electricity industries, aimed at improving the effectiveness and consistency of the State's regulatory framework.
- Prepared terms of reference for the ERA to inquire and report on water and wastewater prices.
- Contributed to the electricity reform process through membership of the Electricity Reform Implementation Steering Committee, and relevant working groups and expert teams. The reforms include the introduction of new, competitive wholesale market arrangements, development of an electricity access code for Western Australia, a reduction in contestability to 5.7kW from 1 January 2005, and a range of customer protection measures, including a licensing regime, ombudsman scheme, and customer service code.
- Contributed to the development of increased competition and choice in the gas industry to deliver savings to consumers. Full retail contestability is scheduled to commence from May 2004.
- Provided advice on regulatory frameworks and access arrangements in utility markets, e.g. through electricity reform process and submission to the Productivity Commission's review of the national gas access regime.
- Co-ordinated and oversaw the progress of National Competition Policy (NCP) reviews and reforms, and preparation of the submission to the National Competition Council, with particular attention to minimising risks to payments within the parameters of government policy. Particular issues included the progression of reforms to the taxi and egg marketing industries.
- Progressed the *Acts Amendment and Repeal (Competition Policy) Bill 2002* through Parliament, to proclamation. The Act amends thirteen pieces of legislation and repeals two others, in line with the recommendations of government-endorsed NCP legislation reviews.

Major Initiatives For 2004-05

- Prepare submission to ERA inquiry on water and wastewater prices.
- Continue to progress reform of utility markets, particularly through contributing to the activities of the Electricity Reform Implementation Steering Committee.
- Continue to assist in progressing the electricity procurement process for a 300-megawatt power station so that the Government is able to take final decisions in 2005.

- Continue to provide the necessary support to agencies during the ongoing operations of the ERA.
- Finalise outstanding NCP review and reform activity with particular emphasis on minimising risks to ongoing payments to Western Australia.
- Provide advice on strategic development plans and statements of corporate intent that are prepared by commercial agencies.

Output 6: Economic, Revenue and Intergovernmental Policy Development and Advice

Preparation of policy advice, reports and estimates in relation to the State's economy and finances - including economic conditions and issues, State taxation, mining royalties and Commonwealth-State relations.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	3,747	3,398	3,132	3,432	
Less Revenues from Ordinary Activities	12	29	19	68	
Net Cost of Output	3,735	3,369	3,113	3,364	
Adjustments ^(a)	(324)	(48)	(176)	(27)	
Appropriation for delivery of Output 6	3,411	3,321	2,937	3,337	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Hours of advice to government.....	6,405	6,550	8,000	8,000	Includes additional resources for statistical support, including to other agencies.
Hours of advice to other parties.....	1,575	2,000	2,000	3,500	
Number of reports/publications	82	82	100	100	
Number of letters prepared	350	400	150	200	
Hours on intergovernmental relations.....	13,406	12,210	11,300	11,550	
Quality					
Accuracy of forecasts of tax and mining revenue	+0.07%	+/-5%	+3%	+/-5%	
Accuracy of forecasts of economic growth.....	-0.75ppts	+/-1ppts	0.35ppts	+/-1ppts	
Accuracy of forecasts of Commonwealth grants	+0.01%	+/-2%	+1.6%	+/-3%	
Timeliness					
Achievement of agreed timeframes for advice to Government	70%	80%	80%	80%	
Achievement of agreed timeframes for reports	na	80%	80%	80%	
Achievement of agreed timeframes for letters .	na	80%	80%	80%	
Cost (Efficiency)					
Cost of advice to government	\$525,000	\$374,000	\$502,000	\$502,000	
Cost of advice to other parties	\$337,000	\$306,000	\$370,000	\$468,000	
Cost of reports/publications.....	\$599,000	\$680,000	\$911,000	\$911,000	
Cost of letters	\$974,000	\$917,000	\$378,000	\$399,000	
Cost of intergovernmental relations.....	\$1,312,000	\$1,121,000	\$971,000	\$1,152,000	
Full Time Equivalents (FTEs)	28	30	28	30	

Major Achievements For 2003-04

- Made strong contributions to all stages of the Commonwealth Grants Commission's major review of the methods it uses for allocating GST revenue grants between the States, including further written submissions and participation in national conferences. The outcome was a large increase in the share of grants provided to Western Australia.
- Assisted the Government with the passage through Parliament of the second tranche of Business Tax Review (BTR) measures (among other reforms this included the abolition of six taxes), which was passed in November 2003.
- Advised government on revenue relief measures for the 2004-05 budget.
- Co-ordinated the Western Australian Government's submission to the Productivity Commission Inquiry into First Home Ownership.
- Contributed to the environmental, social and economic review of the Gorgon Gas project to support the Government's in-principle decision on access to Barrow Island.
- Provided inputs to government-wide policy initiatives including the publication on the State Sustainability and (draft) Greenhouse policies, and the Economy and Employment Working Group of the Greater Perth Strategy.
- Published an updated report on the Structure of the Western Australian Economy, and maintained regular publication of the Western Australian Economic Summary, which included feature articles on the impact of the appreciation of the Australian dollar and on the tourism industry, to contribute to a better understanding of the State's economy.
- Initiated cross-jurisdictional co-operation on public funding of major project infrastructure needs.
- Continued to lead a national working group of Commonwealth and State central finance agencies exploring reform of specific purpose payments to the States, particularly in relation to conditions that potentially reduce States' capacity to best meet community priorities.

Major Initiatives For 2004-05

- Participate in a review of the need to retain certain stamp duties beyond 2005, as required under the intergovernmental agreement relating to the introduction of the GST in 2000.
- Work with the Commonwealth and other States and Territories to develop our capacity to forecast GST revenues. This work is of increased importance now that Western Australia no longer expects to require budget balancing assistance.
- Build capacity for economic assessment of policy and projects in the context of the Government's desire to more closely integrate economic, social and environmental analysis.
- Continue to promote greater understanding of the Western Australian economy, and the international markets to which it is linked, through the publication of discussion papers and analysis of contemporary economic issues.
- Continue to develop and implement strategies for broad reform of Commonwealth-State financial relations (including in relation to specific purpose payments), aimed at achieving a better deal for Western Australian taxpayers, industry and the community generally.
- Participate in a Heads of Treasuries' review of issues concerning the complexity of the Commonwealth Grants Commission process, and the reliability and comparability of the data used in the process.

Output 7: Revenue Assessment and Collection

This involves the assessment and collection of a range of statutory based revenues including those that the Commissioner has direct responsibility for, including stamp duties, land tax and pay-roll tax, and those that collected on behalf of other agencies (e.g. Perth Parking License fees on behalf of Department of Planning and Infrastructure) or other jurisdictions (e.g. collection of a range of taxes for the Commonwealth in the Indian Ocean Territories).

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	29,357	29,966	30,839	31,066	
Less Revenues from Ordinary Activities	3,089	2,408	2,974	3,252	
Net Cost of Output	26,268	27,558	27,865	27,814	
Adjustments ^(a)	(7,684)	(8,818)	(9,218)	(7,875)	
Appropriation for delivery of Output 7	18,584	18,740	18,647	19,939	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Number of land items assessed.....	1,144,142	1,270,000	1,270,957	1,290,000	
Number of pay-roll tax returns issued	80,356	81,000	79,150	80,000	
Number of debits tax returns issued.....	185	180	172	175	
Number of stamp duty returns issued	19,285	15,300	19,834	19,850	
Stamp duty instruments assessed.....	602,011	511,900	618,000	570,000	
Quality					
Proportion of correct land tax assessment notices issued.....	89%	89%	89%	89%	
Pay-roll tax returns that were correct.....	98%	98%	96%	98%	
Debits tax returns that were correct	100%	100%	99%	100%	
Stamp duty returns that were correct	94%	94%	97%	98%	
Proportion of stamp duty instruments assessed correctly.....	99%	99%	99%	99%	
Timeliness					
Proportion of land tax assessment notices issued within standard turn around times	99%	99%	99%	99%	
Proportion of pay-roll tax returns issued within standard turn around times.....	100%	100%	100%	100%	
Proportion of debits tax returns issued within standard turn around times.....	100%	100%	100%	100%	
Proportion of stamp duty returns issued within standard turn around times.....	100%	100%	100%	100%	
Proportion of stamp duty instruments assessed within standard turn around times.....	85%	88%	86%	88%	
Cost (Efficiency)					
Cost per land item assessed	\$10.25	\$9.16	\$8.80	\$8.12	
Cost per pay-roll tax return issued.....	\$87.88	\$91.60	\$100.24	\$99.18	
Cost per stamp duty return issued (a)	\$120.65	\$156.89	\$83.29	\$96.35	
Cost per instrument assessed (b).....	\$13.69	\$16.63	\$16.29	\$18.85	Lower level of instruments assessed.
Full Time Equivalents (FTEs)	229	228	238	226	

(a) Cost per stamp duty return issued - this consists of insurance and rental duty only

(b) Cost per instrument assessed - this consists of instruments from both lodgements and returns (excluding insurance and rental duty returns)

Major Achievements For 2003-04

- Improved the administration of stamp duties by:
 - implementing the Business Tax Review (BTR) initiatives that included:
 - the abolition of various heads of stamp duty;
 - the review of all policies, procedures and systems impacted by the *Tax Administration Act (TAA)* and the BTR recommendations; and
 - undertaking significant industry, taxpayer and staff training.
 - preparing and publishing over 70 Commissioner’s Practices and reviewing all revenue rulings;
 - progressing the design and development of the Revenue Online stamp duty instrument lodgement and payment system;
 - updating and improving the “Collections By Return” lodgement and payment system; and
 - upgrading the Office of State Revenue (OSR) web site.
- Improved the administration of the pay-roll tax scheme by:
 - marketing and building a greater level of functionality into the Revenue Online lodgement and payment system;
 - undertaking a comprehensive education and audit strategy to ensure compliance in relation to the declaration of contractor payments where an employer/employee relationship existed, and finalising the Government amnesty program for contractor payments; and
 - implementing the required changes arising from both the BTR and TAA.
- Improved the administration of the land and financial taxes schemes by:
 - revising the type and availability of payment methods;
 - continuing the land tax audit project targeted at duplicate client registrations in the land tax database;
 - implementing required BTR and TAA changes in respect of land tax; and
 - implementing an internet-based application (EAS2) to provide on-line advice to conveyancers about the land tax liability on properties being sold.
- Implemented structural changes to support a greater focus on revenue debt recovery.
- Established an Education and Training Branch to provide a greater focus on customer education and staff training.
- Developed and implemented an OSR Customer Charter to provide greater clarity in respect of the rights and obligations of OSR customers.
- Implemented a new structure to more clearly separate the assessment and review functions, thereby providing greater independence in decision-making.
- Instructed on the BTR legislation and briefed Members of Parliament and industry groups during its passage.

Major Initiatives For 2004-05

- Continued improvement of the stamp duty scheme by:
 - rolling out an internet-based on-line stamping system for stamp duty instruments;
 - commencing data matching in relation to mining tenement and pastoral lease information which identifies changes in indirect ownership of property;
 - continuing to implement remaining BTR recommendations;
 - determining the impact of the introduction of a State Administrative Tribunal on tax administration and putting procedures in place to accommodate it;
 - developing and implementing a broadened customer education strategy; and
 - developing and implementing a Structured Learning Framework for staff of the OSR.
- Continued improvement of the pay-roll tax scheme by continuing the development of the Revenue Online lodgement and payment service.

- Continued improvement of the land and financial taxes scheme by:
 - commencing implementation of an integrated compliance strategy in respect of land tax; and
 - reviewing alternative payment methods to enable online payment of land tax via EAS2.
- Continuing to develop systems and procedures which reduce compliance costs for persons seeking to meet their State taxation obligations or to access grants or subsidies to which they may be entitled.

Output 8: Grants and Subsidies Administration

This involves the assessment and payment of a range of grants and subsidies under both statutory and administrative schemes. The major payments relate to the First Home Owner Grant scheme and concessions on water and local authority rates for pensioners and seniors.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	1,937	2,374	2,164	2,216	
Less Revenues from Ordinary Activities	22	210	239	271	
Net Cost of Output	1,915	2,164	1,925	1,945	
Adjustments ^(a)	35	(33)	(109)	(16)	
Appropriation for delivery of Output 8	1,950	2,131	1,816	1,929	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Number of First Home Owners Grant applications processed	15,845	15,500	15,500	14,500	
Number of pensioner and seniors concession claims processed.....	158,281	305,000	305,000	315,000	
Quality					
Proportion of First Home Owners Grants paid correctly.....	100%	100%	100%	100%	
Proportion of pensioner and seniors concession claims paid correctly.....	100%	100%	100%	100%	
Timeliness					
Proportion of First Home Owners Grant applications processed within standard turn around times	100%	100%	100%	100%	
Proportion of pensioner and seniors concession claims processed within standard turn around times.....	100%	100%	95%	100%	Reduction in performance for 2003-04 related to problems stabilising the new computer system in the first quarter.
Cost (Efficiency)					
Cost per First Home Owners Grant application	\$92.90	\$116.39	\$106.13	\$106.99	
Cost per pensioner and seniors concession claim	\$2.94	\$1.87	\$1.70	\$2.11	
Full Time Equivalents (FTEs)	26	28	24	26	

Major Achievements For 2003-04

- Continued improvement in the administration of the grant and subsidy schemes by:
 - renegotiating the contractual arrangements for computing support of the national First Home Owner Grant (FHOG) computer system on behalf of all jurisdictions in Australia;
 - working with local authorities to transfer to the Office of State Revenue (OSR), the triennial review requirements under the *Rates and Charges (Rebates and Deferments) Act 1992*, thereby reducing local authority compliance costs. These review requirements check the residential eligibility of claim recipients; and
 - completion of a review and report to the Treasurer by 30 June 2004 regarding the appropriateness of a range of matters in relation to the *Rates and Charges (Rebates and Deferments) Act 1992*. This review focuses on the eligibility of certain seniors and pensioners to concessional water and local authority rates, including those residing in retirement villages under “lease or licence for life” arrangements.

Major Initiatives For 2004-05

- Continued improvement in the administration of the grant and subsidy schemes by:
 - undertaking further work to OSR databases to streamline the validation process to check individual eligibility for concessional water and local authority rates for pensioners and seniors;
 - increasing the number of visits by OSR officers to financial institutions to improve the level of education and compliance for the FHOG Scheme requirements by these organisations; and
 - implementing any recommendations approved by government regarding the review of the *Rates and Charges (Rebates and Deferments) Act 1992*.
- Continuing to liaise with the Commonwealth regarding the administration of the FHOG, including accessing information held by certain Commonwealth agencies to improve compliance.
- Continuing to look to expand our revenue collection and grant payment processes in order to maximise the use of the department’s infrastructure to realise efficiencies across the whole-of-government.

Output 9: Development and implementation of public sector procurement arrangements and systems

Leads a whole of Government approach to procurement that efficiently meets agency needs, manages risk and delivers savings to Government.

	2002-03 Actual (b)	2003-04 Budget	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Output.....	35,597	27,384	27,195	21,057	2003-04 estimate includes \$6.35 million in grant payments relating to Wireless West project and Satellite Mobile Phone Scheme.
Less Revenues from Ordinary Activities	8,768	10,036	9,953	8,343	
Net Cost of Output	26,829	17,348	17,242	12,714	
Adjustments ^(a)	(7,633)	(2,249)	(971)	(103)	
Appropriation for delivery of Output 9	19,196	15,099	16,271	12,611	

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

(b) Adjusted for comparability to reflect the transfer of functions from the former Department of Industry and Technology.

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Value of agency specific contracts developed (\$ m).....	124	200	200	200	2004-05 target does not include potential growth relating to rebadging. 2004-05 target does not include potential growth relating to rebadging.
Agency specific contracts developed.....	215	200	200	200	
Value of common use contracts managed (\$ m).....	859	900	975	1,200	
Common use contracts managed.....	711	714	700	720	
Registered users of the Government Electronic Market (GEM).....	33,346	25,000	38,000	41,000	
Number of external web pages linked to OnlineWA.....	10,624	10,000	10,643	10,000	
Volume of ServiceNet internet traffic (gigabytes).....	24,710	31,700	35,000	38,000	
Number of ConferWest conference hours.....	10,462	12,000	10,000	11,000	
Quality					
Client satisfaction with common use contracts	89%	80%	85%	85%	Performance indicator discontinued.
Client satisfaction with agency specific contract development.....	64%	85%	85%	85%	
Registered user's satisfaction with GEM.....	56%	75%	75%	75%	
Client satisfaction with telecommunication projects.....	51%	75%	na	na	
Client satisfaction with online services.....	76%	75%	75%	75%	
Timeliness					
Client satisfaction with the timeliness of agency specific contracts.....	49%	75%	75%	75%	
Cost (Efficiency)					
Cost of developing agency specific procurements as a percentage of the contract value.....	2.18%	2.33%	1.75%	1.78%	Performance indicator discontinued.
Overall cost of developing agency specific procurements.....	\$2,696,000	\$4,668,000	na	na	
Developing, managing and promoting common use contracts as a percentage of the value of the contracts drawn upon.....	0.63%	0.54%	0.66%	0.54%	Performance indicator discontinued.
Overall cost of development, management and promotion of common use contracts.....	\$5,424,000	\$4,825,300	na	na	
Average cost per registered user of GEM.....	\$224	\$276	\$148	\$140	
Average cost of external web pages linked to OnlineWA.....	\$43	\$49	\$38	\$41	
Average cost per gigabyte of ServiceNet traffic.....	\$78	\$76	\$69	\$65	
Average cost per ConferWest conference hour	\$61	\$34	\$62	\$58	
Full Time Equivalents (FTEs)	151	141	148	147	

Major Achievements For 2003-04

- Improved common use contracts for processing goods and services across the public sector have resulted in approximately \$9 million savings being available to agencies.
- Commenced the development of a suite of standardised procurement documentation for tendering and use in government contracts.
- E-Commerce provided services to collect revenue for 40 different payment types, processing in excess of \$400 million (450,000 transactions) during the year.
- A new contract was awarded to deliver improved broadband services to schools, colleges and hospitals in 57 towns in regional WA.
- Established a program management office which will be responsible for progressing procurement reforms in line with the recommendations of the Functional Review Implementation Team.

- Improved the performance of the tendering, contracting and purchasing systems by upgrading both hardware and software.
- ServiceNet provided Internet access services to 43 government agencies and maintained reliability at 99.99%.
- The Wireless West project was completed. Improved mobile phone coverage in the south-west of Western Australia has been achieved by the construction of 45 mobile phone towers over the past three years.

Major Initiatives For 2004-05

- Continue to progress the procurement reform strategies identified by the Functional Review process including the "rebadging" of some staff now working in the supply branches of major government agencies as staff employed by the department.
- Implement new common use contracts and re-design existing contracts to realise savings and achieve more streamlined purchasing arrangements.
- Invest in the skills development of procurement practitioners across the public sector.
- Implement recommendations from the GEM Purchasing Review relating to the improved operation and future strategic direction of the system.
- Implement new contracts catalogue, procurement tools, supplier registry and reporting suite as part of the new whole-of-government procurement technology platform.
- Grow the use of ServiceNet, E-Commerce and ConferWest across government.

CAPITAL WORKS PROGRAM

The Department of Treasury and Finance planned expenditure program for 2004-05 is \$1.654 million.

The GEM procurement development will facilitate the E-commerce environment for government agencies, approved buyers and suppliers.

The new capital works program is for the replacement of computer hardware and software and office equipment in accordance with the agency's asset replacement program.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-04 \$'000	Estimated Expenditure 2003-04 \$'000	Estimated Expenditure 2004-05 \$'000
WORKS IN PROGRESS				
GEM Procurement	3,300	2,900	854	400
Wireless West Project	13,918	13,918	4,474	-
Computing and Office Equipment Replacement -				
2003-04 Program	1,405	1,405	131	-
2003-04 Program	1,350	1,350	1,350	-
2003-04 Program (Procurement)	204	204	204	-
Software Development				
Redevelop Electronic Advice of Sale System with Internet	525	525	215	
Treasury Information Management System	2,880	2,880	686	
COMPLETED WORKS				
Computing and Office Equipment Replacement -				
2002-03 Program (Procurement)	146	146	-	-
Revenue Collection Initiative	72	72	-	-
NEW WORKS				
Computing and Office Equipment Replacement -				
2004-05 Program (Procurement)	204	-	-	204
2004-05 Program	1,050	-	-	1,050
	25,054	23,400	7,914	1,654

CAPITAL CONTRIBUTION

	2002-03 Actual (b) \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program.....	11,485	3,510	7,914	1,654	2,097	2,365	1,950
	11,485	3,510	7,914	1,654	2,097	2,365	1,950
LESS							
Drawdowns from the Holding Account.....	822	1,431	1,431	1,131	1,977	1,855	1,950
Funding included in output appropriations ^(a) ..	1,944	1,679	1,679	123	120	160	-
Internal Funds and Balances.....	7,719	-	4,404	-	-	-	-
Capital Contribution.....	1,000	400	400	400	-	350	-

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

(b) Adjusted for comparability to reflect the transfer of functions from the former Department of Industry and Technology.

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2002-03 Actual (c) \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	33,434	33,736	34,015	33,789	35,589	37,204	38,335
Superannuation	3,993	4,352	4,352	4,297	4,288	4,319	4,319
Grants and subsidies ^(b)	10,807	2,594	2,594	29	10	10	10
Supplies and services	23,105	27,639	27,189	22,008	22,253	22,344	21,857
Accommodation	4,291	3,990	3,990	4,061	3,907	3,684	3,684
Capital User Charge	2,112	2,032	2,396	2,493	2,609	2,609	2,609
Depreciation and amortisation	4,980	4,395	4,556	3,978	4,004	3,086	3,336
Administration	1,290	200	200	3,050	3,050	3,050	3,050
Net loss on disposal of non-current assets	14	-	-	-	-	-	-
Other expenses	3,275	1,350	1,350	2,251	2,270	2,782	3,295
TOTAL COST OF SERVICES	87,301	80,288	80,642	75,956	77,980	79,088	80,495
Revenues from ordinary activities							
User charges and fees	10,885	11,640	11,919	11,275	11,401	11,541	11,541
Other Revenue	1,513	1,864	1,864	1,897	1,897	1,897	1,897
Total Revenues from Ordinary Activities	12,398	13,504	13,783	13,172	13,298	13,438	13,438
NET COST OF SERVICES	74,903	66,784	66,859	62,784	64,682	65,650	67,057
REVENUES FROM STATE GOVERNMENT							
Output Appropriations	58,704	55,392	55,445	54,626	56,532	57,646	58,869
Resources received free of charge	8,676	8,391	8,391	7,961	7,939	7,936	7,929
Liabilities assumed by the Treasurer	825	720	720	720	720	720	720
TOTAL REVENUES FROM STATE GOVERNMENT	68,205	64,503	64,556	63,307	65,191	66,302	67,518
CHANGE IN EQUITY RESULTING FROM OPERATIONS	(6,698)	(2,281)	(2,303)	523	509	652	461
Extraordinary items	42,098	-	-	-	-	-	-
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	35,400	(2,281)	(2,303)	523	509	652	461

(a) The Full Time Equivalents (FTEs) for 2002-03 Actual, 2003-04 Estimated Actual and 2004-05 Estimate are 575, 586 and 584 respectively.

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

(c) Adjusted for comparability to reflect the transfer of functions from the former Department of Industry and Technology.

**STATEMENT OF FINANCIAL POSITION
(Controlled)**

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	14,062	4,809	11,652	12,070	12,148	12,867	13,316
Restricted cash.....	934	1,083	1,020	-	140	295	445
Receivables.....	4,232	4,028	4,268	4,304	4,350	4,350	4,350
Amounts receivable for outputs.....	1,431	1,130	1,131	1,977	1,855	1,950	-
Prepayments.....	399	473	401	402	403	403	403
Other.....	-	308	-	-	-	-	-
Total current assets.....	21,058	11,831	18,472	18,753	18,896	19,865	18,514
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	7,538	9,855	11,033	13,034	15,253	16,389	19,725
Plant, equipment and vehicles.....	3,043	5,690	2,745	2,554	2,471	3,001	1,273
Other.....	17,565	10,036	15,324	13,251	11,689	10,319	10,661
Total non-current assets.....	28,146	25,581	29,102	28,839	29,413	29,709	31,659
TOTAL ASSETS.....	49,204	37,412	47,574	47,592	48,309	49,574	50,173
CURRENT LIABILITIES							
Payables.....	880	135	909	909	919	919	919
Provision for employee entitlements.....	6,354	6,208	6,294	6,435	6,416	6,546	6,676
Accrued Salaries.....	818	1,073	992	-	128	266	404
Other.....	4,918	346	4,918	5,018	5,018	5,143	5,143
Total current liabilities.....	12,970	7,762	13,113	12,362	12,481	12,874	13,142
NON-CURRENT LIABILITIES							
Provision for employee entitlements.....	3,889	2,678	4,019	3,865	3,954	3,824	3,694
Total non-current liabilities.....	3,889	2,678	4,019	3,865	3,954	3,824	3,694
TOTAL LIABILITIES.....	16,859	10,440	17,132	16,227	16,435	16,698	16,836
EQUITY							
Contributed Equity.....	20,515	14,762	20,915	21,315	21,315	21,665	21,665
Accumulated surplus/(deficit).....	11,830	(29,888)	9,527	10,050	10,559	11,211	11,672
Asset revaluation reserve.....	-	42,098	-	-	-	-	-
Total equity.....	32,345	26,972	30,442	31,365	31,874	32,876	33,337
TOTAL LIABILITIES AND EQUITY.....	49,204	37,412	47,574	47,592	48,309	49,574	50,173

**STATEMENT OF CASH FLOWS
(Controlled)**

	2002-03 Actual (a) \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Output Appropriations.....	53,633	50,905	50,819	50,648	52,458	54,560	55,533
Capital Contribution	1,000	400	400	400	-	350	-
Holding Account Drawdowns.....	822	1,431	1,431	1,131	1,977	1,855	1,950
Net cash provided by State government.....	55,455	52,736	52,650	52,179	54,435	56,765	57,483
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs.....	(34,536)	(33,492)	(33,771)	(34,794)	(35,391)	(37,066)	(38,197)
Superannuation.....	(3,082)	(3,632)	(3,632)	(3,577)	(3,568)	(3,599)	(3,599)
Supplies and services.....	(14,689)	(19,402)	(18,952)	(14,051)	(14,666)	(14,769)	(14,289)
Grants and subsidies	(7,046)	(2,594)	(2,594)	(29)	(10)	(10)	(10)
Accommodation.....	(4,293)	(3,992)	(3,992)	(4,062)	(3,907)	(3,684)	(3,684)
Administration.....	(250)	(200)	(200)	(3,050)	(3,050)	(3,050)	(3,050)
Capital User Charge.....	(2,112)	(2,032)	(2,396)	(2,493)	(2,609)	(2,609)	(2,609)
Goods and Services Tax	(3,146)	(3,100)	(3,100)	(3,100)	(3,130)	(3,084)	(3,084)
Other.....	(1,189)	(1,167)	(1,167)	(2,147)	(1,909)	(2,296)	(2,934)
Receipts							
User charges and fees	11,872	11,640	11,919	10,675	10,801	10,941	10,941
Goods and Services Tax	3,619	3,064	3,064	3,064	3,084	3,084	3,084
Other.....	2,870	1,864	1,864	2,497	2,497	2,497	2,497
Net cash from operating activities.....	(51,982)	(53,043)	(52,957)	(51,067)	(51,858)	(53,645)	(54,934)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(1,417)	(2,017)	(2,017)	(1,714)	(2,359)	(2,246)	(1,950)
Proceeds from sale of non-current assets	10	-	-	-	-	-	-
Net cash from investing activities.....	(1,407)	(2,017)	(2,017)	(1,714)	(2,359)	(2,246)	(1,950)
NET INCREASE/(DECREASE) IN CASH HELD							
Cash assets at the beginning of the reporting period	7,084	8,216	14,996	12,672	12,070	12,288	13,162
Net cash transferred to/from other agencies.....	5,846	-	-	-	-	-	-
Cash assets at the end of the reporting period.....	14,996	5,892	12,672	12,070	12,288	13,162	13,761

(a) Adjusted for comparability to reflect the transfer of functions from the former Department of Industry and Technology.

SCHEDULE OF ADMINISTERED EXPENSES AND REVENUES ^(a)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
EXPENSES							
Superannuation	496,739	434,846	476,398	475,003	469,822	471,388	464,478
Interest	90,560	86,820	95,772	109,546	115,237	123,638	130,287
Appropriations	8,981,807	9,472,039	9,632,821	10,020,168	10,520,379	11,010,146	11,412,401
Grants, subsidies and transfers	871,076	861,090	881,889	917,090	970,650	1,013,611	1,063,571
Other expenses	11,723	23,692	23,554	23,797	23,984	24,201	23,390
Net assets transferred out	8,512	-	-	-	-	-	-
Net liabilities transferred in	18,598	-	-	-	-	-	-
TOTAL ADMINISTERED EXPENSES	10,479,015	10,878,487	11,110,434	11,545,604	12,100,072	12,642,984	13,094,127
REVENUES							
Sale of goods and services	19,144	21,258	21,258	21,258	21,258	21,258	21,258
Taxation	2,887,715	3,016,400	3,358,000	3,174,500	3,249,000	3,428,000	3,627,000
Commonwealth grants	3,667,201	3,732,443	3,770,158	4,228,603	4,427,045	4,583,397	4,875,077
Government enterprises:							
- dividends	390,542	428,487	425,522	420,906	445,952	454,764	454,141
- income tax equivalent regime	240,417	219,913	250,122	228,166	237,906	246,891	279,071
- local government rates equivalent	5,383	8,356	6,583	6,739	6,999	7,259	7,577
Revenue received from agencies	2,506,650	2,452,926	2,444,045	2,545,009	2,563,975	2,604,301	2,681,957
Capital user charge	638,608	675,031	716,589	770,734	821,637	885,718	926,273
Interest	61,241	55,876	75,476	71,919	69,818	66,475	60,189
Pension recoups	33,647	37,393	32,215	32,229	32,887	33,213	33,428
Loan guarantee fees	14,350	15,765	14,800	16,500	17,500	18,500	18,800
Other revenue	128,207	114,338	135,400	127,956	121,870	117,221	109,199
Net assets transferred in	-	-	-	-	-	25,385	-
TOTAL ADMINISTERED REVENUES	10,593,105	10,778,186	11,250,168	11,644,519	12,015,847	12,492,382	13,093,970

(a) Detailed information is available in the tables *Details of the Administered Transactions Expenses and Details of the Administered Transactions Revenues*.

SCHEDULE OF ADMINISTERED ASSETS AND LIABILITIES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
ADMINISTERED CURRENT ASSETS							
Cash resources.....	1,274,958	814,788	1,191,623	976,823	909,298	857,712	858,851
Investments.....	51,918	76,095	52,293	52,293	52,293	52,293	52,293
Treasurer's advances.....	11,134	15,250	11,766	16,566	23,550	20,350	16,350
Accounts receivable.....	86,769	35,220	86,769	86,769	86,769	86,769	86,769
Interest receivable.....	8,980	9,230	8,980	8,980	8,980	8,980	8,980
Pension recoups receivable.....	1,291	1,192	1,581	1,822	2,050	2,316	2,230
Loan guarantee fees receivable.....	3,000	2,978	3,000	3,000	3,000	3,000	3,000
Government enterprises:							
- dividends receivable.....	93,295	111,979	106,948	111,059	111,673	100,085	98,119
- income tax equivalent regime.....	69,366	40,733	69,153	37,404	69,464	64,035	99,334
- local government rates equivalent.....	1	-	1	-	-	-	-
Capital User Charge receivable.....	3,259	66	1,206	842	528	264	-
Revenue received from agencies receivable..	432	803	263	642	321	-	301
Other receivables.....	3,938	13,330	3,938	3,938	3,938	3,938	3,938
Total Administered Current Assets	1,608,341	1,121,664	1,537,521	1,300,138	1,271,864	1,199,742	1,230,165
ADMINISTERED NON-CURRENT ASSETS							
Investments.....	129	139,366	139	139	124	109	109
Capital ledgers.....	167,796	150,597	149,723	133,907	120,106	108,877	99,346
Equity in agencies ^(a)	1,293,660	1,902,997	2,259,170	2,951,325	3,560,023	4,191,808	4,748,827
Other financial assets.....	290	962	290	290	290	290	290
Total Administered Non-Current Assets	1,461,875	2,193,922	2,409,322	3,085,661	3,680,543	4,301,084	4,848,572
TOTAL ADMINISTERED ASSETS	3,070,216	3,315,586	3,946,843	4,385,799	4,952,407	5,500,826	6,078,737
ADMINISTERED CURRENT LIABILITIES							
Borrowings ^(a)	20,091	12,209	22,721	23,292	23,616	23,903	23,903
Superannuation.....	437,772	448,190	443,553	441,060	448,364	455,677	469,347
Interest payable.....	13,474	14,888	13,454	13,454	13,454	13,454	13,454
Appropriations payable.....	178,499	133,879	178,819	175,525	133,832	130,198	130,198
Trust account liabilities.....	1,234,444	954,775	1,150,819	905,286	908,706	943,909	958,098
Other payables.....	8,569	5,657	8,569	8,569	8,569	8,569	8,569
Total Administered Current Liabilities	1,892,849	1,569,598	1,817,935	1,567,186	1,536,541	1,575,710	1,603,569
ADMINISTERED NON-CURRENT LIABILITIES							
Borrowings ^(a)	752,478	1,081,905	1,159,826	1,242,201	1,393,932	1,503,861	1,493,959
Superannuation.....	4,701,346	4,629,033	4,734,191	4,768,134	4,789,592	4,805,303	4,800,434
Appropriations payable.....	607,720	1,040,133	1,030,072	1,493,155	1,989,389	2,526,086	3,090,270
Other payables.....	75,223	26,020	24,475	20,864	17,934	15,464	16,260
Total Administered Non-Current Liabilities	6,136,767	6,777,091	6,948,564	7,524,354	8,190,847	8,850,714	9,400,923
TOTAL ADMINISTERED LIABILITIES..	8,029,616	8,346,689	8,766,499	9,091,540	9,727,388	10,426,424	11,004,492

(a) Projected borrowings at 30 June 2004 include the transfer of \$336 million in rail freight debt to the Consolidated Fund as a consequence of the creation of the Public Transport Authority on 1 July 2003. A corresponding increase in equity holdings in the net assets of agencies offsets the movement in borrowings.

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Appropriations.....	(8,483,568)	(8,905,858)	(9,031,150)	(9,381,060)	(9,889,813)	(10,342,751)	(10,717,519)
Grants, subsidies and transfers	(873,764)	(866,398)	(883,397)	(921,201)	(974,080)	(1,016,581)	(1,063,275)
Superannuation.....	(410,719)	(430,326)	(437,772)	(443,553)	(441,060)	(448,364)	(455,677)
Interest.....	(91,449)	(86,840)	(95,792)	(109,546)	(115,237)	(123,638)	(130,287)
Other payments	(20,680)	(23,692)	(23,554)	(23,798)	(23,984)	(24,201)	(23,390)
Financing Activities							
Net change in Treasurer's Advance	(1,052)	(3,100)	(632)	(4,800)	(6,984)	3,200	4,000
Repayment of borrowings	(50,443)	(20,091)	(20,091)	(22,721)	(23,292)	(23,616)	(23,903)
Accrual appropriations receivable paid to agencies	(135,900)	(174,312)	(178,499)	(178,819)	(175,525)	(133,832)	(130,198)
Net movement in trust account balances and all other financing transactions	152,880	6,972	(84,000)	(245,533)	3,420	35,203	14,189
Investing Activities							
Equity contribution payments.....	(515,660)	(601,688)	(629,149)	(692,155)	(608,698)	(631,785)	(557,019)
TOTAL ADMINISTERED CASH OUTFLOWS.....	(10,430,355)	(11,105,333)	(11,384,036)	(12,023,186)	(12,255,253)	(12,706,365)	(13,083,079)
CASH INFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Sale of goods and services	19,144	21,258	21,258	21,258	21,258	21,258	21,258
Taxation.....	2,839,226	3,016,400	3,358,000	3,174,500	3,249,000	3,428,000	3,627,000
Commonwealth grants	3,716,942	3,732,443	3,720,418	4,228,604	4,427,045	4,583,397	4,875,077
Interest	61,490	55,876	75,476	71,919	69,818	66,475	60,189
Government enterprises:							
- dividends	391,677	410,246	411,869	416,795	445,338	466,352	456,107
- income tax equivalent regime.....	266,487	230,819	250,335	259,915	205,846	252,320	243,772
- local government rates equivalent	5,387	8,356	6,583	6,740	6,999	7,259	7,577
Receipts from other agencies	2,513,851	2,453,095	2,444,214	2,544,630	2,564,296	2,604,622	2,681,656
Capital user charge.....	638,020	675,031	718,642	771,098	821,951	885,982	926,537
Loan guarantee fees	14,328	15,765	14,800	16,500	17,500	18,500	18,800
Pension recoups	37,862	37,405	31,925	31,988	32,659	32,947	33,514
Other receipts.....	138,794	114,338	135,400	127,956	121,870	117,221	109,199
Financing Activities							
Proceeds of borrowings.....	65,000	319,530	93,708	105,667	175,347	133,832	14,001
Capital ledgers repaid by agencies	19,292	17,722	18,073	15,816	13,801	11,229	9,531
Other receipts.....	-	-	-	15,000	15,000	-	-
Net cash transfers in.....	4,027	-	-	-	-	25,385	-
TOTAL ADMINISTERED CASH INFLOWS.....	10,731,527	11,108,284	11,300,701	11,808,386	12,187,728	12,654,779	13,084,218
NET CASH INFLOWS/(OUTFLOWS) FROM ADMINISTERED TRANSACTIONS	301,172	2,951	(83,335)	(214,800)	(67,525)	(51,586)	1,139

DETAILS OF THE ADMINISTERED TRANSACTIONS EXPENSES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
<i>Superannuation</i>	496,739	434,846	476,398	475,003	469,822	471,388	464,478
<i>Interest</i>	90,560	86,820	95,772	109,546	115,237	123,638	130,287
<i>Appropriations for:</i>							
<i>Outputs</i> ^(a)	7,851,026	8,336,676	8,349,504	8,797,140	9,240,449	9,697,547	10,051,731
Salaries and allowances	40,055	38,784	42,815	43,931	43,969	43,994	44,035
<i>Community Service Obligations</i> ^(a)							
Electricity Corporation	33,497	32,932	38,170	47,930	53,381	56,465	63,268
Forest Products Commission	1,570	1,300	1,300	1,070	1,070	1,070	1,070
Water Corporation of Western Australia	258,403	267,075	268,257	273,613	282,933	295,042	306,305
Western Australian Land Authority	29,417	26,424	35,373	27,538	22,287	7,355	7,355
<i>Total community service obligations</i>	322,887	327,731	343,100	350,151	359,671	359,932	377,998
<i>Other appropriations</i>	767,839	768,848	897,402	828,946	876,290	908,673	938,637
Total appropriations	8,981,807	9,472,039	9,632,821	10,020,168	10,520,379	11,010,146	11,412,401
<i>Grants, subsidies and transfers</i>							
Acts of Grace	88	1	1	1	1	1	1
Aerial Shark Surveillance Program	196	110	110	110	-	-	-
Albany Port Authority	173	173	173	173	149	-	-
Anzac Day Trust	270	270	270	270	270	270	270
Armadale Redevelopment Authority	500	750	750	1,030	1,120	1,150	1,200
Extended Payroll Tax Amnesty	3,959	-	-	-	-	-	-
First home owners scheme	118,247	114,500	104,200	113,500	122,300	123,200	125,000
GST administration	55,216	56,300	53,300	57,500	59,000	60,500	62,000
HIH Insurance	237	600	500	500	500	600	384
Incidentals	63	11	50	50	50	50	50
Local Government Financial Assistance							
Grants	101,802	101,618	102,338	106,176	110,009	113,980	118,095
Local Government Road Funding	71,430	69,968	70,746	73,399	76,049	78,795	81,640
Losses on Indemnities Under the Housing							
Loan Guarantee Act	-	185	185	185	185	190	195
Midland Redevelopment Authority	250	200	500	-	300	300	300
Non-Government Schools	389,209	423,316	429,355	462,706	497,110	532,920	571,337
On Road Diesel Subsidies	4,835	4,499	5,800	5,000	5,000	5,000	5,000
Office of Health Review	1,009	1,036	1,036	1,189	1,215	1,241	1,263
Ord Irrigation Subsidy	2,801	-	-	-	-	-	-
Pensioner concession - Emergency Services							
Levy	-	3,500	3,500	5,400	5,400	5,400	5,400
Pensioner concession - Local Government							
and Water Rates	38,413	35,223	40,900	42,500	44,700	46,900	49,200
Provision for unfunded liabilities in the							
Government Insurance Fund	2,075	600	600	600	600	-	-
Public Swimming Pools - Operating Costs							
Subsidy	299	300	300	300	300	300	300
Rail Access Regulator	545	640	395	-	-	-	-
Rebates to Community Banks	15	45	45	45	45	45	45
Refund of Past Year's Revenue:							
- Public Corporations	5,180	100	100	100	100	100	100
- All Other	5,786	5,111	8,083	5,111	5,111	5,111	5,111
Seniors Rebates	4	-	-	-	-	-	-
Stamp Duty Concessions on Farming							
Properties	202	150	150	150	150	150	150
State Housing Commission - Indigenous							
Housing	10,451	18,483	18,483	18,483	18,483	17,000	17,000
State Housing Commission - General							
Housing Funding	2,500	1,000	2,000	1,000	2,000	1,000	1,000
State Housing Commission - Matching							
Funding	4,580	3,480	3,480	3,480	3,480	3,480	3,480
State Housing Commission - Emergency							
Services Levy	-	1,300	1,300	2,100	2,100	2,100	2,100

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
State Property - Emergency Services Levy	-	6,500	6,500	9,000	9,000	9,000	9,000
Treasurer's Indemnity to the Insurance Commission	376	-	-	-	-	-	-
Water Corporation	2,619	1,400	5,200	-	-	-	-
Western Australian Building Management Authority – Interest	10,142	9,191	7,989	6,615	5,506	4,411	3,950
Western Australian Gas Disputes Arbitrator	-	-	20	-	-	-	-
Other	37,604	530	13,530	417	417	417	-
Total grants, subsidies and transfers	871,076	861,090	881,889	917,090	970,650	1,013,611	1,063,571
<i>Other expenses</i>							
Services and contracts	19,144	21,145	21,145	21,258	21,258	21,258	21,258
Doubtful debts ^(b)	-9,263	-	-	-	-	-	-
Other	1,842	2,547	2,409	2,539	2,726	2,943	2,132
Total other expenses	11,723	23,692	23,554	23,797	23,984	24,201	23,390
<i>Net assets transferred out</i>							
Department of Housing and Works	8,512	-	-	-	-	-	-
Total net assets transferred out	8,512	-	-	-	-	-	-
<i>Net liabilities transferred in</i>							
Department for Planning and Infrastructure – Superannuation	18,598	-	-	-	-	-	-
Total net liabilities transferred in	18,598	-	-	-	-	-	-
TOTAL	10,479,015	10,878,487	11,110,434	11,545,604	12,100,072	12,642,984	13,094,127

(a) Actual data for 2002-03 and 2003-04 Budget estimates adjusted for change in arrangements following creation of the Public Transport Authority on 1 July 2003.

(b) A negative expense was recorded for recoveries of outstanding tax assessments previously expected to be written off.

DETAILS OF THE ADMINISTERED TRANSACTIONS REVENUE

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
Sale of Goods and Services	19,144	21,258	21,258	21,258	21,258	21,258	21,258
<i>Taxation</i>							
Stamp duty – insurance	220,245	289,000	274,000	254,000	263,500	275,500	288,000
Stamp duty – mortgages	95,571	95,500	107,000	95,500	100,000	106,000	112,500
Stamp duty - motor vehicles	231,685	230,000	240,500	248,500	257,500	269,000	281,000
Stamp duty - conveyancing and transfers	831,483	839,900	1,089,500	844,000	884,000	936,500	993,000
Stamp duty - shares and marketable securities transactions	6,626	-	4,000	-	-	-	-
Stamp duty - rental business	4,896	-	-	-	-	-	-
Stamp duty – other	24,296	26,500	26,500	26,500	28,000	29,500	31,500
Payroll tax	12,880	4,800	12,500	3,000	3,000	3,000	3,000
Financial institutions duty	1,018,339	1,067,900	1,139,500	1,209,500	1,280,000	1,354,500	1,433,500
Debits tax	1,671	-	-	-	-	-	-
Betting tax	94,863	95,600	95,500	95,500	8,000	-	-
Land tax	47,307	48,500	50,500	52,500	55,500	58,500	61,500
Metropolitan Region Improvement Tax	258,951	276,200	276,000	300,000	321,000	343,500	367,500
Metropolitan Region Improvement Tax	38,902	42,500	42,500	45,500	48,500	52,000	55,500
Total taxation	2,887,715	3,016,400	3,358,000	3,174,500	3,249,000	3,428,000	3,627,000

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
<i>Commonwealth grants</i>							
Goods and Services.....	2,954,336	3,006,100	3,079,600	3,496,200	3,628,800	3,766,200	4,008,700
Compensation (Companies Regulation).....	15,282	15,800	15,900	16,196	16,600	17,015	18,500
Competition Reform Payment.....	72,011	74,600	33,525	34,335	35,235	36,270	37,305
Debt Redemption Assistance	3,134	3,100	3,100	3,100	23,600	-	-
First Home Owners Grant Scheme.....	5,506	-	100	-	-	-	-
Local Government (Financial Assistance Grants).....	101,802	101,618	102,338	106,176	110,009	113,980	118,095
Local Government (Road Funding)	71,430	69,968	70,746	73,399	76,049	78,795	81,640
Mirror taxes	15,675	16,400	17,500	18,499	19,000	20,000	21,000
Non-government Schools.....	389,209	423,316	429,355	462,706	497,110	532,920	571,337
Pensioner Concession Assistance.....	15,583	16,100	16,200	16,700	17,200	17,800	18,500
RFA Forest Industry Structural Adjustment Program (FISAP).....	-	5,000	-	-	-	-	-
Other.....	23,233	441	1,794	1,292	3,442	417	-
Total Commonwealth	3,667,201	3,732,443	3,770,158	4,228,603	4,427,045	4,583,397	4,875,077
GOVERNMENT ENTERPRISES							
<i>Dividends</i>							
Albany Port Authority.....	-	-	-	-	35	355	512
Bunbury Port Authority	1,882	1,695	1,698	1,695	1,724	1,738	2,300
Country Housing Authority	-	18	18	18	18	18	18
Dampier Port Authority	116	145	219	24	230	359	163
Electricity Corporation.....	114,050	124,555	120,934	93,153	98,956	84,047	76,742
Esperance Port Authority.....	835	810	1,025	1,301	1,419	728	2,775
Forest Products Commission ^(a)	1,557	3,298	1,470	4,339	3,787	7,365	6,342
Fremantle Port Authority	5,154	4,282	3,724	3,906	4,275	4,552	5,230
Geraldton Port Authority	126	1,083	126	128	-	1,271	1,631
Gold Corporation	-	1,800	-	-	4,341	4,462	4,565
Port Hedland Port Authority	-	867	853	738	763	1,538	2,221
Subiaco Redevelopment Authority	-	2,000	2,000	2,000	5,000	-	-
Water Corporation	255,293	268,259	263,960	275,540	305,016	333,035	337,879
Western Australian Land Authority	6,828	14,000	17,184	35,342	17,642	12,642	11,642
Western Australian Treasury Corporation.....	4,701	5,675	12,311	2,722	2,746	2,654	2,121
Total Dividends	390,542	428,487	425,522	420,906	445,952	454,764	454,141
<i>Income Tax Equivalent Regime</i>							
Albany Port Authority.....	-	-	-	-	30	305	439
Bunbury Port Authority	2,136	1,415	1,821	1,780	1,544	1,666	2,266
Bunbury Water Board.....	809	697	834	699	670	709	701
Busselton Water Board	90	120	120	120	124	127	131
Dampier Port Authority	80	103	169	-	197	244	138
East Perth Redevelopment Authority	-	377	-	-	-	-	-
Electricity Corporation.....	88,325	74,754	91,143	62,591	61,528	47,036	72,006
Esperance Port Authority	482	844	-	-	213	867	1,113
Forest Products Commission	590	140	-	-	-	-	-
Fremantle Port Authority	5,358	4,296	3,819	3,785	4,316	4,563	5,134
Geraldton Port Authority	-	892	1,165	626	1,008	1,107	1,780
Port Hedland Port Authority	357	444	645	546	568	1,866	1,818
Subiaco Redevelopment Authority	53	-	-	-	-	-	-
Water Corporation	135,483	130,956	140,289	145,745	158,792	177,222	182,441
Western Australian Land Authority	4,245	2,591	8,173	10,313	7,020	9,361	9,434
Western Australian Treasury Corporation.....	2,409	2,284	1,944	1,961	1,896	1,818	1,670
Total Income Tax Equivalent Regime	240,417	219,913	250,122	228,166	237,906	246,891	279,071

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
<i>Local Government Rates Equivalent</i>							
Albany Port Authority.....	66	66	66	67	68	69	70
Broome Port Authority	5	4	4	4	4	4	4
Bunbury Port Authority	139	136	136	140	144	148	186
Dampier Port Authority	12	12	75	75	77	78	80
Esperance Port Authority	1,293	3,051	1,293	1,332	1,372	1,413	1,456
Fremantle Port Authority	183	80	180	180	180	180	185
Geraldton Port Authority	-	352	352	281	300	315	330
Perth Marketing Authority	127	140	140	140	140	140	140
Port Hedland Port Authority	144	-	146	146	146	146	146
Potato Marketing Authority	174	230	166	169	173	176	180
Electricity Corporation.....	2	-	-	-	-	-	-
Water Corporation	1,816	2,625	2,625	2,755	2,895	3,040	3,200
Western Australian Land Authority	1,422	1,660	1,400	1,450	1,500	1,550	1,600
Total Local Government Rates Equivalent	5,383	8,356	6,583	6,739	6,999	7,259	7,577
Total Government Enterprises	636,342	656,756	682,227	655,811	690,857	708,914	740,789
<i>Other Revenue</i>							
Consolidated Fund Revenue Received From							
Agencies	2,506,650	2,452,926	2,444,045	2,545,009	2,563,975	2,604,301	2,681,957
Capital User Charge.....	638,608	675,031	716,589	770,734	821,637	885,718	926,273
Interest	61,241	55,876	75,476	71,919	69,818	66,475	60,189
Loan guarantee fees	14,350	15,765	14,800	16,500	17,500	18,500	18,800
Pension Recoups	33,647	37,393	32,215	32,229	32,887	33,213	33,428
Consolidated Fund (superannuation reimbursement).....	122,407	110,356	129,000	124,656	118,570	113,921	105,899
Other	5,800	3,982	6,400	3,300	3,300	3,300	3,300
Total other revenue.....	128,207	114,338	135,400	127,956	121,870	117,221	109,199
<i>Net assets transferred in</i>							
Subiaco Redevelopment Authority wind-up ...	-	-	-	-	-	25,385	-
Total net assets transferred in.....	-	-	-	-	-	25,385	-
TOTAL	10,593,105	10,778,186	11,250,168	11,644,519	12,015,847	12,492,382	13,093,970

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
Grants and subsidies from the Commonwealth	10,807	2,594	2,594	29	10	10	10
TOTAL	10,807	2,594	2,594	29	10	10	10

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:

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000
GST input credits.....	2,989	2,579	2,579	2,579
GST receipts on sales	630	485	485	485
Land Tax Liability Enquiry Fee.....	2,758	2,640	2,608	2,640
State Fleet revenues.....	385	498	490	725
Revenues from the Government Vehicle Scheme.....	46	42	50	56
Procurement Service Fees	9,114	9,000	9,311	8,035
Corporate Services to Office of Energy & Economic Regulation Authority.....	-	-	280	349
Other receipts	2,439	1,324	1,044	1,367
TOTAL.....	18,361	16,568	16,847	16,236

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

OFFICE OF THE AUDITOR GENERAL

PART 3 - DEPUTY PREMIER; TREASURER; MINISTER FOR ENERGY

DIVISION 8

APPROPRIATION AND FORWARD ESTIMATES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 35 Net amount appropriated to deliver outputs	11,146	10,960	11,257	12,518	12,911	13,200	13,377
Amount Authorised by Other Statutes - Financial Administration and Audit Act 1985	198	208	222	222	222	222	222
Total appropriations provided to deliver outputs	11,344	11,168	11,479	12,740	13,133	13,422	13,599
CAPITAL							
Item 125 Capital Contribution	29	122	122	113	27	15	56
GRAND TOTAL.....	11,373	11,290	11,601	12,853	13,160	13,437	13,655

(a) Following a change to the Net Appropriation arrangement for audit fees commencing from 2004-05, the appropriation amounts for 2002-03 and 2003-04 have been adjusted to make them comparable with the revised appropriation in 2004-05 and the forward estimates.

MISSION

To enable the Auditor General to serve the public interest by communicating to Parliament independent and impartial information regarding public sector accountability and performance.

SIGNIFICANT ISSUES AND TRENDS

- The application of internationally-based financial reporting standards in 2005-06 will impact on around two-thirds of existing Australian Accounting Standards. In 2004-05 agencies will prepare two sets of financial statements based on the existing and new standards. As such it will have wide-ranging implications for public sector entities and a substantial impact on the Office of the Auditor General's (the Office) assurance workload over several years.
- The introduction of shared corporate service centres will increase the complexity of the audit task. It precludes the continued reliance on previous audit work and there will be a need to evaluate controls in the shared service centres as well as in individual agencies. In consequence increased audit work will be required to re-establish appropriate levels of assurance regarding the new systems and accountability relationships. There is potential for some longer term efficiencies to be gained through the standardisation of public sector corporate services and a reduction in the diversity and number of corporate information systems.
- Community expectations for independent and impartial information regarding accountability and performance in the public sector continue to grow. These trends are reflected in the number of enquiries and complaints about the public sector received by the Office from Members of Parliament and the general public. These are currently running at a rate 24 % higher than last year.
- The role of the Office as a named Proper Authority in the administration of the *Public Interest Disclosure Act 2003* is expected to increase the workload of the Office. To date three disclosures and a further four significant enquiries have been received. One will require a substantial examination estimated to cost about \$100,000.
- Changes arising from the Review of the Machinery of Government will continue to affect the complexity of audits undertaken. Some of the issues arising that reflect these changes are:
 - problems with basic financial housekeeping due to changed relationships and systems; and
 - valuations of assets transferred as part of restructures.

There was, however, an improvement on previous years in agency compliance with statutory deadlines for submitting financial statements and performance indicators to audit in the 2003 audit cycle, and it is expected this improvement will be consolidated in the 2004 audit cycle.

- New applications of information technology continue to require auditors to adapt their skills and processes. Internal and external transactions, workflows and data storage are increasingly being computerised, and more information, which can be used for accountability purposes, is becoming available on websites. Keeping Office staff equipped with up-to-date computers, software and systems is a key factor in meeting this challenge.
- Contract audit costs are expected to be influenced by a number of factors including the adoption of more stringent professional standards and practices driven by recent corporate collapses, and the drive for more timely annual reporting.
- To improve transparency and encourage better practice financial and performance management, from 2004-05 the charging of audit fees will be extended to include agencies that are substantially funded through the Consolidated Fund.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Statement of Financial Performance since publication of the 2003-04 Budget to Parliament on 8 May 2003 are outlined below.

	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
Increase in baseline resourcing	800	900	900	900

OUTPUT AND APPROPRIATION SUMMARY

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Performance Auditing	10,809	11,211	11,390	12,690			
Total Cost of Outputs	10,809	11,211	11,390	12,690	13,023	13,212	13,389
<i>Less</i> Revenues from Ordinary Activities ^(a)	63	20	20	20	20	20	20
Net Cost of Outputs	10,746	11,191	11,370	12,670	13,003	13,192	13,369
Adjustments ^(b)	598	(23)	109	70	130	230	230
Appropriation provided to deliver Outputs ^(a)	11,344	11,168	11,479	12,740	13,133	13,422	13,599
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(c)	29	122	122	113	27	15	56
TOTAL CONSOLIDATED FUND APPROPRIATIONS	11,373	11,290	11,601	12,853	13,160	13,437	13,655

- (a) Following a change to the Net Appropriation arrangement for audit fees commencing from 2004-05, the revenue from ordinary activities and appropriation amounts for 2002-03 and 2003-04 have been adjusted to make them comparable with the revised appropriation for 2004-05 and the forward estimates.
- (b) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (c) Supporting details are disclosed in the Capital Contribution Statement.

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION

Relationship to Government Strategic Goals

Broad, high level government strategic goals are supported at agency level by more specific desired outcomes. Agencies deliver outputs to achieve these desired outcomes, which ultimately contribute to meeting the higher level government strategic goals. The following table illustrates this relationship.

Government Strategic Goal(s)	Desired Outcome(s)	Output(s)
To govern for all Western Australians in an open, effective and efficient manner that also ensures a sustainable future.	An informed Parliament on public sector accountability and performance.	1. Performance Auditing

Outcomes and Key Effectiveness Indicators ^(a)

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Outcome: An informed Parliament on public sector accountability and performance.					
Agreement in Parliamentary census that the Office of the Auditor General is effective in achieving its desired outcome of informing Parliament on public sector accountability and performance of the public sector	66% ^(b)	85%	85%	85%	
Agreement in Parliamentary census that services and reports of the Office of the Auditor General are useful to Parliament.....	76%	80%	80%	80%	
Agreement in Parliamentary census that reports dealt with matters of significance to Parliament	83%	85%	85%	85%	

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

(b) There is no obvious explanation for the low 2002-03 result but it is being investigated through the gathering of further information.

Output 1: Performance Auditing

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

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	10,809	11,211	11,390	12,690	
Less Revenues from Ordinary Activities ^(a)	63	20	20	20	
Net Cost of Output	10,746	11,191	11,370	12,670	
Adjustments ^(b)	598	(23)	109	70	
Appropriation for delivery of Output 1 ^(a)	11,344	11,168	11,479	12,740	

(a) Following a change to the Net Appropriation arrangement for audit fees commencing from 2004-05, the revenue from ordinary activities and appropriation amounts for 2002-03 and 2003-04 have been adjusted to make them comparable with the revised appropriation in 2004-05.

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Matters of significance reported in Parliament (a)	120	100	95	110	The variation reflects the timing of tabling of reports, with some to be in 2004-05 that were to have been tabled in 2003-04.
Audits - Major	50	50	50	50	
Audits - Other (b)	226	162	168	162	
Quality					
Agreement in Parliamentary census that the matters of significance reported clearly communicate issues	79%	80%	80%	80%	
Audit opinions consistent with standards.....	100%	100%	100%	100%	
Timeliness					
Agreement in Parliamentary census that the matters of significance reported are timely ...	66%	75%	75%	75%	
Percentage of audit opinions issued within statutory deadlines	100%	100%	100%	100%	
Cost (Efficiency) (c)					
Average cost per matter of significance (d)	\$28,712	\$40,360	\$37,851	\$36,420	This variation reflects continued problems with the quality of financial statements and performance indicators following Machinery of Government changes, compounded by more stringent auditing standards.
Average cost per major audit.....	\$94,514	\$85,885	\$95,921	\$106,869	
Average cost per other audit.....	\$12,139	\$17,783	\$17,846	\$20,619	
Full Time Equivalents (FTEs)	92	97	98	100	As above.

(a) These are incorporated in approximately 10 reports each year.

(b) The reduction in the number of audits between 2002-03 and 2003-04 is a result of Machinery of Government reforms.

(c) More details on the efficiency indicators are provided in the annual report.

(d) The downward trend in the average cost per matter of significance between the 2003-04 Estimated Actual and the 2004-05 Budget estimate is a result of timing of tabling of some reports.

Major Achievements For 2003-04

- Tabled in Parliament four single topic reports in the period to April 2, 2004 covering:
 - the Leasing of Government of Assets;
 - the Maintenance of Public Housing;
 - the Business Sustainability of the Rottneest Island Authority; and
 - access to Elective Surgery in Western Australia.

Two further single topic reports are scheduled for tabling before June 30, 2004.

- Tabled one public sector performance report, incorporating the results of examinations on:
 - management of Ground and Surface Water;
 - regulation of Gaming and Racing; and
 - vocational Education and Training.

One further public sector performance report is scheduled for tabling by June 30, 2004 incorporating the results of five to six further audits.

- A report on attest audit results was tabled on December 3, 2003. The report primarily summarised the results of financial statements and performance indicator audits for departments, statutory authorities and other bodies under the *Financial Administration and Audit Act 1985* with June 30, 2003 reporting dates. It highlighted 16 agencies that were exemplars of better practice for the supporting working papers, timeliness and quality of their financial statements and

performance indicators. This report also included an examination of Act of Grace, Ex-gratia and Like Payments and a consolidated Audit Practice Statement that outlines the why, what and how of the Auditor General's approach to his mandate.

Before June 30, 2004, it is intended, to table one further report focusing on tertiary education entities with December 31, 2003 reporting dates and residual agencies with June 30, 2003, reporting dates.

- It is expected that across the full financial year approximately 95 Matters of Significance will be reported to Parliament.
- Audited the financial statements, controls and performance indicators of:
 - 39 government departments;
 - 139 statutory authorities and corporate bodies;
 - 38 request, subsidiary and cemetery audits; and
 - the Treasurer's Annual Statements and the Consolidated Financial Statements for whole of government with reporting dates of December 31, 2002 and June 30, 2003.

Eleven agencies received qualified opinions on their financial statements, their controls or their performance indicators.

- Issued all opinions within statutory deadlines.
- Completed the audit of 33% of agencies representing 80% of the State's assets within three months of their year-end.
- Began issuing audit opinions in a more reader friendly format.

Major Initiatives For 2004-05

- Table in Parliament six single topic reports on various compliance and performance examinations that have identified matters of significance in various areas of public sector performance and accountability.
- Table in Parliament two public sector performance reports during the year. These reports will contain the results of smaller examinations that address compliance and performance issues, including follow-up reviews of examinations previously undertaken.
- Table in Parliament two reports on the results of financial statement and performance indicator audits undertaken during the year. The first volume will focus on agencies with a June 30 reporting date, while the second will focus on agencies from the tertiary education sector which have a December 31 reporting date.
- With an emphasis on earlier completion, audit the financial statements, controls and performance indicators of:
 - 37 government departments;
 - 135 statutory authorities and corporate bodies;
 - 38 request, subsidiary and cemetery audits; and
 - the Treasurer's Annual Statements and the Consolidated Financial Statements for whole of government with reporting dates of December 31, 2003 and June 30, 2004.
- Complete the audit of 50% of agencies representing approximately 85% of the State's assets no later than three months after year-end.
- Commence a three-year programme of evaluation and training to strengthen the value of performance indicator Opinions, and further enhance professional and technical development of staff to strengthen the capacity of the Office to meet the emerging challenges of the contemporary public sector audit environment.
- Foster the smooth introduction of internationally-based financial reporting standards.
- Report on the first examinations conducted by the Office arising from disclosures made under the *Public Interest Disclosures Act 2003*.
- Respond to the 2004 Peer Review of the Office.
- Introduce changes to the audit fee structure to allow the Office to recoup all attest audit costs from Consolidated Fund agencies.

CAPITAL WORKS PROGRAM

The Office's 2004-05 capital works program provides for the ongoing replacement of computers and office equipment, and for the maintenance of network hardware and software at a level appropriate to the technology currently in use in the public sector.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-04 \$'000	Estimated Expenditure 2003-04 \$'000	Estimated Expenditure 2004-05 \$'000
COMPLETED WORKS				
Computer Hardware and Software - 2003-04 Program	487	487	487	-
Asset Replacement Program	408	408	23	-
NEW WORKS				
Computer Hardware and Software - 2004-05 Program	463	-	-	463
	<u>1,358</u>	<u>895</u>	<u>510</u>	<u>463</u>

CAPITAL CONTRIBUTION

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	<u>607</u>	<u>487</u>	<u>510</u>	<u>463</u>	<u>446</u>	<u>429</u>	<u>471</u>
	-	-	510	463	446	429	471
LESS							
Drawdowns from the Holding Account	379	365	365	350	419	414	415
Other	200	-	-	-	-	-	-
Internal Funds and Balances	(1)	-	23	-	-	-	-
Capital Contribution	<u>29</u>	<u>122</u>	<u>122</u>	<u>113</u>	<u>27</u>	<u>15</u>	<u>56</u>

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	5,484	6,138	6,330	6,822	6,966	7,063	7,169
Superannuation	688	645	663	709	736	757	757
Supplies and services	3,366	2,864	2,890	3,502	3,597	3,582	3,582
Accommodation	506	737	674	716	762	809	809
Capital User Charge	91	60	153	171	186	204	226
Depreciation and amortisation	330	350	350	419	414	415	415
Administration	329	402	315	335	346	366	415
Costs of disposal of non-current assets	7	-	-	-	-	-	-
Other expenses	8	15	15	16	16	16	16
TOTAL COST OF SERVICES	10,809	11,211	11,390	12,690	13,023	13,212	13,389
Revenues from ordinary activities							
User charges and fees ^(b)	3,394	3,018	3,225	-	-	-	-
Proceeds from disposal of non-current assets ..	21	-	-	-	-	-	-
Other Revenue	42	20	20	20	20	20	20
Total Revenues from Ordinary Activities	3,457	3,038	3,245	20	20	20	20
NET COST OF SERVICES	7,352	8,173	8,145	12,670	13,003	13,192	13,369
REVENUES FROM STATE GOVERNMENT							
Output Appropriations ^(b)	7,950	8,150	8,254	12,740	13,133	13,422	13,599
Resources received free of charge	9	16	16	16	16	16	16
Liabilities assumed by the Treasurer	110	-	-	-	-	-	-
TOTAL REVENUES FROM STATE GOVERNMENT	8,069	8,166	8,270	12,756	13,149	13,438	13,615
CHANGE IN EQUITY RESULTING FROM OPERATIONS	717	(7)	125	86	146	246	246
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	717	(7)	125	86	146	246	246

(a) The Full Time Equivalents (FTEs) for 2002-03 Actual, 2003-04 Estimated Actual and 2004-05 Estimate are 92, 98 and 100 respectively.

(b) Revenue from user charges and fees in 2002-03 and 2003-04 reflect audit fees raised by the Office under a Net Appropriation Determination. Output Appropriation amounts for 2004-05 and the forward estimate reflect the new Administered arrangements for audit fees.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CURRENT ASSETS							
Cash	303	845	475	345	512	779	1,046
Receivables	1,551	987	1,553	1,554	1,556	1,556	1,556
Amounts receivable for outputs	365	350	350	419	414	415	-
Prepayments	187	50	187	187	187	187	187
Total current assets	2,406	2,232	2,565	2,505	2,669	2,937	2,789
NON-CURRENT ASSETS							
Amounts receivable for outputs	-	-	-	-	-	-	415
Plant, equipment and vehicles	686	832	856	932	984	1,018	1,094
Other	226	175	193	161	141	121	101
Total non-current assets	912	1,007	1,049	1,093	1,125	1,139	1,610
TOTAL ASSETS	3,318	3,239	3,614	3,598	3,794	4,076	4,399
CURRENT LIABILITIES							
Payables	120	123	122	122	122	122	122
Provision for employee entitlements	417	548	417	417	417	417	417
Accrued Salaries	168	215	215	-	23	44	65
Other	142	170	142	142	142	142	142
Total current liabilities	847	1,056	896	681	704	725	746
NON-CURRENT LIABILITIES							
Provision for employee entitlements	676	745	676	676	676	676	676
Total non-current liabilities	676	745	676	676	676	676	676
TOTAL LIABILITIES	1,523	1,801	1,572	1,357	1,380	1,401	1,422
EQUITY							
Contributed Equity	408	530	530	643	670	685	741
Accumulated surplus/(deficit)	1,387	908	1,512	1,598	1,744	1,990	2,236
Total equity	1,795	1,438	2,042	2,241	2,414	2,675	2,977
TOTAL LIABILITIES AND EQUITY	3,318	3,239	3,614	3,598	3,794	4,076	4,399

STATEMENT OF CASH FLOWS
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Output Appropriations ^(a)	7,585	7,800	7,904	12,321	12,719	13,007	13,184
Capital Contribution	29	122	122	113	27	15	56
Holding Account Drawdowns.....	379	365	365	350	419	414	415
Net cash provided by State government.....	7,993	8,287	8,391	12,784	13,165	13,436	13,655
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs	(5,682)	(6,086)	(6,281)	(7,037)	(6,943)	(7,040)	(7,146)
Superannuation	(584)	(645)	(663)	(709)	(736)	(757)	(757)
Supplies and services.....	(3,400)	(2,855)	(2,881)	(3,493)	(3,588)	(3,573)	(3,573)
Accommodation.....	(506)	(747)	(684)	(725)	(770)	(817)	(817)
Administration.....	(375)	(386)	(299)	(319)	(330)	(350)	(399)
Capital User Charge.....	(91)	(60)	(153)	(171)	(186)	(204)	(226)
Goods and Services Tax	(487)	(402)	(402)	(413)	(414)	(414)	(414)
Other.....	(9)	(14)	(14)	(16)	(17)	(17)	(17)
Receipts							
User charges and fees ^(a)	3,137	3,018	3,225	-	-	-	-
Goods and Services Tax	464	400	400	412	412	412	412
Other.....	41	20	20	20	20	20	20
Net cash from operating activities	(7,492)	(7,757)	(7,732)	(12,451)	(12,552)	(12,740)	(12,917)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(630)	(487)	(487)	(463)	(446)	(429)	(471)
Proceeds from sale of non-current assets	21	-	-	-	-	-	-
Net cash from investing activities	(609)	(487)	(487)	(463)	(446)	(429)	(471)
NET INCREASE/(DECREASE) IN CASH HELD	(108)	43	172	(130)	167	267	267
Cash assets at the beginning of the reporting period	412	802	304	476	346	513	780
Cash assets at the end of the reporting period.....	304	845	476	346	513	780	1,047

(a) Receipts from user charges and fees in 2002-03 and 2003-04 reflect audit fees collected by the Office under a Net Appropriation Determination. Output Appropriation amounts for 2004-05 and the forward estimate reflect the new Administered arrangements for audit fees.

SCHEDULE OF ADMINISTERED EXPENSES AND REVENUES ^(a)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
EXPENSES							
Receipts paid into Consolidated Fund.....	-	-	-	9,037	9,426	9,553	9,662
TOTAL ADMINISTERED EXPENSES	-	-	-	9,037	9,426	9,553	9,662
REVENUES							
User charges and fees	-	-	-	9,037	9,426	9,553	9,662
TOTAL ADMINISTERED REVENUES ^(b)	-	-	-	9,037	9,426	9,553	9,662

(a) Reflects the changed audit fee arrangement, whereby all attest and compliance audit fees are collected by the Office on behalf of the Government, and are paid directly into the Consolidated Fund.

(b) Further information is provided in the table "Details of the Administered Transactions Revenue".

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS ^(a)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Receipts paid into Consolidated Fund.....	-	-	-	(9,037)	(9,426)	(9,553)	(9,662)
TOTAL ADMINISTERED CASH OUTFLOWS.....	-	-	-	(9,037)	(9,426)	(9,553)	(9,662)
CASH INFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
User charges and fees	-	-	-	9,037	9,426	9,553	9,662
TOTAL ADMINISTERED CASH INFLOWS.....	-	-	-	9,037	9,426	9,553	9,662
NET CASH INFLOWS/(OUTFLOWS) FROM ADMINISTERED TRANSACTIONS	-	-	-	-	-	-	-

(a) Reflects the changed audit fee arrangement, whereby all attest and compliance audit fees are collected by the Office on behalf of the Government, and are paid directly into the Consolidated Fund.

DETAILS OF THE ADMINISTERED TRANSACTIONS REVENUE ^(a)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
OTHER							
User charges and fees - Audit fees.....	-	-	-	9,037	9,426	9,553	9,662
TOTAL	-	-	-	9,037	9,426	9,553	9,662

(a) Reflects the changed audit fee arrangement, whereby all attest and compliance audit fees are collected by the Office on behalf of the Government, and are paid directly into the Consolidated Fund.

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 Office:

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000
GST input credits.....	147	98	98	104
GST receipts on sales	317	302	302	308
Other Revenue.....	41	20	20	20
TOTAL.....	505	420	420	432

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

ECONOMIC REGULATION AUTHORITY

PART 3 - DEPUTY PREMIER; TREASURER; MINISTER FOR ENERGY

DIVISION 9

APPROPRIATION AND FORWARD ESTIMATES

	2002-03 Actual ^(a) \$'000	2003-04 Budget ^(a) \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 36 Net amount appropriated to deliver outputs	1,577	1,672	1,277	4,153	4,355	4,355	3,756
Total appropriations provided to deliver outputs	1,577	1,672	1,277	4,153	4,355	4,355	3,756
CAPITAL							
Capital Contribution	-	-	-	-	12	-	-
GRAND TOTAL	1,577	1,672	1,277	4,153	4,367	4,355	3,756

(a) The Economic Regulation Authority was established from 1 January 2004. Comparative figures for the 2002-03 Actual and the 2003-04 Budget, are for the agencies that the Authority subsumed.

MISSION

To ensure the efficient, safe and equitable provision of utility services through effective regulation of such services.

SIGNIFICANT ISSUES AND TRENDS

- The Economic Regulation Authority (the Authority) was established on 1 January 2004 and combined the functions of the Gas Access Regulator, the Rail Access Regulator and the Water Licensing and Performance Monitoring functions previously undertaken by the Office of Water Regulation. The Authority has also recently taken over responsibility for gas licensing.
- The Authority will take responsibility for electricity licensing and the regulation of access to electricity transmission and distribution systems, but this is not expected to be transferred to the Authority until early 2004-05.
- The Productivity Commission (the Commission) review of the National Gas Access Regime will be completed in 2004. The Authority has participated in this process. The Ministerial Council on Energy will decide what action is deemed necessary in response to the recommendations of the Commission's final report. This is expected to lead to amendments to the Gas Access Regime that is administered by the Authority.
- The Goldfields Gas Pipeline is currently subject to a revocation application. If the pipeline is revoked, it will no longer be covered by the National Third Party Access Code for Natural Gas Pipeline Systems (the Code) administered by the Authority. The task of approving an access arrangement for the pipeline would then cease. However, the Authority is currently progressing its assessment of the access arrangement proposed for the pipeline, as required by the Code.
- The revision of the AlintaGas Distribution Network Access Arrangement commenced on 1 April 2004, and is due to be completed by 31 December 2004.
- The Dampier to Bunbury Natural Gas Pipeline Approved Access Arrangement has been extended until 31 March 2005, and a review of this access arrangement must be completed by this date.
- The *Railways (Access) Act 1998* requires the Authority to carry out a review of the Railways (Access) Code 2000 after the third anniversary of its commencement ie. September 2004. The purpose of this review is to assess the suitability of the provisions of the Code to give effect to the Competition Principles Agreement in respect of railways.

- The licensing of water, waste water, drainage and irrigation service providers is designed to improve the quality of services to customers, whilst ensuring the maintenance and protection of infrastructure.
- It is anticipated that a water pricing reference will be received from Government. This is expected to require the Authority to report to government on the application of the Council of Australian Governments pricing principles to sections of the water industry in WA.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Statement of Financial Performance since publication of the 2003-04 Budget to Parliament on 8 May 2003 are outlined below.

	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
Electricity Reform	1,528	1,528	1,528	1,528
Remuneration for Chairman and Members	500	500	500	500
Water Pricing Reference	400	600	600	-

OUTPUT AND APPROPRIATION SUMMARY

	2002-03 Actual ^(c) \$'000	2003-04 Budget ^(c) \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Submissions to the ERA Governing Body	-	-	1,918	5,437			
Total Cost of Outputs	-	-	1,918	5,437	5,643	5,677	5,160
<i>Less</i> Revenues from Ordinary Activities	-	-	725	1,373	1,378	1,379	1,379
Net Cost of Outputs	-	-	1,193	4,064	4,265	4,298	3,781
Adjustments ^(a)	-	-	84	89	90	57	(25)
Appropriation provided to deliver Outputs.	-	-	1,277	4,153	4,355	4,355	3,756
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	-	-	-	-	12	-	-
TOTAL CONSOLIDATED FUND APPROPRIATIONS	-	-	1,277	4,153	4,367	4,355	3,756

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

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

(c) Comparative figures for the 2002-03 Actual and the 2003-04 Budget, for the agencies that the Economic Regulation Authority subsumed are not available at this time, at the required level of detail.

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 Goals

Broad, high level government strategic goals are supported at agency level by more specific desired outcomes. Agencies deliver outputs to achieve these desired outcomes, which ultimately contribute to meeting the higher level government strategic goals. The following table illustrates this relationship.

Government Strategic Goal(s)	Desired Outcome(s)	Output(s)
To develop a strong economy that delivers more jobs, more opportunities and greater wealth to Western Australians by creating the conditions required for investment and growth.	The efficient, safe and equitable provision of utility services in Western Australia	1. Submissions to the ERA Governing Body

Output 1: Submissions to the ERA Governing Body

	2002-03 Actual ^(b) \$'000	2003-04 Budget ^(b) \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	-	-	1,918	5,437	
Less Revenues from Ordinary Activities	-	-	725	1,373	
Net Cost of Output	-	-	1,193	4,064	
Adjustments ^(a)	-	-	84	89	
Appropriation for delivery of Output 1	-	-	1,277	4,153	

- (a) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (b) Comparative figures for the 2002-03 Actual and the 2003-04 Budget, for the agencies that the Economic Regulation Authority subsumed are not available at this time, at the required level of detail.

Output Performance Measures

	2002-03 Actual ^(a)	2003-04 Budget ^(b)	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Number of submissions made to the ERA Governing Body	na	41	41	120	
Quality					
Rating by the ERA Governing Body as to the content, accuracy and presentation of these submissions	na	4.0	4.0	4.0	
Timeliness					
Number and % of submissions provided to the ERA Governing Body within the required deadline	na	85%	85%	85%	
Cost (Efficiency)					
Cost per submission made to the ERA Governing Body	na	na	\$46,708.49	\$45,308.33	
Full Time Equivalents (FTEs)	0	0	8	8	

- (a) Comparative figures are not available for 2002-03 as the Authority only came into operation on 1 January 2004.
- (b) The Governing Body was effective from 8 March 2004. Therefore, the 2003-04 budget figures relate to the period 8 March - 30 June 2004 only.

Major Achievements For 2003-04

- The Final Decision and Approved Access Arrangements for the Dampier to Bunbury Natural Gas Pipeline were completed.
- The Final Decision on Full Retail Contestability costs for AlintaGas was issued.
- The Final Decision for the Goldfields Gas Pipeline was progressed.
- The Floor & Ceiling Costs for the mainlines in the WestNet Rail freight network (Kwinana to Bunbury, Midland to Kalgoorlie, Kalgoorlie to Esperance, and Kalgoorlie to Leonora) were determined.
- The Floor & Ceiling Costs for the Brunswick to Premier (Collie) line was determined.
- The Floor & Ceiling Costs for four grainlines (Avon to Goomalling, Katanning to Tambellup, Kulin to Yilminning, and Mullewa to Narngulu) were progressed.
- Two licensees had their water service operating licences compliance audited and the effectiveness of their asset management systems reviewed. No new water service operating licences were issued.
- A paper on Rate of Return Methodologies and Practices was issued for public consultation.
- A methodology was developed to calculate escalation for the Western Australian rail industry and was issued for public consultation.
- Submissions were made to the Productivity Commission review of the Gas Access Regime.
- A conference covering global developments in Water Industry Performance Benchmarking was held in Perth.
- The fifth annual survey of customers' values and perceptions of the water industry was conducted.

Major Initiatives For 2004-05

- Review the AlintaGas Distribution Network Access Arrangement for Mid-West and South-West Gas Distribution Systems.
- Review the Dampier to Bunbury Natural Gas Pipeline Access Arrangement.
- Finalise and approve the proposed Access Arrangement for the Goldfields Gas Pipeline.
- Participate in the introduction and ongoing management of Full Retail Contestability for natural gas in Western Australia.
- Determine the Floor and Ceiling Costs for parts of the Public Transport Authority's urban network (Perth to Midland, Perth to Fremantle).
- Monitor the performance of WestNet Rail and Public Transport Authority through the quarterly provision of agreed Key Performance Indicators, and report this performance to the public on an annual basis.
- Review the Rail (Access) Code 2000.
- Review the Weighted Average Cost of Capital for the rail freight and urban passenger networks.
- Conduct compliance audits of four water licensees (including the Water Corporation, and Bunbury and Busselton Water Boards) together with a review of the effectiveness of their asset management systems.
- Review all water service licences to ensure consistency with new legislation.

- Recommend to Government, tariffs and charges to apply for the Water Corporation's metropolitan water and wastewater services, and the Bunbury and Busselton water services from 1 July 2006.
- Issue a discussion paper on Incentive Mechanisms in the gas sector for public consultation.
- Review the customer service standards of water providers.
- Conduct a benchmark study of the water supply of 32 major towns.
- Review performance indicators for all water service providers.
- Review policies associated with the water service operating licensing scheme.

CAPITAL WORKS PROGRAM

The Capital Works Program for the Economic Regulation Authority is mainly for the replacement of computer and office equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-04 \$'000	Estimated Expenditure 2003-04 \$'000	Estimated Expenditure 2004-05 \$'000
COMPLETED WORKS				
Computer and Office Equipment - 2003-04 Program	45	45	45	-
Office Refurbishment - 2003-04 Program	30	30	30	-
NEW WORKS				
Computer and Office Equipment - 2004-05 Program	71	-	-	71
	<u>146</u>	<u>75</u>	<u>75</u>	<u>71</u>

CAPITAL CONTRIBUTION

	2002-03 Actual (a) \$'000	2003-04 Budget (a) \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	-	-	75	71	71	38	37
	-	-	75	71	71	38	37
LESS							
Drawdowns from the Holding Account	-	-	-	18	19	-	-
Internal Funds and Balances	-	-	75	53	40	38	37
Capital Contribution	-	-	-	-	12	-	-

- (a) Comparative figures for the 2002-03 Actual and the 2003-04 Budget, for the agencies that the Economic Regulation Authority subsumed are not available at this time, at the required level of detail.

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2002-03 Actual ^(b)	2003-04 Budget ^(b)	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	-	-	743	2,277	2,277	2,283	2,284
Superannuation	-	-	52	106	105	106	106
Consultancies expense	-	-	296	400	600	600	-
Supplies and services	-	-	278	522	526	528	612
Accommodation	-	-	74	153	154	154	153
Capital User Charge	-	-	4	8	8	8	8
Depreciation and amortisation	-	-	19	39	35	60	60
Administration	-	-	106	211	212	212	211
Other expenses	-	-	346	1,721	1,726	1,726	1,726
TOTAL COST OF SERVICES	-	-	1,918	5,437	5,643	5,677	5,160
Revenues from ordinary activities							
User charges and fees	-	-	686	1,285	1,289	1,290	1,290
Regulatory Fees and Fines	-	-	19	49	49	49	49
Interest	-	-	15	29	30	30	30
Other Revenue	-	-	5	10	10	10	10
Total Revenues from Ordinary Activities	-	-	725	1,373	1,378	1,379	1,379
NET COST OF SERVICES	-	-	1,193	4,064	4,265	4,298	3,781
REVENUES FROM STATE GOVERNMENT							
Output Appropriations	-	-	1,277	4,153	4,355	4,355	3,756
Resources received free of charge	-	-	8	-	-	-	-
TOTAL REVENUES FROM STATE GOVERNMENT	-	-	1,285	4,153	4,355	4,355	3,756
CHANGE IN EQUITY RESULTING FROM OPERATIONS	-	-	92	89	90	57	(25)
Extraordinary items	-	-	367	-	-	-	-
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	-	-	459	89	90	57	(25)

(a) The Full Time Equivalents (FTEs) for 2002-03 Actual, 2003-04 Estimated Actual and 2004-05 Estimate are 0, 8 and 8 respectively.

(b) Comparative figures for the 2002-03 Actual and the 2003-04 Budget, for the agencies that the Economic Regulation Authority subsumed are not available at this time, at the required level of detail.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2002-03 Actual ^(a)	2003-04 Budget ^(a)	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	-	-	690	703	712	711	710
Receivables.....	-	-	941	1,021	1,101	1,180	1,177
Prepayments.....	-	-	3	3	3	3	3
Total current assets.....	-	-	1,634	1,727	1,816	1,894	1,890
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	-	-	29	31	31	50	69
Plant, equipment and vehicles.....	-	-	147	127	143	103	63
Other.....	-	-	22	40	40	40	40
Total non-current assets.....	-	-	198	198	214	193	172
TOTAL ASSETS	-	-	1,832	1,925	2,030	2,087	2,062
CURRENT LIABILITIES							
Payables.....	-	-	211	211	211	211	211
Provision for employee entitlements.....	-	-	125	125	125	125	125
Accrued Salaries.....	-	-	4	8	12	12	12
Amounts due to the Treasurer.....	-	-	1,000	1,000	1,000	1,000	1,000
Total current liabilities.....	-	-	1,340	1,344	1,348	1,348	1,348
NON-CURRENT LIABILITIES							
Provision for employee entitlements.....	-	-	3	3	3	3	3
Total non-current liabilities.....	-	-	3	3	3	3	3
TOTAL LIABILITIES	-	-	1,343	1,347	1,351	1,351	1,351
EQUITY							
Contributed Equity.....	-	-	30	30	41	41	41
Accumulated surplus/(deficit).....	-	-	459	548	638	695	670
Total equity	-	-	489	578	679	736	711
TOTAL LIABILITIES AND EQUITY	-	-	1,832	1,925	2,030	2,087	2,062

(a) Comparative figures for the 2002-03 Actual and the 2003-04 Budget, for the agencies that the Economic Regulation Authority subsumed are not available at this time, at the required level of detail.

STATEMENT OF CASH FLOWS
(Controlled)

	2002-03 Actual ^(a)	2003-04 Budget ^(a)	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Output Appropriations	-	-	1,269	4,133	4,335	4,336	3,737
Capital Contribution	-	-	-	-	12	-	-
Holding Account Drawdowns.....	-	-	-	18	20	-	-
Net cash provided by State government.....	-	-	1,269	4,151	4,367	4,336	3,737
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs	-	-	(793)	(2,269)	(2,267)	(2,281)	(2,282)
Superannuation	-	-	(50)	(104)	(105)	(105)	(105)
Supplies and services.....	-	-	(612)	(1,017)	(1,224)	(1,224)	(628)
Accommodation.....	-	-	(74)	(152)	(154)	(154)	(153)
Administration.....	-	-	(104)	(211)	(212)	(213)	(212)
Capital User Charge.....	-	-	(4)	(8)	(8)	(8)	(8)
Goods and Services Tax	-	-	(124)	(255)	(255)	(254)	(252)
Other.....	-	-	(346)	(1,707)	(1,710)	(1,710)	(1,710)
Receipts							
Regulatory fees and fines.....	-	-	19	49	49	49	49
User charges and fees	-	-	645	1,282	1,283	1,284	1,284
Interest.....	-	-	14	29	30	31	31
Goods and Services Tax	-	-	172	249	251	253	253
Other.....	-	-	13	13	15	15	15
Net cash from operating activities.....	-	-	(1,244)	(4,101)	(4,307)	(4,317)	(3,718)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	-	-	(30)	(37)	(51)	(20)	(20)
Net cash from investing activities.....	-	-	(30)	(37)	(51)	(20)	(20)
NET INCREASE/(DECREASE) IN CASH HELD	-	-	(5)	13	9	(1)	(1)
Cash assets at the beginning of the reporting period	-	-	-	690	703	712	711
Net cash transferred to/from other agencies.....	-	-	695	-	-	-	-
Cash assets at the end of the reporting period.....	-	-	690	703	712	711	710

(a) Comparative figures for the 2002-03 Actual and the 2003-04 Budget, for the agencies that the Economic Regulation Authority subsumed are not available at this time, at the required level of detail.

OFFICE OF ENERGY

PART 3 - DEPUTY PREMIER; TREASURER; MINISTER FOR ENERGY

DIVISION 10

APPROPRIATION AND FORWARD ESTIMATES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 37 Net amount appropriated to deliver outputs	14,885	15,733	25,607	15,056	17,969	14,003	12,533
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	168	168	168	168	168	168	168
Total appropriations provided to deliver outputs.....	15,053	15,901	25,775	15,224	18,137	14,171	12,701
CAPITAL							
Capital Contribution	154	110	110	-	-	-	-
GRAND TOTAL	15,207	16,011	25,885	15,224	18,137	14,171	12,701

MISSION

On behalf of Government, the Office of Energy takes the lead role in developing and implementing policy to meet the State's energy needs in a manner that achieves a balance between economic, social and environmental responsibility.

SIGNIFICANT ISSUES AND TRENDS

- The community is increasingly demanding access to reliable, safe electricity at a competitive price. Government has commenced reform of the electricity industry, including the:
 - establishment of an independently regulated networks access regime;
 - reduction of the access threshold from 300 megawatt hour (MWh) per year to 50MWh per year on 1 January 2005;
 - establishment of consumer protection measures; and
 - development of a 'top-up and spill' arrangement as an interim step to the development of a wholesale electricity market.
- In an environment where Western Power remains vertically integrated, the development of competitive electricity generation through the encouragement of the entry of new players into the market will pose a challenge for Government. This will require careful consideration of access arrangements to Western Power's networks, Western Power's procurement of generation and the operation of the generation and retail markets.
- The State has made substantial progress towards achieving the effective implementation of full retail contestability in the gas retail market. On 1 January 2002, customers consuming more than 1 terajoule per annum were able to choose their preferred retailer and from 1 July 2002, legal impediments were removed to allow all customers to have a choice. However, to practically achieve this, appropriate regulatory framework and market arrangements (including customer protection measures and a Gas Industry Ombudsman) need to be established.
- Improving the affordability and reliability of power supply to Aboriginal communities, which will lead to health, educational, social and economic development benefits for Indigenous people, is a priority of Government. The Aboriginal and Remote Communities Power Supply Project, and the regularisation of power supply to town reserves, will improve the delivery of electricity supply services to Aboriginal communities.
- An ageing electricity distribution network in the regional areas in the south of the State, together with growing demand for reliable and quality electricity, will require the development of innovative and cost effective solutions.

- There is increasing community demand for the provision of environmentally sustainable energy. Government continues to support and develop initiatives to support sustainable energy.
- A reliable and competitive energy industry requires competitive tension between alternative generation fuels. Adequate gas transmission capability, generation capacity and best practice in the coal, gas and renewable energy industry will need to underpin this competition.
- At the national level, the Ministerial Council on Energy (MCE) has taken the decision that regulation of the electricity and natural gas markets should be nationally uniform or consistent as appropriate. As a consequence, new national governance and regulatory arrangements for the electricity and gas market are to be established including an Australian Energy Regulator and the Australian Energy Market Commission. In Western Australia, energy will continue to be regulated by the Economic Regulation Authority, with gas access arrangements being within the scope of the Australian Energy Market Commission.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Statement of Financial Performance since publication of the 2003-04 Budget to Parliament on 8 May 2003 are outlined below.

	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
Electricity Reform Implementation Unit	-	3,739	439	-
Aboriginal and Remote Communities Power Supply Project	220	963	1,196	-
Solar Water Heating Subsidy Scheme	400	-	-	-

OUTPUT AND APPROPRIATION SUMMARY

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Development and implementation of energy policy	13,508	11,548	20,445	9,963			
Output 2:							
Development and implementation of sustainable energy policy and programs	11,189	7,612	6,844	6,702			
Total Cost of Outputs	24,697	19,160	27,289	16,665	20,053	18,716	16,245
<i>Less</i> Revenues from Ordinary Activities	10,125	3,048	3,030	3,000	3,000	3,000	3,000
Net Cost of Outputs	14,572	16,112	24,259	13,665	17,053	15,716	13,245
Adjustments ^(a)	481	(211)	1,516	1,559	1,084	(1,545)	(544)
Appropriation provided to deliver Outputs.	15,053	15,901	25,775	15,224	18,137	14,171	12,701
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	154	110	110	-	-	-	-
TOTAL CONSOLIDATED FUND APPROPRIATIONS	15,207	16,011	25,885	15,224	18,137	14,171	12,701

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

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

(c) Additional appropriation of \$9.78 million was provided in 2003-04 for electricity reform under Output 1.

RESOURCE AGREEMENT

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

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

Broad, high level government strategic goals are supported at agency level by more specific desired outcomes. Agencies deliver outputs to achieve these desired outcomes, which ultimately contribute to meeting the higher level government strategic goals. The following table illustrates this relationship.

Government Strategic Goal(s)	Desired Outcome(s)	Output(s)
To develop a strong economy that delivers more jobs, more opportunities and greater wealth to Western Australians by creating the conditions required for investment and growth.	A policy environment to achieve a competitive and efficient energy sector	1. Development and implementation of energy policy
To ensure that Western Australia has an environment in which resources are managed, developed and used sustainably, biological diversity is preserved and habitats protected.	An increase in the adoption of renewable energy and energy efficiency	2. Development and implementation of sustainable energy policy and programs

Outcomes and Key Effectiveness Indicators ^(a)

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Outcome: A policy environment to achieve a competitive and efficient energy sector					
Progress with reform of the Western Australian electricity industry, indicated by the timely achievement of the following milestones:					
- Establishment of Electricity Ombudsman	N/A	N/A	N/A	June 2005	
- Establishment of Western Australian Customer Service Code	N/A	N/A	N/A	Sept. 2004	
- Increased competition through reduction in the electricity contestability threshold to 50 MWh per annum.....	N/A	N/A	N/A	Jan. 2005	
- Approval of wholesale electricity market rules	N/A	N/A	N/A	March 2005	
Improved regional and remote services, indicated by achievement of the following milestones:					
- Regional Electricity Supply Policy.....	N/A	N/A	N/A	Dec. 2004	
- Approval of Western Power Corporation's network extension and expansion policies ...	N/A	N/A	N/A	March 2005	
Contestability of the retail gas market, indicated by achievement of the following milestones:					
- A Customer Education Campaign	N/A	N/A	N/A	Sept. 2004	

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Progress with the State Underground Power Program (target 50% of Perth metropolitan homes with underground power by 2010), indicated by the percentage of Perth metropolitan homes with underground power .	N/A	43%	43%	45%	
Outcome: An increase in the adoption of renewable energy and energy efficiency					
Use of renewable energy through incentive programs, indicated by the displacement of fossil fuel. Kilowatt hour of fossil fuel displaced by:					
- Solar Hot Water Subsidy Scheme	N/A	3,750,000	4,346,000	13,500,000	Significant increase in commitment of new home builders to solar hot water heating will result in higher displacement of fossil fuels.
- Renewable Remote Power Generation Program (RRPGP) Large Projects	N/A	9,500,000	9,500,000	2,500,000	Several large projects were completed in 2003-04 (eg. Esperance Wind Farm). There are long lead-times for current large projects, which is likely to see completion and associated displacement of fossil fuels after 2004-05.
- RRPGP – Remote Area Power Supply Program	N/A	290,000	292,479	300,000	
- RRPGP – Renewable Energy Water Pumping Program	N/A	200,000	200,850	200,000	
- Photovoltaic Rebate Program (PVRP).....	N/A	30,000	30,660	30,000	
Adoption of energy efficiency by business, indicated by the number of buildings rated under the Australian Greenhouse Building Rating Program	N/A	6	6	9	
Adoption of energy efficiency by government agencies, indicated by the following:					
- Percentage reduction in energy usage by State Government agencies (target of 12% reduction against baseline by 2006-07).....	2.71%	6%	6%	8%	
- Percentage of individual agencies meeting target reduction	45%	50%	50%	60%	
Adoption of energy efficiency by the community, indicated by the percentage of new houses approved under the House Energy Rating Scheme.....	N/A	8%	8%	12%	

- (a) More details of effectiveness indicators are provided in the annual report.
(b) Newly approved effectiveness indicators from 1 July 2004. Some information for prior years is not available or not relevant.
(c) For information on the achievement of milestones in 2003-04 under Outcome One, see 'Major Achievements for 2003-04'.

Output 1: Development and implementation of energy policy

The Government's energy policy seeks to achieve a competitive and efficient energy sector in Western Australia including electricity reform, regional and remote energy services, gas full retail contestability and underground power. The Office of Energy facilitates achievement of the Government's energy policy through energy policy development and implementation.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	13,508	11,548	20,445	9,963	\$9.78 million of additional funds provided for electricity reform implementation in 2003-04.
Less Revenues from Ordinary Activities	966	48	30	-	
Net Cost of Output	12,542	11,500	20,415	9,963	
Adjustments ^(a)	-	-	1,200	850	
Appropriation for delivery of Output 1	12,542	11,500	21,615	10,813	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target	
Quantity						
Items of Ministerial support.....	N/A	1,000	1,350	1,000	Implementation of electricity reform has resulted in more complex and larger incidences of Ministerial advice in 2003-04. Implementation of electricity reform has resulted in more complex and larger strategic policy development in 2003-04. Electricity reform necessitates considerably large, complex and costly implementation milestones for which additional funding was provided in 2003-04.	
Strategic policies developed	N/A	32	32	40		
Major policy implementation milestones achieved.....	N/A	18	22	19		
Quality						
Minister's satisfaction rating of support provided (1=Poor, 5=Excellent).....	N/A	4	4	5		
Minister's satisfaction rating of strategic policies developed (1=Poor, 5=Excellent)	N/A	4	4	5		
Minister's satisfaction rating of major policy implementation milestones (1=Poor, 5=Excellent)	N/A	4	4	5		
Timeliness						
Percentage of Ministerials completed on time.	N/A	80%	80%	80%		
Minister's satisfaction rating of timeliness of strategic policies developed (1=Poor, 5=Excellent)	N/A	4	4	4		
Cost (Efficiency)						
Average cost per item of Ministerial support...	N/A	\$924	\$713	\$469		
Average cost per strategic policy developed....	N/A	\$42,608	\$79,727	\$25,028		
Average cost of meeting major policy implementation milestones	N/A	\$514,495	\$769,577	\$446,990		
Full Time Equivalents (FTEs)	44	44	44	44		

(a) Significant change to the Office's Outcome/Output structure and measures for the 2004-05 budget make comparison of actuals from the 2002-03 financial year invalid.

Major Achievements For 2003-04

- Major progress was achieved in 2003-04 in implementing the Government's electricity reform agenda. This work was lead by the Electricity Reform Implementation Steering Committee and the Office of Energy (the Office). Three bills were introduced to Parliament in late 2003. The Electricity Industry Bill, which establishes the legal basis for a wholesale electricity market, third party access arrangements and consumer protection measures, was passed in the Autumn Session of Parliament. Transitional arrangements in the lead up to full implementation of electricity reform were also progressed, including:
 - the implementation of a transitional arrangement for 'top up and spill' energy; and
 - the improvement in stand-by and spinning reserve arrangements.
- The Office facilitated the establishment of the Gas Industry Ombudsman to provide a (free of cost) dispute resolution mechanism for gas consumers. The project team also:
 - implemented the legislative framework for other customer protection measures such as the Marketing Code of Conduct and Standard Form Contracts; and
 - oversaw the development of the systems and processes of the Retail Energy Market Company (REMCO), a private company governed by the gas industry, which will provide the necessary services to facilitate the transfer of customers to their retailer of choice.
- Significant achievements were made in gas regulation. The Office facilitated the drafting and passage of energy legislation amendments and regulations, which included the transfer of gas licensing functions to the Economic Regulation Authority.
- In terms of gas policy development, the Office:
 - supported and advised the Minister for Energy in his decision-making on the application for the revocation of the Gas Access Code coverage of the Goldfields Gas Pipeline; and
 - coordinated a Government submission to the Productivity Commission's review of the national Gas Access Regime. The Commission completed its review of the Gas Access Regime in mid 2004 and the Ministerial Council on Energy (MCE) will consider by December 2004 what recommendations to accept and how these will be implemented.
- The Office successfully supported the Minister for Energy's involvement in the MCE and represented the State in the Council's Standing Committee of Officials. This involvement culminated in finalising policy decisions for MCE's major energy market reform program as set out in the MCE Report to the Council of Australian Governments on the Reform of Energy Markets. A new Intergovernmental Agreement for energy and a legislative framework to establish the new national regulatory arrangements is also expected to be agreed by jurisdictions. At the national level, the Office also:
 - chaired the Strategic Energy Supply and Security Working Group of the MCE that in March 2004 completed and reported on its tasks related to long-term energy supply and security scenarios and the broad issues for policy consideration; and
 - participated and represented State interests in working groups dealing with energy efficiency, greenhouse emissions trading and gas market development.
- The Office drove a number of initiatives to enhance regional supply of electricity and achievements included:
 - progression of Phase One of the Aboriginal and Remote Communities Power Supply Project (ARCPSP) in five remote indigenous communities, through the commencement of a power procurement process for electricity generation;
 - commencement of the operation of new power stations in the Mid West region owned by StateWest Power Pty Ltd in February 2004. The new Esperance power station, owned by Esperance Power Station Pty Ltd (a subsidiary of Burns and Roe Worley) commenced commercial operations in March 2004 and was officially opened in April 2004;
 - completion of the construction of the Kambalda to Esperance Gas Pipeline with first gas flowed in early February 2004. The reticulation of natural gas has been progressed in Esperance through the approval of distribution and retail licences;
 - progression of the Exmouth Power Purchase Agreement between Western Power and Exmouth Power Station Pty Ltd (a subsidiary of Burns and Roe Worley). The agreement was signed in September 2003 and is expected to be operational by mid 2005. This has concluded the Regional Power Procurement Program; and
 - development of an education package on energy, water and wastewater efficiency. The education package is being offered to selected schools and remote Aboriginal communities in the Kimberley region from 2004. The package targets areas that will have significant changes in their energy and/or water service delivery.

- In conjunction with the Department of Treasury and Finance and Western Power, the Office undertook a review of the electricity tariffs charged to Government agencies in the regional non-interconnected electricity systems and the North West Interconnected System. This has resulted in consistency between the tariffs charged to public and private power customers in regional areas.
- A Policy Statement on Fuel Diversity in Power Generation in the South West of the State was developed and released.
- The Office provided policy advice on a range of Western Power matters, including:
 - Western Power's Power Procurement Process and generation planning on the South West Interconnected System (SWIS); and
 - review of the contract with the North West Shelf Joint Venturers for the supply of up to 700 petajoules of gas to Western Power over or up to 20 years.
- Ten Major Residential Projects were short listed to participate in the Detailed Proposal phase of Round Three of the State Underground Power Program (the Program). The first four Major Residential Projects of Round Three are in the final stages of the Detailed Proposal phase. Work on Major Residential Projects (Round Three) commenced in the first quarter of 2004.
- Nine Major Residential Projects have been completed in Round Two of the Program..
- All local government authorities were invited to participate in Localised Enhancement Projects for Round Three of the Program and evaluation to short list suitable proposals has been undertaken.

Major Initiatives For 2004-05

- Continue implementation of the Government's electricity reform agenda. Key priorities include the completion of the detailed market design, the development of an electricity access code and the development of a legislative framework to support the reformed electricity market.
- Progress transitional arrangements in the lead up to full implementation of electricity reform, including the implementation of a liberalised electricity balancing arrangement that will facilitate economic supply to small customers ('Top Up and Spill' services).
- Phase One of the ARCPSP will be fully implemented with retailing arrangements established, and network and generation infrastructure and arrangements upgraded.
- Develop a multi-faceted policy approach for improving the reliability of power supply in country areas of SWIS and prepare an implementation plan.
- Priority initiatives at the national level include:
 - a response by the MCE to the Productivity Commission Review of the national Gas Access Regime;
 - the extension of new national regulatory arrangements to gas transmission; and
 - the development of a national framework for the regulation of energy distribution and retail.
- State interests will be represented and advanced in the consideration and development of an interjurisdictional emissions trading scheme.
- Continue to provide policy input on a range of Western Power issues, including Stage Two of the power procurement process.
- Commence gas full retail contestability in May 2004. The Office will have an ongoing role in monitoring the market's operation and future development and will facilitate any fine-tuning required. Consideration will be given to the development of a gas spot market for the South West of the State to facilitate efficient trading of any excess short-term gas transport capacity and supply.
- Complete final Major Residential Projects for Round Two of the State Underground Power Program by December 2004 and progress work on Round Three projects. Work on Round Three Localised Enhancement Projects is expected to commence in the second half of 2004-05.

Output 2: Development and implementation of sustainable energy policy and programs

The Government's sustainable energy policy seeks to achieve an increase in the adoption of renewable energy and energy efficiency by business, government agencies and the community. The Office of Energy, through the Sustainable Energy Development Office, facilitates achievement of the Government's sustainable energy policy through energy policy and program development and implementation.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	11,189	7,612	6,844	6,702	
Less Revenues from Ordinary Activities	9,159	3,000	3,000	3,000	
Net Cost of Output	2,030	4,612	3,844	3,702	
Adjustments ^(a)	481	(211)	316	709	
Appropriation for delivery of Output 2	2,511	4,401	4,160	4,411	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Items of Ministerial support.....	N/A	200	200	180	
Strategic policies developed	N/A	6	6	7	
Major policy and program implementation milestones achieved.....					
.....	N/A	10	10	13	
Incentive grants provided	N/A	1,230	1,800	1,510	
Information services provided	N/A	3	3	3	
Quality					
Minister's satisfaction rating of Ministerial support provided (1=Poor, 5=Excellent).....	N/A	4	4	5	
Minister's satisfaction rating of strategic policies developed (1=Poor, 5=Excellent)	N/A	4	4	5	
Minister's satisfaction rating of major policy and program implementation milestones (1=Poor, 5=Excellent).....	N/A	4	4	5	
Stakeholder satisfaction rating of incentive grants schemes (1=Poor, 5=Excellent).....	N/A	4	4	5	
Stakeholder satisfaction rating of quality of information and advice services (1=Poor, 5=Excellent)	N/A	4	4	5	
Timeliness					
Percentage of Ministerials completed on time.	N/A	80%	80%	80%	
Stakeholder satisfaction rating of timeliness of strategic policies developed (1=Poor, 5=Excellent)	N/A	4	4	4	
Percentage of major policy and program implementation milestones delivered.....	N/A	80%	80%	80%	
Average time taken to process incentive grant applications.....	N/A	2 weeks	1.8 weeks	2 weeks	
Stakeholder satisfaction rating of timeliness of information and advice services (1=Poor, 5=Excellent)	N/A	4	4	4	

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Cost (Efficiency)					
Average cost per item of Ministerial support...	N/A	550	399	385	
Average cost per strategic policy developed....	N/A	\$109,687	\$79,326	\$58,950	
Average cost of meeting major policy and program implementation milestones.....	N/A	\$184,977	\$133,775	\$89,217	SEDO is anticipated to deliver more policy and program implementation milestones in 2004-05 at reduced unit costs.
Average value of incentive grants paid.....	N/A	\$2,888	\$2,171	\$2,752	
Average cost per information and advice service.....	N/A	\$480,734	\$347,666	\$301,424	Better targeting of delivery of promotional campaigns and information services will increase cost efficiency.
Full Time Equivalents (FTEs)	21	21	21	21	

(a) Significant change to the Office's Outcome/Output structure and measures for the 2004-05 budget make comparison of actuals from the 2002-03 financial year invalid.

Major Achievements For 2003-04

- The Sustainable Energy Development Office (SEDO) increased its profile significantly in 2003-04, through:
 - the release in November 2003 of the first report of the Energy Smart Government Program that requires general sector government agencies to reduce their non-transport related energy use by 12% over five years from 2002-03. An aggregate energy reduction of 2.71% was achieved in 2002-03;
 - the launch of SEDO's first electronic newsletter in November 2003 and the re-modelling of its website, leading to a 156% increase in web hits;
 - the provision of policy advice on energy-related greenhouse emissions and assistance to the Greenhouse Task Force in developing its WA Greenhouse Strategy;
 - the provision of a number of community awareness and education programs during the year, including the continuation of the Reach for the Stars program that focuses on efficient appliances, promotion of house energy efficiency through the highly rating 'Nuts and Bolts' television program and the introduction of the First Rate house energy rating program; and
 - the introduction of the Australian Building Greenhouse Rating scheme for commercial buildings, which has been embraced by local buildings industry organisations.
- The Solar Water Heater rebate scheme was reviewed and re-targeted to broaden eligibility. Uptake has increased significantly.
- Negotiations took place to extend the operation of the Renewable Remote Power Generation Program (RRPGP) and to enable the application of funds to a broader range of programs.
- Continued the provision of rebates for households, businesses, Aboriginal communities and water pumping.
- The SEDO Grants Committee was restructured and new directions established for better targeting of research and demonstration funds.
- A Special Regional Funding Round was advertised in March 2004 for regional communities to access funds for cost-effective sustainable energy solutions that reduce energy use or increase the use of renewable energy.

Major Initiatives For 2004-05

- SEDO will:
 - continue to assist Government agencies to achieve their energy reduction targets under the Energy Smart Government program and access available facilitation grants and capital advances;
 - work with the housing industry to extend the use of the First Rate house energy rating tool;
 - consolidate cross-agency and industry relationships and collaboration in promoting increased use of sustainable energy;
 - work with other Government agencies to develop guidelines and streamline planning processes for renewable energy projects;
 - continue to provide research and demonstration funding through the SEDO Grants Committee; and
 - work with regional communities to deliver multiple benefits from funding support to reduce energy demand or increase the use of renewable energy.
- Pending the signing of a new RRRGP agreement, new programs for fringe-of-grid renewable energy installations and off-grid energy efficiency programs will be established.

CAPITAL WORKS PROGRAM

The Office's capital works program consists of the replacement of computing equipment, office equipment and furniture. In accordance with the Office's capital investment plan and depreciation policy, computing equipment is budgeted for replacement after three years, other office equipment after five years and furniture as required.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-04 \$'000	Estimated Expenditure 2003-04 \$'000	Estimated Expenditure 2004-05 \$'000
WORKS IN PROGRESS				
Network System Security Software	68	34	34	-
COMPLETED WORKS				
Computer Hardware and Software Replacement - 2002-03 Program	223	223	26	-
2003-04 Program	193	193	193	-
NEW WORKS				
Computer Hardware and Software Replacement - 2004-05 Program	292	-	-	292
	<u>776</u>	<u>450</u>	<u>253</u>	<u>292</u>

CAPITAL CONTRIBUTION

The Office's capital works program consists of asset replacement. The cost of the program is met through a combination of output appropriations, capital contribution and drawdowns from the Holding Account.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program.....	235	227	253	292	251	269	255
	235	227	253	292	251	269	255
LESS							
Drawdowns from the Holding Account.....	69	117	117	189	193	166	197
Funding included in output appropriations ^(a) ..	-	-	-	103	58	103	58
Internal Funds and Balances.....	12	-	26	-	-	-	-
Capital Contribution.....	154	110	110	-	-	-	-

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

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	4,227	4,810	4,030	4,193	4,086	3,424	3,000
Superannuation	396	525	525	540	485	415	415
Grants and subsidies ^(b)	14,700	8,898	10,374	8,598	8,638	8,638	8,638
Supplies and services	3,824	4,081	11,539	2,539	6,037	5,342	3,314
Accommodation	447	450	450	450	450	450	450
Capital User Charge	169	106	106	113	119	284	284
Depreciation and amortisation	190	290	265	210	215	140	120
Administration	712	-	-	-	-	-	-
Costs of disposal of non-current assets	32	-	-	-	-	-	-
Other expenses	-	-	-	22	23	23	24
TOTAL COST OF SERVICES	24,697	19,160	27,289	16,665	20,053	18,716	16,245
Revenues from ordinary activities							
Regulatory Fees and Fines	44	48	30	-	-	-	-
Grants and subsidies	9,159	3,000	3,000	3,000	3,000	3,000	3,000
Other Revenue	922	-	-	-	-	-	-
Total Revenues from Ordinary Activities	10,125	3,048	3,030	3,000	3,000	3,000	3,000
NET COST OF SERVICES	14,572	16,112	24,259	13,665	17,053	15,716	13,245
REVENUES FROM STATE GOVERNMENT							
Output Appropriations	15,053	15,901	25,775	15,224	18,137	14,171	12,701
Resources received free of charge	124	120	120	98	97	97	96
Liabilities assumed by the Treasurer	32	-	-	-	-	-	-
TOTAL REVENUES FROM STATE GOVERNMENT	15,209	16,021	25,895	15,322	18,234	14,268	12,797
CHANGE IN EQUITY RESULTING FROM OPERATIONS	637	(91)	1,636	1,657	1,181	(1,448)	(448)
Extraordinary items	25	-	-	-	-	-	-
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	662	(91)	1,636	1,657	1,181	(1,448)	(448)

(a) The Full Time Equivalent (FTEs) for 2002-03 Actual, 2003-04 Estimated Actual and 2004-05 Estimate are 65, 65 and 65 respectively.

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

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	3,955	958	2,652	950	890	542	204
Restricted cash.....	2,420	814	1,959	1,694	1,704	1,714	1,714
Energy Smart advances to agencies.....	-	-	800	5,900	12,184	8,184	4,184
Receivables.....	115	80	115	115	115	115	115
Amounts receivable for outputs.....	117	162	189	193	166	197	-
Prepayments.....	2	33	5	4	5	5	5
Other.....	-	2,000	1,500	4,250	8,250	5,250	3,750
Total current assets.....	6,609	4,047	7,220	13,106	23,314	16,007	9,972
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	329	519	467	584	633	576	716
Plant, equipment and vehicles.....	552	694	489	468	451	497	574
Other.....	-	3,500	2,000	2,750	1,000	4,000	5,500
Total non-current assets.....	881	4,713	2,956	3,802	2,084	5,073	6,790
TOTAL ASSETS.....	7,490	8,760	10,176	16,908	25,398	21,080	16,762
CURRENT LIABILITIES							
Superannuation.....	-	150	-	-	-	-	-
Payables.....	185	161	225	266	261	371	481
Provision for employee entitlements.....	444	490	484	554	564	554	574
Accrued Salaries.....	116	150	166	-	30	60	60
Amounts due to the Treasurer.....	516	5,500	1,316	6,416	13,700	10,700	6,700
Total current liabilities.....	1,261	6,451	2,191	7,236	14,555	11,685	7,815
NON-CURRENT LIABILITIES							
Provision for employee entitlements.....	293	320	303	333	323	323	323
Total non-current liabilities.....	293	320	303	333	323	323	323
TOTAL LIABILITIES.....	1,554	6,771	2,494	7,569	14,878	12,008	8,138
EQUITY							
Contributed Equity.....	737	847	847	847	847	847	847
Accumulated surplus/(deficit).....	5,199	910	6,835	8,492	9,673	8,225	7,777
Asset revaluation reserve.....	-	232	-	-	-	-	-
Total equity.....	5,936	1,989	7,682	9,339	10,520	9,072	8,624
TOTAL LIABILITIES AND EQUITY.....	7,490	8,760	10,176	16,908	25,398	21,080	16,762

**STATEMENT OF CASH FLOWS
(Controlled)**

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Output Appropriations	14,763	15,561	25,448	14,914	17,922	14,031	12,561
Capital Contribution	154	110	110	-	-	-	-
Holding Account Drawdowns.....	69	117	117	189	193	166	197
Net cash provided by State government.....	14,986	15,788	25,675	15,103	18,115	14,197	12,758
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs	(4,668)	(4,710)	(3,930)	(4,243)	(4,056)	(3,404)	(2,980)
Superannuation	(514)	(525)	(525)	(540)	(485)	(415)	(415)
Supplies and services.....	(3,507)	(7,424)	(14,882)	(5,915)	(8,196)	(5,135)	(3,108)
Grants and subsidies	(14,700)	(8,898)	(10,374)	(8,598)	(8,638)	(8,638)	(8,638)
Accommodation.....	(475)	(450)	(450)	(450)	(450)	(450)	(450)
Administration	(266)	-	-	-	-	-	-
Capital User Charge.....	(169)	(106)	(106)	(113)	(119)	(284)	(284)
Goods and Services Tax	(436)	(500)	(500)	(510)	(510)	(510)	(510)
Other.....	(14)	-	-	(22)	(23)	(23)	(24)
Receipts							
Regulatory fees and fines.....	28	48	30	-	-	-	-
Goods and Services Tax	517	500	500	510	510	510	510
Grants and subsidies	9,159	3,000	3,000	3,000	3,000	3,000	3,000
Other.....	1,010	-	-	-	-	-	-
Net cash from operating activities	(14,035)	(19,065)	(27,237)	(16,881)	(18,967)	(15,349)	(12,899)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(315)	(227)	(202)	(189)	(198)	(186)	(197)
Net cash from investing activities	(315)	(227)	(202)	(189)	(198)	(186)	(197)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	-	(500)	(500)	(800)	(1,000)	(3,000)	(4,000)
Other payments for financing activities	-	-	(1,300)	(5,900)	(8,284)	-	-
Proceeds from borrowings	516	4,000	1,300	5,900	8,284	-	-
Other proceeds from financing activities	-	-	500	800	2,000	4,000	4,000
Net cash from financing activities	516	3,500	-	-	1,000	1,000	-
NET INCREASE/(DECREASE) IN CASH HELD	1,152	(4)	(1,764)	(1,967)	(50)	(338)	(338)
Cash assets at the beginning of the reporting period	5,223	1,776	6,375	4,611	2,644	2,594	2,256
Cash assets at the end of the reporting period.....	6,375	1,772	4,611	2,644	2,594	2,256	1,918

SCHEDULE OF ADMINISTERED EXPENSES AND REVENUES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
EXPENSES							
Supplies and services.....	33	-	-	-	-	-	-
Transfer of Assets/Liabilities.....	380	-	132	159	-	-	-
TOTAL ADMINISTERED EXPENSES ^(a)..	413	-	132	159	-	-	-
REVENUES							
Interest.....	21	30	15	6	-	-	-
TOTAL ADMINISTERED REVENUES	21	30	15	6	-	-	-

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

SCHEDULE OF ADMINISTERED ASSETS AND LIABILITIES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
ADMINISTERED CURRENT ASSETS							
Cash.....	364	516	247	-	-	-	-
Total Administered Current Assets	364	516	247	-	-	-	-
TOTAL ADMINISTERED ASSETS	364	516	247	-	-	-	-
ADMINISTERED CURRENT LIABILITIES							
Superannuation.....	94	94	94	-	-	-	-
Total Administered Current Liabilities	94	94	94	-	-	-	-
TOTAL ADMINISTERED LIABILITIES..	94	94	94	-	-	-	-

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Supplies and services.....	(33)	-	-	-	-	-	-
Transfer of Assets/Liabilities.....	(380)	-	(132)	(253)	-	-	-
TOTAL ADMINISTERED CASH OUTFLOWS.....	(413)	-	(132)	(253)	-	-	-
CASH INFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Interest.....	21	30	15	6	-	-	-
TOTAL ADMINISTERED CASH INFLOWS.....	21	30	15	6	-	-	-
NET CASH INFLOWS/(OUTFLOWS) FROM ADMINISTERED TRANSACTIONS.....	(392)	30	(117)	(247)	-	-	-

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
State's contribution to the Underground Power Project.....	4,820	4,820	4,820	4,820	4,820	4,820	4,820
Financing Efficient Energy Use Program.....	265	-	92	-	-	-	-
Energy Smart Government Facilitation Grants	-	-	203	100	150	150	150
SEDO Grants Committee - Special Funding Round.....	-	-	238	-	-	-	-
Remote Area Power Systems Rebate Scheme (includes State's contribution to the Remote Regional Power Generation Program or RRP GP).....	416	-	-	-	-	-	-
SEDO Grants Committee Trust Account Grants.....	113	153	244	180	180	180	180
Commonwealth Specific Purpose Renewable Energy Funds - RRP GP.....	8,613	2,930	3,402	2,900	2,873	2,873	2,873
Commonwealth Specific Purpose Renewable Energy Funds - Photovoltaic Rebate Program.....	132	500	200	-	-	-	-
Solar Hot Water Heater Incentive Scheme.....	192	430	1,065	488	550	550	550
National Gas Pipelines Advisory Committee - State's contribution.....	99	65	110	110	65	65	65
Other subsidies and sponsorships.....	50	-	-	-	-	-	-
TOTAL	14,700	8,898	10,374	8,598	8,638	8,638	8,638

DETAILS OF THE ADMINISTERED TRANSACTIONS EXPENSES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
OTHER STATE SERVICES							
Payments made from residual Gas Corporation funds administered.....	413	-	132	159	-	-	-
TOTAL	413	-	132	159	-	-	-

DETAILS OF THE ADMINISTERED TRANSACTIONS REVENUE

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
OTHER							
Interest to Gas Corporation Administered Bank Accounts.....	21	30	15	6	-	-	-
TOTAL	21	30	15	6	-	-	-

TRUST ACCOUNT DETAILS**SEDO Grants Committee Trust Account**

To hold funds for the purpose of funding the operations of the SEDO Grants Committee, including the funding of renewable energy and energy efficiency demonstration and educational projects.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000
Opening Balance	242	92	313	244
Receipts:				
Appropriations.....	250	250	250	250
Other	-	-	-	-
	492	342	563	494
Payments	179	252	319	250
CLOSING BALANCE.....	313	90	244	244

Commonwealth Funded Initiatives and Programs Trust Account

To hold funds provided by the Commonwealth Government for the conduct of energy related initiatives by the Office of Energy.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000
Opening Balance	1,601	584	1,952	1,550
Receipts:				
Appropriations.....	-	-	-	-
Other	9,658	3,000	3,000	3,000
	11,259	3,584	4,952	4,550
Payments	9,307	2,930	3,402	3,100
CLOSING BALANCE.....	1,952	654	1,550	1,450

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:

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000
Gas Trading and Distribution Licenses.....	28	48	30	-
GST input credits.....	517	500	500	510
Revenues from Commonwealth for Renewable Energy Initiatives.....	9,159	3,000	3,000	3,000
Other	1,010	-	-	-
TOTAL.....	10,714	3,548	3,530	3,510

(a) The functions relating to gas trading and distribution licensing transferred to the Economic Regulation Authority from March 2004.

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

WESTERN POWER

CAPITAL WORKS PROGRAM

Western Power's capital expenditure program for 2004-05 is focused on improving the quality, reliability and safety of supply in both regional and metropolitan areas, and to provide increased capacity to serve existing and new customers. The 2004-05 capital expenditure program totals \$418.6 million, an increase of 24% over the 2003-04 program and represents a substantial stimulus for the State's electricity system.

Distribution

- Expenditure within the Distribution segment of the business focuses on maintaining and improving reliability and quality of supply through ongoing enhancement and upgrading of the system. A total of \$117.7 million is being allocated to new connections, capacity enhancement, public safety and replacement of ageing assets within the distribution network. This allocation includes a special fund totalling \$12 million to cater for rural reliability and safety issues, including those raised by the Director of Energy Safety. Projects included in the overall allocation include:
 - a new 28km feeder leg outside Northam substation to York;
 - a voltage regulator to increase capacity to the Ravensthorpe - Gnowangerup feeder;
 - reinforcing the Kirup feeder to increase capacity and improve supply security in the Donnybrook area;
 - distribution works to interconnect the new Meadow Springs substation;
 - new voltage regulators on the Ludlow feeder (Busselton) to increase supply capacity;
 - new voltage regulators on the Quangellup feeder (Mt Barker/Franklin) to increase supply capacity; and
 - a new feeder from the Cockburn Cement substation to improve reliability and increase capacity
- The State Underground Power Project during 2004-05 will cost \$18.8 million. This project, which involves undergrounding of the existing aerial distribution system in both country and metropolitan areas, is being carried out by Western Power in conjunction with the State and Local Governments.

Transmission

- Transmission expenditure of \$138.1 million is focused on the infrastructure required to ensure the reliability and capacity of the network. This allocation will enable the continuation of major transmission works including:
 - Pinjar to Cataby - Eneabba 132 kV line designed to meet load growth in the north country area;
 - Muja to Bridgetown - Manjimup 132 kV line providing these areas with additional capacity and reliability of supply;
 - East Perth - Cook Street 132 kV Underground Circuit;
 - Southern Terminal – East Perth Terminal 132 kV line upgrade;
 - Southern Terminal – Cannington Terminal new 132 kV line; and
 - the Rivervale substation upgrade.
- New projects include the construction of substations at Padbury, Meadow Springs, Clarkson and Rangeway.
- Other Transmission expenditure provides for the construction of new lines and substations, and upgrades and enhancements to existing lines, substations, protection systems and communications facilities throughout the South West Interconnected System.

Generation

- Within Generation, \$34.7 million has been allocated to support the achievement of efficiency, reliability and environmental targets for thermal power stations. The most significant item within this allocation is the provision of spare parts for the Cockburn 1 power station to ensure any interruption to supply is kept to a minimum.
- Funds totalling \$25 million have also been allocated for a number of renewable and sustainable energy projects in both the South West Interconnected System and the Non-Interconnected System. The major projects for the next financial year include:
 - provision for a large grid connected wind farm as part of the Renewable Energy Power Procurement process;
 - installation of a wind/diesel plant at Bremer Bay; and
 - installation of a high efficiency diesel generation plant to support the recently completed wind turbine at Hopetoun.

Other Major Initiatives

- Within the isolated Regional and Pilbara systems, the focus remains on continuity of supply and system reinforcement. In the Pilbara, funds have been provided for undergrounding of the existing aerial distribution system in Port Hedland. Expenditure within the isolated Regional system provides for the progressive connection of facilities, as they become available through the Regional Power Procurement process.
- \$31.4 million has been allocated in 2004-05 for the development of systems to support initiatives arising from the recently enacted legislation to establish a wholesale electricity market and for the development of related information technology systems, reflecting the Government's continued commitment to electricity reform.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-04 \$'000	Estimated Expenditure 2003-04 \$'000	Estimated Expenditure 2004-05 \$'000
WORKS IN PROGRESS				
Electricity Market Reform.....	79,600	15,000	15,000	31,400
COMPLETED WORKS				
Distribution -				
Customer Driven, New Capacity, Asset Replacement, Public Safety - 2003-04 Program.....	115,600	115,600	115,600	-
Undergrounding Project - 2003-04 Program.....	16,600	16,600	16,600	-
Generation -				
2003-04 Program.....	29,000	29,000	29,000	-
Emerging Business - 2003-04 Program.....	9,100	9,100	9,100	-
Non Interconnected Systems -				
Customer Driven, New Capacity, Asset Replacement, Public Safety 2003-04 Program.....	22,600	22,600	22,600	-
Other Works -				
2003-04 Program.....	27,500	27,500	27,500	-
Transmission -				
2003-04 Program.....	101,100	101,100	101,100	-
NEW WORKS				
Distribution -				
Customer Driven, New Capacity, Asset Replacement, Public Safety - 2004-05 Program.....	117,700	-	-	117,700
Undergrounding Project - 2004-05 Program.....	18,800	-	-	18,800
Generation -				
2004-05 Program.....	34,700	-	-	34,700
Emerging Business - 2004-05 Program.....	25,000	-	-	25,000
Non Interconnected Systems -				
Customer Driven, New Capacity, Asset Replacement, Public Safety - 2004-05 Program.....	11,000	-	-	11,000
Underground Power Project - Port Hedland.....	7,600	-	-	3,200
Other Works -				
2004-05 Program.....	38,700	-	-	38,700
Transmission -				
2004-05 Program.....	138,100	-	-	138,100
	792,700	336,500	336,500	418,600

CAPITAL CONTRIBUTION

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program.....	451,357	395,355	336,500	418,600	397,900	350,400	358,700
LESS							
Borrowings.....	83,500	95,000	-	90,000	55,000	23,000	-
Internal Funds and Balances.....	367,857	300,355	336,500	328,600	342,900	327,400	358,700
Capital Contribution.....	-	-	-	-	-	-	-

Part 4
Minister for Agriculture, Forestry and Fisheries; The Mid-West,
Wheatbelt and Great Southern

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000
221	Agriculture			
	– Delivery of Outputs	120,417	118,449	116,769
	– Administered Grants, Subsidies and Other Transfer Payments	1,178	1,178	1,178
	– Capital Contribution	-	-	2,296
	Total	121,595	119,627	120,243
252	The Agriculture Protection Board			
	– Delivery of Outputs	2,404	2,409	2,413
	Total	2,404	2,409	2,413
260	Western Australian Meat Industry Authority .....	...	...	...
261	Perth Market Authority .....	...	...	...
262	Rural Business Development Corporation			
	– Delivery of Outputs	158	158	181
	Total	158	158	181
270	Fisheries			
	– Delivery of Outputs	22,944	22,438	23,619
	– Capital Contribution	5,000	5,000	7,150
	Total	27,944	27,438	30,769
288	Forest Products Commission.....	...	...	...
289	Mid West Development Commission			
	– Delivery of Outputs	1,550	1,522	1,549
	Total	1,550	1,522	1,549

Part 4
Minister for Agriculture, Forestry and Fisheries; The Mid-West,
Wheatbelt and Great Southern — *continued*

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000
304	Wheatbelt Development Commission			
	– Delivery of Outputs	1,393	1,374	1,783
	Total	1,393	1,374	1,783
315	Great Southern Development Commission			
	– Delivery of Outputs	2,199	2,187	1,602
	– Capital Contribution	322	322	5,249
	Total	2,521	2,509	6,851
	GRAND TOTAL			
	– Delivery of Outputs	151,065	148,537	147,916
	– Administered Grants, Subsidies and Other Transfer Payments	1,178	1,178	1,178
	– Capital Contribution	5,322	5,322	14,695
	Total	157,565	155,037	163,789

AGRICULTURE

PART 4 - MINISTER FOR AGRICULTURE, FORESTRY AND FISHERIES; THE MID-WEST, WHEATBELT AND GREAT SOUTHERN

DIVISION 11

APPROPRIATION AND FORWARD ESTIMATES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 38 Net amount appropriated to deliver outputs	127,036	120,267	118,299	116,619	133,876	154,317	157,558
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	150	150	150	150	150	150	150
Total appropriations provided to deliver outputs	127,186	120,417	118,449	116,769	134,026	154,467	157,708
ADMINISTERED TRANSACTIONS							
Item 39 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	1,178	1,178	1,178	1,178	1,178	1,178	1,178
CAPITAL							
Item 126 Capital Contribution	-	-	-	2,296	4,829	-	-
GRAND TOTAL	128,364	121,595	119,627	120,243	140,033	155,645	158,886

MISSION

The Department of Agriculture will accelerate the success of agriculture, food and fibre industries through information, science and innovation, responsible management of the resource base, policy and regulation across all elements of the supply chain.

SIGNIFICANT ISSUES AND TRENDS

Industry and market development

- Primary agricultural production represents the largest renewable resource-based industry in Western Australia. The agri-food industries, including retailing and food service sector, represent more than 9% of the State's economy. The sector creates employment for more than 11% of the State's workforce and is the largest employer in the rural regions.
- **Gross State Product (GSP) contribution 1997-2002**

	1998-99	1999-00	2000-01	2001-02	2002-03
Proportion of GSP attributed to agriculture and associated industries (%) ^(a)	8.0%	8.8%	9.3%	9.2%	8.8%
Total GSP (\$ million)	66,609	68,933	68,089	77,495	81,107

- (a) The direct contribution of the agriculture, forestry and fishing sector to the State's GSP in 2002-03 was 3.6%. The indirect contribution to GSP of related industries within other sectors is estimated to be an additional 5.2%. The contribution in 2002-03 was lower due to the effects of drought, however the forecast for 2003-04 is expected to be significantly higher.

- The Western Australian food-processing sector has an annual turnover of approximately \$3.5 billion and has grown at an average of 4.5% per annum over the last ten years. Much of the growth is directed to exports. Studies indicate an economic multiplier of 6:1 for every dollar created by the food sector and an employment multiplier of 12:1 for every person employed. The agri-food industry represents the second largest export sector with more than 82% of the total value of production being exported.
- The industry has undergone many changes in recent years that need to be considered when looking at the various demands for policy intervention and government activities:
 - the industry has shifted towards being more market driven and conscious of consumer needs;
 - healthy food is now the new paradigm;
 - radical shift in the supply chain from manufacturers to major retailer and food service companies dictating trends for products and innovation;
 - the industry increasingly needs to integrate production and distribution chains; and
 - increasing demand for intellectual property protection, management and commercialisation.
- Since 1993-94, agricultural production has increased 51% (\$1.6 billion) and exports of raw agricultural produce has increased 35% (\$1.0 billion) over the same period.
- Western Australia currently exports (\$3.8 billion) approximately 63% of production (\$6.1 billion) and represents:
 - 40% of Australia's grain exports;
 - 25% of Australia's wool clip and supplies 6% of the world's apparel wool;
 - 31% of Australia's vegetable exports;
 - 30% of Australia's plum, peach and nectarine exports and more than 60% of Australia's strawberry exports; and
 - 60% of live animal exports.
- The application of modern information management, communication, global positioning, remote sensing, auto-detection and identification and tracing technology will be increasingly important to the assurance of product quality and safety, maintenance of animal and plant health and protection of the natural environment.
- Adoption of new food and fibre production technologies, including the use of biotechnology coupled with more intensive production techniques will become a major driver for change.
- More mechanised industries, such as grains, carrots and wine are up-scaling and farm sizes are increasing. These industries are attracting new capital investments because of good returns, and are having a strong positive impact on regional economies. However, labour supply is an increasing issue in remote agricultural areas, and availability of seasonal labour appears to be trending downward. There will be continued drive toward more labour efficient and flexible farm operations, placing further downward pressure on rural communities.
- Supermarket consolidation and penetration into Western Australia's traditional markets in Asia is continuing. However, disaggregation of food retailing is becoming evident in mature markets like the USA, particularly in areas of higher incomes, where retailers offer an up-market shopping experience. These contrasting trends may offer new opportunities for high quality Australian produce.
- There has been a trend towards intensification of animal industries in Western Australia with increases in lot-feeding in the beef and lamb industries, development of intensive feeding systems in the dairy industry and the concentration of sheep on fewer pasture hectares as the cropping area has expanded. This is leading to a need for research and development into new fodder and feeding systems, management of the nutrient impact and development of new production systems.
- Increasing diversity in farming enterprises due to changes in product type or farming systems will lead to an increased need to manage on-farm storage and handling, an increased requirement to segregate material based on crop type, development of improved crop production techniques and an ability to track Quality Assured (QA) grain. Changes in growers' ability to manage and market their own grain will be complemented by changes in bulk storage being able to segregate grain without contamination, develop a QA supply chain and to deliver grain to the market with the best quality.

- The ability of growers to obtain independent, reliable information on varieties and performance upon deregulation of plant breeding will become a significant issue. A large number of public and private companies will be contributing new varieties to the market often with limited information on their performance under a diverse set of environments.
- Pressure is building within rangeland industries as a result of increasing costs of production and a declining human resource base. Traditional European-grazing systems (set stocking regimes, square paddock with corner waters) are being challenged. The challenge is to introduce more sustainable management systems that are predicated on total grazing control, decision point management, pasture rest and strategic utilisation, which more adequately reflect Western Australia's arid pastoral estate.
- Segregation and legal liability issues and the lack of clear market signals about consumer acceptance of genetically modified (GM) foods in domestic and overseas markets have resulted in the government adopting a cautious approach to the commercialisation of GM food crops in Western Australia. This will allow Western Australia's primary producers and marketers to identify and capitalise on the advantages of marketing all of the State's food produce as GM free.
- Western Australian producers have a high reliance on export markets and are affected significantly by changes to World Trade Organisation (WTO) agreements, regional free trade agreements (FTA) and subsidisation regimes of the European Union and USA. The introduction of the recent USA and Thailand FTAs will provide both opportunities and challenges to Western Australian agriculture.

Agriculture resource management

- Managing salinity in the South West and rangeland condition in the pastoral areas are high priority land degradation issues. For agricultural land use some difficult choices will need to be made to get the right level of investment for longer term ecological stability of the natural resource base on which rural communities and agricultural industries depend.
- Increasing costs of production has placed ongoing pressure on the profitability of many farms. This cost price squeeze coupled with inadequate management actions is placing pressure on the sustainability of the resource base.
- Greenhouse is becoming a more important issue, with potential adverse impacts in terms of reducing greenhouse emissions and adapting farming systems to climate change. There are also opportunities to diversify into the provision of environmental services through carbon credits, carbon trading schemes and increasing the area of revegetation.
- Linked with climate change is increased pressure on water resources. Increasingly agriculture will be required to account for the comparative profitability and efficiency of its water use. Growth in agricultural industries will be highly dependent on access to water resources.
- International commitments to the Conservation of Biodiversity (1993), World Trade Organisation (WTO) (2001) and the Kyoto Agreement for limiting greenhouse gas emissions are examples of international obligations that impact on agriculture in Western Australia and how it manages its natural resources. Though the recent WTO Doha Round finished in disarray, it is highly likely that linking agricultural sustainability to trade arrangements will remain a priority for future negotiations.
- In the short term the market is unlikely to be a major driver for environmental sustainability being limited to a relatively small number of producers supplying niche or specialised markets. However the industry must be positioned to meet the likelihood of increased export market pressures in this area.
- Major corporations are embracing the 'sustainable development' debate through triple bottom line reporting. Activities include industry imposed Codes of Practice for resource use and management, standards for environmental reporting and target setting for environmental burdens. The Western Australian Government has prepared a State Sustainability Strategy and has committed agencies to develop sustainability action plans for their sectors.
- An emerging trend, both internationally and within Australia, is for a regionally coordinated approach to community and economic development and the delivery of government services. A whole of government approach is increasingly being taken to integrate natural resource management (land, water and biodiversity) and agricultural production at the regional level. Strategic planning is occurring at the regional level to provide a more integrated approach to resource management that allows trade-offs with economic and social issues.

Biosecurity

- The threat of incursion of serious plant and animal pests and diseases and weeds will continue as a result of greater population mobility and increased international and interstate trade. Heightened public awareness and strengthened community commitment to biosecurity of the State's biological resources will be essential if the risk of incursions of serious exotic plant and animal pests and diseases and weeds is to be adequately mitigated.
- The significant economic and social impacts of animal diseases such as Foot and Mouth Disease, Bovine Spongiform Encephalopathy and Nipah virus will drive greater community expectation that susceptible animal industries and governments will work proactively to ensure that adequate prevention and preparedness measures are in place. Similar community expectations will emerge regarding the protection of natural resources from ingress of weeds, impact of non-native animals and diseases to which native flora and fauna are susceptible.
- Strategic biosecurity preparedness programs to reduce the potential impacts of pest and disease incursions will be increasingly important. Crop breeding programs will need to include offshore testing to evaluate germplasm for major diseases/pests to assess the status of current and future varieties to these risks such as Hessian fly, Karnal Bunt and Russian wheat aphid.
- Continued reliance on herbicides for weed control will require herbicide resistance strategies and control of resistant populations to induce lower levels of resistant weeds. Similarly increased reliance on fungicides for disease control will require management with improved plant resistance, farming systems that modify risk through management and better systems to forecast disease epidemics to prepare for and manage disease risk.
- Animal welfare issues are becoming increasingly important. Livestock industries will face increasing pressure from the community and markets to adopt and demonstrate the use of best animal welfare practices.
- The recent international terrorism attacks and heightened security concerns have resulted in a focus on food chain security. A risk of agri-terrorism exists, leading to a need to ensure adequate biosecurity risk management measures are in place.
- Under the international Sanitary and Phytosanitary Agreement there will be an ongoing need to scientifically justify both international and domestic import quarantine measures. The generation of rigorous survey data to demonstrate freedom of Western Australia from specific pests, diseases and weeds will be increasingly important in order to gain access for the State's produce to premium international markets.
- Modernisation of regulatory mechanisms, including the most appropriate interface of national and State legislation and regulations, and efficient industry and community consultation processes will be essential for the State's biosecurity regulatory system to keep pace with rapid biological, technological, market and community developments. Integration of legislation, more responsive regulatory processes, and adoption of co-regulatory schemes will be essential to the cost-effective regulation for plant and animal health, product integrity and natural resource protection.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Statement of Financial Performance since publication of the 2003-04 Budget to Parliament on 8 May 2003 are outlined below.

	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
Animal Biosecurity.....	300	600	1,500	2,000
National Livestock Identification System (NLIS)	1,025	-	-	-
Red Imported Fire Ants	-	970	493	-

OUTPUT AND APPROPRIATION SUMMARY

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
OUTPUTS							
<i>Output 1:</i>							
Food and fibre industry development	81,247	94,502	111,950	87,141			
<i>Output 2:</i>							
Agricultural resource management	45,560	39,143	49,306	52,386			
<i>Output 3:</i>							
Biosecurity	66,026	58,577	63,945	52,125			
<i>Output 4:</i>							
Services provided to Rural Business Development Corporation of Western Australia	10,059	5,504	8,226	3,801			
Total Cost of Outputs	202,892	197,726	233,427	195,453	226,124	238,362	242,980
<i>Less</i> Revenues from Ordinary Activities	94,797	74,784	73,878	76,893	90,265	82,188	83,440
Net Cost of Outputs	108,095	122,942	159,549	118,560	135,859	156,174	159,540
Adjustments ^(a)	19,091	(2,525)	(41,100)	(1,791)	(1,833)	(1,707)	(1,832)
Appropriation provided to deliver Outputs.	127,186	120,417	118,449	116,769	134,026	154,467	157,708
ADMINISTERED TRANSACTIONS							
Appropriation for Administered Grants, Subsidies and Transfer Payments	1,178	1,178	1,178	1,178	1,178	1,178	1,178
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	-	-	-	2,296	4,829	-	-
TOTAL CONSOLIDATED FUND APPROPRIATIONS	128,364	121,595	119,627	120,243	140,033	155,645	158,886

(a) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, 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 Acting Director General and the Treasurer.

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION

Relationship to Government Strategic Goals

Broad, high level government strategic goals are supported at agency level by more specific desired outcomes. Agencies deliver outputs to achieve these desired outcomes, which ultimately contribute to meeting the higher level government strategic goals. The following table demonstrates the linkage between the most appropriate Government Strategic Goal and the agency level desired outcomes and outputs.

Government Strategic Goal(s)	Desired Outcome(s)	Output(s)
To develop a strong economy that delivers more jobs, more opportunities and greater wealth to Western Australians by creating the conditions required for investment and growth.	Increased competitiveness and profitability of Agriculture, food and fibre industries	1. Food and fibre industry development
To ensure that Western Australia has an environment in which resources are managed, developed and used sustainably, biological diversity is preserved and habitats protected.	Improved ecological sustainable development of agri-industry	2. Agricultural resource management
To ensure that regional Western Australia is strong and vibrant.	Effective management of biosecurity	3. Biosecurity

Outcome: Increased competitiveness and profitability of Agriculture, food and fibre industries

1. Effectiveness Indicator - Total Factor Productivity

Total Factor Productivity (TFP)^(a) growth in Western Australian broad acre agriculture continues to remain the highest among all Australian States. From 1988-89 to 2001-02, average annual TFP growth is estimated at 4.53% compared to that of 2.96% for Australia as a whole. Adverse seasons in 2001-02 and 2002-03 have impacted on TFP. Actual and projected TFP index values (with the base year of 1987-88=100%) are presented in the table below.

The actual productivity in 2002-03 sharply declined due to severe drought across the country. On the other hand, high rate of productivity improvement in 2003-04 is largely attributable to the domination of grain production in the State's agriculture sector with favourable seasonal condition. The Department of Agriculture Western Australia is the main provider of varieties of many crops.

Outcomes and Key Effectiveness Indicators ^(b)

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target ^(c)	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Outcome: Increased competitiveness and profitability of Agriculture, food and fibre industries					
Australia	117	156	166	160	The variation is mainly due to record crop production from favourable season in 2003-04.
Western Australia	135	185	197	186	
Outcome: Improved ecologically sustainable development of agri-industry					
The extent to which recipients were satisfied with the way schemes are administered	94%	86%	90%	90%	

- (a) TFP is defined as the ratio of outputs and inputs quantity indexes. It is calculated using 'Tornqvist indexes' to aggregate diverse groups of outputs and inputs. TFP growth over a period is measured by averaging simple annual percentage changes in TFP indexes. TFP growth provides an indicative measure of improvements brought about by changes in technical efficiency and better production methods in agriculture.
- (b) More details of effectiveness indicators are provided in the annual report.
- (c) Shaded values are based on the assumption of normal production year in Western Australia broadacre Agriculture.

2. Effectiveness Indicator – Gross Value of Production

Gross value of agricultural production (GVAP) is a good determinant of the health of the agricultural sector. It has been proven by many research studies across the world that the outputs of agricultural sectors are significantly influenced by research and development organisations like the Department of Agriculture. As can be seen from the following table, the GVAP of Western Australia's agricultural sector has progressively risen over the past eight years. The impact of very poor seasons in 2000-01 and 2002-03 is evident, however, in 2003-04 it is estimated that production will be at record levels. The effect of de-stocking during the poor seasons will marginally slow the growth of GVAP.

Key Effectiveness Indicator ^(a)

Year	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04 target	2003-04 est	2004-05 target
GVAP(\$m)	4,055	4,276	4,734	4,387	5,523	4,387	5,200	5,900	6,400

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

3. Effectiveness Indicator – Uptake of Grain Varieties

The Department of Agriculture is the main provider of new varieties for the dominant export crops grown in Western Australia (eg. wheat, lupins and barley). The market share of Department of Agriculture developed varieties highlights the effectiveness of the breeding programs for Western Australian conditions.

The table below shows, that despite a particularly difficult growing season, there has been an overall increase in the market share of Department of Agriculture bred crop varieties. In 2002, all crops (excluding field peas) show over 80% inclusion of Department of Agriculture lines. In total there has been an increase from 87.1% in 2001 to 87.9% in 2002.

Key Effectiveness Indicator ^(a)

Variety	% of Western Australian crop area sown to crop varieties developed by the Department of Agriculture	Season hectares planted	% of Western Australian crop area sown to crop varieties developed by the Department	Season hectares planted
		2001	2002	
Wheat	84.2	4,590,000	85.7	4,350,000
Barley	88.9	1,000,000	89.6	1,088,000
Oats	96.1	305,000	95.2	287,000
Lupins	99.6	950,000	99.9	920,000
Field peas	1.2	40,000	5.9	70,000
Chickpeas	95.4	16,000	97.8	6,000
TOTAL	87.1	6,901,000	87.9	6,721,000

Source: ABS data and the 2002 Crop Variety Sowing Guide

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

Outcome: Improved ecological sustainable development of agri-industry

The adoption of management practices that address off-site environmental impacts or contribute to the long-term sustainability of the natural resource base is crucial to the development of profitable agricultural industries in Western Australia. The Department of Agriculture is involved in raising awareness of sustainability issues and assisting in the uptake of these management practices through development and extension activities.

Agricultural extension research proposes that an increase in the levels of farmer knowledge and skills contribute to an increase in the adoption rates of recommended practice. The 2002-03 Agricultural Resource Management survey found that, of those who had attended at least one of the Department's extension event in the last 12 months, 74% felt that the event had improved their understanding of Landcare and natural resource management issues. This positive result suggests that the Department of Agriculture has had an impact on adoption rate of management practices that address off-site environmental impact or contribute to the long-term sustainability of the natural resource base.

The tables below list a suite of management practices that the Department of Agriculture promotes through its publications and its work with primary producers. The figures presented are findings from Department-commissioned surveys of primary producers in 1999-00, 2000-01, 2001-02 and 2002-03. In the surveys conducted in May of each year, producers were asked which practices they used in the last 12 months. Thus the responses in May 2003 relate to practices in the 2002 growing season and ensuing summer and autumn.

Western Australian primary producers in the Sheep/Wheat agricultural areas who used selected sustainable land management practices

Selected Management Practice	1999-00	2000-01	2001-02	2002-03	2003-04 target
	%	%	%	%	%
Agromony practices					
Planted saltland pasture species		21	23	15	20
Stubble retention or mulching practices	68	69	62	48	60
Farming to soil type		69	71	68	69
Land Conservation Management					
Tree/shrub planting	64	53	63	57	58
Preserve or enhanced areas of conservation value	60	82	61	59	60
Excluded stock from areas impacted by land degradation	43	75	62	66	65
Protected river or creek frontages from grazing animals	45	54	42	50	50
Resource Monitoring					
Regular soil testing for nutrient levels		68	71	58	65
Regular soil testing for pH			71	59	60
Surface water management					
Water on sloping land (eg grade banks)			57	48	48
Water on the valley floors using surface drains			32	29	30
Water on the valley floors using deep drains			17	12	12

The above table shows trends in the adoption of sustainable management practices by primary producers in the Sheep/Wheat Region. Successive poor seasonal conditions have had an adverse impact on the adoption of sustainable practices in this region in 2002. This is reflected in the survey results. There has also been a marked reduction in the area of grain planted and harvested during the same period. This could help to explain the reduced adoption rates of stubble retention or mulching. With less area planted to crop, greater pressure is placed on the use of stubble for grazing.

As a result of the poor seasons, many farmers are faced with significantly reduced incomes. Therefore the high establishment costs associated with saltland pastures could act as a deterrent and may account for the low adoption levels reported by the survey. However, this is an important management tool and it is expected that the Department of Agriculture's continued effort in this area will improve the adoption levels in future.

Generally the results show there is a high proportion of primary producers who continue to use sustainable practices such as livestock management and preservation of high conservation areas, reflecting continuing Department activity in this area over a number of years.

Western Australian primary producers in high rainfall agricultural areas who used selected sustainable land management practices

Selected Management Practice	1999-00	2000-01	2001-02	2002-03	2003-04 target
	%	%	%	%	%
Agronomy practices					
Stubble retention or mulching practices	27	33	18	27	27
Land Conservation Management					
Tree/shrub planting	59	43	50	48	45
Preserve or enhanced areas of conservation value	75	48	50	50	50
Excluded stock from areas impacted by land degradation	69	37	39	34	40
Protected river or creek frontages from grazing animals	40	32	48	41	42
Resource Monitoring					
Regular soil testing for nutrient levels			52	61	60
Regular soil testing for pH			54	67	60
Surface water management					
Water on sloping land (eg grade banks)			22	28	25
Water on the valley floors using surface drains			32	21	20
Water on the valley floors using deep drains			8	12	8

The above table shows trends in the adoption of sustainable management practices by primary producers in the high rainfall region. The results show that there is a continued use of sustainable production practices by primary producers. Although affected by adverse seasons, Western Australia's primary producers in the high rainfall region are still actively involved in using these sustainable production practices.

Western Australian primary producers in the Rangelands who use selected sustainable land management practices

Selected Management Practice	1999-00	2000-01	2001-02	2002-03	2003-04 target
	%	%	%	%	%
Permanent control methods on stock water supplies	67	67	68	69	68
Rotational pasture spelling during plant growth season	50	57	50	51	50
Fencing to land systems	64	57	53	56	56
Conduct a prescribed burn for management purposes	24	36	34	30	30
Preserve or enhance areas of conservation value	50	66	46	46	50
Excluded stock from areas impacted by land degradation	56	66	70	64	60
Protected river or creek frontages from grazing animals	36	36	27	29	30
Formal monitoring of vegetation/pasture conditions	82	83	80	77	75
Specifically spelled pasture for subsequent use by export cattle	23	32	24	17	20

Generally the table above shows there is a high proportion of primary producers who continue to use sustainable management practices. This reflects the Department of Agriculture's efforts to promote the adoption of sustainable management practices in the pastoral areas, especially in the areas of formal monitoring of vegetation/pasture condition, exclusion of stock from areas impacted by land degradation and permanent control methods on stock water supplies. As seen in the other regions, the activities involved in preserving and enhancing areas of conservation value peaked in 2001, which coincided with the peak in government assistance schemes involved in these activities.

Outcome: Effective management of biosecurity

Key Effectiveness Indicator ^(a)

	Output measure	2000-01	2001-02	2002-03	2003-04 target
1	Identifications of notifiable animal diseases	84	69	23	30
2	Number of animal diseases	18	15	9	6
3	Interceptions of significant pests, diseases & weeds	159	528	278	300
4	Number of pests	45	60	81	75
5	Removal of properties from quarantine	76	105	122	110

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

Animal Diseases

For animal disease identification, early identification is critical to successful control of a disease. A primary focus is the identification of potentially serious diseases. A disease is designated as being notifiable if it matches a set of criteria that relate to the likely scale of impact on agriculture and human health.

The Notifiable Stock Diseases of Western Australia were modified considerably in March 2002 to bring the State list into line with the National list, and modified again in March 2003. A number of diseases were removed from the list. However, the figures for diseases that were removed from the list have been included in the table to allow comparison with previous years. Three diseases, mucosal disease in cattle, annual ryegrass toxicity and Fowl cholera accounted for most (31 cases) of the reduction of identifications from 2001-02.

Interception of significant pests, diseases and weeds

The total excludes interceptions of insects from international sources, which are reported to the Commonwealth Government. Indicator 4 - number of pests is meant to minimise undue influence of individual pest species on the total. This indicates that 81 individual pests, diseases and weeds were intercepted 278 times.

For pest interceptions by interstate and international barrier quarantine activities, effectiveness is the exclusion of quarantine risk material. Sampling indicates successful exclusion of insect pests, plant diseases and weeds. A given pest is deemed significant when it is capable of inflicting a high damage cost.

The totals for 2002-03 declined mainly because of reduced interceptions of two pests (Pyralid Moth and Cicadellidae) and reduced shipments of three kinds of seed (Barley, Fumarja spp and Oats). The number of lines of seed rejected increased from 125 in 2000-01 to 401 in 2001-02 due to large quantities of oats and oat waste bi-products containing prohibited weed seeds from the Quaker Oats protocol being destroyed or re-exported under Western Australian Quarantine Inspection Service supervision. Some trial seed consignments with contaminants were also re-exported or cleaned under supervision. The number of lines rejected decreased to 192 in 2002-03 as this protocol was completed during 2001.

Quarantine

For quarantine releases, two activities - footrot eradication and chemical residues - were included to demonstrate effectiveness. When a property, flock or herd is released from quarantine, which may be by the issue of a permit, this signifies either freedom from a pest threat or control of the problem by virtue of management arrangements in place. Progressive releases indicate wider freedom from the threat, and thereby reduce the number of properties or flocks subject to future release.

There was a further reduction in the total number of properties quarantined because of footrot or chemical contamination in 2002-03. 63 properties were removed from chemical residue quarantine and 59 from footrot quarantine. However, there was a net increase in the number of properties quarantined for footrot rising from 67 to 88. Part of this increase can be explained by one operator that was issued with one quarantine notice in 2002, and in June this was replaced with 11.

Output 1: Food and fibre industry development

Generation, integration and application of knowledge which together with appropriate industry policy increases the international competitiveness and market opportunities for State agriculture, food and fibre industries.

This output contributes to increased profitability and competitiveness of agri-industry by providing agri-industry with leading edge science and innovation in the following areas:

- research and development of new plant and animal products;
- research and development of new farming techniques and practices;
- facilitation of strategic alliances to enhance trade;
- encouragement of investment attraction and provision of market intelligence;
- provision of key information and support for existing industries and the development of new industries; and
- development of industry, management and marketing policy.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	81,247	94,502	111,950	87,141	The increase in 2003-04 includes carryover funding resulting from various 2002-03 project delays. These project commitments are heavily tied to industry funded outcomes and are subject to external or seasonal factors. 2003-04 includes one off funding agreement for Enterprise Grains Australia.
Less Revenues from Ordinary Activities	26,794	27,592	33,754	27,124	
Net Cost of Output	54,453	66,910	78,196	60,017	
Adjustments ^(a)	10,992	(1,964)	(13,233)	4,555	
Appropriation for delivery of Output 1	65,445	64,946	64,963	64,572	

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

Output Performance Measures ^(a)

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Estimated person hours involved in research and industry development for the grains sector	774,882	768,617	826,675	737,942	
Estimated person hours involved in research and industry development for the horticulture sector	294,455	281,850	275,558	245,981	
Estimated person hours involved in research and industry development for the meat, dairy and other animal products sector	232,465	220,332	199,014	177,653	
Estimated person hours involved in research and industry development for the wool sector	185,972	184,293	137,779	122,990	
Estimated person hours involved in investment attraction and market intelligence and development.....	61,991	58,173	91,853	81,994	
Quality					
Funding from sources other than State Government	\$27 million	\$25 million	\$27 million	\$26 million	
Timeliness					
Research and industry development milestones achieved within time parameters.	92%	92%	91%	92%	

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Cost (Efficiency)					
Average hourly cost per person involved in research and industry development for the grains sector.....	\$51.92	\$61.48	\$72.57	\$64.26	
Average hourly cost per person involved in research and industry development for the horticulture sector	\$44.44	\$63.71	\$70.66	\$62.57	
Average hourly cost per person involved in research and industry development for the meat, dairy and other animal products sector	\$57.29	\$64.34	\$71.40	\$63.22	Please refer to note (b) below
Average hourly cost per person involved in research and industry development for the wool sector	\$57.11	\$61.53	\$68.75	\$60.88	
Average hourly cost per person involved in investment attraction and market development	\$66.66	\$64.98	\$77.35	\$68.48	
Value of Dairy Assistance Grants administered ^(b)	\$5 million	Nil	\$1.7 million	Nil	Scheme finished at the end of 2003-04.
Full Time Equivalents (FTEs)	741	736	736	657	

(a) Some of the above measures are focused on inputs due to previous output based structure proving less effective. As systems develop, output based measures will be implemented.

(b) For 2002-03 Actual, the Dairy assistance figures were incorporated within the hourly values for meat, dairy and other animal products.

Major Achievements For 2003-04

- The discovery of a unique method to make milk and other dairy substitute products from lupin grains and the transfer of the technology to the private sector for commercialisation has generated new relationships with the food industry to foster the development of lupin based food.
- The Department of Agriculture continued to lead the Indian Ocean Climate Initiative, which has confirmed a 10-20% decrease in winter rainfall and 0.7 degree temperature rise over much of the agricultural area over the last 30 years. Both natural variability and enhanced greenhouse effect appear responsible. These changes are climatically significant and continued change is likely to have a profound influence on Western Australian agriculture. Grains Research and Development Corporation (GRDC) announced co-investment with the Department of Agriculture into two significant research projects to investigate potential impacts of climate change on the grains industry and to validate and extend the Department's experimental seasonal forecasting system.
- The Cereal Breeding Program is developing major new programs to breed for hostile soils and environments. Australian Centre for International Agricultural Research have confirmed support for drought tolerance work and the GRDC for soil salinity work jointly with Commonwealth Scientific and Industrial Research Organisation. Both programs will build on extensive collaborative links established in China and India. This leadership in abiotic stress research is recognised by the Molecular Plant Breeding Cooperative Research Centre (CRC) which has identified the Department of Agriculture as leading the CRC research in physiological and molecular breeding approach to solutions.
- The Wheat Breeding Project released two new varieties 'EGA Blanco' and 'EGA Castle Rock' suited to the Asian steam bread markets. The program has entered into an agreement with AWB Limited for a market development program with EGA Blanco whereby Western Australia growers will be paid a premium for EGA Blanco deliveries marketed in South Korea to develop this market. The AWB Limited has also expressed interest in EGA Castle Rock for this market. This variety is already in a premium grade (Australian Hard) and presents a versatile alternative to EGA Blanco for Asian markets.
- The program has also released two new soft wheats, EGA Jitarning and EGA2248. This release will have a profound effect on the soft wheat industry, which had declined from 300,000 hectares to less than 50,000 hectares over recent years because suitable varieties were not available. The two new varieties have outstanding yield and quality characteristics and are being eagerly sought by the Soft Wheat Growers Association and the marketers AWB Limited.

- The 'Wheat Rust Fasttrack Project' has been set up in collaboration with University of Sydney's National Cereal Rust Control Program and the State Agricultural Biotechnology Centre to raise the general level of rust resistance, pre-harvest sprouting/late maturity alpha-amylase tolerance and blackpoint resistance in Western Australian wheats. This \$1.0 million a year injection will not only rapidly transform the performance levels of new releases, but also accelerate progress towards a state-of-the-art molecular marker capacity in Perth.
- The chickpea breeding program has fast tracked the release of Ascochyta resistant desi and kabuli chickpeas for 2004, rebuilding the Western Australian industry shattered by this disease. The desi lines have partial resistance to Ascochyta sufficient to allow the crop to be re-developed in appropriate rotations in southern Western Australia. The elite kabuli lines, suited to irrigated production in northern Western Australia, have high resistance to ascochyta and excellent seed quality.
- Release and provisional registration under Plant Breeders' Rights of Margurita and Erica French serradella and Coolamon and Izmir subterranean clovers.
- The new table grape variety Crimson Seedless, a large seedless red fruited variety, suitable for both domestic and export markets, has been released and is being developed with appropriate regional industries. New varieties are under evaluation. These look very promising and the future release of at least two of these to industry will offer new market opportunities.
- A novel fumigation technique (using ethyl formate in carbon dioxide) suitable for use on export sweet corn was developed and tested in large-scale refrigerated container conditions with 100% success. The quality of the sweet corn after treatment was assessed by an exporter and found to be excellent. This should enable the development of sweet corn exports to Japan.
- A new market in India for Western Australian apples is being developed using an innovative approach to transporting and marketing the fruit. Industry support for the project has enabled the sending of trial sea container shipments of fruit to the market.
- More than 1 million punnets of the new strawberry variety Kiewa was marketed in Western Australia and interstate for the first time. Kiewa was bred in Australia and selected in Western Australia by the Department of Agriculture. Selection and commercialisation of this variety has been ongoing since 1998.
- The export mango development project conducted successful in-store promotion of sea freighted Kensington Pride mangoes in the United Kingdom with a major supermarket. The promotion substantially increased the sales of Kensington Mangoes at premium prices. It is expected that with a good crop in late 2004, significant exports will result from this project.
- There have been a number of new plant releases to the Floriculture and nursery industries. These are important in maintaining industry competitiveness. Two new garden plants were released, White Sunray and Polka Dots, that have been designed as low water use plants for Perth gardens. A superior, large white flowered pearl flower, Laura Mae Pearl was also released to industry.
- Industry expansion in the wine industry has been supported by introducing irrigation technologies to increase water use efficiency and improve wine grape quality. An irrigation scheduling tool has been produced that uses crop factors, long term evaporation and rainfall data to improve irrigation scheduling on vineyards. This work has been expanded by carrying out research in the Frankland area to investigate using techniques to increase run-off into dams, with promising results.
- New information packages were released to producers on pasture management to meet the demand from farmers as a result of improved seasonal conditions and increased prices for livestock products.
- A new Pastures from Space website (www.pasturesfromspace.csiro.au) was launched providing producers with more detailed spatial and temporal (16 x more) information for the prediction of pasture growth rate. It has a facility which allows producers to zoom-in on selected areas of the state.
- Effectiveness of breeding for genetic resistance demonstrates that the Rylington Merino flock of the Department of Agriculture (that has been bred for worm resistance since 1988) is now genetically the most worm resistant Merino flock in Australia. Genetic material has been disseminated to industry.

- The Department of Agriculture, in collaboration with Murdoch University and the Meat and Livestock Australia (MLA), have investigated the nutrition and management required to improve the shipboard conditions of live cattle through the reduction in ammonia gas in the atmosphere. This will improve the comfort of the cattle and stockmen and the welfare associated with transporting live animals.
- Performance results of 309 Merino wool flocks that were benchmarked from 1997 to 2001 for fleece weight, fibre diameter and body weight at 23 different test sites across Western Australia are now available to wool producers from the Department of Agriculture. This body of information makes it possible for wool producers to source genetically superior animals with greater accuracy to improve their flocks for these traits.
- Four companion dairy farms were established to demonstrate and evaluate the commercial application of grazing management principles and whole farm management developed through the Vasse Milk Farmlets.
- Select Pork Alliance with Action Supermarkets has delivered the first branded pork products in the Western Australian domestic market and the Linley Valley Fresh initiative has seen quality-assured pork introduced to restaurants in Perth. Department scientists developed the eating quality pathways for these "designer" products.
- Facilitated the purchase of a starch and gluten factory at Henderson by Nagata Sangyo, one of the largest wheat gluten and starch manufacturers in Japan.
- Progressed business relationships between the Government of Western Australia and the United Arab Emirates (UAE), Oman, Kuwait, Jordan, Syria and Egypt. Memorandums of Understanding (MOU) were signed with Jordan and Kuwait.
- The Department of Agriculture commenced a major initiative to facilitate business relationships in the Middle East following the opening of the Government's trade office in Dubai. The Department of Agriculture assisted in the facilitation of trade and Ministerial delegations to areas of the Middle East.
- Development of successful applications for Exceptional Circumstances funding to support producers in the Southern Rangelands and Central Agricultural regions and finalised the Dry Season Assistance Scheme.
- Development and implementation of the Grains Licensing Authority.
- Established review teams to commence reviews of Egg and Potato legislation.
- Development and passing of the *Genetically Modified Crops Free Areas Act 2003*.
- Continued contribution to national policy reviews on drought, Farm Management Deposits, Exceptional Circumstances and rural financial counsellors.
- Assisted with the planning for replacement livestock facilities at Midland. A state-of-the-art livestock centre will be constructed at Muchea.

Major Initiatives For 2004-05

- Establish a clear market focus through strategic alliances with agriculture, food and fibre industries. Emphasis will be on investment attraction and helping agriculture, food and fibre industries to better understand and target key markets. A sample of the initiatives include:
 - continuing to promote the “Made by Japanese in WA” initiative and capitalise on new opportunities as they arise. This year the Department of Agriculture will target the vegetable processing and pig supply chains to develop investment and trade;
 - strengthening the relationship with Chinese Government agencies and industry;
 - conducting food promotions in China with leading supermarket/hypermarket chains to promote Western Australian agri-food products;
 - planning a schedule of activities and events to capitalise on the launch of the Western Australian Government Office in Seoul, including participation in trade shows and targeted meetings to facilitate trade relations between Western Australia food and beverage companies and Korea businesses and government;
 - developing relationships with Oman and Saudi Arabia beginning with the signing of Memorandum of Understanding (MOU);
 - promoting the Western Australian industry in major food and agriculture exhibitions including Gulf Food 2004 in Dubai;
 - following up and defining projects for cooperation regarding the MOU’s with Kuwait, Jordan, Libya, United Arab Emirates and Egypt; and
 - developing formal contractual arrangements with a major Singapore supermarket to secure supply of products and increase export of value-added products annually.
- Implementation of an integrated Agricultural and Natural Resource Management Research Institute to increase the State’s critical mass in Research and Development (R&D) for Agriculture and to facilitate an increased involvement of industry with the directions and priorities of R&D and teaching.
- Use research, development and extension to enhance the productivity of agriculture, food and fibre industries. Emphasis will be on:
 - releasing three new grain varieties, all of which are expected to have significant impacts on yields;
 - the export hay industry in Western Australia has undergone significant expansion in the last three years, with many farmers seeking to move into this area. A rigorous analysis of the supply chain economics of hay production is planned in order to understand the extent to which further growth can be sustained and the opportunities and risks that will arise from further expansion;
 - formalising agreements with ten leading Chinese universities/academies on student exchange, germplasm exchange and collaborative projects in cereal breeding and molecular science to secure access to improve effectiveness of breeding programs in breeding better cereal varieties faster;
 - developing and working with grower groups in the fruit industry to support growth and profitability of the industry. This will be achieved with a focus on both existing varieties through new market development and targeted production packages, and on developing new varieties to generate competitive advantage for the industry;
 - releasing two new superior plum varieties will be released for field testing on Western Australia orchards. Western Australia is Australia’s largest exporter of plums;
 - increasing the production efficiency of the export vegetable industry. This includes the development of alternative production systems that support the introduction of harvesting machinery complementary technologies and increasing industry capacity;
 - increasing the profitability of the export cauliflower industry by reducing the number of commercial cauliflower crop harvests required to two by applying new research information to improve producer practices;
 - the provision of information on new irrigation practices that will result in improved water use in vineyards will be extended to industry. Research on techniques to improve water collection using roaded catchments will be finalised and reported to industry; and
 - developing new industry and market opportunities using innovative technologies and products developed from research projects, such as In-Vitro Soils (IVS) plant propagation and new varieties of Australian native plants and new sea freight technologies. This will include commercial partnerships and pilot in-market testing.
- Develop and implement a strategy to identify and capture supply chain linkages/investment in wheat breeding to add market focus and improve delivery and end-point royalty collection rates for new wheat varieties from the program.

- Evaluation of the effects of lupin kernel flour on postprandial glucose and insulin response, satiety, appetite and food intake in overweight individuals. There is growing support for the proposal that legumes can play an important role in reducing the risk of obesity, diabetes and cardiovascular disease. Lupin kernel flour, which contains both fibre and protein, might be expected to reduce postprandial glucose and insulin responses.
- Commence breeding initiative into sub-tropical perennial grasses.
- A paddock scale whole farm feed budget calculator will be developed in collaboration with Fairport Technology. A producer will be able to display the feed demand for the different classes of stock and match them with the feed supply from each paddock on their farm. Paddock scale, satellite-based pasture information will be automatically imported into the calculator.
- Evaluate the genetic and biological relationships between the non-dimensional properties of wool and their effects on product performance, particularly pilling and shrinkage in knitwear.
- Analyse and develop the potential of crop residues for beef production in the Northern Rangelands and Wheatbelt. Establish an activity that defines production systems in terms of working back from market targets, defining inputs (grazing and supplements), their timing in regard to nutritional needs of cattle and gaps/limitations, and how they can be overcome economically.
- Improve the eating quality of pork by using dietary manipulation, management strategies and genetic marker assisted technologies to impact on quality parameters such as intramuscular fat and tenderness.

Output 2: Agricultural resource management

Generation, integration and application of knowledge which together with appropriate investment, policy and regulation develops the capacity of rural communities and industries to profit from environmentally responsible agriculture.

This output contributes to the ecological sustainable development of agri-industry in a number of ways. The Department of Agriculture aims to manage the risks to production by preventing the decline in the productive capacity of our natural resources and minimising offsite impacts of agriculture such as stream sedimentation, nutrient contamination and rising water tables.

Sustainable use of our natural resources is inextricably linked to productivity and profitability and therefore has to be part of business and management decisions that are made at the paddock level by farmers every day. Influence is highly dependent on knowledge of, and credible participation in rural networks. The Department of Agriculture, through its long established connection with rural people and its fostering of networks such as the Landcare movement, is still the best placed agency to do this.

For sustainable land management, farmers must receive holistic sustainable land management and production advice. Increasingly, advice on sustainable land management is being incorporated into farming systems advice and the Department of Agriculture, because of its skills and knowledge, is uniquely placed to lead this through Research and Development and farming systems.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	45,560	39,143	49,306	52,386	Increased Commonwealth funding for NHT and NAP in 2004-05 and the 2003-04 NHT funding received in 2002-03 but expended in 2003-04.
Less Revenues from Ordinary Activities	34,439	22,206	11,279	30,202	
Net Cost of Output	11,121	16,937	38,027	22,184	
Adjustments ^(a)	1,981	(605)	(21,825)	(7,295)	
Appropriation for delivery of Output 2	13,102	16,332	16,202	14,889	

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

Output Performance Measures ^(a)

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Number of estimated person hours involved in salinity and Natural Resource Management..	341,848	142,373	195,831	185,950	
Number of estimated person hours involved in rural capacity building programs	122,512	46,049	63,340	60,143	
Number of estimated person hours involved in resource protection - land clearing and drainage regulation	21,736	22,985	31,615	30,020	
Number of estimated person hours involved in natural resource condition analysis and strategic direction	77,064	39,621	54,498	51,748	
Number of estimated person hours involved in rangelands management.....	19,760	34,245	47,103	44,727	
Hectares assessed for risks, options and impacts	2.2 million	5.6 million	2 million	3.5 million	In 2003-04 Departmental focus shifted to accreditation of regional development plans.
Quality					
Land clearing and drainage assessments involving comprehensive property inspections	75%	77%	78%	77%	
The proportion of Western Australian Rangelands monitoring sites showing improvements or stabilisation	85%	85%	76%	60%	The reduction in 2004-05 target is due to the effect of dry seasonal conditions across much of the Southern Rangelands. This area was declared for exceptional Circumstances in mid 2003.
Timeliness					
Regulatory assessments (land clearing and drainage) completed within 90-day statutory period.....	98%	99%	98%	98%	
Cost (Efficiency)					
Average hourly cost of persons involved in salinity and Natural Resource Management..	\$40.11	\$60.19	\$59.65	\$61.54	
Average hourly cost of persons involved in rural capacity building programs	\$50.16	\$80.20	\$63.12	\$70.72	
Average hourly cost of persons involved in resource protection - land clearing and drainage regulation	\$41.49	\$43.10	\$33.92	\$38.01	
Average hourly cost of persons involved in natural resource condition analysis and strategic direction	\$38.98	\$53.20	\$41.87	\$46.91	
Average hourly cost of persons involved in rangelands management.....	\$125.06	\$76.30	\$60.05	\$67.28	
Average cost per hectare assessed for risks, options and impacts	\$0.77	\$0.61	\$0.64	\$0.66	
Value of Landcare grants administered	\$13 million	\$15.5 million	\$20.6 million	\$26.8 million	
Value of Adverse Season and Exceptional Circumstances grants administered	\$4.7 million	Nil	\$2.2 million	Nil	It is difficult to estimate the requirements for adverse seasonal assistance prior to the season.
Value of Farmbis grants administered	\$1.3 million	\$2.4 million	\$3.3 million	\$1 million	
Full Time Equivalents (FTEs)	275	269	318	315	

(a) Some of the above measures are focused on inputs due to the previous output based structure proving less effective. As systems develop, output based measures will be implemented.

Major Achievements For 2003-04

- The four agricultural regional Natural Resource Management (NRM) groups were provided with basic and interpreted data to support development of their regional strategies and investment plans. Data and information provided included soils, topography, vegetation and the resource base risks (salinity, acidity, water and wind erosion, waterlogging, compaction, water repellence, nutrient export) for each soil landscape unit. An assessment of infrastructure (towns, roads, rail) at risk from salinity was also given. The data developed for the regional NRM groups will feed directly into the 2004 Rapid Catchment Appraisal project, which will cover 3.5 million hectares in 2004.
- Development of improved regulatory process for managing large scale drainage, the Department of Agriculture has been a participant in three reviews of drainage regulation in the last twelve months, being the Drainage Reform Group White Paper, the Dryland Drainage Paper and the Environmental Protection Authority advice on drainage. The Agriculture Management Bill also proposes a new regime for the management of drainage in rural areas. In the shorter term, the Department of Agriculture (with the approval of the Minister) is in the process of amending existing drainage regulations to streamline the notification process for larger scale drains and to require proponents to supply more detailed information in support of their projects.
- The Sustainable Grazing on Saline Lands project has resulted in the implementation by agricultural region grower groups of over 60 participative research trials on a range of pasture based issues. Trials address grower group needs and are now being used as the basis of an active network for growers and researchers to support ongoing research and sharing of knowledge that will result in the more productive use of saline land.
- Assistance to regional NRM groups in agricultural areas in preparing regional strategies required by the Natural Heritage Trust and National Action Plan for Salinity and Water Quality. This included the selection of four catchment demonstration projects to be undertaken by producer groups in agricultural regions to trial integrated and progressive, long-term salinity management practices. Detailed investment plans completed in preparation for implementation over the next four years.
- Development and distribution of a comprehensive information package for land managers on farm supplies, drainage and regulation and water management.
- Provision of soil-based information to a wide and growing number of clients through access to databases and publications (hard copy and CD). This service provides critical information to farmers for the implementation of the most optimal farming system for the soil type.
- Updating of 'Saltland pastures in Australia – a practical guide' publication.
- Enhanced understanding of how lucerne can fit into grain-based farming systems and development of workshops to spread the news to landholders.
- Audit of Best Management Practice (BMP) adoption for phosphorus reduction in the Peel-Harvey coastal plain catchment, and assessment of nutrient balance for a wide range of agricultural enterprises. These two components are being pursued through a survey of 220 landholdings. Predictive modelling was completed to determine the most cost effective actions required to achieve anticipated water quality targets.
- Research into the use of compost produced from Green Waste from the metropolitan area for use as a soil amendment to increase sustainability of horticulture production on sandy soils was finalised.

Major Initiatives For 2004-05

- Development of an integrated information and knowledge management process to support farmer decision making in relation to agricultural resource management.
- Implementation of commitments under the State Sustainability Strategy including:
 - responding to the Sustainability Code of Practice for Government Agencies, to develop Sustainability Action Plans that reflect the Department of Agriculture's commitment and response to sustainability;
 - carrying out strategic land use analyses in relation to resource condition targets. Support diversification and landscape-scale change towards sustainable land use. This will be implemented as targets emerge through the regional Natural Resource Management plans;

- developing with industry participation, performance standards and best practices for agricultural systems to provide the basis for farm sustainability certification;
 - implementing commitments under the State Greenhouse Strategy by collaborating nationally on research to quantify the emissions of non-CO₂ greenhouse gases from agriculture and quantify the impacts of changed management on these emissions and carry out assessments to evaluate the impacts of climate change in high risk areas; and
 - supporting the development of regional and sub-regional Natural Resource Management strategies for the rangelands region as the basis for future investment under the Natural Heritage Trust and the involvement of local governments and local communities, including indigenous communities, in that process.
- Continued support to the implementation of the National Action Plan for Salinity and Water Quality (NAP) and Natural Heritage Trust (NHT) programs including:
 - technical support provided to regional NRM groups to accredit regional NRM strategies and prepare Regional Investment plans to guide investment;
 - continue to support community empowerment to make informed decisions on priority actions and evaluate efficiency and effectiveness of investment; and
 - improve capacity to utilise predictive modelling to assess impacts of intervention/investment on resource condition targets and analyse proposed investments.
 - Catchment water management and related drainage demands will have increased focus. Support will be provided for surface water management (SWM) and water harvesting at farm and catchment scales, including provision of technical support to farmers, catchment support officers and catchment groups for SWM design work. Associated with this, nine projects will commence as part of the Engineering Evaluation Initiative, to identify the most effective engineering options for water and salinity management.
 - Finalisation of systems to track and audit the implementation of best management practices under the Coastal Catchment Initiative. Water quality and management action targets will be developed at enterprise level, case studies of implementation at dairies completed and agreements reached on approaches that require, encourage or influence the uptake of actions to reduce phosphorus loads to target levels.
 - Increase the adoption of nutrient management and water saving technologies to assist growers to meet industry sustainability and efficiency targets in key Horticulture production areas with the aim being to improve water application efficiency and groundwater management. Key industries here include Viticulture, Sugar on the Ord River and Vegetable production on the Swan Coastal Plain.
 - Conduct a risk analysis of low disturbance cropping systems to identify the role that key biotic and abiotic stresses may play in limiting the continued operation of this successful system. A review of the roles of nutrient and stubble management, herbicide resistant weeds, the changing nature of disease and the advent of new insect pests will be critical factors to be examined. In addition the role of these systems in limiting greenhouse gases from agriculture will be analysed.
 - A key initiative in Soil Management is to address the environmental impacts of nutrient management in Western Australia's high rainfall cropping systems. A multi-agency collaborative project, which includes partnerships with fertiliser industry and grower groups, has been proposed for co-funding by GRDC. If approved, the project will identify hidden and emerging nutrient management problems and opportunities in the Western Australian grains industry. The development of innovative methods to maximise the efficiency and effectiveness of nutrient management, while minimising the catchment and waterway implications of nutrients will be a key component of this work.
 - The Western Australian State Sustainability Strategy has farming enterprises moving to improve management of price, climate and natural resource risks associated with agriculture. A series of modules for risk management training of broadacre producers will be developed and tested, with the aim of allowing farmers to seek environmental and production accreditation for their farm.

Output 3: Biosecurity

Generation, integration and application of knowledge, policy and regulation to ensure the agriculture and related resources are protected and that safety and quality standards are upheld.

This output contributes to the protection of our productive resource base through:

- maintenance of effective barrier quarantine and protection requirements to minimise the risk of introducing new pests and diseases and to maintain market access;
- operation of effective surveillance programs to ensure early detection and diagnosis of incursions, define the status for market access and justify quarantine barriers;
- ongoing capability to undertake emergency responses to incursions and outbreaks of high priority animal and plant pests and diseases;
- delivery of effective management programs that target specified pests and diseases; and
- achievement of a high level of awareness of key threats to agricultural industries and an increased participation by industry members in the management of risk.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	66,026	58,577	63,945	52,125	The increase in 2003-04 relates to carryover funding from 2002-03 to meet biosecurity activities such as Primary Industries Standing Committee, Wild Dog Review and Interstate Quarantine commitments. Transfer of Australian Quarantine and Inspection Services (AQIS) back to the Commonwealth to manage.
Less Revenues from Ordinary Activities	23,505	19,482	20,619	15,766	
Net Cost of Output	42,521	39,095	43,326	36,359	
Adjustments ^(a)	6,118	44	(6,042)	949	
Appropriation for delivery of Output 3	48,639	39,139	37,284	37,308	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Diagnostic samples processed (animal and plant disease and plant pest)	49,374	25,800	27,000	30,000	
Import freight consignments cleared and export consignments certified	78,545	76,000	81,000 ^(a)	26,000	
Passengers subject to quarantine procedure	2,308,086	2,435,000	2,598,000 ^(b)	1,550,000	
Properties where Department control/eradication activities are undertaken for animal and plant pest diseases	1,072	1,930	1,800	1,850	
Property contacts for animal pests and plant pests and diseases (inspection, advice, audit)	31,351	32,867	33,000	31,000	
Property management plans for animal disease	768	830	758	760	
Quality					
Infected properties released from animal disease quarantine	44%	60%	55%	50%	
Emergency incident responses using a prepared contingency plan	100%	100%	100%	100%	
Timeliness					
Biosecurity risk assessments, surveillance and control activities undertaken within agreed timelines	91%	92%	91%	92%	

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Cost (Efficiency)					
Average cost per diagnostic samples processed (animal and plant disease and plant pest)	\$184	\$280	\$156	\$141	
Average cost per freight consignment cleared or certified	\$283	\$192	\$229 ^(c)	\$467	
Average cost per passenger quarantine checking cost	\$6.10	\$3.79	\$4.52 ^(d)	\$5.07	
Average cost per property contact for Department control/eradication activities for animal pests and plant pests and diseases	\$2,474	\$1,545	\$1,874	\$1,739	
Average cost property contact for animal pests and plant pests and diseases (inspection, advice and audit).....	\$413	\$451	\$499	\$504	
Average cost per property management plan for animal disease	\$6,594	\$9,310	\$9,990	\$9,964	
Value of Red Fire Ants eradication program ^(e)	Nil	\$2 million	\$2 million	\$1.5 million	
Full Time Equivalents (FTEs)	574	561	463	411	

- (a) International imported freight, as opposed to national, consignment numbers (Grain Inspections, Fruit and Vegetable inspections and Live Animal Exports) were collected through the Australian Quarantine and Inspection Service (AQIS). These figures are only available for the first six months of 2003-04 as at the beginning of 2004 the Commonwealth Government has taken over this function from the State. Based on the previous two years historical data and information supplied by the Regional Director for AQIS, the estimate for the international freight component of this measure for 2003-04 is 54,000.
- (b) International passenger numbers, as opposed to domestic arrivals, were collected through AQIS. These figures are only available for the first six months of 2003-04 as at the beginning of 2004 the Commonwealth Government has taken over this function from the State. Based on the previous two years historical data and information supplied by the Regional Director for AQIS, the estimate for the international arrivals component of this measure for 2003-04 is 1.1 million.
- (c) Cost (efficiency) estimate is based on the actual number of Interstate Quarantine inspections carried out plus the estimated number of consignments that would be cleared by AQIS during the year.
- (d) Cost (efficiency) estimate is based on the actual number of Interstate Quarantine inspections carried out plus the estimated number of consignments that would be cleared by AQIS during the year.
- (e) The 2002-03 budget papers did not separate the red imported fire ants. Due to the significance of the issue, it has been identified separately in the estimated outturn figures and the 2003-04 and 2004-05 budget estimates.

Major Achievements For 2003-04

- The early detection of an infestation of a serious weed of broad acre cropping, Bedstraw (*Galium tricorutum*) was made at Darkan and is now the subject of an eradication program jointly funded by the grains industry and the State Government.
- A large infestation of prickly acacia (*Acacia nilotica*) was detected during surveillance operations in a remote part of the Kimberley. This weed has previously been found in Western Australia in two isolated instances involving one tree on each occasion.
- Inspections for Declared Plants were carried out on over 2500 properties between July and November 2003. High levels of compliance with weed control regulations have been observed with over 96% of landholders complying with boundary weed control requirements.
- Construction of the Skeleton Weed Database was based on the Client Resource Information System and included information on 3,000 infested paddocks on 836 infested properties.
- Several sites where Paterson's curse biological control agents have been released have been assessed as being ready for the harvest of insects to seed more sites and accelerate the spread of the agents.
- Biological control agents for blackberry have satisfied host specificity requirements and are due to be released in early 2004.
- State Import Risk Analyses for banana black sigatoka and cherries finalised and implemented.
- Protocol developed for the import of wheat streak mosaic virus host material.

- Continued development of Agricultural Management Bill, containing a proposal for Border Biosecurity Regulations encompassing all biosecurity areas such as Animal Health, Plant Health and Vertebrate Pests.
- Development of a model to examine and compare economic significance of pests across crop species. This model has been used to produce a preliminary prioritisation of 50 key exotic pests and diseases featured in the HortGuard and GrainGuard industry biosecurity plans.
- Significant development in the Sterile Release of Mediterranean Fruitfly in country Shires, to replace the Community Baiting schemes. Sterile flies have been released in a trial in Katanning.
- Extensive surveys for the Imported Red Fire Ant have indicated this pest is not present in Western Australia. Western Australia contributes through a national cost sharing agreement to eradicate Red Fire Ants in the Eastern States.
- Farm biosecurity has seen several important advances with upgraded services at Research Stations, improved awareness with agri-businesses, biosecurity kits for staff in all regions and a new initiative under development for shire biosecurity planning.
- A Memorandum of Understanding and special arrangements were developed for the transfer of Commonwealth Quarantine functions from the Department of Agriculture to Australian Quarantine and Inspection Service. Meetings with Biosecurity Australia were held to ensure that unique Western Australian concerns were being addressed at the international border.
- Biosecurity awareness among key industry and community groups was markedly enhanced via extension activities focussed on landholder recognition of responsibilities for farm biosecurity and control of regulated pests and diseases, plus easy access to practical management methods. Substantive contributions were made to development of Plant Health Australia's national Industry Biosecurity Plans for viticulture, citrus and banana industries.
- Four livestock industry Consultative Groups were established and have improved industry liaison and input on a number of key issues.
- Developing and promoting Animal Health policies at state and national levels continued. This included specific inputs on the future of the National Johne's Disease Program, the National Newcastle Disease Program, Animal Health Performance Standards, developing a National Animal Health Information System, Tuberculosis Freedom Assurance Program 2 Deed of Agreement and inputs to Animal Health Committee and Animal Health Australia.
- Legislation to support Animal Health policies was commenced for the Grazing Industries Animal Health Protection Fund, legislation for the control of use of registered veterinary preparations and animal feeding stuffs, and amendments to the Veterinary Surgeons' Act.
- Negotiations were conducted with industry to obtain significant industry funding for footrot, National Livestock Identification System and Johne's Disease programs.
- The Department of Agriculture's role in animal welfare was significantly enhanced with the appointment of ten General Inspectors under the new Animal Welfare legislation and the promotion of a greater role of departmental staff in improving Animal Welfare for livestock.
- Implementation of the National Livestock Identification System was progressed with industry agreement on many of the principles required and the establishment of 35 producer demonstration sites in Western Australia.
- Interstate quarantine inspections for animal pests were commenced at the Perth Domestic airport to minimise introduction of prohibited animals into the State.
- Increased ownership and involvement of landholders in animal pest management with implementation of Declared Species Group Initiative and targeted wild dog control planning.
- Continued exclusion and eradication of starlings from Western Australia.
- Expansion of local eradication of feral donkeys from properties in the Kimberley.
- Development and management of Ovine Johnes Disease (OJD) Management Plan for Western Australia in response to the detection of OJD.

Major Initiatives For 2004-05

- Significant enhancement of the State's capacity to effectively manage the risks associated with the threat of Emergency Animal Disease incidents like Foot and Mouth Disease and BSE (Mad Cow). Additional staff will be employed to strengthen the Department of Agriculture's response and surveillance capabilities.
- Full implementation of the National Livestock Identification System by July 2005. The Government will assist producers through infrastructure development and electronic ID device rebates.
- The Agriculture Management Bill and legislation to amend or replace both the *Plant Pests and Diseases (Eradication Funds) Act* and *Cattle Industry Compensation Act* will be introduced into Parliament and all Regulations supporting the Agriculture Management Bill will be drafted.
- Cost-effective industry biosecurity measures will be implemented in partnership with all major industries under the GrainGuard, HortGuard, StockGuard and BeeGuard initiatives with costs borne appropriately by Government and industry. Industry consultation on biosecurity matters will be based around the biosecurity plans and biosecurity plans will be integrated into broader industry development plans as they are developed.
- Further harmonisation of international and domestic quarantine policy and regulation will be achieved through improved national consideration of the State's area freedom status and regional differences in biosecurity risk status. Science-based review of domestic quarantine protocols will ensure an appropriate level of protection to the State, without imposing inappropriate restrictions on trade.
- Improved livestock identification and traceback and vendor declaration arrangements will improve the State's ability to both respond to emergency animal diseases and demonstrate to premium export markets the State's outstanding animal health status.
- A key initiative in the integrated pest management area is to address the issue of pesticide use especially in relation to pesticide resistance. The proposed work aims to produce a decision support system that will assess integrated pest management for all major weed, disease and insect pests. The system will allow farmers to balance competing pest control priorities, to make management decisions based on their combined effects on all pests, and to examine the economics of pest control options. It is proposed to review a number of areas of pest resistance to pesticides, with insecticide resistance in grain production, handling and storage being a key focus in the initial work.
- Implementation of the National Animal Health Information System.
- Commence upgrade of the State Barrier Fence to a standard that excludes wild dogs.

Output 4: Services provided to Rural Business Development Corporation of Western Australia

Provision of contractual services to the Rural Business Development Corporation to assist farmers to enhance their skills, leading to improved sustainable long-term profitability and better capacity to deal with risks inherent in farming.

This output contributes to the ecological sustainable development of agri-industry in a number of ways, but essentially the Department of Agriculture aims to manage the risks to production by preventing the decline in the productive capacity of our natural resources and minimising offsite impacts of agriculture such as stream sedimentation, nutrient contamination and rising water tables. This can only be achieved under a situation where industry profitability is at least maintained. Therefore, a key focus is to assist farmers significantly impacted by exceptional seasonal events which are outside the normal capacity of farmers to control. Another key focus is to enhance their skills through training, which will lead to sustainable long-term profitability and a better capacity to deal with risks.

	2002-03 Actual	2003-04 Budget	2003-04 Estimated Actual	2004-05 Budget Estimate	Reason for Significant Variation
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Output.....	10,059	5,504	8,226	3,801	
Less Revenues from Ordinary Activities	10,059	5,504	8,226	3,801	
Net Cost of Output	-	-	-	-	
Adjustments ^(a)	-	-	-	-	
Appropriation for delivery of Output 4	-	-	-	-	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Grants advanced	321	207	322	3,343	New capacity building scheme to commence in 2004-05 will result in a large number of reimbursements of eligible training expenditure.
Applications for grants	272	75	216	3,330	New capacity building scheme to commence in 2004-05 will result in a large number of applications.
Quality					
Extent to which recipients were satisfied with the way schemes are administered	94.2%	86%	90%	90%	
Timeliness					
Average turnaround time to consider applications for support (days) - EC Centrelink Certificate.....	1	1	1	1	
Average turnaround time to consider applications for support (days) - EC Interest Subsidy	21	26	21	21	
Cost (Efficiency)					
Average amount of each grant advanced (excluding Adverse Seasonal Conditions Assistance scheme).....	\$21,497	\$25,109	\$20,726	\$1,010	New capacity building scheme to commence in 2004-05 will have large number of grant reimbursements at a low average value for each.
Administrative expenditure per application approved or rejected	\$2,234	\$4,189	\$2,917	\$134	New capacity building scheme to commence in 2004-05 will have large number of applications requiring less complex assessment than previous schemes without need for a proportional increase in resources utilised.
Total amount of Gascoyne Murchison Strategy administration.....	\$262,048	Nil	\$289,000	\$34,000	Scheme ceases August 2004.
Total amount of grants paid to the Department of Agriculture	\$2,353,976	Nil	\$1,448,000	Nil	Farmer Training Assistance Scheme ceased 30 June 2004 and Dry Season 2002 Assistance Scheme ceased July 2003.

CAPITAL WORKS PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-04 \$'000	Estimated Expenditure 2003-04 \$'000	Estimated Expenditure 2004-05 \$'000
WORKS IN PROGRESS				
Initial Planning for new Headquarter Facility	1,000	-	-	1,000
Regional Accommodation	5,636	4,761	460	875
Regional Accommodation Phase 2	3,923	2,194	2,194	1,729
South Boulder Quarantine Inspection Yard	1,000	60	60	940
COMPLETED WORKS				
Capital Works Planning - 2000-01	250	250	100	-
Capital Works Planning - 2002-03	250	250	138	-
Externally Funded Replacement Program	2,886	2,886	1,358	-
Information Technology Network Upgrade - Stage 2	1,100	1,100	78	-
Merredin Agriculture WESTERN AUSTRALIA Centre - Stage 1	1,710	1,710	53	-
Northam Agriculture WESTERN AUSTRALIA Centre - Development Module 1	6,000	6,000	128	-
South Perth Planning	500	500	144	-
Capital Equipment Replacement Program 2002-03 Program	1,801	1,801	487	-
2003-04 Program	2,121	2,121	2,121	-
Community Agriculture Centres 1999-00 Program	163	163	45	-
NEW WORKS				
Kimberley Regional Office Redevelopment (Frank Wise Institute)	2,000	-	-	1,500
New Headquarters	25,000	-	-	11,000
Capital Equipment Replacement Program 2004-05 Program	2,898	-	-	2,898
	58,238	23,796	7,366	19,942

CAPITAL CONTRIBUTION

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	3,603	8,671	7,366	19,942	15,802	3,300	3,300
	3,603	8,671	7,366	19,942	15,802	3,300	3,300
LESS							
Asset Sales	7,327	2,337	3,031	-	-	-	-
Drawdowns from the Holding Account	-	4,500	4,887	17,646	8,397	3,300	3,300
Other	1,146	-	-	-	-	-	-
Internal Funds and Balances	(4,870)	1,834	(552)	-	2,576	-	-
Capital Contribution	-	-	-	2,296	4,829	-	-

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	87,969	85,034	90,861	79,446	80,848	80,712	81,267
Superannuation	9,184	9,163	9,163	9,470	9,470	9,470	9,580
Grants and subsidies	25,119	33,244	45,898	42,331	69,084	83,012	85,364
Consultancies expense	-	-	3,534	3,619	3,706	3,795	3,886
Supplies and services	42,402	45,431	59,081	40,367	42,280	40,108	41,698
Accommodation	2,140	2,250	2,250	2,163	2,172	2,164	2,158
Capital User Charge	10,360	12,477	12,371	10,895	11,178	11,373	11,375
Depreciation and amortisation	7,067	8,031	7,242	6,025	6,167	6,582	6,506
Net loss on disposal of non-current assets	-	500	-	-	-	-	-
Costs of disposal of non-current assets	262	-	-	-	-	-	-
Service Delivery Agreement	13,331	-	-	-	-	-	-
Other expenses	5,058	1,596	3,027	1,137	1,219	1,146	1,146
TOTAL COST OF SERVICES	202,892	197,726	233,427	195,453	226,124	238,362	242,980
Revenues from ordinary activities							
User charges and fees	8,956	6,146	6,146	6,623	6,528	6,425	6,587
Regulatory Fees and Fines	-	1,684	1,684	1,562	1,570	1,582	1,621
Net Profit on disposal of non-current assets	-	109	-	-	-	-	-
Grants and subsidies	62,045	54,998	47,298	56,066	71,417	64,638	65,638
Interest	663	202	202	204	204	204	204
Service Delivery Agreement	15,581	10,908	17,372	11,701	9,791	8,565	8,596
Proceeds from disposal of non-current assets ..	255	-	439	-	-	-	-
Other Revenue	7,297	737	737	737	755	774	794
Total Revenues from Ordinary Activities	94,797	74,784	73,878	76,893	90,265	82,188	83,440
NET COST OF SERVICES	108,095	122,942	159,549	118,560	135,859	156,174	159,540
REVENUES FROM STATE GOVERNMENT							
Output Appropriations	127,186	120,417	118,449	116,769	134,026	154,467	157,708
Resources received free of charge	865	936	936	788	788	788	788
Liabilities assumed by the Treasurer	1,150	972	972	1,004	1,004	1,004	1,004
TOTAL REVENUES FROM STATE GOVERNMENT	129,201	122,325	120,357	118,561	135,818	156,259	159,500
CHANGE IN EQUITY RESULTING FROM OPERATIONS	21,106	(617)	(39,192)	1	(41)	85	(40)
Extraordinary items	(1)	-	-	-	-	-	-
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	21,105	(617)	(39,192)	1	(41)	85	(40)

(a) The Full Time Equivalents (FTEs) for 2002-03 Actual, 2003-04 Estimated Actual and 2004-05 Estimate are 1,590, 1,517 and 1,383 respectively.

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

**STATEMENT OF FINANCIAL POSITION
(Controlled)**

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	52,668	27,748	12,937	12,638	10,021	10,806	10,766
Restricted cash.....	2,178	1,993	2,494	-	316	632	948
Receivables.....	5,456	5,570	5,456	5,456	5,456	5,456	5,456
Inventories.....	3,108	3,224	3,108	3,108	3,108	3,108	3,108
Interest receivable.....	-	48	-	-	-	-	-
Amounts receivable for outputs.....	4,887	12,283	17,646	8,397	3,300	3,300	-
Prepayments.....	1,464	1,461	1,464	1,464	1,464	1,464	1,464
Total current assets.....	69,761	52,327	43,105	31,063	23,665	24,766	21,742
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	14,343	6,114	3,939	1,567	5,134	8,416	14,922
Land and Buildings.....	112,376	111,628	110,121	113,255	111,832	135,261	132,688
Investments.....	486	503	486	486	486	486	486
Plant, equipment and vehicles.....	15,806	14,333	15,155	13,938	10,996	10,285	9,652
Other.....	18	1,000	-	12,000	26,000	-	-
Total non-current assets.....	143,029	133,578	129,701	141,246	154,448	154,448	157,748
TOTAL ASSETS	212,790	185,905	172,806	172,309	178,113	179,214	179,490
CURRENT LIABILITIES							
Superannuation.....	-	176	-	-	-	-	-
Payables.....	9,400	5,900	9,400	9,400	9,400	9,400	9,400
Provision for employee entitlements.....	16,405	13,085	15,807	15,481	15,972	16,672	16,672
Accrued Salaries.....	2,271	2,109	2,277	-	316	632	948
Total current liabilities.....	28,076	21,270	27,484	24,881	25,688	26,704	27,020
NON-CURRENT LIABILITIES							
Provision for employee entitlements.....	10,484	8,982	10,284	10,093	10,302	10,302	10,302
Total non-current liabilities.....	10,484	8,982	10,284	10,093	10,302	10,302	10,302
TOTAL LIABILITIES	38,560	30,252	37,768	34,974	35,990	37,006	37,322
EQUITY							
Contributed Equity.....	830	4,250	830	3,126	7,955	7,955	7,955
Accumulated surplus/(deficit).....	58,193	32,652	19,001	19,002	18,961	19,046	19,006
Asset revaluation reserve.....	115,207	118,751	115,207	115,207	115,207	115,207	115,207
Total equity.....	174,230	155,653	135,038	137,335	142,123	142,208	142,168
TOTAL LIABILITIES AND EQUITY	212,790	185,905	172,806	172,309	178,113	179,214	179,490

STATEMENT OF CASH FLOWS
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Output Appropriations	119,770	112,386	111,207	110,744	127,159	147,885	151,202
Capital Contribution	-	-	-	2,296	4,829	-	-
Holding Account Drawdowns.....	-	4,500	4,887	17,646	8,397	3,300	3,300
Net cash provided by State government.....	119,770	116,886	116,094	130,686	140,385	151,185	154,502
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs	(84,877)	(85,826)	(91,653)	(82,240)	(79,832)	(79,696)	(80,951)
Superannuation	(8,034)	(8,191)	(8,191)	(8,466)	(8,466)	(8,466)	(8,576)
Supplies and services.....	(40,515)	(45,528)	(62,712)	(42,107)	(44,107)	(42,024)	(43,705)
Grants and subsidies	(22,259)	(33,206)	(45,860)	(42,357)	(69,110)	(83,038)	(85,390)
Accommodation.....	(2,052)	(2,250)	(2,250)	(2,163)	(2,172)	(2,164)	(2,158)
Service delivery agreement.....	(13,331)	-	-	-	-	-	-
Capital User Charge.....	(10,360)	(12,477)	(12,371)	(10,895)	(11,178)	(11,373)	(11,375)
Goods and Services Tax	(7,789)	(9,369)	(9,369)	(9,369)	(9,369)	(9,369)	(9,369)
Other.....	(3,551)	(2,125)	(2,142)	(2,311)	(2,393)	(2,320)	(2,320)
Receipts							
Regulatory fees and fines.....	305	1,774	1,774	1,571	1,582	1,594	1,633
User charges and fees	7,029	6,158	6,158	6,746	6,651	6,548	6,710
Interest.....	663	180	180	170	170	170	170
Goods and Services Tax	7,714	9,369	9,369	9,369	9,369	9,369	9,369
Grants and subsidies	62,046	54,998	47,298	56,066	71,417	64,638	65,638
Service Delivery Agreement.....	15,721	10,908	17,372	11,701	9,791	8,565	8,596
Other.....	6,851	766	766	748	763	782	802
Net cash from operating activities.....	(92,439)	(114,819)	(151,631)	(113,537)	(126,884)	(146,784)	(150,926)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(3,357)	(8,671)	(7,366)	(19,942)	(15,802)	(3,300)	(3,300)
Proceeds from sale of non-current assets	255	2,226	3,488	-	-	-	-
Net cash from investing activities.....	(3,102)	(6,445)	(3,878)	(19,942)	(15,802)	(3,300)	(3,300)
NET INCREASE/(DECREASE) IN CASH HELD							
.....	24,229	(4,378)	(39,415)	(2,793)	(2,301)	1,101	276
Cash assets at the beginning of the reporting period	30,917	34,119	54,846	15,431	12,638	10,337	11,438
Net cash transferred to/from other agencies.....	(300)	-	-	-	-	-	-
Cash assets at the end of the reporting period.....	54,846	29,741	15,431	12,638	10,337	11,438	11,714

SCHEDULE OF ADMINISTERED EXPENSES AND REVENUES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
EXPENSES							
Borrowing costs.....	584	590	590	590	590	590	590
TOTAL ADMINISTERED EXPENSES (a) ..	584	590	590	590	590	590	590
REVENUES							
Appropriations.....	1,178	1,178	1,178	1,178	1,178	1,178	1,178
TOTAL ADMINISTERED REVENUES	1,178	1,178	1,178	1,178	1,178	1,178	1,178

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

SCHEDULE OF ADMINISTERED ASSETS AND LIABILITIES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
ADMINISTERED CURRENT ASSETS							
Cash.....	276	25	276	276	276	276	276
Total Administered Current Assets	276	25	276	276	276	276	276
TOTAL ADMINISTERED ASSETS	276	25	276	276	276	276	276
ADMINISTERED CURRENT LIABILITIES							
Interest-bearing liabilities	7,450	6,692	6,862	6,274	5,686	5,098	4,510
Interest payable.....	116	-	116	116	116	116	116
Total Administered Current Liabilities	7,566	6,692	6,978	6,390	5,802	5,214	4,626
TOTAL ADMINISTERED LIABILITIES..	7,566	6,692	6,978	6,390	5,802	5,214	4,626

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
Compensations	114	580	2,000	150	150	150	150
Other	1,730	1,200	1,500	1,500	1,500	1,500	1,500
Research grant allocations	16,943	29,564	38,698	36,981	63,734	77,662	80,014
Scholarships	163	400	200	200	200	200	200
Subsidies	6,169	1,500	3,500	3,500	3,500	3,500	3,500
TOTAL	25,119	33,244	45,898	42,331	69,084	83,012	85,364

DETAILS OF THE ADMINISTERED TRANSACTIONS EXPENSES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
OTHER STATE SERVICES							
Interest and Instalments (Debt Servicing costs of the Western Australian Meat Commission which was wound up with effect from 3 March 1995)	594	590	590	590	590	590	590
TOTAL	594	590	590	590	590	590	590

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:

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000
Proceeds from Direct Mail Services	44	9	9	23
Proceeds from Land Management Services	37	161	161	108
Proceeds from Animal Health Services	1,347	1,166	1,166	1,857
Proceeds from Seed Quality Services	550	927	927	849
Proceeds from Research Support Unit Operations	3,746	3,661	3,057	3,100
Proceeds from Services to Industry	25,513	26,094	37,306	27,915
Commonwealth Specific Purpose Programs:				
Australian Quarantine Inspection Services	11,462	7,500	4,500	-
Agricultural Research Projects	331	679	347	251
National Heritage Trust	24,948	15,500	500	20,800
National Action Plan	-	-	4,400	6,750
FarmBis	1,110	3,000	325	-
Tuberculosis Freedom Assurance Program	330	400	100	400
Proceeds from Consultancy Services	132	300	300	300
Proceeds from the Sale of Intellectual or Genetic Property	1,802	1,825	1,348	1,000
Proceeds from Services Contracted by:				
Rural Business Development Corporation	10,058	5,504	8,226	3,801
Agriculture Protection Board	4,352	5,404	7,158	5,991
Agricultural Produce Commission	1,171	924	1,988	1,909
Food and Fibre Industry Development	2,803	-	-	-
Biosecurity	2,147	1,730	1,730	1,948
Agricultural Resource Management	1,014	-	-	-
GST Input Credits	3,129	6,147	6,147	6,147
GST Receipts on Sales	4,204	3,222	3,222	3,222
TOTAL	100,230	84,153	82,917	86,371

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

THE AGRICULTURE PROTECTION BOARD

PART 4 - MINISTER FOR AGRICULTURE, FORESTRY AND FISHERIES; THE MID-WEST, WHEATBELT AND GREAT SOUTHERN

DIVISION 12

APPROPRIATION AND FORWARD ESTIMATES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 40 Net amount appropriated to deliver outputs	1,704	1,638	1,643	1,624	1,681	1,550	1,636
Amount Authorised by Other Statutes - Agriculture and Related Resources Protection Act 1976.....	512	766	766	789	812	836	836
Total appropriations provided to deliver outputs	2,216	2,404	2,409	2,413	2,493	2,386	2,472

MISSION

To assist the agricultural industries to be competitive and sustainable by protecting themselves from the impacts of pests, diseases and associated threats.

SIGNIFICANT ISSUES AND TRENDS

- The threat of incursion of serious plant and animal pests and diseases and weeds will continue as a result of greater population mobility and increased international and interstate trade. Heightened public awareness and strengthened community commitment to biosecurity of the State's biological resources will be essential if the risk of incursions of serious exotic plant and animal pests and diseases and weeds is to be adequately mitigated.
- The significant economic and social impacts of such serious animal diseases as Foot and Mouth Disease, Bovine Spongiform Encephalopathy and Nipah virus will drive greater community expectation that susceptible animal industries and governments will work proactively to ensure that adequate prevention and preparedness measures are in place. Similar community expectations will emerge regarding the protection of natural resources from ingress of weeds, impact of non-native animals and diseases to which native flora and fauna are susceptible.
- Strategic biosecurity preparedness programs to reduce the potential impacts of pest and disease incursions will be increasingly important. Crop breeding programs will need to include offshore testing to evaluate germplasm for major diseases/pests to assess the status of current and future varieties to these risks such as Hessian fly and Russian wheat aphid.
- Continued reliance on herbicides for weed control will require herbicide resistance strategies and control of resistant populations to induce lower levels of resistant weeds. Similarly increased reliance on fungicides for disease control will require management with improved plant resistance, farming systems that modify risk through management and better systems to forecast disease epidemics to prepare for and manage disease risk.
- Animal welfare issues are becoming increasingly important. Livestock industries will face increasing pressure from the community and markets to adopt and demonstrate the use of best animal welfare practices.
- The recent international terrorism attacks and heightened security concerns in the USA have resulted in a focus on food security that may be repeated in Australia. A risk of agri-terrorism exists, leading to a need to ensure adequate biosecurity risk management measures are in place.

- Under the international Sanitary and Phytosanitary Agreement there will be an ongoing need to scientifically justify both international and domestic import quarantine measures. The generation of rigorous survey data to demonstrate freedom of Western Australia from specific pests, diseases and weeds will be increasingly important in order to gain access for the State's produce to premium international markets.
- Modernisation of regulatory mechanisms, including the most appropriate interface of national and State legislation and regulations, and efficient industry and community consultation processes will be essential for the State's biosecurity regulatory system to keep pace with rapid biological, technological, market and community developments. Integration of legislation, more responsive regulatory processes, and adoption of co-regulatory schemes will be essential to the cost-effective regulation for plant and animal health, product integrity and natural resource protection.
- Downward international and domestic trends in community resourcing of traditional agriculture protection services will continue the shift away from operational control activities toward Statewide prevention and preparedness strategies, and programs with either high public good or market failure characteristics. Industry sectors and individual landholders will have to take increased responsibility for either funding or implementing pest and disease control measures where they are in a position to directly capture the benefits of such investment, or to effectively manage the biosecurity risks.

OUTPUT AND APPROPRIATION SUMMARY

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
OUTPUTS							
<i>Output 1:</i>							
Agriculture Resource Protection.....	16,826	17,904	19,842	18,841			
Total Cost of Outputs	16,826	17,904	19,842	18,841	18,828	17,738	17,855
<i>Less Revenues from Ordinary Activities</i>	3,018	4,177	5,708	5,772	6,295	5,402	5,402
Net Cost of Outputs	13,808	13,727	14,134	13,069	12,533	12,336	12,453
Adjustments ^(a)	(11,592)	(11,323)	(11,725)	(10,656)	(10,040)	(9,950)	(9,981)
Appropriation provided to deliver Outputs.	2,216	2,404	2,409	2,413	2,493	2,386	2,472
TOTAL CONSOLIDATED FUND APPROPRIATIONS	2,216	2,404	2,409	2,413	2,493	2,386	2,472

(a) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, 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 Acting Director General, a Representative of the Accountable Authority and the Treasurer.

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION

Relationship to Government Strategic Goals

Broad, high level government strategic goals are supported at agency level by more specific desired outcomes. Agencies deliver outputs to achieve these desired outcomes, which ultimately contribute to meeting the higher level government strategic goals. The following table illustrates this relationship.

Government Strategic Goal	Desired Outcome	Output
To ensure that regional Western Australia is strong and vibrant.	Protection of the productive resource base.	1. Agriculture Resource Protection

Outcomes and Key Effectiveness Indicators ^(a)

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Outcome: Protection of the productive resource base.					
Proportion of inspected properties with new infestations of declared animal pests and plant pests & diseases	2.5%	2.5%	2.5%	2.5%	
Proportion of inspected properties with infestations of declared animal pests and plant pests & diseases	72%	70%	70%	70%	

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

Output 1: Agriculture Resource Protection

Providing protection for agriculture and related resources through the prevention, eradication and control of specified plant and animal pests.

This output contributes to the protection of our productive resource base through:

- maintenance of effective barrier quarantine and protection requirements to minimise the risk of introducing new pests and diseases and to maintain market access;
- operation of effective surveillance programs to ensure early detection and diagnosis of incursions, define the status for market access and justify quarantine barriers;
- ongoing capability to undertake emergency responses to incursions and outbreaks of high priority animal and plant pests and diseases;
- delivery of effective management programs that target specified pests and diseases; and
- achievement of a high level of awareness of key threats to agricultural industries and an increased participation by industry members in the management of risk.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	16,826	17,904	19,842	18,841	
Less Revenues from Ordinary Activities	3,018	4,177	5,708	5,772	
Net Cost of Output	13,808	13,727	14,134	13,069	
Adjustments ^(a)	(11,592)	(11,323)	(11,725)	(10,656)	
Appropriation for delivery of Output 1	2,216	2,404	2,409	2,413	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Properties where agency control/eradication activities are undertaken for animal and plant pests and diseases.....	1,072	1,930	1,800	1,850	
Property contacts for animal pests and plant pests & diseases (inspection, advice, audit) ..	31,351	32,867	33,000	31,000	
Quality					
Customers who perceive agency to be a leader in agriculture protection.....	100%	80%	100%	100%	
Timeliness					
Biosecurity risk assessments, surveillance and control activities undertaken within agreed timelines.	90%	92%	91%	92%	
Cost (Efficiency)					
Average cost per property contact for agency control/eradication activities for animal pests and plant pests and diseases.....	\$2,668	\$1,545	\$1,875	\$1,739	
Average cost per property contact for animal pests and plant pests and diseases (inspection, advice and audit)	\$432	\$454	\$499	\$504	

Major Achievements For 2003-04

- The early detection of an infestation of a serious weed of broad acre cropping, Bedstraw (*Galium tricorutum*) was made at Darkan and is now the subject of an eradication program jointly funded by the grains industry and the State Government.
- A large infestation of prickly acacia (*Acacia nilotica*) was detected during surveillance operations in a remote part of the Kimberley. This weed has previously been found in Western Australia in two isolated instances involving one tree on each occasion.
- Inspections for Declared Plants were carried out on over 2,500 properties between July and November 2003. High levels of compliance with weed control regulations have been observed with over 96% of landholders complying with boundary weed control requirements.
- Construction of the Skeleton Weed Database was based on the Client Resource Information System and included information on 3,000 infested paddocks on 836 infested properties.
- Continued development of the Agriculture Management Bill, containing a proposal for Border Biosecurity Regulations encompassing all biosecurity areas such as Animal Health, Plant Health and Vertebrate Pests.
- Development of a model to examine and compare economic significance of pests across crop species. This model has been used to produce a preliminary prioritisation of 50 key exotic pests and diseases featured in the HortGuard and GrainGuard industry biosecurity plans.
- Biosecurity awareness among key industry and community groups was markedly enhanced via extension activities focussed on landholder recognition of responsibilities for farm biosecurity and control of regulated pests and diseases, plus easy access to practical management methods. Substantive contributions were made to development of Plant Health Australia's national Industry Biosecurity Plans for viticulture, citrus and banana industries.
- Implementation of the National Livestock Identification System (NLIS) was progressed with industry agreement on many of the principles required and the establishment of 35 producer demonstration sites in WA.
- Negotiations were conducted with industry to obtain significant industry funding for footrot, NLIS and Johne's Disease programs.
- Risk assessments were conducted on a range of animal pests to support regulatory controls and investment decisions.

- Increased ownership and involvement of landholders in animal pest management with the implementation of the Declared Species Group Initiative and targeted wild dog control planning.
- Continued exclusion and eradication of starlings from Western Australia.
- Expansion of local eradication of feral donkeys from properties in the Kimberley.

Major Initiatives For 2004-05

- The Agriculture Management Bill and legislation to amend or replace both the *Plant Pests and Diseases (Eradication Funds) Act* and the *Cattle Industry Compensation Act* will be introduced into Parliament and all regulations supporting the Agriculture Management Bill will be drafted.
- Cost-effective industry biosecurity measures will be implemented in partnership with all major industries under the GrainGuard, HortGuard, StockGuard and BeeGuard initiatives with costs borne appropriately by Government and industry. Industry consultation on biosecurity matters will be based around the biosecurity plans, and biosecurity plans will be integrated into broader industry development plans as they are developed.
- Further harmonisation of international and domestic quarantine policy and regulation will be achieved through improved national consideration of the State's area freedom status and regional differences in biosecurity risk status. Science-based review of domestic quarantine protocols will ensure an appropriate level of protection to the State, without imposing inappropriate restrictions on trade.
- Improved livestock identification, traceback and vendor declaration arrangements will improve the State's ability to both respond to emergency animal diseases and demonstrate to premium export markets the State's outstanding animal health status.

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	179	-	179	179	179	-	-
Superannuation	14	35	35	36	36	-	-
Supplies and services	10,557	10,862	10,862	11,047	11,047	11,047	11,047
Capital User Charge	1,201	1,115	1,120	1,101	1,157	1,241	1,327
Depreciation and amortisation	511	488	488	468	468	258	258
Costs of disposal of non-current assets	8	-	-	-	-	-	-
Service Delivery Agreement	4,352	5,404	7,158	5,991	5,921	5,172	5,203
Other expenses	4	-	-	19	20	20	20
TOTAL COST OF SERVICES	16,826	17,904	19,842	18,841	18,828	17,738	17,855
Revenues from ordinary activities							
User charges and fees	4	-	-	-	-	-	-
Regulatory Fees and Fines	2,286	4,172	5,642	5,706	6,229	5,336	5,336
Grants and subsidies	167	-	-	-	-	-	-
Interest	69	5	66	66	66	66	66
Proceeds from disposal of non-current assets ..	1	-	-	-	-	-	-
Other Revenue	491	-	-	-	-	-	-
Total Revenues from Ordinary Activities	3,018	4,177	5,708	5,772	6,295	5,402	5,402
NET COST OF SERVICES	13,808	13,727	14,134	13,069	12,533	12,336	12,453
REVENUES FROM STATE GOVERNMENT							
Output Appropriations	2,216	2,404	2,409	2,413	2,493	2,386	2,472
Resources received free of charge	10,557	10,862	10,862	11,047	11,047	11,047	11,047
TOTAL REVENUES FROM STATE GOVERNMENT	12,773	13,266	13,271	13,460	13,540	13,433	13,519
CHANGE IN EQUITY RESULTING FROM OPERATIONS	(1,035)	(461)	(863)	391	1,007	1,097	1,066
Extraordinary items	(2)	-	1	-	-	-	-
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	(1,037)	(461)	(862)	391	1,007	1,097	1,066

(a) Staffing resources are provided through the Department of Agriculture.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	2,501	1,404	1,638	2,029	3,036	4,133	5,199
Receivables.....	116	282	116	116	116	116	116
Inventories.....	790	1,234	790	790	790	790	790
Interest receivable.....	7	4	7	7	7	7	7
Amounts receivable for outputs.....	1,047	-	-	-	-	-	-
Prepayments.....	-	19	-	-	-	-	-
Total current assets.....	4,461	2,943	2,551	2,942	3,949	5,046	6,112
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	-	1,478	1,536	2,004	2,472	2,730	2,988
Land and Buildings.....	6,082	5,732	5,932	5,782	5,632	5,632	5,632
Plant, equipment and vehicles.....	513	381	347	192	37	(34)	(34)
Other.....	3,800	3,767	3,628	3,465	3,302	3,115	2,857
Total non-current assets.....	10,395	11,358	11,443	11,443	11,443	11,443	11,443
TOTAL ASSETS	14,856	14,301	13,994	14,385	15,392	16,489	17,555
CURRENT LIABILITIES							
Payables.....	402	173	402	402	402	402	402
Provision for employee entitlements.....	25	24	25	25	25	25	25
Accrued Salaries.....	-	2	-	-	-	-	-
Other.....	2	-	2	2	2	2	2
Total current liabilities.....	429	199	429	429	429	429	429
TOTAL LIABILITIES	429	199	429	429	429	429	429
EQUITY							
Accumulated surplus/(deficit).....	8,392	8,019	7,530	7,921	8,928	10,025	11,091
Asset revaluation reserve.....	6,035	6,083	6,035	6,035	6,035	6,035	6,035
Total equity	14,427	14,102	13,565	13,956	14,963	16,060	17,126
TOTAL LIABILITIES AND EQUITY	14,856	14,301	13,994	14,385	15,392	16,489	17,555

**STATEMENT OF CASH FLOWS
(Controlled)**

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Output Appropriations.....	1,705	1,916	1,921	1,945	2,025	2,128	2,214
Net cash provided by State government.....	1,705	1,916	1,921	1,945	2,025	2,128	2,214
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs.....	(180)	-	(179)	(179)	(179)	-	-
Superannuation.....	(14)	(35)	(35)	(36)	(36)	-	-
Service delivery agreement.....	(4,396)	(5,404)	(7,158)	(5,991)	(5,921)	(5,172)	(5,203)
Capital User Charge.....	(1,201)	(1,115)	(1,120)	(1,101)	(1,157)	(1,241)	(1,327)
Other.....	-	-	-	(19)	(20)	(20)	(20)
Receipts							
Regulatory fees and fines.....	2,571	4,172	5,642	5,706	6,229	5,336	5,336
User charges and fees.....	1,128	-	-	-	-	-	-
Interest.....	68	5	66	66	66	66	66
Grants and subsidies.....	157	-	-	-	-	-	-
Net cash from operating activities.....	(1,867)	(2,377)	(2,784)	(1,554)	(1,018)	(1,031)	(1,148)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(150)	-	-	-	-	-	-
Proceeds from sale of non-current assets.....	1	-	-	-	-	-	-
Net cash from investing activities.....	(149)	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD.....	(311)	(461)	(863)	391	1,007	1,097	1,066
Cash assets at the beginning of the reporting period.....	2,812	1,865	2,501	1,638	2,029	3,036	4,133
Cash assets at the end of the reporting period.....	2,501	1,404	1,638	2,029	3,036	4,133	5,199

PERTH MARKET AUTHORITY

CAPITAL WORKS PROGRAM

The long-term objective of the Perth Market Authority is to develop a world class facility that facilitates the marketing of a broad range of primary produce in Western Australia. To achieve this objective the Authority is expanding and improving facilities to achieve the optimum utilisation of the 51-hectare Market City site. Negotiations are currently in hand with several prospective tenants seeking purpose built facilities. Funds have been allocated in anticipation of these projects proceeding in 2004-05.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-04 \$'000	Estimated Expenditure 2003-04 \$'000	Estimated Expenditure 2004-05 \$'000
COMPLETED WORKS				
Maintenance of Capital Nature - 2003-04 Program	105	105	105	-
Mezzanine Office Extension CTA - 2003-04 Program	80	80	80	-
New Purpose Built Facilities - 2002-03 Program	1,013	1,013	436	-
2003-04 Program	2,600	2,600	2,600	-
Sundry - 2003-04 Program	65	65	65	-
Tenancy Works - 2003-04 Program	55	55	55	-
NEW WORKS				
Maintenance of Capital Nature - 2004-05 Program	110	-	-	110
Mezzanine Office Extension CTA - 2004-05 Program	80	-	-	80
New Purpose Built Facilities - 2004-05 Program	2,600	-	-	2,600
Sundry - 2004-05 Program	70	-	-	70
Tenancy Works - 2004-05 Program	60	-	-	60
	6,838	3,918	3,341	2,920

CAPITAL CONTRIBUTION

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate ^(a) \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	577	2,905	3,341	2,920	2,940	3,282	-
	577	2,905	3,341	2,920	2,940	3,282	-
LESS							
Borrowings	-	1,560	1,560	1,560	1,560	1,740	-
Internal Funds and Balances	577	1,345	1,781	1,360	1,380	1,542	-
Capital Contribution	-	-	-	-	-	-	-

(a) Capital funding for 2007-08 has not been approved to date. The nature of the capital works program of the Perth market Authority makes extended expenditure forecasting inappropriate.

RURAL BUSINESS DEVELOPMENT CORPORATION

PART 4 - MINISTER FOR AGRICULTURE, FORESTRY AND FISHERIES; THE MID-WEST, WHEATBELT AND GREAT SOUTHERN

DIVISION 13

APPROPRIATION AND FORWARD ESTIMATES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 41 Net amount appropriated to deliver outputs	158	158	158	181	182	185	189
Total appropriations provided to deliver outputs	158	158	158	181	182	185	189

MISSION

Develop and administer innovative and cost effective assistance measures to benefit Western Australian Rural Industries.

SIGNIFICANT ISSUES AND TRENDS

- The Rural Business Development Corporation has a service agreement with the Department of Agriculture for the delivery of outputs through the Agricultural Resource Management Output. In turn, the Rural Business Development Corporation's Board has contributed to the establishment of strategic directions of the Agricultural Resource Management Output.
- Parts of agricultural and pastoral districts in Western Australia have been affected by adverse seasons since 1998. The 2003 season in most agricultural areas has been good, however dry conditions have continued in the Southern Rangelands region. In response to the adverse seasons, there have been two specific State assistance programs commenced in both 2000 and 2003 and five separate exceptional circumstance declarations for the period.
- The Exceptional Circumstances (EC) program is a joint Australian and State Government approach to providing welfare and business assistance for those events that are rare and severe beyond the normal risk management strategies of farmers. Business assistance is available through interest rate subsidies, which are available for two years to farmers who meet the criteria for support and are within the defined boundaries of the declaration areas or the 15-kilometre buffer zone.
- Farmers in declared areas are eligible to apply to Centrelink for EC Relief Payments or Austudy/Youth Allowance for up to two years. In addition, farmers in areas included in submissions for EC were eligible to access ex-gratia income support payments through Centrelink for up to six months or until EC was declared. To enable eligible farmers to access Centrelink benefits, a certificate of location of farm enterprise is required from the Rural Business Development Corporation.
- The Australian Government has established a National Drought Review Panel to review the appropriateness of Australian and State Government drought assistance measures provided during the drought and to review key elements of future drought policy. The panel was established following the March 2003 Outlook Conference when the Australian Government announced an intention to hold a Drought Roundtable once drought conditions eased nationally. The Drought Roundtable will be a meeting of government and rural industry organisations to discuss Australian and State/Territory drought assistance measures. The meeting was held in April 2004.

- The joint Australian/State Government FarmBis scheme ceases in June 2004 and the Rural Business Development Corporation (RBDC) is developing a proposal for a State funded capacity building initiative for two years costing \$2 million, using funds from the RBDC Operating Account. It is anticipated that the new proposal should be able to access matching Commonwealth funding should the Australian Government extend or replace the current FarmBis program.
- The Gascoyne Murchison Strategy (GMS) concludes in August 2004. During its five years of operation \$7.8 million would have been expended on various measures under the Structural Adjustment Component of GMS.
- A comprehensive report at the conclusion of the two-year Benchmarking and Financial Advice Project by the GMS has highlighted the need for managers to address issues in a number of areas including, over capitalisation, particularly with plant, machinery and labour costs, a need to increase gross margins through maximising animal production and increasing turnover, and the need to have ability to constantly match stocking rate to carrying capacity and act on the outcome. The wool price was not seen to have a significant influence on profit.
- Much of the Gascoyne Murchison region is entering its fourth dry season. While some stations have received relief from summer rains it remains critical that drought breaking winter rains occur over most of the region. Pastoralists in most of the region are eligible to apply for assistance under the Exceptional Circumstances program. The GMS Board has extended the time for pastoral businesses to complete on-ground works to 30 April 2004. The Strategy concludes in August 2004.
- The Machinery of Government Taskforce report has recommended that the Rural Business Development Corporation be integrated fully into the Department of Agriculture. Legislative change has yet to occur.

OUTPUT AND APPROPRIATION SUMMARY

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
OUTPUTS							
<i>Output 1:</i>							
Farm business development.....	10,124	6,332	9,041	3,858			
Total Cost of Outputs	10,124	6,332	9,041	3,858	2,068	1,591	1,595
<i>Less Revenues from Ordinary Activities</i>	8,483	4,825	8,160	2,132	336	75	25
Net Cost of Outputs	1,641	1,507	881	1,726	1,732	1,516	1,570
Adjustments ^(a)	(1,483)	(1,349)	(723)	(1,545)	(1,550)	(1,331)	(1,381)
Appropriation provided to deliver Outputs.	158	158	158	181	182	185	189
TOTAL CONSOLIDATED FUND APPROPRIATIONS	158	158	158	181	182	185	189

(a) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, 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 Acting Director General and the Treasurer.

OUTCOMES, OUTPUTS AND PERFORMANCE INFORMATION

Relationship to Government Strategic Goals

Broad, high level government strategic goals are supported at agency level by more specific desired outcomes. Agencies deliver outputs to achieve these desired outcomes, which ultimately contribute to meeting the higher level government strategic goals. The following demonstrates the linkage between the most appropriate Government Strategic Goal and the agency level desired outcomes and outputs.

Government Strategic Goal	Desired Outcome	Output
To ensure that Western Australia has an environment in which resources are managed, developed and used sustainably, biological diversity is preserved and habitats protected.	Improved ecologically sustainable development of agri-industry.	1. Farm business development

Outcomes and Key Effectiveness Indicators ^(a)

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Outcome: Improved ecologically sustainable development of agri-industry.					
The extent to which recipients were satisfied with the way schemes are administered.....	94.2%	86%	90%	90%	

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

Output 1: Farm business development

Assist farmers to enhance their skills, leading to improved sustainable long term profitability and better capacity to deal with risks inherent in farming and to provide financial support to assist farmers significantly impacted by exceptional seasonal events which are outside the normal capacity of farmers to control.

This output contributes to the ecological sustainable development of agri-industry in a number of ways, but essentially the Department aims to manage the risks to production by preventing the decline in the productive capacity of our natural resources and minimising offsite impacts of agriculture such as stream sedimentation, nutrient contamination and rising water tables. This can only be achieved under a situation where industry profitability is at least maintained. Therefore, a key focus is to assist farmers significantly impacted by exceptional seasonal events, which are outside the normal capacity of farmers to control. Another key focus is to enhance their skills through training, which will lead to sustainable long-term profitability and a better capacity to deal with risks.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	10,124	6,332	9,041	3,858	Three Exceptional Circumstances (EC) declarations have ceased for both years' payments and two EC declarations have ceased for year 1 payments. Grants paid to the Department of Agriculture for Farm Training and Dry Season 2002 cease 30 June 2004. Reductions offset by new \$1.3 million scheme.
Less Revenues from Ordinary Activities	8,483	4,825	8,160	2,132	
Net Cost of Output	1,641	1,507	881	1,726	
Adjustments ^(a)	(1,483)	(1,349)	(723)	(1,545)	
Appropriation for delivery of Output 1	158	158	158	181	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Grants advanced	321	207	322	3,343	New capacity building scheme to commence in 2004-05 will result in a large number of reimbursements of eligible training expenditure.
Applications for grants	272	75	216	3,330	
Quality					
Extent to which recipients were satisfied with the way schemes are administered	94.2%	86%	90%	90%	
Timeliness					
Average turnaround time to consider applications for support (days) - EC Centrelink Certificate.....	1	1	1	1	
Average turnaround time to consider applications for support (days) - EC Interest Subsidy	21	26	21	21	
Cost (Efficiency)					
Average amount of each grant advanced (excluding Adverse Seasonal Conditions Assistance Scheme)	\$21,497	\$25,109	\$20,726	\$1,010	New capacity building scheme to commence in 2004-05 will have large number of grant reimbursements at a low average value for each.
Administrative expenditure per application approved or rejected	\$2,234	\$4,189	\$2,917	\$134	New capacity building scheme to commence in 2004-05 will have large number of applications requiring less complex assessment than previous schemes without need for a proportional increase in resources utilised.
Total amount of Gascoyne Murchison Strategy administration.....	\$262,048	\$289,000	\$289,000	\$34,000	Scheme ceases August 2004.
Total amount of grants paid to the Department of Agriculture	\$2,353,976	\$750,000	\$1,448,000	Nil	Farmer Training Assistance Scheme ceased 30 June 2004 and Dry Season 2002 Assistance Scheme ceased July 2003.

Major Achievements For 2003-04

- The Exceptional Circumstances (EC) interest rate subsidy program continued with support for farmers in declared areas. There have been five EC declarations since the commencement of adverse seasons in 1998. Declarations for year 2 of the August 2001 C & D declared area and year 2 of the March 2002 Northern declared area concluded during 2003-04. New EC declarations commenced for the Southern Rangelands (2 July 2003) and Central Wheatbelt (24 July 2003).
- During 2003-04 an estimated 221 applications for EC support were processed and it is anticipated that total interest rate subsidy expenditure for the year will be \$5 million with grants to 165 farm and pastoral businesses.
- It is estimated that during 2003-04 a total of 190 'initial' Exceptional Circumstances Certificates and 1250 'continuation' Certificates will be issued by the Rural Business Development Corporation to eligible farmers to access Centrelink benefits.
- The Dry Season 2002 Assistance Scheme for Agricultural and Pastoral areas severely affected by a drought in the 2002 season ceased and final funding of \$700,000 was provided for grants to eligible farmers and pastoralists.
- Through the Farmer Training Assistance Scheme \$1 million worth of grants was provided to 4,000 farmers for business related training of their choice.

- Directors of the Rural Business Development Corporation (RBDC) held a Strategic Planning Workshop to develop positive recommendations, which were seen as important in assisting Western Australian farm businesses to remain sustainable and profitable in the future and have an increased capacity to withstand adversity.
- The Gascoyne Murchison Strategy (GMS) Agreement is due to conclude in August 2004 and action is being taken to process all grants and finalise reporting by the conclusion of the scheme.
- Of the 116 pastoral businesses or groups, recommended for funding by the GMS to receive grants for on ground works or the development of diversified industries, 84 have completed the works program and concluded their agreements.
- Over 50 pastoral businesses in the GMS region completed the two years of the Benchmarking and Financial Advice project. The animal production and financial management training through this project will help to ensure the managers now have a much better understanding of the issues that impact on the operation of a sustainable business.

Major Initiatives For 2004-05

- Interest Rate Subsidy Support under existing EC declarations (Southern Rangelands and Central Wheatbelt) will continue.
- EC Centrelink Certificates of Farm Location will continue to be issued in each half of the year to eligible farmers.
- The Gascoyne Murchison Strategy Board has instigated a number of new projects under the Regional Based Alternatives program. These projects include inland water development for potential horticulture sites on the Wooramel, Gascoyne and Lyons Rivers, the potential of controlled artesian water for fodder crop and aquaculture production, coastal and inland tourism developments and the value adding of animal products. The projects will conclude in August 2004.
- A new capacity building program will be developed to take over from the Farmer Training Assistance Scheme. It is anticipated that this program will link into a new Australian Government FarmBis, which will replace the current FarmBis program, which will cease in June 2004. The program will have a special emphasis on risk managing for the future.
- Following the Strategic Planning Workshop held in August 2003 the Rural Business Development Corporation will assess possible future support measures to assist farm businesses remain sustainable and profitable in the future.
- Advice will be provided to Government on the implementation of the Machinery of Government Taskforce recommendation that the Rural Business Development Corporation be integrated fully into the Department of Agriculture.

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Superannuation	3	3	3	3	3	3	3
Grants and subsidies ^(a)	-	750	737	-	-	-	-
Supplies and services	34	31	31	31	31	31	31
Depreciation and amortisation	16	15	15	-	-	-	-
Net loss on disposal of non-current assets.....	-	1	1	-	-	-	-
Service Delivery Agreement ^(b)	10,038	5,504	8,226	3,801	2,010	1,533	1,536
Other expenses.....	33	28	28	23	24	24	25
TOTAL COST OF SERVICES	10,124	6,332	9,041	3,858	2,068	1,591	1,595
Revenues from ordinary activities							
Grants and subsidies	8,089	4,647	7,982	1,932	206	-	-
Interest	325	178	173	200	130	75	25
Other Revenue	69	-	5	-	-	-	-
Total Revenues from Ordinary Activities.....	8,483	4,825	8,160	2,132	336	75	25
NET COST OF SERVICES.....	1,641	1,507	881	1,726	1,732	1,516	1,570
REVENUES FROM STATE GOVERNMENT							
Output Appropriations	158	158	158	181	182	185	189
Resources received free of charge.....	28	28	28	-	-	-	-
Liabilities assumed by the Treasurer.....	-	3	-	-	-	-	-
TOTAL REVENUES FROM STATE GOVERNMENT	186	189	186	181	182	185	189
CHANGE IN EQUITY RESULTING FROM OPERATIONS	(1,455)	(1,318)	(695)	(1,545)	(1,550)	(1,331)	(1,381)
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	(1,455)	(1,318)	(695)	(1,545)	(1,550)	(1,331)	(1,381)

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

(b) Staffing resources are provided through the Department of Agriculture.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	6,530	5,930	5,851	4,306	2,756	1,425	44
Receivables.....	25	-	25	25	25	25	25
Interest receivable.....	209	-	198	198	198	198	198
Total current assets.....	6,764	5,930	6,074	4,529	2,979	1,648	267
NON-CURRENT ASSETS							
Plant, equipment and vehicles.....	26	16	-	-	-	-	-
Total non-current assets.....	26	16	-	-	-	-	-
TOTAL ASSETS.....	6,790	5,946	6,074	4,529	2,979	1,648	267
CURRENT LIABILITIES							
Payables.....	298	-	298	298	298	298	298
Total current liabilities.....	298	-	298	298	298	298	298
TOTAL LIABILITIES.....	298	-	298	298	298	298	298
EQUITY							
Accumulated surplus/(deficit).....	6,445	5,899	5,750	4,205	2,655	1,324	(57)
Asset revaluation reserve.....	47	47	26	26	26	26	26
Total equity.....	6,492	5,946	5,776	4,231	2,681	1,350	(31)
TOTAL LIABILITIES AND EQUITY.....	6,790	5,946	6,074	4,529	2,979	1,648	267

**STATEMENT OF CASH FLOWS
(Controlled)**

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Output Appropriations.....	158	158	158	181	182	185	189
Net cash provided by State government.....	158	158	158	181	182	185	189
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Superannuation.....	-	-	(3)	(3)	(3)	(3)	(3)
Supplies and services.....	-	(31)	(31)	(31)	(31)	(31)	(31)
Grants and subsidies.....	-	(750)	(737)	-	-	-	-
Service delivery agreement.....	(9,831)	(5,504)	(8,226)	(3,801)	(2,010)	(1,533)	(1,533)
Other.....	(34)	-	-	(23)	(24)	(24)	(28)
Receipts							
Interest.....	343	400	173	200	130	75	25
Grants and subsidies.....	8,158	4,647	7,982	1,932	206	-	-
Other.....	-	-	5	-	-	-	-
Net cash from operating activities.....	(1,364)	(1,238)	(837)	(1,726)	(1,732)	(1,516)	(1,570)
CASH FLOWS FROM INVESTING ACTIVITIES							
Proceeds from sale of investments.....	31	-	-	-	-	-	-
Net cash from investing activities.....	31	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD.....	(1,175)	(1,080)	(679)	(1,545)	(1,550)	(1,331)	(1,381)
Cash assets at the beginning of the reporting period.....	7,705	7,010	6,530	5,851	4,306	2,756	1,425
Cash assets at the end of the reporting period.....	6,530	5,930	5,851	4,306	2,756	1,425	44

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
Dry Season Assistance Scheme ^(a)	1,716	-	711	-	-	-	-
Farmer Training Assistance Scheme ^(a)	622	750	737	-	-	-	-
Gascoyne Murchison Strategy.....	1,143	1,508	1,508	417	-	-	-
Exceptional Circumstances.....	5,536	3,160	4,956	1,620	440	-	-
Natural Resource Adjustment Scheme.....	28	100	172	-	-	-	-
Adverse Seasonal Conditions Assistance Scheme.....	16	-	-	-	-	-	-
South Coast Regional Strategy.....	30	-	-	-	-	-	-
Progress Rural.....	5	-	-	-	-	-	-
Future Rural Support Schemes.....	-	-	-	1,300	1,250	1,250	1,240
Grants to Rural Counselling Services.....	30	38	38	38	38	38	38
TOTAL	9,126	5,556	8,122	3,375	1,728	1,288	1,278

(a) Dry Season Assistance Scheme and Farmer Training Assistance Scheme are represented as grants and subsidies in the Statement of Financial Performance. The remaining form part of the Service Delivery Agreement Expense but are shown to provide additional information.

FISHERIES

PART 4 - MINISTER FOR AGRICULTURE, FORESTRY AND FISHERIES; THE MID-WEST, WHEATBELT AND GREAT SOUTHERN

DIVISION 14

APPROPRIATION AND FORWARD ESTIMATES

	2002-03 Actual ^(a) \$'000	2003-04 Budget ^(a) \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 42 Net amount appropriated to deliver outputs	20,828	22,794	22,288	23,464	25,373	26,696	26,460
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	147	150	150	155	160	165	165
Total appropriations provided to deliver outputs	20,975	22,944	22,438	23,619	25,533	26,861	26,625
CAPITAL							
Item 127 Capital Contribution	2,122	5,000	5,000	7,150	-	-	-
GRAND TOTAL.....	23,097	27,944	27,438	30,769	25,533	26,861	26,625

(a) The appropriation amounts for 2002-03 Actuals and 2003-04 Budget have been adjusted to make them comparable with the appropriations in 2003-04 Estimated Actuals and the forward estimate years, as a result of a transfer of the Marine Safety function from the Department of Planning and Infrastructure, effective 1 July 2003.

MISSION

Partnered by our clients and the community, we will facilitate the conservation, development and allocation of the fish and other living aquatic resources of Western Australia for the benefit of present and future generations

SIGNIFICANT ISSUES AND TRENDS

- Non-fishers demanding more involvement in the management of fisheries and other marine resources. This has led to increased pressure for holistic and integrated management of fish stocks and development of management strategies that accommodate the needs of all stakeholders within an explicit allocation framework.
- Increasing public interest in the maintenance of biodiversity and the ecologically-sustainable use of marine and other aquatic resources.
- The direct involvement of the Australian Government in environmental protection and biodiversity conservation through export control measures and environmental approval processes.
- Development and incorporation of Ecologically Sustainable Development processes and protocols into the management arrangements for the major commercial fisheries for audit at both State and the Federal level.
- Increased pressure for integrated marine planning given on-going development in areas such as pearling, aquaculture and charter fishing. Increased community expectations for new marine reserves and the level of services delivered in them and existing reserves.
- Indigenous fishing issues and the need for the development of an Aboriginal Fishing Strategy, including reference to customary fishing.

- Continued demand from the commercial sector for more direct involvement in fisheries management and more formal recognition of its security of access, driven both by the increasing goodwill value of licences and demands from other stakeholders for resource reallocation.
- Continued interest in the development of aquaculture industries as the demand for high-quality seafood grows, while the harvest of wild capture fisheries worldwide is generally at maximum sustainable levels.
- Increasing public requirement for enhanced management and accountability in the use of the marine environment. This produces increased cost pressures on government, resulting in the need to provide better coordination and further cost efficiencies between departments with responsibility for marine management.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Statement of Financial Performance since publication of the 2003-04 Budget to Parliament on 8 May 2003 are outlined below.

	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
Establishment of the Aquaculture Development Group.....	700	700	700	-
Integrated Fisheries Management.....	-	1,031	1,539	1,544
Marine Parks Compliance	250	257	265	271

OUTPUT AND APPROPRIATION SUMMARY

	2002-03 Actual ^(c) \$'000	2003-04 Budget ^(c) \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Management of the State's Commercial Fisheries	26,378	25,706	26,462	27,536			
Output 2:							
Management of the State's Recreational Fisheries	10,807	12,698	11,860	14,300			
Output 3:							
Development and promotion of the State's Aquaculture Industry	8,633	8,367	8,807	8,255			
Output 4:							
Management and Conservation of Fish and Fish Habitat	2,791	2,707	2,849	2,328			
Total Cost of Outputs.....	48,609	49,478	49,978	52,419	54,360	55,858	55,783
<i>Less Revenues from Ordinary Activities</i>	<i>26,986</i>	<i>26,416</i>	<i>26,540</i>	<i>27,990</i>	<i>28,021</i>	<i>28,191</i>	<i>28,354</i>
Net Cost of Outputs.....	21,623	23,062	23,438	24,429	26,339	27,667	27,429
Adjustments ^(a)	(648)	(118)	(1,000)	(810)	(806)	(806)	(804)
Appropriation provided to deliver Outputs.	20,975	22,944	22,438	23,619	25,533	26,861	26,625
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	2,122	5,000	5,000	7,150	-	-	-
TOTAL CONSOLIDATED FUND APPROPRIATIONS	23,097	27,944	27,438	30,769	25,533	26,861	26,625

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

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

(c) Comparative figures for 2002-03 Actual and 2003-04 Budget have been adjusted for impact of transfer of Marine Safety function from the Department of Planning and Infrastructure.

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 Goals

Broad, high level government strategic goals are supported at agency level by more specific desired outcomes. Agencies deliver outputs to achieve these desired outcomes, which ultimately contribute to meeting the higher level government strategic goals. The following table illustrates this relationship.

Government Strategic Goal	Desired Outcome	Output(s)
To ensure that Western Australia has an environment in which resources are managed, developed and used sustainably, biological diversity is preserved and habitats protected.	Conservation and sustainable development of the State's fish resources.	1. Management of the State's Commercial Fisheries 2. Management of the State's Recreational Fisheries 3. Development and promotion of the State's Aquaculture Industry 4. Management and Conservation of Fish and Fish Habitat

Outcomes and Key Effectiveness Indicators ^(a)

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Outcome: Conservation and sustainable development of the State's fish resources.					
The satisfaction rating of the broader community with the Department's management of commercial fishing	84%	100%	90%	90%	
The satisfaction rating of the broader community with the Department's management of recreational fishing	81%	95%	85%	90%	
The satisfaction rating of the broader community with the Department's management and development of pearling and aquaculture activities.....	89%	95%	90%	95%	
The satisfaction rating of the broader community with the Department's conservation of fish habitat	74%	90%	80%	90%	

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

Output 1: Management of the State's Commercial Fisheries

Management of the State's commercial fisheries on behalf of the community by providing advice, collecting and analysing data, undertaking research, developing, implementing and managing strategies, policies and plans, and enforcing regulations, management plans and related legislation for commercial fishing.

	2002-03 Actual ^(b) \$'000	2003-04 Budget ^(b) \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	26,378	25,706	26,462	27,536	
Less Revenues from Ordinary Activities	19,027	18,109	18,709	19,439	
Net Cost of Output	7,351	7,597	7,753	8,097	
Adjustments ^(a)	(224)	(37)	(345)	(279)	
Appropriation for delivery of Output 1	7,127	7,560	7,408	7,818	

- (a) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (b) 2002-03 Actual and 2003-04 Budget figures have been adjusted for comparability to reflect the transfer of marine safety function from the Department of Planning and Infrastructure.

Output Performance Measures

	2002-03 Actual ^(c)	2003-04 Budget ^(c)	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Estimated hours for Community Education and Compliance	83,494	89,726	92,511	101,352	Budget for full staffing levels and increased resources for maintenance of compliance database and services to fisheries managed on behalf of the Australian Government
Estimated hours for Management	52,684	58,827	57,515	62,519	
Estimated hours for Research	76,215	90,728	85,082	89,434	
Quality					
Fish stocks identified as being at risk or vulnerable through exploitation	2	2	2	2	
Managed Fisheries in which stock assessment have been completed.....	91%	80%	93%	95%	
Timeliness					
Managed Fishery Licences	77%	100%	90%	100%	
Licences other than Managed Fishery Licences.....	90%	100%	90%	100%	
Cost (Efficiency) ^(a)					
Average cost per hour for Community Education and Compliance	\$125	\$119	\$114	\$111	
Average cost per hour for Management ^(b)	\$142	\$129	\$114	\$106	
Average cost per hour for Research.....	\$111	\$82	\$110	\$108	
Full Time Equivalents (FTEs)	198	200	203	211	

- (a) Costs per hour include an allocation of departmental support costs.
- (b) The hourly rate for management costs includes funding of industry bodies and fisheries adjustments scheme expenditure.
- (c) 2002-03 Actual and 2003-04 Budget figures have been adjusted for comparability to reflect the transfer of Marine Safety function from the Department of Planning and Infrastructure. Community Education and Compliance for 2003-04 Budget was previously 84,979 hours.

Major Achievements For 2003-04

- Finalised discussion papers on future arrangements for management of the West Coast and Gascoyne wetline fisheries.
- Submitted Ecological Sustainability reports to the Department of Environment and Heritage for the 19 remaining minor fisheries.
- Obtained Marine Stewardship Council approval of the West Coast Rock Lobster Environmental Management Strategy.
- Implemented a 40% Total Allowable Catch reduction in the Shark Bay snapper fishery in response to reduced stock levels.
- Produced a research report on snapper–trawl interactions in Shark Bay and implementation of management responses based on the report's recommendations.
- Produced a discussion paper on future management arrangements for the Demersal Gillnet and Longline (Shark) fisheries.
- Produced a discussion paper on future management arrangements for the South West Beach Seine Fishery.
- Gazetted a management plan for the West Coast estuaries.
- Provided on-line access to Fisheries Management Plans.

Major Initiatives For 2004-05

- Commence a review of strategic options for future management arrangements for the West Coast Rock Lobster fishery.
- Respond to public comment and finalise all Ecological Sustainability reports to the Department of Environment and Heritage.
- Commence a process to broaden Fisheries Management Plan frameworks to include aims and objectives.
- Commence a review of Pilbara and South Coast Wetline fisheries.
- Finalise consultation on new management arrangements for the Demersal Gillnet and Longline (Shark) fisheries and develop an implementation process.
- Finalise consultation on new management arrangements for the South West Beach Seine fishery and develop an implementation process.

Output 2: Management of the State's Recreational Fisheries

Management of the State's recreational fisheries on behalf of the community by providing advice; collecting and analysing data; undertaking research, developing, implementing and managing strategies, policies and plans; and enforcing regulations, management plans and related legislation for recreational fishing.

	2002-03 Actual ^(b) \$'000	2003-04 Budget ^(b) \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	10,807	12,698	11,860	14,300	The budgeted increase reflects a shift in priorities towards this output.
Less Revenues from Ordinary Activities	2,658	3,158	3,114	3,329	
Net Cost of Output	8,149	9,540	8,746	10,971	
Adjustments ^(a)	(222)	(34)	(342)	(277)	
Appropriation for delivery of Output 2	7,927	9,506	8,404	10,694	

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

(b) 2002-03 Actual and 2003-04 Budget figures have been adjusted for comparability to reflect the transfer of Marine Safety function from the Department of Planning and Infrastructure. Community Education and Compliance for 2003-04 Budget was previously 58,458 hours.

Output Performance Measures

	2002-03 Actual ^(b)	2003-04 Budget ^(b)	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Estimated hours for Management.....	20,149	18,006	17,650	19,935	Estimated actual hours impacted by staff vacancies and effort transferred to the Fish and Fish Habitat output.
Estimated hours for Research.....	26,883	37,184	24,920	41,793	
Estimated hours for Community Education and Compliance.....	50,001	72,351	76,279	74,297	
Quality					
Fish stocks identified as being at risk or vulnerable through exploitation.....	2	2	2	1	
Timeliness					
Recreational fishing projects completed on time.....	100%	100%	100%	100%	
Cost (Efficiency) ^(a)					
Average cost per hour for Management.....	\$108	\$122	\$101	\$128	
Average cost per hour for Research.....	\$96	\$82	\$83	\$98	
Average cost per hour for Community Education and Compliance.....	\$121	\$103	\$105	\$103	
Full Time Equivalents (FTEs)	90	90	98	113	

(c) Costs per hour include an allocation of departmental support costs.

(d) 2002-03 Actual and 2003-04 Budget figures have been adjusted for comparability to reflect the transfer of Marine Safety function from the Department of Planning and Infrastructure. Community Education and Compliance for 2003-04 Budget was previously 58,458 hours.

Major Achievements For 2003-04

- Implemented new regulations and community education and compliance strategies for the management of recreational fisheries in the Gascoyne and West Coast bioregions.
- Implemented Regulations for a Statewide individual possession limit and to prevent the landing of undersized fish.
- Commenced reviews of the management of recreational fisheries on the South Coast and in the Pilbara/Kimberley regions.
- Reviewed management and compliance strategies for Shark Bay's inner gulf Pink Snapper stocks, the Marron, Rock Lobster, Abalone and the South-West Freshwater fisheries.
- Completed a review of the interaction of the Commercial Prawn Trawl fishery with Pink Snapper in Denham Sound and prepared a report for the Minister's consideration.
- Completed surveys of catch and effort for South Coast estuaries, the Cockburn Sound and Geographe Bay Crab fishery, and licensed Abalone, Rock Lobster, Marron and Freshwater Finfish (Trout) and Net and Fishing Tour Operator (Charter) fisheries.

Major Initiatives For 2004-05

- Commence an Integrated Fisheries Management (IFM) process to review cross-sectoral management and determine resource allocations for the Rock Lobster and Abalone fisheries.
- Establish an expertise based Integrated Fisheries Advisory Committee to oversee processes and provide advice to the Minister on resource allocation and IFM issues.
- Finalise recommendations for the management of recreational fishing in the Pilbara/Kimberley and the South Coast bioregions to be presented for the Minister's consideration.
- Finalise strategies to manage the interactions between the Commercial Prawn Trawl fishery and Pink Snapper populations in Denham Sound.

- Commence a review of Freshwater fisheries management, including the interaction between trout, marron and other native fish.
- Review Shark Bay inner gulf Snapper, Rock Lobster, and Abalone fisheries.
- Complete a review of the structure and resourcing for the Volunteer Fisheries Liaison Officer program.
- Continue surveys of catch and effort in key recreational fisheries including West Coast Finfish, Abalone, Rock Lobster, Marron and Freshwater Finfish (Trout) and Net and Fishing Tour Operator (Charter) fisheries.
- Continue research projects on Shark Bay snapper, release mortality of demersal finfish on the West Coast, the status of West Coast demersal scalefish, status of estuarine species and impact of fish kills, Waroona Dam restocking, King George whiting and key coastal nursery habitats, and the status and future research needs of the Marron fishery.

Output 3: Development and promotion of the State's Aquaculture Industry

The Department fosters and promotes the development of sustainable Western Australian aquaculture (including pearl production) by providing policy advice, establishing appropriate infrastructure, facilitating provision of research, and the development, implementation and management of strategies, policies, plans and regulations for the aquaculture industry.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	8,633	8,367	8,807	8,255	
Less Revenues from Ordinary Activities	5,018	4,702	4,343	4,781	
Net Cost of Output	3,615	3,665	4,464	3,474	
Adjustments ^(a)	(119)	(28)	(185)	(150)	
Appropriation for delivery of Output 3	3,496	3,637	4,279	3,324	The Budgeted decrease reflects the implementation of the recommendations of the independent review of the aquaculture program.

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Estimated hours for aquaculture Management.	18,557	19,539	17,715	14,102	Reduced in line with the new focus of the Aquaculture Development Group.
Estimated hours for aquaculture Research.....	25,855	23,423	28,928	31,970	Significant external funding of projects continuing into 2004-05.
Estimated hours for aquaculture Community Education and Compliance	7,574	11,286	7,595	3,503	Reduced in line with the new focus of the Aquaculture Development Group.
Estimated hours for pearling Management	5,168	5,252	6,344	6,264	
Estimated hours for pearling Research	5,385	7,050	7,036	6,593	
Estimated hours for pearling Community Education and Compliance	9,512	10,967	9,939	9,574	
Quality					
Level of satisfaction in the broader community with the Department's management and development of pearling and aquaculture activities	89%	95%	90%	95%	

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Timeliness					
Aquaculture renewal notifications sent out on time.....	100%	100%	100%	100%	
Pearling renewal notifications sent out on time.....	100%	100%	100%	100%	
Cost (Efficiency)					
Average cost per hour for aquaculture Management.....	\$117	\$100	\$109	\$123	Impacted by the reduced hours for this output.
Average cost per hour for aquaculture Research.....	\$120	\$110	\$106	\$110	
Average cost per hour for aquaculture Community Education and Compliance	\$131	\$119	\$156	\$129	Reduced hours of service delivery prior to adjusting overall program support costs.
Average cost per hour for pearling Management.....	\$98	\$115	\$115	\$118	
Average cost per hour for pearling Research...	\$77	\$86	\$73	\$105	Reduced hours of service delivery resulting in greater per unit cost.
Average cost per hour for pearling Community Education and Compliance	\$152	\$117	\$139	\$117	Impacted by reduced hours of service delivery.
Full Time Equivalents (FTEs)	67	66	67	57	

(a) Costs per hour include an allocation of departmental support costs.

Major Achievements For 2003-04

- Obtained export approval for the next five years following Ecologically Sustainable Development (ESD) assessment of wild capture of pearl oyster shells in accordance with requirements of the Australian Government's *Environment Protection and Biodiversity Conservation Act 1999*.
- Completed draft instructions for a new Pearling Management Bill, including consultation with the Pearling Industry Advisory Committee.
- Completed a review of Aquaculture Development in Western Australia.
- Amended *Fish Resources Management Act 1994* to allow for the grant of aquaculture leases.

Major Initiatives For 2004-05

- Finalise drafting for the new Pearling Management Bill.
- Progress a review of the Pearl Oyster Hatchery Policy.
- Continue implementation of the pearling industry/charter boat industry Accord on the use of waters for pearling and charter boat operations between 80 Mile Beach and the Northern Territory border.
- Commence implementation of the relevant findings of the Aquaculture Development Review, including the establishment of an Aquaculture Development Group.
- Finalise Ministerial Policy Guidelines and advice to applicants regarding the criteria for the grant of aquaculture leases.

Output 4: Management and Conservation of Fish and Fish Habitat

The Department safeguards the State's wild fish habitat by providing advice, monitoring the status and use of fish habitat resources, undertaking research, fostering community awareness of fish habitat requirements, and developing, implementing, managing and enforcing appropriate strategies, policies, plans and regulations.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	2,791	2,707	2,849	2,328	The budgeted decrease reflects a shift in priorities away from this output.
Less Revenues from Ordinary Activities	283	447	374	441	
Net Cost of Output	2,508	2,260	2,475	1,887	
Adjustments ^(a)	(83)	(19)	(128)	(104)	
Appropriation for delivery of Output 4	2,425	2,241	2,347	1,783	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Estimated Hours for Management	16,714	15,997	12,537	14,429	Estimated hours delivery impacted by staff leave and vacancies. 2003-04 Estimated actual hours impacted by shift of effort from the Recreational Output.
Estimated hours for research	4,325	2,177	6,423	1,833	
Estimated Hours for Community Education and Compliance	4,976	6,095	5,309	5,012	
Quality					
Level of community satisfaction with the Department's conservation of fish habitat	74%	100%	80%	100%	
Timeliness					
New or revised fish habitat management plans completed on time	100%	100%	100%	100%	
Fish Habitat research projects completed on schedule	100%	100%	100%	100%	
Revised fish habitat regulations completed on schedule	100%	100%	100%	100%	
Cost (Efficiency)					
Average cost per hour for Management.....	\$100	\$115	\$131	\$110	Reduced hours of service delivery resulting in greater per unit cost in the Budgeted Estimates
Average cost per hour for Research.....	\$130	\$113	\$106	\$128	The Budgeted increase in per unit cost reflects the impact of reduced hours of service delivery.
Average cost per hour for Community Education and Compliance	\$112	\$102	\$99	\$101	
Full Time Equivalents (FTEs)	24	20	21	18	

(a) Costs per hour include an allocation of departmental support costs.

Major Achievements For 2003-04

- Introduced a system of licences to provide formal tenure for people occupying sites at the Abrolhos Islands.
- Released an Inventory of Land Conservation Values for the Abrolhos Islands, as part of the process for developing management plans for the Islands.

- Established a Scientific Research and Operation Centre at the Abrolhos Islands.
- Released draft position papers for the translocation of trout and barramundi in Western Australia.
- Established a fish habitat protection area at Quobba near Carnarvon.
- Continued to support community stewardship of the aquatic environment through 'Fishcare Western Australia'.
- Legislated to protect coral and similar organisms from amateur collectors.

Major Initiatives For 2004-05

- Review the Management Plan for the Abrolhos Islands and associated fish habitat protection areas.
- Initiate the process to establish a Particularly Sensitive Sea Area on the West Coast between Shark Bay and Cape Leeuwin.
- Establish consultative bodies to coordinate Integrated Fisheries Management and associated marine planning issues.
- Complete a management paper for the translocation of trout and Murray/Darling fish species.
- Initiate and implement recovery plan for threatened Margaret River (Hairy) Marron.

CAPITAL WORKS PROGRAM

The capital works program for the 2004-05 financial year includes projects totalling \$9.4 million.

Significant projects being progressed in 2004-05 include:

- new fisheries research facility at Hillarys; and
- replacement program and upgrades for operating plant and equipment, small boats and computer hardware and software.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-04 \$'000	Estimated Expenditure 2003-04 \$'000	Estimated Expenditure 2004-05 \$'000
WORKS IN PROGRESS				
Communication Equipment	421	286	56	44
Fish Habitat	226	74	42	50
Hillarys Research Facility.....	16,000	7,950	7,385	7,750
COMPLETED WORKS				
Abrolhos Islands Program -				
2001-02 Program	2,010	2,010	522	-
Aquaculture Upgrades -				
2002-03 Program	157	157	157	-
2003-04 Program	400	400	400	-
Computing Hardware and Software -				
2002-03 Program	111	111	111	-
2003-04 Program	615	615	615	-
Fitout, Furniture and Office Equipment -				
2002-03 Program	146	146	108	-
2003-04 Program	820	820	820	-
Information Systems Development -				
2000-01 Program	1,469	1,469	389	-
2001-02 Program	777	777	707	-
2002-03 Program	363	363	363	-
2003-04 Program	965	965	965	-
Joint Marine Operations Centre- Fremantle.....	1,900	1,900	1,871	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-04 \$'000	Estimated Expenditure 2003-04 \$'000	Estimated Expenditure 2004-05 \$'000
Operational Equipment -				
2002-03 Program	189	189	14	-
2003-04 Program	94	94	94	-
2003-04 Scientific Program	100	100	100	-
Recreational Initiatives	601	601	98	-
Regional Aquaculture -				
2002-03 Program	90	90	62	-
2003-04 Program	105	105	105	-
Small Boats, Outboards and Trailers -				
2002-03 Program	367	367	294	-
2003-04 Program	468	468	468	-
NEW WORKS				
Abrolhos Islands Program -				
Abrolhos Islands Airstrip Maintenance.....	60	-	-	20
Computing Hardware and Software -				
2004-05 Program	285	-	-	285
Fitout, Furniture and Office Equipment -				
2004-05 Program	225	-	-	225
Information Systems Development -				
2004-05 Program	300	-	-	300
Operational Equipment -				
2004-05 Program	136	-	-	136
2004-05 Scientific Program	100	-	-	100
Regional Aquaculture -				
2004-05 Program	105	-	-	105
Small Boats, Outboards and Trailers -				
2004-05 Program	395	-	-	395
	35,613	20,057	15,746	9,410

CAPITAL CONTRIBUTION

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program.....	3,265	8,770	15,746	9,410	2,089	4,550	4,184
	3,265	8,770	15,746	9,410	2,089	4,550	4,184
LESS							
Asset Sales	558	210	305	503	286	334	267
Drawdowns from the Holding Account.....	1,324	3,085	3,085	1,282	1,328	3,741	3,442
Other	458	475	475	475	475	475	475
Internal Funds and Balances	(1,197)	-	6,881	-	-	-	-
Capital Contribution.....	2,122	5,000	5,000	7,150	-	-	-

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2002-03 Actual ^(c) \$'000	2003-04 Budget ^(c) \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	20,947	20,947	21,624	22,811	23,869	24,775	24,780
Superannuation	2,261	1,972	2,311	2,371	2,410	2,470	2,450
Grants and subsidies	3,673	3,500	3,500	3,500	3,500	3,500	3,500
Consultancies expense	404	560	405	411	416	421	421
Supplies and services	9,725	6,384	10,091	10,014	10,159	10,233	10,255
Accommodation	1,499	1,879	1,599	1,626	1,663	1,701	1,700
Borrowing costs	260	133	133	111	99	86	86
Capital User Charge	2,635	2,959	3,081	3,770	4,066	4,076	4,085
Depreciation and amortisation	2,393	3,403	2,725	3,169	3,298	3,640	3,801
Administration	3,535	5,743	3,741	3,756	3,996	4,072	3,859
Fisheries Adjustment Scheme	768	500	500	500	500	500	500
Costs of disposal of non-current assets	244	-	-	-	-	-	-
Other expenses	265	1,498	268	380	384	384	346
TOTAL COST OF SERVICES	48,609	49,478	49,978	52,419	54,360	55,858	55,783
Revenues from ordinary activities							
User charges and fees	60	290	290	340	340	340	340
Regulatory Fees and Fines	20,058	19,448	20,674	21,325	21,764	21,969	22,132
Net Profit on disposal of non-current assets	-	40	40	40	40	40	40
Grants and subsidies	4,417	4,076	4,076	4,558	4,478	4,326	4,326
Interest	846	550	300	250	250	250	250
Proceeds from disposal of non-current assets ..	630	-	-	-	-	-	-
Other Revenue	975	2,012	1,160	1,477	1,149	1,266	1,266
Total Revenues from Ordinary Activities	26,986	26,416	26,540	27,990	28,021	28,191	28,354
NET COST OF SERVICES	21,623	23,062	23,438	24,429	26,339	27,667	27,429
REVENUES FROM STATE GOVERNMENT							
Output Appropriations	20,975	22,944	22,438	23,619	25,533	26,861	26,625
Resources received free of charge	584	120	600	528	524	524	522
Liabilities assumed by the Treasurer	402	-	402	402	402	402	402
TOTAL REVENUES FROM STATE GOVERNMENT	21,961	23,064	23,440	24,549	26,459	27,787	27,549
CHANGE IN EQUITY RESULTING FROM OPERATIONS	338	2	2	120	120	120	120
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	338	2	2	120	120	120	120

(a) The Full Time Equivalents (FTEs) for 2002-03 Actual, 2003-04 Estimated Actual and 2004-05 Estimate are 379, 389 and 399 respectively.

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

(c) 2002-03 Actual and 2003-04 Budget figures have been adjusted for comparability to reflect the transfer of Marine Safety function from the Department of Planning and Infrastructure.

**STATEMENT OF FINANCIAL POSITION
(Controlled)**

	2002-03 Actual ^(a) \$'000	2003-04 Budget ^(a) \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	14,383	3,782	6,791	6,398	6,102	5,733	5,417
Restricted cash.....	1,743	762	1,841	1,079	1,157	1,235	1,313
Receivables.....	1,895	522	522	510	498	498	498
Amounts receivable for outputs.....	1,575	1,282	1,282	1,328	3,741	3,442	-
Prepayments.....	153	111	111	111	111	111	111
Total current assets.....	19,749	6,459	10,547	9,426	11,609	11,019	7,339
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	3,086	3,055	2,432	3,854	2,993	2,774	6,158
Land and Buildings.....	9,912	15,605	18,881	24,876	24,716	24,362	24,008
Plant, equipment and vehicles.....	6,542	10,497	12,622	13,152	12,599	14,751	16,231
Other.....	6,643	8,745	7,720	7,436	6,940	6,052	5,309
Total non-current assets.....	26,183	37,902	41,655	49,318	47,248	47,939	51,706
TOTAL ASSETS.....	45,932	44,361	52,202	58,744	58,857	58,958	59,045
CURRENT LIABILITIES							
Payables.....	1,189	1,002	1,002	1,002	1,002	1,002	1,002
Provision for employee entitlements.....	3,222	2,275	3,269	3,317	3,365	3,414	3,463
Interest-bearing liabilities.....	1,382	-	-	-	-	-	-
Interest payable.....	108	-	-	-	-	-	-
Finance leases.....	144	155	155	167	181	195	208
Accrued Salaries.....	580	410	653	-	78	156	234
Total current liabilities.....	6,625	3,842	5,079	4,486	4,626	4,767	4,907
NON-CURRENT LIABILITIES							
Provision for employee entitlements.....	2,243	1,768	2,275	2,307	2,341	2,375	2,409
Other.....	1,509	1,353	1,353	1,186	1,005	811	604
Total non-current liabilities.....	3,752	3,121	3,628	3,493	3,346	3,186	3,013
TOTAL LIABILITIES.....	10,377	6,963	8,707	7,979	7,972	7,953	7,920
EQUITY							
Contributed Equity.....	6,891	11,891	16,843	23,993	23,993	23,993	23,993
Accumulated surplus/(deficit).....	21,517	19,560	19,505	19,625	19,745	19,865	19,985
Asset revaluation reserve.....	7,147	5,947	7,147	7,147	7,147	7,147	7,147
Total equity.....	35,555	37,398	43,495	50,765	50,885	51,005	51,125
TOTAL LIABILITIES AND EQUITY.....	45,932	44,361	52,202	58,744	58,857	58,958	59,045

(a) 2002-03 Actual and 2003-04 Budget figures have been adjusted for comparability to reflect the transfer of Marine Safety function from the Department of Planning and Infrastructure.

**STATEMENT OF CASH FLOWS
(Controlled)**

	2002-03 Actual ^(a)	2003-04 Budget ^(a)	2003-04 Estimated Actual	2004-05 Budget Estimate	2005-06 Forward Estimate	2006-07 Forward Estimate	2007-08 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
CASH FLOWS FROM STATE GOVERNMENT							
Output Appropriations.....	18,572	20,016	20,133	20,869	22,653	23,638	23,241
Capital Contribution	2,122	5,000	5,000	7,150	-	-	-
Holding Account Drawdowns.....	1,324	3,085	3,085	1,282	1,328	3,741	3,442
Net cash provided by State government.....	22,018	28,101	28,218	29,301	23,981	27,379	26,683
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs.....	(19,976)	(20,766)	(21,291)	(23,384)	(23,709)	(24,614)	(24,619)
Superannuation.....	(1,859)	(1,972)	(1,909)	(1,969)	(2,008)	(2,068)	(2,048)
Supplies and services.....	(10,112)	(6,944)	(10,496)	(10,425)	(10,575)	(10,654)	(10,676)
Grants and subsidies	(3,673)	(3,500)	(3,595)	(3,500)	(3,500)	(3,500)	(3,500)
Borrowing costs.....	(360)	(144)	(241)	(111)	(99)	(86)	(86)
Accommodation.....	(1,499)	(1,879)	(1,599)	(1,626)	(1,663)	(1,701)	(1,700)
Administration.....	(2,951)	(5,623)	(3,191)	(3,228)	(3,472)	(3,548)	(3,337)
Fisheries Adjustment Scheme.....	(768)	(500)	(500)	(500)	(500)	(500)	(500)
Capital User Charge.....	(2,635)	(2,959)	(3,081)	(3,770)	(4,066)	(4,076)	(4,085)
Goods and Services Tax	(1,997)	(2,328)	(2,328)	(2,328)	(2,328)	(2,328)	(2,328)
Other.....	(265)	(1,498)	(268)	(380)	(384)	(384)	(346)
Receipts							
Fisheries License Fees	20,208	19,450	20,547	21,337	21,776	21,969	22,132
User charges and fees	60	90	290	340	340	340	340
Interest.....	846	550	300	250	250	250	250
Goods and Services Tax	2,003	2,328	2,328	2,328	2,328	2,328	2,328
Grants and subsidies	4,417	4,076	4,076	4,558	4,478	4,326	4,326
Other.....	975	2,212	1,160	1,477	1,149	1,266	1,266
Net cash from operating activities.....	(17,586)	(19,407)	(19,798)	(20,931)	(21,983)	(22,980)	(22,583)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(3,035)	(8,985)	(15,746)	(9,410)	(2,089)	(4,550)	(4,184)
Proceeds from sale of non-current assets	630	40	40	40	40	40	40
Net cash from investing activities.....	(2,405)	(8,945)	(15,706)	(9,370)	(2,049)	(4,510)	(4,144)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(1,274)	(1,382)	(1,382)	-	-	-	-
Other payments for financing activities	(135)	(144)	(145)	(155)	(167)	(180)	(194)
Other proceeds from financing activities	1,500	1,500	1,500	-	-	-	-
Net cash from financing activities.....	91	(26)	(27)	(155)	(167)	(180)	(194)
NET INCREASE/(DECREASE) IN CASH HELD	2,118	(277)	(7,313)	(1,155)	(218)	(291)	(238)
Cash assets at the beginning of the reporting period	14,008	4,821	15,945	8,632	7,477	7,259	6,968
Cash assets at the end of the reporting period.....	16,126	4,544	8,632	7,477	7,259	6,968	6,730

(a) 2002-03 Actual and 2003-04 Budget figures have been adjusted for comparability to reflect the transfer of Marine Safety function from the Department of Planning and Infrastructure.

SCHEDULE OF ADMINISTERED EXPENSES AND REVENUES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
EXPENSES							
Grants Subsidies and Transfer Payments	349	-	-	-	-	-	-
Receipts paid into Consolidated Fund ^(b)	-	35	-	-	-	-	-
TOTAL ADMINISTERED EXPENSES ^(a) ..	349	35	-	-	-	-	-
REVENUES							
Grants and subsidies	50	-	-	-	-	-	-
Other Revenue ^(b)	-	35	-	-	-	-	-
TOTAL ADMINISTERED REVENUES	50	35	-	-	-	-	-

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

(b) Infringement Notices collected by the Department previously described as Receipts Paid into Consolidated Fund and Other Revenue are not reported as Administered Transactions. These are reported under Controlled Transactions, consistent with reporting in Annual Report.

SCHEDULE OF ADMINISTERED ASSETS AND LIABILITIES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
ADMINISTERED CURRENT ASSETS							
Restricted cash.....	-	115	-	-	-	-	-
Total Administered Current Assets	-	115	-	-	-	-	-
TOTAL ADMINISTERED ASSETS	-	115	-	-	-	-	-

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Grants Subsidies and Transfer Payments	349	-	-	-	-	-	-
Receipts paid into Consolidated Fund ^(a)	2	35	-	-	-	-	-
TOTAL ADMINISTERED CASH OUTFLOWS	(349)	(35)	-	-	-	-	-
CASH INFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Grants and subsidies	50	-	-	-	-	-	-
Other ^(a)	-	35	-	-	-	-	-
TOTAL ADMINISTERED CASH INFLOWS	50	35	-	-	-	-	-
NET CASH INFLOWS/(OUTFLOWS) FROM ADMINISTERED TRANSACTIONS	(299)	-	-	-	-	-	-

(a) Infringement Notices collected by the Department previously described as Receipts Paid into Consolidated Fund and Other Revenue are not reported as Administered Transactions. These are reported under Controlled Transactions, consistent with reporting in Annual Report.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
Grants to Industry	3,673	3,500	3,500	3,500	3,500	3,500	3,500
TOTAL	3,673	3,500	3,500	3,500	3,500	3,500	3,500

DETAILS OF THE ADMINISTERED TRANSACTIONS EXPENSES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
GRANTS TO CHARITABLE AND OTHER PUBLIC BODIES							
Amounts recouped for ATSSIS related activities	349	-	-	-	-	-	-
OTHER STATE SERVICES							
Infringement notices collected and returned to Treasury	-	35	-	-	-	-	-
TOTAL	349	35	-	-	-	-	-

(a) Infringement notices collected by Department of Fisheries previously described as Other Revenue and Receipts paid into Consolidated Fund are not reported as Administered transactions consistent with reporting in the Annual Report.

DETAILS OF THE ADMINISTERED TRANSACTIONS REVENUE

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
COMMONWEALTH GRANTS							
Funds received from ATSSIS	50	-	-	-	-	-	-
OTHER							
Infringements notices	-	35	-	-	-	-	-
TOTAL	50	35	-	-	-	-	-

TRUST ACCOUNT DETAILS**Recreational Fishing Trust Account**

The Recreational Fishing Trust Account was established under the *Fish Resources Management Act* on 1st October 1995. It is utilised to fund the management of Recreational Fishing activities.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000
Opening Balance	8	12	10	10
Receipts:				
Appropriations.....	7,197	7,631	8,746	10,971
Other	2,304	3,119	3,114	3,329
	9,509	10,762	11,870	14,310
Payments	9,499	10,750	11,860	14,300
CLOSING BALANCE.....	10	12	10	10

Fisheries Research and Development Trust Account

The Fisheries Research and Development Fund was continued under the *Fish Resources Management Act*, which was established on 1 October 1995. It is utilised to fund the management of commercial, fish and fish habitat protection and pearling and aquaculture activities.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000
Opening Balance	11,753	3,099	14,008	6,800
Receipts:				
Appropriations.....	14,321	19,970	18,972	17,830
Other	20,355	19,850	21,511	22,403
	46,429	42,919	54,491	47,033
Payments	32,421	39,708	47,691	41,273
CLOSING BALANCE.....	14,008	3,211	6,800	5,760

Fisheries Adjustment Schemes Trust Account

The Fisheries Adjustment Schemes Trust Account was established under the *Fisheries Adjustment Scheme Act*. It is mainly utilised to fund the payment of compensation agreed under the Fisheries Adjustment Scheme.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000
Opening Balance	1,124	989	844	844
Receipts:				
Appropriations.....	500	500	500	500
Other	1,500	1,500	1,500	-
	3,124	2,989	2,844	1,344
Payments	2,280	2,000	2,000	500
CLOSING BALANCE.....	844	989	844	844

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:

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000
GST input credits.....	1,432	2,680	2,000	2,000
GST receipts on sales	571	352	328	328
Sundry revenue.....	-	32	-	-
TOTAL.....	2,003	3,064	2,328	2,328

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

MID WEST DEVELOPMENT COMMISSION

PART 4 - MINISTER FOR AGRICULTURE, FORESTRY AND FISHERIES; THE MID-WEST, WHEATBELT AND GREAT SOUTHERN

DIVISION 15

APPROPRIATION AND FORWARD ESTIMATES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 43 Net amount appropriated to deliver outputs	1,317	1,550	1,522	1,549	1,380	1,371	1,396
Total appropriations provided to deliver outputs	1,317	1,550	1,522	1,549	1,380	1,371	1,396
CAPITAL							
Capital Contribution	30	-	-	-	-	229	-
GRAND TOTAL	1,347	1,550	1,522	1,549	1,380	1,600	1,396

MISSION

To have the Mid West recognised as a preferred region in which to live, work and invest.

SIGNIFICANT ISSUES AND TRENDS

- Being a major exporter of primary products, the Mid West's growth prospects are affected by world commodity prices and seasonal conditions. In response, there is an increased awareness of the need to encourage innovation and rigorously pursue diversification and value-adding opportunities across all industry sectors.
- The cyclical nature of the agricultural/pastoral sectors continues to have an impact on regional prosperity. While wool prices have shown an encouraging upward trend, significant work continues to be undertaken to identify and support the establishment of new enterprise opportunities throughout the rangelands. Information technology presents both challenges and opportunities.
- The population of many inland agricultural communities is declining and ageing while those in the mining/pastoral area tend to fluctuate in line with commodity prices, which impact on mining activity. The lack of opportunities has contributed to the relative high unemployment rate amongst youth and the Indigenous community.
- The mining industry continues to make a strong contribution to regional growth, employment and export income. However, the region needs to capture more local community benefit from this sector by developing alternative strategies to overcome the impacts of fly in/fly out operations and to better service and supply mining operations from local and regional businesses.
- The Mid West region is starting to realise its tourism potential on the back of major tourism related infrastructure projects and a more coordinated and effective marketing campaign. With continued development and strategic support, this sector has the capacity to underpin future regional growth.
- The continued development of the region's strategic infrastructure including transport, telecommunications, and education training and research facilities is vital to build on the region's competitive advantages to develop and attract new enterprise opportunities and support sustainable regional development.
- Eighty three per cent of the region is classified as remote. This generates a demand for community capacity building programs and supportive social infrastructure.

- Agricultural and pastoral land in the region suffers from high levels of landscape stress. The completion of accredited natural resource management strategies will play an integral role in addressing this issue and encourage responsible land use practices, land care and eco-efficiency.
- The Geraldton Universities Centre, together with the planned development of the Separation Point Marine Precinct will establish Geraldton as the regional education and 'smart' centre for the Mid West.

OUTPUT AND APPROPRIATION SUMMARY

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
OUTPUTS							
<i>Output 1:</i>							
Information and Advice.....	753	744	918	799			
<i>Output 2:</i>							
Investment Facilitation.....	905	584	1,053	774			
<i>Output 3:</i>							
Infrastructure and Services Development in the Mid West	942	803	893	1,134			
Total Cost of Outputs.....	2,600	2,131	2,864	2,707	1,577	1,535	1,567
<i>Less Revenues from Ordinary Activities</i>	<i>1,536</i>	<i>573</i>	<i>1,002</i>	<i>682</i>	<i>161</i>	<i>619</i>	<i>161</i>
Net Cost of Outputs.....	1,064	1,558	1,862	2,025	1,416	916	1,406
Adjustments ^(a)	253	(8)	(340)	(476)	(36)	455	(10)
Appropriation provided to deliver Outputs.	1,317	1,550	1,522	1,549	1,380	1,371	1,396
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	30	-	-	-	-	229	-
TOTAL CONSOLIDATED FUND APPROPRIATIONS	1,347	1,550	1,522	1,549	1,380	1,600	1,396

(a) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, 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 Goals

Broad, high level government strategic goals are supported at agency level by more specific desired outcomes. Agencies deliver outputs to achieve these desired outcomes, which ultimately contribute to meeting the higher level government strategic goals. The following table illustrates this relationship.

Government Strategic Goal(s)	Desired Outcome(s)	Output(s)
To ensure that regional Western Australia is strong and vibrant.	An environment conducive to the balanced economic and social development of the Mid West region.	1. Information and Advice 2. Investment Facilitation 3. Infrastructure and Services Development in the Mid West

Outcomes and Key Effectiveness Indicators ^(a)

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Outcome: An environment conducive to the balanced economic and social development of the Mid West region.					
Clients agreeing that the Commission reduced obstacles to economic growth and employment ^(b)	39%	32%	35%	40%	
Clients agreeing that the Commission contributed to the development of a new business opportunity ^(b)	49%	42%	45%	50%	
Clients agreeing that the Commission contributed to more trade activity ^(b)	24%	22%	25%	27%	
Clients agreeing that the Commission contributed to the retention of staff and/or expansion of employment opportunities ^(b)	16%	22%	20%	22%	

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

(b) By survey

Output 1: Information and Advice

To contribute to economic growth and employment by developing strategic partnerships between government, business, and the community, providing a central point of coordination and contact and by raising awareness of the Mid West region.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	753	744	918	799	Expenditure reduces in 2004-05 following completion of 2 major projects in 2003-04
Less Revenues from Ordinary Activities	275	242	297	242	Reduction in 2004-05 mainly results from completion of a grant funded project in 2003-04
Net Cost of Output	478	502	621	557	
Adjustments ^(a)	(14)	(9)	(64)	(26)	
Appropriation for delivery of Output 1	464	493	557	531	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Client visits.....	246	220	220	220	
Client contacts.....	2,899	2,500	2,750	3,000	
Quality					
Level of overall service - by survey (Rated good or better)	79%	87%	85%	87%	
Timeliness					
Efficient in handling initial contact - by survey (Rated good or better).....	80%	87%	85%	87%	
Cost (Efficiency)					
Cost per client visit.....	\$1,530	\$1,691	\$2,086	\$1,816	
Cost per client inquiry	\$130	\$149	\$167	\$133	Higher 2003-04 unit costs reflects additional expenditure incurred on externally funded projects
Full Time Equivalents (FTEs)	5	5	5	5	

Major Achievements For 2003-04

- Through the Mine Servicing Group, produced "Give me Geraldton any day" promotional brochures and multimedia CD highlighting the benefits of living and working in Geraldton including:
 - lifestyle benefits;
 - availability and access to a range of quality education, training and employment services;
 - the benefits of establishing fly in/fly out services from Geraldton; and
 - the Geraldton region's infrastructure and industrial capability.
- Coordinated the hosting of a Mid West Business Mining Expo in Mount Magnet to showcase Mid West industry and its capability to service the mining sector.
- Reviewed and expanded the Commission's Business Capability and Services Directory database to include a mine servicing database that is accessible through the Internet.
- Prepared and released the Mid West Regional Priority Plan to focus regional effort on addressing the region's key issues and plans.
- Facilitated local business involvement in major regional projects by:
 - promoting the Business Capability and Services Directory to major project proponents and contractors; and
 - supporting the Mid West Chamber of Commerce and Industry to host business and community briefings by the successful tenderers to major construction projects including the Geraldton Regional Hospital and the Alinta Wind Farm.
- Administered the third round of the State Government's Mid West Regional Development Scheme and allocated grants totalling \$400,000 to 26 regional projects that will contribute to the sustainable development of the Mid West.
- Conducted a Heads of Government Agencies Forum to facilitate information exchange and enhance coordination and service delivery amongst government agencies in the Mid West.

- Assisted community and economic development initiatives through the region including:
 - development and launch of the draft Shire of Murchison Community Futures Plan;
 - worked in partnership with the Department of Local Government and Regional Development to provide support and mentoring to participants of the WA Leadership program;
 - convened four Western Wise network gathering meetings at Kalbarri, Mingenew, Mullewa and Chapman Valley;
 - undertook a five-year review of the Coorow Business Retention and Expansion Visitation Program;
 - supported the Shire of Carnamah's "Eneabba Life after the Mine" initiative; and
 - worked with the Shire of Mount Magnet and the Mount Magnet Aboriginal Progress Association to secure funding for a Youth and Recreation Officer.
- Facilitated Indigenous economic development by:
 - developing the first stage of the Yamaji Heritage Trail based on the area bounded by the Naaguja Native Title claim;
 - working in partnership with Wila Gutharra Aboriginal Corporation and the Naaguja people to incubate this tourism venture in Geraldton;
 - consolidating the Indigenous Tourism Reference Group as the peak body for Aboriginal tourism issues in the Mid West; and
 - continuing to work with the Wiluna Community Economic Development Officer to progress Indigenous commercial opportunities in seed collection, arts, desert timber and camel ranching.
- Worked in partnership with the Northern Agricultural Catchments Council (NACC) on natural resource management issues in the Mid West including hosting the NACC Indigenous Support Officer position within the Commission. The aim of this position is to develop strategies and protocols to increase Indigenous participation in natural resource management.
- Prepared and distributed an updated brochure to communicate the role and services of the Mid West Development Commission.
- The Commission, in partnership with Geraldton Universities Centre and the Geraldton Universities Access Group, received a Premier's Award for Excellence in Public Sector Management in the category of Education and Skills. The award relates to the establishment of a university in Geraldton, which was borne from an unprecedented bid by Geraldton to secure Federally funded university places, even though the city did not have a university campus.

Major Initiatives For 2004-05

- Prepare an updated Mid West People and Population to outline the region's major demographic trends.
- Review qualitative and quantitative information on aquifers located in the Mid West to identify potential new and intensive economic development opportunities.
- Complete the development and implementation of a database of government agency initiatives in the Mid West.
- Support the Shire of Murchison to secure funding to implement the Pathmaker project. An alliance between the CSIRO's Resource Futures Program, the Shire and the Commission, this initiative aims at investigating how the existing natural resource base can sustain viable enterprises and build robust regional communities.
- Facilitate the affiliation of Western Wise Network with another community development group in the Mid West.
- Investigate the benefit of expanding the Outback Resource Atlas to include the whole Mid West.
- Support the preparation of accredited natural resource management strategies for the Gascoyne Murchison rangelands and the Northern Agricultural areas and align these strategies' objectives with regional development objectives.
- Support the implementation of recommendations from the "Eneabba Life after the Mine" study.
- Work with all shires in the Murchison area to establish a Murchison Voluntary Region of Councils.

- Establish the Community Development Practitioners Support Group for practising professionals in the Murchison region.
- Engage with high need communities in the Murchison region to assist with community futures planning, capacity building and economic and cultural development.
- Conduct a feasibility study to develop a Mid West Community Foundation to support regional and community capacity building.

Output 2: Investment Facilitation

To create a business environment within the Mid West region that has a diverse economic base and is attractive to investors.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	905	584	1,053	774	2003-04 expenditure reflects a higher level of grant funding combined with consumption of rollover funds from 2002-03 Reduction in 2004-05 results from completion of several externally funded projects
Less Revenues from Ordinary Activities	583	225	577	337	
Net Cost of Output	322	359	476	437	Rollover funds from 2002-03 used in 2003-04
Adjustments ^(a)	147	1	(179)	(26)	
Appropriation for delivery of Output 2	469	360	297	411	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Projects undertaken relating to investment facilitation.....	17	15	15	15	
Quality					
Clients agreeing that the Commission makes a positive contribution to economic development - by survey.....	89%	87%	87%	90%	
Timeliness					
Investment related strategic objectives completed on time	43%	72%	72%	75%	
Cost (Efficiency)					
Average cost per project.....	\$53,235	\$38,933	\$70,200	\$51,600	Average cost is forecast to decline in 2004-05 following the completion of several larger projects
Full Time Equivalents (FTEs)	5	4	6	5	

Major Achievements For 2003-04

- Assisted seven local businesses to overcome their specific labour market shortages through the Regionally Sponsored Migration Scheme and Long Stay working visas.
- Assisted four local businesses to export for the first time.
- Prepared three 'industry development opportunity' documents:
 - Biodiesel in the Mid West;
 - The Potential for Value Adding to Lupins in the Mid West; and
 - An Assessment of Three Straw Pulping Techniques.
- Through the Mid West Mine Services Group, initiated a Mine Apprenticeship Scheme involving both local businesses and local mines.
- With other members of the Geraldton Economic Alliance, successfully hosted the second Mid West Economic Summit to showcase the region's development and variety of investment opportunities.
- Progressed the Separation Point Marine Precinct by:
 - partnering the Department of Fisheries to complete detailed design documentation and a business case for the Abrolhos Islands Research Institute component of the Precinct;
 - working with the Department of Education and Training and the Central West College of TAFE to complete development approvals for the Abrolhos Islands Research Institute and Central West College of TAFE's Batavia Coast Marine Centre; and
 - establishing a steering group to progress the Geraldton Marine Interpretive Centre component and initiating work on a feasibility study.
- Launched the Gascoyne Murchison Outback Pathways Stage 1, including the preparation and installation of 43 interpretive panels and associated directional signage, and promotional material. The project aims at encouraging self-drive tourism in the outback and assisting in the economic diversification of the rangelands.
- Established a steering committee for the development of MICE (Meetings, Incentives, Conventions and Exhibitions) in the Mid West.
- In partnership with a number of other organisations, successfully hosted major events including:
 - an international radio astronomy workshop as part of the region's bid for the Low Frequency Array Radio Telescope (LOFAR) project;
 - the statewide launch of the Indicators of Regional Development report by the Premier;
 - the annual FACET (Forum Advocating Cultural and Eco-tourism) conference; and
 - the WA Coastal Conference in Geraldton.
- As part of the region's bid for the US\$1 billion international project, secured funding with the CSIRO and the Western Australian Office of Science and Innovation, to host the International Square Kilometre Array Site Selection Committee meeting and workshop in Geraldton.
- Led Cruising Geraldton's successful hosting of the cruise ship Europa in Geraldton.
- In partnership with the Botanic Gardens and Parks Authority, and the Gascoyne and Goldfields Esperance Development Commissions, promoted tourism and investment opportunities in regional Western Australia through participation at the international garden expo Pacific Flora 2004 in Japan.
- Hosted a visit to the Mid West by Task 8 - an international scientific group investigating the potential of using photovoltaic technology to produce large-scale solar power production.

Major Initiatives For 2004-05

- Pro-actively promote the Mid West Region at the London Immigration Expo.
- Undertake a review of venture capital needs and opportunities in the Mid West.
- Assess the market potential of straw pulp produced in the Mid West.
- Establish a new two-year contract with the Australian Trade Commission (Austrade) to provide expanded Tradestart program (export development) services to current and potential Mid West exporters.
- Progress development of the Separation Point Marine Precinct by completing a feasibility study for the proposed Geraldton Marine Interpretive Centre component.
- Assist GMK to develop their kaolin reserves at Perenjori.
- Work with Japanese companies to establish a kaolin beneficiation industry and photovoltaic wafer industry in the region.
- Work with the Cruising Geraldton Committee to attract more cruise ships to Geraldton.
- Secure further funding to employ a MICE (Meetings, Incentives, Conventions and Exhibitions) coordinator to enhance the capacity of the region's communities to attract and successfully host regional MICE events.
- Achieve tourism outcomes and investment opportunities for the Mid West by continuing participation in Pacific Flora 2004. An assessment of the benefits derived for the Mid West will be undertaken following its conclusion in October 2004.
- Review the potential to establish a horticultural precinct in the Walkaway area.
- Continue progress of the Gascoyne Murchison Outback Pathways by:
 - securing funding to implement Stage 2; and
 - undertaking a "roadshow" within the Gascoyne Murchison area to highlight the challenges and opportunities of associated with the tourism industry.

Output 3: Infrastructure and Services Development in the Mid West

To facilitate the development of infrastructure and services based on long term economic development strategies, to support communities and businesses in the Mid West.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	942	803	893	1,134	\$400,000 of revenue from 2002-03 is forecast to be expended in 2004-05 to finalise Stage 1 of the Batavia Coast Marina project
Less Revenues from Ordinary Activities	678	106	128	103	
Net Cost of Output	264	697	765	1,031	
Adjustments ^(a)	120	-	(97)	(424)	2004-05 reflects the use of \$400,000 of Marina funds previously received
Appropriation for delivery of Output 3	384	697	668	607	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Projects undertaken relating to infrastructure and services development	17	15	15	15	
Quality					
Clients agreeing that the Commission makes a positive contribution to economic development - by survey	89%	87%	87%	90%	
Timeliness					
Infrastructure and services development strategic objectives completed on time	62%	72%	72%	75%	
Cost (Efficiency)					
Average cost per project	\$55,412	\$53,533	\$59,533	\$75,600	Average cost for 2004-05 is inflated by \$400,000 forecast to be spent on finalising Stage 1 of the Batavia Coast Marina project
Full Time Equivalents (FTEs)	4	4	4	4	

Major Achievements For 2003-04

- Worked with the City of Geraldton, Main Roads WA, the Geraldton Port Authority and other major groups to progress major regional infrastructure projects.
- In conjunction with the Mid West Chamber of Industry, facilitated local business involvement in a number of major regional projects, including:
 - Mt Gibson's iron ore project;
 - Southern Transport Corridor;
 - Geraldton Regional Hospital;
 - Walkaway Wind Farm; and
 - Geraldton Port Enhancement Project.
- Convened a working group with the Geraldton Port Authority and the fishing industry to establish a large vessel lifting facility at the Port of Geraldton.
- Supported the Geraldton University Access Group to develop a masterplan for the proposed Geraldton Education Precinct.
- The Mid West Internet portal, Ocean2Outback, won the Regional Services category of the WA Information Technology and Telecommunications Awards. The Commission led project was undertaken with funding obtained from the Federal Networking the Nation program by the Commission in partnership with the City of Geraldton. The portal, which was developed by a Mid West business – Market Creations, has recorded more than one million "hits" since its launch in February 2003.
- Worked with the Regional Based Alternatives Sub-Committee of the Gascoyne Murchison Strategy to identify and progress diversification opportunities for pastoralists including:
 - undertaking investigative drilling to prove water resources suitable for intensive agricultural activities;
 - investigation into the establishment of a camel industry based on the export of meat and live camels; and
 - identification of opportunities to establish enterprise opportunities on mine owned pastoral leases.
- Prepared a case to establish a component of the proposed Integrated Agricultural Research Institute in the Mid West.
- Continued to work with the Shire of Perenjori to facilitate the development of infrastructure to support major resource development.

Major Initiatives For 2004-05

- Work with project proponents in Geraldton, Kalbarri and Dongara to maximise community benefit and local business participation from major regional projects including resort, hotel and retirement developments.
- Work with key stakeholders to progress the City of Geraldton's Foreshore Redevelopment and CBD Revitalisation Project.
- Assist the Geraldton University Access Group to construct a dedicated university facility within the Geraldton Education Precinct.
- Work with local industry sources, the Geraldton Port Authority and government to secure funding to establish a heavy boat lifting facility in Geraldton.
- Support the Shire of Perenjori to undertake a socio-economic impact study of proposed major resource projects within the shire.
- Work with the Shire of Mount Magnet to establish an industrial estate in close proximity to the Mount Magnet township.
- Continue to work with relevant groups to establish a component of the proposed Integrated Agricultural Research Institute in the Mid West.
- Establish a regional based working group to review the region's telecommunication's issues and develop recommendations to address them.
- Continue to work with the Shire of Wiluna and other major stakeholders to construct a new waste management facility in the town.
- Continue to implement the findings of the Geraldton Mine Servicing study.

CAPITAL WORKS PROGRAM

The Mid West Development Commission's capital works program for 2004-05 comprises \$30,000 to continue the Commission's asset replacement program for computers and office equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-04 \$'000	Estimated Expenditure 2003-04 \$'000	Estimated Expenditure 2004-05 \$'000
COMPLETED WORKS				
Computer and Office Equipment Replacement - 2002-03 Program	35	35	32	-
2003-04 Program	30	30	30	-
NEW WORKS				
Computer and Office Equipment Replacement - 2004-05 Program	30	-	-	30
	95	65	62	30

CAPITAL CONTRIBUTION

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	102	30	62	30	31	719	33
	102	30	62	30	31	719	33
LESS							
Commonwealth Grants	4	-	-	-	-	229	-
Drawdowns from the Holding Account	-	30	30	30	31	32	33
Other	-	-	-	-	-	229	-
Internal Funds and Balances	68	-	32	-	-	-	-
Capital Contribution	30	-	-	-	-	229	-

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	869	807	921	885	859	881	902
Superannuation	81	81	90	84	85	87	87
Grants and subsidies ^(b)	518	680	700	586	74	-	-
Supplies and services	961	369	946	955	362	368	372
Accommodation	126	122	126	120	120	120	120
Depreciation and amortisation	16	27	27	30	30	30	30
Administration	28	32	41	33	32	33	33
Other expenses	1	13	13	14	15	16	23
TOTAL COST OF SERVICES	2,600	2,131	2,864	2,707	1,577	1,535	1,567
Revenues from ordinary activities							
Grants and subsidies	1,042	554	898	602	80	538	80
Rent	17	16	12	6	6	6	6
Proceeds from disposal of non-current assets ..	1	-	-	-	-	-	-
Other Revenue	476	3	92	74	75	75	75
Total Revenues from Ordinary Activities	1,536	573	1,002	682	161	619	161
NET COST OF SERVICES	1,064	1,558	1,862	2,025	1,416	916	1,406
REVENUES FROM STATE GOVERNMENT							
Output Appropriations	1,317	1,550	1,522	1,549	1,380	1,371	1,396
Resources received free of charge	11	10	11	-	-	-	-
TOTAL REVENUES FROM STATE GOVERNMENT	1,328	1,560	1,533	1,549	1,380	1,371	1,396
CHANGE IN EQUITY RESULTING FROM OPERATIONS							
Change in Equity arising from transfer of assets/liabilities	(75)	-	-	-	-	-	(687)
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	189	2	(329)	(476)	(36)	455	(697)

(a) The Full Time Equivalents (FTEs) for 2002-03 Actual, 2003-04 Estimated Actual and 2004-05 Estimate are 14, 15 and 14 respectively.

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

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	286	127	491	71	43	45	48
Restricted cash.....	610	-	310	250	-	-	-
Receivables.....	479	35	15	15	15	15	15
Amounts receivable for outputs.....	30	30	30	31	32	33	-
Prepayments.....	1	48	49	49	49	49	49
Total current assets.....	1,406	240	895	416	139	142	112
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	75	74	46	85	93	98	136
Plant, equipment and vehicles.....	45	60	72	72	73	75	78
Inventories.....	530	530	530	530	530	530	530
Other.....	-	-	-	-	-	687	-
Total non-current assets.....	650	664	648	687	696	1,390	744
TOTAL ASSETS.....	2,056	904	1,543	1,103	835	1,532	856
CURRENT LIABILITIES							
Superannuation.....	2	2	2	-	-	-	-
Payables.....	94	22	69	71	71	71	75
Provision for employee entitlements.....	111	121	94	96	100	103	106
Accrued Salaries.....	23	28	29	-	3	3	7
Other.....	381	6	237	257	7	7	7
Total current liabilities.....	611	179	431	424	181	184	195
NON-CURRENT LIABILITIES							
Superannuation.....	62	69	67	72	77	82	87
Provision for employee entitlements.....	101	122	92	130	136	141	146
Interest-bearing liabilities.....	960	960	960	960	960	960	960
Total non-current liabilities.....	1,123	1,151	1,119	1,162	1,173	1,183	1,193
TOTAL LIABILITIES.....	1,734	1,330	1,550	1,586	1,354	1,367	1,388
EQUITY							
Contributed Equity.....	60	60	60	60	60	289	289
Accumulated surplus/(deficit).....	262	(486)	(67)	(543)	(579)	(124)	(821)
Total equity.....	322	(426)	(7)	(483)	(519)	165	(532)
TOTAL LIABILITIES AND EQUITY.....	2,056	904	1,543	1,103	835	1,532	856

STATEMENT OF CASH FLOWS
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Output Appropriations	1,235	1,521	1,476	1,479	1,340	1,333	1,358
Capital Contribution	30	-	-	-	-	229	-
Holding Account Drawdowns.....	-	30	75	30	31	32	33
Net cash provided by State government.....	1,265	1,551	1,551	1,509	1,371	1,594	1,391
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs	(843)	(802)	(941)	(874)	(846)	(873)	(890)
Superannuation	(77)	(76)	(85)	(81)	(80)	(82)	(82)
Supplies and services	(813)	(369)	(1,070)	(953)	(362)	(368)	(368)
Grants and subsidies	(248)	(680)	(740)	(566)	(324)	-	-
Accommodation.....	(126)	(122)	(126)	(120)	(120)	(120)	(120)
Administration	(28)	(32)	(41)	(33)	(32)	(33)	(33)
Goods and Services Tax	(149)	(122)	(251)	(185)	(92)	(177)	(63)
Other.....	(1)	(3)	(2)	(14)	(15)	(16)	(23)
Receipts							
Goods and Services Tax	143	121	253	185	92	177	63
Grants and subsidies	1,047	554	918	602	80	538	80
Other.....	94	19	501	80	81	81	81
Net cash from operating activities	(1,001)	(1,512)	(1,584)	(1,959)	(1,618)	(873)	(1,355)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(102)	(30)	(62)	(30)	(31)	(719)	(33)
Proceeds from sale of non-current assets	354	-	-	-	-	-	-
Net cash from investing activities	252	(30)	(62)	(30)	(31)	(719)	(33)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(353)	-	-	-	-	-	-
Net cash from financing activities	(353)	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	163	9	(95)	(480)	(278)	2	3
Cash assets at the beginning of the reporting period	733	118	896	801	321	43	45
Cash assets at the end of the reporting period.....	896	127	801	321	43	45	48

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
Australian Women in Agriculture (WA)	3	-	-	-	-	-	-
Botanic Gardens and Parks Authority.....	4	-	1	-	-	-	-
Bundiyarra Aboriginal Community Aboriginal Corporation.....	1	-	-	-	-	-	-
City of Geraldton - Economic Summit	-	-	16	-	-	-	-
Geraldton Universities Centre	77	280	280	201	34	-	-
Regional Co-operative Research projects	20	-	13	5	-	-	-
Regional Development Scheme grants	413	400	390	380	40	-	-
TOTAL	518	680	700	586	74	-	-

WHEATBELT DEVELOPMENT COMMISSION

PART 4 - MINISTER FOR AGRICULTURE, FORESTRY AND FISHERIES; THE MID-WEST, WHEATBELT AND GREAT SOUTHERN

DIVISION 16

APPROPRIATION AND FORWARD ESTIMATES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 44 Net amount appropriated to deliver outputs	1,328	1,393	1,374	1,783	1,445	1,463	1,499
Total appropriations provided to deliver outputs.....	1,328	1,393	1,374	1,783	1,445	1,463	1,499
CAPITAL							
Capital Contribution	19	-	-	-	-	-	-
GRAND TOTAL	1,347	1,393	1,374	1,783	1,445	1,463	1,499

MISSION

To promote, plan, facilitate and support development for the well-being of our community

SIGNIFICANT ISSUES AND TRENDS

- The population of the Wheatbelt region continues its pattern of growth and redistribution. Many areas close to the metropolitan area and along the coast north of Perth continue to experience sustained and significant growth patterns, which place pressures on infrastructure and service providers. Larger regional centres are experiencing modest growth while some smaller communities continue to lose population as economic restructuring continues.
- Agriculture, particularly grain production, remains the dominant industry in the region. Record grain harvest, close to 15 million tonnes, has made the regional economy buoyant, resulting in flow-on effects to small business owners in the local towns. The corporatisation of farms continues to be a trend throughout the region, resulting in a fewer number of farms and an increase in absentee landowners.
- Livestock numbers in the region are continuing to increase as a result of industry identifying the region as an economically viable location for livestock production.
- Intensified agriculture continues to expand, particularly in the vegetable, olive and viticulture sectors. This expansion is based heavily on the availability of and access to ground water.
- Mining continues to be a major contributor to the regional economy. The current international demand for nickel has enhanced the production of this metal in the Yilgarn and Forrestania areas. Iron ore production is continuing in Koolyanobbing and gold production in Southern Cross and Marvel Lock.
- Infrastructure and service delivery provision remain priorities in the region. As the third most populous region with dispersed population centres, the provision of service delivery and the maintenance of the electricity infrastructure and roads network remain a continual challenge.
- The creation of two regional natural resource management councils in the region will assist with mitigating the impacts of salinity, soil acidification and loss of biodiversity.

OUTPUT AND APPROPRIATION SUMMARY

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Information and Promotion Services	976	1,369	1,080	1,264			
Output 2:							
Facilitation Services	732	793	920	1,054			
Total Cost of Outputs	1,708	2,162	2,000	2,318	1,469	1,474	1,517
<i>Less Revenues from Ordinary Activities</i>	318	728	590	490	90	90	90
Net Cost of Outputs	1,390	1,434	1,410	1,828	1,379	1,384	1,427
Adjustments ^(a)	(62)	(41)	(36)	(45)	66	79	72
Appropriation provided to deliver Outputs.	1,328	1,393	1,374	1,783	1,445	1,463	1,499
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	19	-	-	-	-	-	-
TOTAL CONSOLIDATED FUND APPROPRIATIONS	1,347	1,393	1,374	1,783	1,445	1,463	1,499

(a) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, 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 Goals**

Broad, high level government strategic goals are supported at agency level by more specific desired outcomes. Agencies deliver outputs to achieve these desired outcomes, which ultimately contribute to meeting the higher level government strategic goals. The following table illustrates this relationship.

Government Strategic Goal(s)	Desired Outcome(s)	Output(s)
To ensure that regional Western Australia is strong and vibrant.	The benefits from sustainable development consistent with the expectations of the regional community flow to the people of the Wheatbelt.	1. Information and Promotion Services 2. Facilitation Services

Outcomes and Key Effectiveness Indicators ^(a)

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Outcome: The benefits from sustainable development consistent with the expectations of the regional community flow to the people of the Wheatbelt.					
Satisfaction Survey - that the Commission is achieving its Outcome - sample size.....	150	160	160	160	
Strongly Agree	15%	21%	21%	21%	
Agree	65%	59%	59%	59%	
Neither Agree or Disagree	5%	8%	8%	8%	
Strongly Disagree	2%	2%	2%	2%	
Don't Know	9%	10%	10%	10%	

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

Output 1: Information and Promotion Services

The provision of timely and accurate information to meet client need in developing the Wheatbelt region through the identification and promotion of the comparative advantages of the region, the diversification of industry and businesses, and by providing a central point for information and assistance.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	976	1,369	1,080	1,264	
Less Revenues from Ordinary Activities	182	561	318	267	
Net Cost of Output	794	808	762	997	
Adjustments ^(a)	(35)	(31)	(20)	(25)	
Appropriation for delivery of Output 1	759	777	742	972	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Hours of regional development service	10,084	12,000	9,505	9,652	Expected increase of Regional Development Scheme applications.
Program of grants conveyed	11	25	7	16	
Quality					
Degree to which clients judge that the Commission has achieved its outcomes (survey).....	61%	80%	80%	80%	
Timeliness					
Agreed timeframes are met to the satisfaction of clients	86%	75%	75%	75%	
Cost (Efficiency)					
Average cost per hour of regional development service	\$96.74	\$114.08	\$113.62	\$130.96	
Average cost per program of grants conveyed.	\$9,373	\$12,000	\$18,304	\$16,423	
Full Time Equivalents (FTEs)	7	7	7	7	

Major Achievements For 2003-04

- Completed the Indian Ocean Drive Economic and Social Impact Study, which identifies opportunities for coastal businesses upon completion of the Indian Ocean Drive. The study also highlights local government planning and social issues that will need to be addressed in the future.
- Administered the third round of the Wheatbelt Regional Development Scheme, which provided \$400,000 of grant funding for regional development projects. The scheme is part of the Government's Regional Investment Fund.
- Established an Indigenous Economic Development Reference Group to provide advice and assistance to the Indigenous Economic Development Officer in developing and implementing a strategic plan to promote indigenous enterprises across the region.
- Supported the Avon Catchment Council in working with the Commonwealth Science and Industrial Research Organisation in the development of a scenario plan for the Avon River Basin. This plan identifies issues critical to improving the regional prospects for present and future generations of the Avon River Basin.

Major Initiatives For 2004-05

- Develop and roll out the 'Winning Hearts and Minds' marketing project for the region.
- Undertake spatial analysis of service delivery and regional governance in the region.
- Develop, in conjunction with other government organisations, regionally based initiatives to attract and retain professional staff in the region.
- Work, in conjunction with key stakeholders to develop a Wheatbelt Future's Cooperative Research Centre based at Muresk Institute.
- Host, in conjunction with the Wheatbelt Area Consultative Committee, a Wheatbelt Regional Summit, to encourage strategic regional thinking, foster closer community/government partnerships and to develop a sustainable future for the region.

Output 2: Facilitation Services

The provision of assistance, support and encouragement to clients, based around identified regional opportunities. Central to this output are activities that relate to the facilitation of the upgrading of infrastructure, provide encouragement and support to the development of new industries and facilitate the intensification, expansion and diversification of existing industries.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output.....	732	793	920	1,054	
Less Revenues from Ordinary Activities	136	167	272	223	
Net Cost of Output	596	626	648	831	
Adjustments ^(a)	(27)	(10)	(16)	(20)	
Appropriation for delivery of Output 2	569	616	632	811	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Hours of regional development service	7868	6000	8380	8038	Expected decrease of Regional Development Scheme applications.
Program of grants conveyed	6	15	14	7	
Quality					
Degree to which clients judge that the Commission has achieved its outcome (survey).....	61%	80%	80%	80%	
Timeliness					
Agreed timeframes are met to the satisfaction of clients	86%	75%	75%	75%	
Cost (Efficiency)					
Average cost per hour of regional development service	\$93.07	\$132.17	\$109.79	\$131.13	
Average cost of program of grants conveyed ..	\$18,685	\$14,667	\$26,069	\$19,576	
Full Time Equivalent (FTEs)	6	6	6	6	

Major Achievements For 2003-04

- Developed the Wheatbelt South Action Plan, a strategic sub-regional plan aimed at improving coordination and collaboration between local government and State government.
- Worked with the Department of Defence to identify an alternative army training area to the current Lancelin Defence Training Area.
- Assisted in the establishment of the Wheatbelt East Voluntary Regional Organisation of Councils (comprises six shires).
- Assisted in the development of an engineering investigation into desalination options for the northeast of the region.
- Employed an Indigenous Economic Development Officer, who will promote indigenous enterprises throughout the region and assist communities in developing project proposals.
- Established the Regional Energy Advisory Group, the Planning and Infrastructure Coordinating Committee, the Health Services Working Party and the Education Working Party to assist the Commission in progressing major service delivery and infrastructure issues in the region.

Major Initiatives For 2004-05

- Implement the Wheatbelt South Action Plan, specifically targeting improvement in the understanding of agency requirements for quality Government Employees Housing Authority accommodation in the region.
- Facilitate the upgrading of the electricity network and the development of embedded generation to improve electricity reliability and quality in the region.
- Continue to support the upgrading and completion of key strategic regional roads.
- Undertake the Central Midlands Sub-regional Strategy to guide the sustainable development of the Central Midlands, an area under pressure from urbanisation and industry.

CAPITAL WORKS PROGRAM

The Wheatbelt Development Commission continues a rolling program of asset replacement and enhancement to improve service delivery through the use of efficient technologies. The capital works program also reflects Government's commitment to return the Northam Central Business District to a comparable position following the completion of the highway bypass.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-04 \$'000	Estimated Expenditure 2003-04 \$'000	Estimated Expenditure 2004-05 \$'000
WORKS IN PROGRESS				
Computer and Office Replacement - 2003/05 Program	93	48	48	45
NEW WORKS				
CBD Redevelopment - Northam.....	400	-	-	400
	493	48	48	445

CAPITAL CONTRIBUTION

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	161	48	48	445	63	55	63
	161	48	48	445	63	55	63
LESS							
Drawdowns from the Holding Account	41	48	48	45	63	55	63
Funding included in output appropriations ^(a) ..	-	-	-	400	-	-	-
Internal Funds and Balances	101	-	-	-	-	-	-
Capital Contribution	19	-	-	-	-	-	-

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

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	788	782	795	754	740	736	749
Superannuation	66	71	66	68	64	64	64
Grants and subsidies	215	520	520	870	70	70	70
Consultancies expense	22	11	11	12	12	12	12
Supplies and services	303	352	288	316	298	298	305
Accommodation	83	109	109	74	74	74	74
Capital User Charge	21	21	26	23	25	31	37
Depreciation and amortisation	44	93	51	40	50	53	59
Administration	152	203	134	149	123	123	134
Other expenses	14	-	-	12	13	13	13
TOTAL COST OF SERVICES	1,708	2,162	2,000	2,318	1,469	1,474	1,517
Revenues from ordinary activities							
User charges and fees	-	6	-	-	-	-	-
Grants and subsidies	284	530	530	470	70	70	70
Other Revenue	34	192	60	20	20	20	20
Total Revenues from Ordinary Activities	318	728	590	490	90	90	90
NET COST OF SERVICES	1,390	1,434	1,410	1,828	1,379	1,384	1,427
REVENUES FROM STATE GOVERNMENT							
Output Appropriations	1,328	1,393	1,374	1,783	1,445	1,463	1,499
Resources received free of charge	14	36	14	5	5	5	5
TOTAL REVENUES FROM STATE GOVERNMENT	1,342	1,429	1,388	1,788	1,450	1,468	1,504
CHANGE IN EQUITY RESULTING FROM OPERATIONS	(48)	(5)	(22)	(40)	71	84	77
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	(48)	(5)	(22)	(40)	71	84	77

(a) The Full Time Equivalents (FTEs) for 2002-03 Actual, 2003-04 Estimated Actual and 2004-05 Estimate are 13, 13 and 13 respectively.

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

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CURRENT ASSETS							
Cash.....	182	48	171	201	264	336	402
Restricted cash.....	136	102	141	39	39	39	39
Receivables.....	18	5	18	18	18	18	18
Amounts receivable for outputs.....	48	45	45	63	55	63	-
Prepayments.....	17	19	16	9	7	6	3
Total current assets.....	401	219	391	330	383	462	462
NON-CURRENT ASSETS							
Amounts receivable for outputs.....	58	87	99	76	103	128	207
Plant, equipment and vehicles.....	111	152	108	113	126	128	132
Prepayments.....	18	3	3	-	-	-	-
Total non-current assets.....	187	242	210	189	229	256	339
TOTAL ASSETS.....	588	461	601	519	612	718	801
CURRENT LIABILITIES							
Superannuation.....	-	-	6	7	8	9	9
Payables.....	66	28	63	58	49	35	20
Provision for employee entitlements.....	112	127	158	122	155	191	212
Accrued Salaries.....	18	16	18	18	18	18	18
Other.....	21	-	18	16	13	12	12
Total current liabilities.....	217	171	263	221	243	265	271
NON-CURRENT LIABILITIES							
Superannuation.....	-	7	-	1	2	3	4
Provision for employee entitlements.....	31	18	20	19	18	17	16
Total non-current liabilities.....	31	25	20	20	20	20	20
TOTAL LIABILITIES.....	248	196	283	241	263	285	291
EQUITY							
Contributed Equity.....	75	75	75	75	75	75	75
Accumulated surplus/(deficit).....	265	190	243	203	274	358	435
Total equity.....	340	265	318	278	349	433	510
TOTAL LIABILITIES AND EQUITY.....	588	461	601	519	612	718	801

**STATEMENT OF CASH FLOWS
(Controlled)**

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Output Appropriations.....	1,249	1,292	1,288	1,743	1,363	1,375	1,420
Capital Contribution	19	-	-	-	-	-	-
Holding Account Drawdowns.....	41	48	48	45	63	55	63
Net cash provided by State government.....	1,309	1,340	1,336	1,788	1,426	1,430	1,483
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs.....	(826)	(767)	(760)	(791)	(708)	(701)	(729)
Superannuation.....	(66)	(70)	(60)	(67)	(63)	(64)	(63)
Supplies and services.....	(385)	(361)	(316)	(328)	(310)	(310)	(317)
Grants and subsidies	(199)	(520)	(494)	(870)	(70)	(70)	(70)
Accommodation.....	(73)	(70)	(74)	(59)	(71)	(74)	(74)
Administration.....	(46)	(195)	(147)	(143)	(118)	(118)	(129)
Capital User Charge.....	(21)	(21)	(26)	(23)	(25)	(31)	(37)
Goods and Services Tax	(64)	(65)	(60)	(65)	(65)	(65)	(65)
Other.....	-	-	-	(12)	(13)	(13)	(13)
Receipts							
User charges and fees	-	6	-	-	-	-	-
Goods and Services Tax	56	65	65	65	65	65	65
Grants and subsidies	283	530	530	470	70	70	70
Other.....	35	192	48	8	8	8	8
Net cash from operating activities.....	(1,306)	(1,276)	(1,294)	(1,815)	(1,300)	(1,303)	(1,354)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(76)	(48)	(48)	(45)	(63)	(55)	(63)
Net cash from investing activities.....	(76)	(48)	(48)	(45)	(63)	(55)	(63)
NET INCREASE/(DECREASE) IN CASH HELD	(73)	16	(6)	(72)	63	72	66
Cash assets at the beginning of the reporting period	390	134	317	311	239	302	374
Cash assets at the end of the reporting period.....	317	150	311	239	302	374	440

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
Avon Community Development Foundation...	-	50	50	50	50	50	50
Regional Development Scheme.....	215	400	400	400	-	-	-
Other	-	70	70	420	20	20	20
TOTAL	215	520	520	870	70	70	70

GREAT SOUTHERN DEVELOPMENT COMMISSION

PART 4 - MINISTER FOR AGRICULTURE, FORESTRY AND FISHERIES; THE MID-WEST, WHEATBELT AND GREAT SOUTHERN

DIVISION 17

APPROPRIATION AND FORWARD ESTIMATES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
DELIVERY OF OUTPUTS							
Item 45 Net amount appropriated to deliver outputs	1,357	2,199	2,187	1,602	1,626	1,474	1,503
Total appropriations provided to deliver outputs	1,357	2,199	2,187	1,602	1,626	1,474	1,503
CAPITAL							
Item 128 Capital Contribution	20	322	322	5,249	9,085	23	8
GRAND TOTAL	1,377	2,521	2,509	6,851	10,711	1,497	1,511

MISSION

The sustainable development of our region's natural and built environment for the long term well-being of all

SIGNIFICANT ISSUES AND TRENDS

- The economy of the Great Southern region continues to mature with diversification into new products areas such as meat products, olives, wood chips, wine, inland aquaculture, cosmetics, significant festival events, and eco and indigenous tourism. While still susceptible to seasonal conditions and exogenous commodity price shocks, diversification and value adding are helping to lessen the severity of these impacts.
- Decreasing rainfall in Western Australia's southwest since 1975 has implications for primary production in the Great Southern region. CSIRO climate modelling also suggests that average temperatures could rise significantly due to increasing greenhouse gas emissions.
- The region's vast plantation timber industry is contributing to the delivery of natural resource management benefits through carbon sequestration and salinity reduction, as observed by the measurable reduction in the salinity of the Denmark River.
- The future of the region as a centre for grain production has been confirmed by Co-Operative Bulk Handling (CBH) announcing a new \$70 million expansion at the Albany Port. In the hinterland, major new grain handling facilities have been developed at Cranbrook and Ongerup.
- The increasing maturity of the region's tourism industry is reflected in new developments such as significant tourism icons and enterprises including Kodja Place (a joint settler/Noongar Interpretive Centre), 'The Lily' at Borden, the proposed Malleefowl Interpretive Centre at Ongerup, the HMAS Perth Dive Wreck off the Albany coastline, the redevelopment of 'Whale World', and tourism opportunities associated with the Albany Wind Farm.
- A significant tourist attraction is the establishment of the Great Southern as host of the Perth International Arts Festival's regional program, now in its third year. It has led to the development of a number of privately funded convention and event facilities, anchoring the region as a significant centre for the arts.

- The reputation of the region's wine industry continues to grow. Last year, competing against some 2000 wines across Australia, a local wine, the 2002 Ferngrove Cossack Riesling, was judged the finest wine at the Sydney Wine Show. This year, three other Great Southern wines won medals at the International Wine and Spirit Competition in London, which is regarded as the pinnacle of wine competitions.
- The wood chip harvest, begun in late 2002, has continued to ramp up, with some 250,000 tonnes processed in 2003-04 and major contracts also being announced by private investor companies. This industry is expected to benefit from the proposed expansion of the Albany Port.
- With the wood chip industry firmly secured, the next raft of companies are emerging to take advantage of value adding opportunities, such as biomass power generation and strand lumber products. Over the next five years the wood processing industry is expected to be one of the major industries in the region.
- While major transport infrastructure is still required to meet the transport needs of the plantation timber industry, the State Government has supported the funding of the local government roads through the Timber Industry Regional Evaluation Study.
- Uptake in telecommunication technology and advances to business practices are expected to have a beneficial impact in sustaining and developing the region. This sector has received a major stimulus through the opening of a new Call Centre in Albany, which will create 120 new jobs over the next two years.
- Access to energy, to assist in supporting industry development, is a priority for the region. Key development nodes such as Jerramungup, Frankland and Bremer Bay lack the necessary power.
- While soil and water degradation continue to challenge the region's natural resource managers, the University of Western Australia supported Centre for Excellence in Natural Resource Management provides a focus for research and development into the problem and strategies for action.

OUTPUT AND APPROPRIATION SUMMARY

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
OUTPUTS							
Output 1:							
Regional Development	2,602	3,131	3,119	2,582			
Total Cost of Outputs	2,602	3,131	3,119	2,582	2,206	2,054	2,083
Less Revenues from Ordinary Activities	1,038	922	922	1,000	600	600	600
Net Cost of Outputs	1,564	2,209	2,197	1,582	1,606	1,454	1,483
Adjustments ^(a)	(207)	(10)	(10)	20	20	20	20
Appropriation provided to deliver Outputs.	1,357	2,199	2,187	1,602	1,626	1,474	1,503
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	20	322	322	5,249	9,085	23	8
TOTAL CONSOLIDATED FUND APPROPRIATIONS	1,377	2,521	2,509	6,851	10,711	1,497	1,511

(a) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, 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 Goals**

Broad, high level government strategic goals are supported at agency level by more specific desired outcomes. Agencies deliver outputs to achieve these desired outcomes, which ultimately contribute to meeting the higher level government strategic goals. The following table illustrates this relationship.

Government Strategic Goal(s)	Desired Outcome(s)	Output(s)
To ensure that regional Western Australia is strong and vibrant.	The sustainable development of our region's natural and built environment for the well-being of all.	1. Regional Development

Outcomes and Key Effectiveness Indicators ^(a)

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Outcome: The sustainable development of our region's natural and built environment for the well-being of all.					
Favourable responses from a minimum of 70% of clients from the Client Survey	75%	70%	72%	75%	

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

Output 1: Regional Development

This output incorporates project management work, the facilitation and support of new and existing enterprises and businesses, promotional and information services, and the development of strategic partnerships with government, business and the community groups to ensure the development of the Great Southern Region.

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Output	2,602	3,131	3,119	2,582	
Less Revenues from Ordinary Activities	1,038	922	922	1,000	
Net Cost of Output	1,564	2,209	2,197	1,582	
Adjustments ^(a)	(207)	(10)	(10)	20	
Appropriation for delivery of Output 1	1,357	2,199	2,187	1,602	

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

Output Performance Measures

	2002-03 Actual	2003-04 Budget	2003-04 Estimated	2004-05 Target	Reason for Significant Variation between 2003-04 Estimated and 2004-05 Target
Quantity					
Projects Completed.....	56	65	65	60	
Quality					
Clients who rated the Commission's performance as "effective" or "very effective"	75%	74%	74%	74%	
Timeliness					
Projects completed within agreed 12 month timeframe.....	100%	85%	85%	90%	
Cost (Efficiency)					
Average cost per project.....	\$46,471	\$48,169	\$47,985	\$43,033	
Full Time Equivalents (FTEs)	15	15	15	15	

Major Achievements For 2003-04

- The Great Southern Development Commission (the Commission) worked with the City of Albany and the Department for Planning and Infrastructure to undertake concept planning, initial engineering and environmental studies, and community consultation in the \$12.76 million Albany Waterfront Development.
- Received 56 expressions of interest under the Regional Development Scheme (RDS), of which 27 projects received formal approval and funds. Examples of the types of projects funded to date under the RDS include:
 - regional Marketing and Promotion for the region's wine, food and tourism products;
 - central South Coast Strategic Planning to assist communities in the Eastern part of the region;
 - fish industry marketing to access international markets;
 - thoroughbred racing industry;
 - heritage buildings and walking trails;
 - stock feed hay pellet plant at Jerramungup; and
 - community 'celebration' events, tourism and art and craft projects.
- Facilitated and coordinated the popular and successful Perth International Arts festival's regional events.
- Successfully secured the establishment of a Call Centre in Albany that is anticipated to deliver 120 new jobs to the region over the next two years.
- Assisted the thoroughbred racing industry in the implementation of its marketing strategy to ensure its continued existence and contribution to the local economy.
- Initiated a mentoring scheme for 20 inland businesses designed to review existing business activities, provide guidance for improvements and to develop strategies for future operations in two Great Southern districts and one Wheatbelt district.
- Worked with value adding companies to take the blue gum industry into the next development stage, building on the successful wood chip industry.
- The Commission expanded its Aboriginal Economic Development team by employing a Noongar Arts Marketing Officer to develop and assist in marketing indigenous product both in Australia and overseas.
- Worked with the Shire of Kojonup and the Kojonup Aboriginal Corporation to market Kodja Place, an Aboriginal/settler interpretive centre at Kojonup.

- Together with the Western Australian Tourism Commission (WATC), tourism industry bodies and private companies, the Commission worked to develop new tourism products and services, including the Yongernow Malleefowl Centre, 'The Lily', and expansion of the region's iconic tourism attraction, 'Whale World'.
- Developed a marketing CD ROM with The Friends of the Bibbulmun Track.
- Cooperated and worked with the Centre for Excellence in Natural Resource Management and with government agencies, Natural Resource Management (NRM) bodies and land care groups, to develop strategies to combat the loss of arable land and biodiversity, from soil salinity and land degradation.
- Investigated alternative land uses and economic diversification strategies for the primary production sector of the region, particularly in the Eastern part of the region.
- Through the annual Great Southern Development Commission Medal for Excellence in Natural Resource Management the Commission continued to support best practice NRM.
- Completed the \$800,000 infrastructure program to establish the University of Western Australia Albany Campus.
- Completed a community consultation process for the Vancouver Waterways project, and sought environmental approvals prior to the letting of tenders for construction of marine infrastructure near 'Whale World'.
- The region's food, wine and tourism industry continues to develop under the Commission's three year cross-sector marketing program. Funding provided to the Great Southern Region Marketing Association is working towards lifting the market profile of the Great Southern region and its products.
- Continued to support regional marketing initiatives such as the Fitzgerald Biosphere Marketing Association, where new opportunities for the branding and marketing of regional products are being processed.
- The Commission continued to provide project management assistance for the Yongernow Malleefowl Centre. This project has significant cross regional environmental and economic importance.
- The Commission convened a working party comprising the Departments of Indigenous Affairs (DOIA), Conservation and Land Management (CALM) and Industry and Resources (DOIR), WATC, Gnowangerup Aboriginal Corporation and Gnowangerup Shire to investigate the feasibility of an Interpretive Centre adjacent to Bluff Knoll in the Stirling Ranges.
- Facilitated a number of indigenous enterprise development projects in partnership with the Office of Aboriginal Economic Development and Commonwealth government agencies.
- Supported the Jerramungup Industry Group in its bid to progress a pelletising plant.
- The Commission, working with industry groups, supported the development of the inland aquaculture industry.
- Continued to support the development of youth services by re-establishing the Great Southern Community Youth Committee and attracting funds for a youth officer for the region.
- Supported the Local Learning and Employment Project trial, an initiative of the Government funded by the Department of Education and Training, and progressed by the Commission, the City of Albany, the Great Southern Area Consultative Committee and other stakeholders, to track and engage 15-19 year olds not actively engaged in work or post-school study/training.
- A new marketing strategy has been undertaken by the City of Albany, the Albany Chamber of Commerce, the Albany Port and the Commission to attract large ocean liners to the region. These visits have the potential to provide a financial boost to local businesses.

Major Initiatives For 2004-05

- The detailed design for the \$12.76 million Albany Waterfront Development will be progressed after the completion of extensive community consultation, with the next stage, worth \$4.34 million, expected to be completed in 2004-05.
- Complimenting the Albany Waterfront Development and the developments occurring at the Albany Port, plans for a footbridge to link the Waterfront Development to the central business district (across the main Port transport artery) will be progressed. The footbridge will be designed to reflect the heritage and history of the structure demolished in the 1970s.
- Working with the Department of Health towards the provision of comprehensive aged services within the Lower Great Southern area, the Commission will provide project management assistance to the development of the Day Therapy Centre for the Aged in Albany.
- Work with the JayCees Foundation, the custodians of the region's iconic tourism attraction 'Whale World', to build a marine infrastructure at 'Whale World' subject to approval from the Department of Environmental Protection.
- The Commission will call for applications for the fourth round of the RDS. Under this funding program, the Commission receives and considers many applications for projects delivering positive economic and social outcomes for the region. It is expected that the RDS program will leverage an additional \$1 million worth of project funding into the region in 2004-05.
- Coordinate the Perth International Arts Festival for 2004-05. The event is fast becoming a major icon over the summer tourism season.
- Sponsor the 'WA on Show' marking the opening of the Perth Convention Centre. The event will increase the profile of the region's food, wine and tourism and lifestyle product.
- Establish a supply chain across the Great Southern, South West and Wheatbelt regions for the development and marketing of Noongar art and cultural products.
- The Commission will continue to fund the Great Southern Region Marketing Association in 2004-05 with the intention of undertaking cross-sector regional marketing initiatives to promote the region's wine, food and cultural products.
- The Commission will work with private sector companies which have shown interest in business opportunities, such as value adding to the vast blue gum timber resources, in an effort to attract investment to the region.
- Continue to work with the Jerramungup Industry Development Group to address their infrastructure requirements, and assist their efforts to attract the capital to establish agricultural processing.
- With the Small Business Development Corporation, the Commission will lobby the Commonwealth government to expand the hinterland business mentoring program.
- Continue the successful TradeStart program, operated jointly with assistance from AusTrade, to bring about positive impacts on job creation and business from the expansion of export-orientated businesses.
- Complete, in conjunction with the DOIA, CALM, DOIR and other indigenous stakeholders, the Stirling Range Visitor Centre Feasibility Study.
- Support and pursue opportunities to establish new related services in regard to the new Albany Call Centre.
- Pursue improvements in telecommunications, including access to low cost broadband, for the region.
- Continue its strategic alliance with the activities of the Centre for Excellence in Natural Resource Management, including the establishment of a least one part of a University of Western Australia degree program in conservation biology in the region.
- Continue to support best practice in NRM, through the annual Great Southern Development Commission Medal for Excellence in Natural Resource Management.

- Progress strategic NRM activities, identified under the South Coast Regional Initiatives Planning Team.
- Work with Timber 2020, an industry-based taskforce, in the implementation of the Development Plan for Farm Forestry in the Dryland Zone.
- In cooperation with regional stakeholders, develop commercial opportunities for high value timber species in marginal species, such as *Casuarina obesa* (Swamp Sheoak).
- Work with Katanning Shire to develop a sustainable model for townsite salt water exploitation, which can be applied to other towns in the Great Southern and the Wheatbelt.
- Complete the final stages and payments for community centres at Frankland and Jerramungup.
- With the regional shires, continue to push for the necessary power infrastructure to support existing and new nodes of economic development.
- Work in cooperation with the Albany Port and the Department for Planning and Infrastructure to ensure the maintenance and security of heavy haulage routes.
- Provide executive support to the Timber Industry Road Evaluation Study Committee in their efforts to attract Commonwealth government funding for local government roads for the timber road haul task.

CAPITAL WORKS PROGRAM

The Commission's capital works program for 2004-05 includes the next stage of the Albany Boat Harbour, the Day Therapy Centre for the Aged and the planning for the Albany Boat Harbour Footbridge. In addition the Commission is expecting to continue its rolling replacement of computer and office equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-04 \$'000	Estimated Expenditure 2003-04 \$'000	Estimated Expenditure 2004-05 \$'000
WORKS IN PROGRESS				
Albany Waterfront Development.....	12,762	302	167	4,345
Computer and Office Equipment Replacement - Asset replacement program.....	150	45	23	52
COMPLETED WORKS				
Community Facilities -				
Albany University Centre	800	800	225	-
Computer and Office Equipment Replacement - 2003-04 Program	30	30	30	-
Vancouver Waterways Project - Infrastructure Projects.....	954	954	834	-
NEW WORKS				
Albany Boat Harbour Footbridge	1,014	-	-	64
Day Therapy for the Aged	820	-	-	820
	16,530	2,131	1,279	5,281

CAPITAL CONTRIBUTION

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program.....	358	1,185	1,279	5,281	9,118	53	53
	358	1,185	1,279	5,281	9,118	53	53
LESS							
Drawdowns from the Holding Account.....	30	30	30	30	30	30	45
Funding included in output appropriations ^(a) ..	264	830	830	-	-	-	-
Internal Funds and Balances.....	44	3	97	2	3	-	-
Capital Contribution.....	20	322	322	5,249	9,085	23	8

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

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
COST OF SERVICES							
Expenses from ordinary activities							
Employee expenses ^(a)	986	1,005	995	1,031	1,052	1,073	1,090
Superannuation	97	80	80	85	85	85	85
Grants and subsidies	791	1,170	1,170	525	125	125	125
Consultancies expense	131	-	-	-	-	-	-
Supplies and services	422	552	552	484	479	486	495
Accommodation	100	108	108	111	121	121	121
Capital User Charge	23	44	27	236	233	53	56
Depreciation and amortisation	44	30	45	30	30	30	30
Other expenses	8	142	142	80	81	81	81
TOTAL COST OF SERVICES	2,602	3,131	3,119	2,582	2,206	2,054	2,083
Revenues from ordinary activities							
Grants and subsidies	905	820	820	880	480	480	480
Interest	2	-	-	-	-	-	-
Other Revenue	131	102	102	120	120	120	120
Total Revenues from Ordinary Activities	1,038	922	922	1,000	600	600	600
NET COST OF SERVICES	1,564	2,209	2,197	1,582	1,606	1,454	1,483
REVENUES FROM STATE GOVERNMENT							
Output Appropriations	1,357	2,199	2,187	1,602	1,626	1,474	1,503
Resources received free of charge	10	12	12	-	-	-	-
TOTAL REVENUES FROM STATE GOVERNMENT	1,367	2,211	2,199	1,602	1,626	1,474	1,503
CHANGE IN EQUITY RESULTING FROM OPERATIONS	(197)	2	2	20	20	20	20
CHANGE IN EQUITY AFTER EXTRAORDINARY ITEMS	(197)	2	2	20	20	20	20

(a) The Full Time Equivalent (FTEs) for 2002-03 Actual, 2003-04 Estimated Actual and 2004-05 Estimate are 15, 15 and 15 respectively.

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

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CURRENT ASSETS							
Cash	41	124	43	30	49	53	57
Restricted cash	1,019	505	632	617	602	602	602
Receivables	40	40	60	80	100	120	140
Amounts receivable for outputs	30	30	30	30	30	45	-
Prepayments	-	5	-	-	-	-	-
Total current assets	1,130	704	765	757	781	820	799
NON-CURRENT ASSETS							
Amounts receivable for outputs	87	100	105	118	131	129	172
Plant, equipment and vehicles	97	117	102	122	142	165	188
Other Infrastructure	-	302	167	5,396	14,461	14,461	14,461
Total non-current assets	184	519	374	5,636	14,734	14,755	14,821
TOTAL ASSETS	1,314	1,223	1,139	6,393	15,515	15,575	15,620
CURRENT LIABILITIES							
Payables	30	15	30	30	30	30	30
Provision for employee entitlements	176	113	174	182	190	198	206
Accrued Salaries	27	31	30	-	2	4	6
Other	510	-	3	3	3	3	3
Total current liabilities	743	159	237	215	225	235	245
NON-CURRENT LIABILITIES							
Superannuation	76	74	78	80	82	84	86
Provision for employee entitlements	90	85	95	100	105	110	115
Total non-current liabilities	166	159	173	180	187	194	201
TOTAL LIABILITIES	909	318	410	395	412	429	446
EQUITY							
Contributed Equity	50	372	372	5,621	14,706	14,729	14,737
Accumulated surplus/(deficit)	355	533	357	377	397	417	437
Total equity	405	905	729	5,998	15,103	15,146	15,174
TOTAL LIABILITIES AND EQUITY	1,314	1,223	1,139	6,393	15,515	15,575	15,620

**STATEMENT OF CASH FLOWS
(Controlled)**

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Output Appropriations.....	1,314	2,156	2,139	1,559	1,583	1,431	1,460
Capital Contribution	20	322	322	5,249	9,085	23	8
Holding Account Drawdowns.....	30	30	30	30	30	30	45
Net cash provided by State government.....	1,364	2,508	2,491	6,838	10,698	1,484	1,513
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee costs.....	(891)	(989)	(989)	(1,048)	(1,037)	(1,058)	(1,075)
Superannuation.....	(97)	(78)	(78)	(83)	(83)	(83)	(83)
Supplies and services.....	(417)	(543)	(543)	(476)	(471)	(478)	(487)
Grants and subsidies	(254)	(1,170)	(1,677)	(525)	(125)	(125)	(125)
Accommodation.....	(100)	(108)	(108)	(111)	(121)	(121)	(121)
Capital User Charge.....	(27)	(44)	(27)	(236)	(233)	(53)	(56)
Goods and Services Tax	(177)	(48)	(48)	(48)	(48)	(48)	(48)
Other.....	(14)	(139)	(139)	(88)	(89)	(89)	(89)
Receipts							
Interest.....	2	-	-	-	-	-	-
Goods and Services Tax	61	48	48	48	48	48	48
Grants and subsidies	905	820	820	880	480	480	480
Other.....	91	82	82	100	100	100	100
Net cash from operating activities.....	(918)	(2,169)	(2,659)	(1,587)	(1,579)	(1,427)	(1,456)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(65)	(352)	(217)	(5,279)	(9,115)	(53)	(53)
Net cash from investing activities.....	(65)	(352)	(217)	(5,279)	(9,115)	(53)	(53)
NET INCREASE/(DECREASE) IN CASH HELD							
	381	(13)	(385)	(28)	4	4	4
Cash assets at the beginning of the reporting period	679	642	1,060	675	647	651	655
Cash assets at the end of the reporting period.....	1,060	629	675	647	651	655	659

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2002-03 Actual \$'000	2003-04 Budget \$'000	2003-04 Estimated Actual \$'000	2004-05 Budget Estimate \$'000	2005-06 Forward Estimate \$'000	2006-07 Forward Estimate \$'000	2007-08 Forward Estimate \$'000
Albany University Centre.....	125	225	200	-	-	-	-
Community Resource Centres	64	11	15	-	-	-	-
Regional Development Scheme.....	161	100	500	400	110	-	-
Vancouver Waterways.....	33	834	300	110	-	-	-
Other	408	-	155	15	15	125	125
TOTAL	791	1,170	1,170	525	125	125	125

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Fire and Emergency Services Authority of			Been Any Corrupt or Criminal Conduct by		
Western Australia	2	715	Western Australian Police Officers	1	106
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