

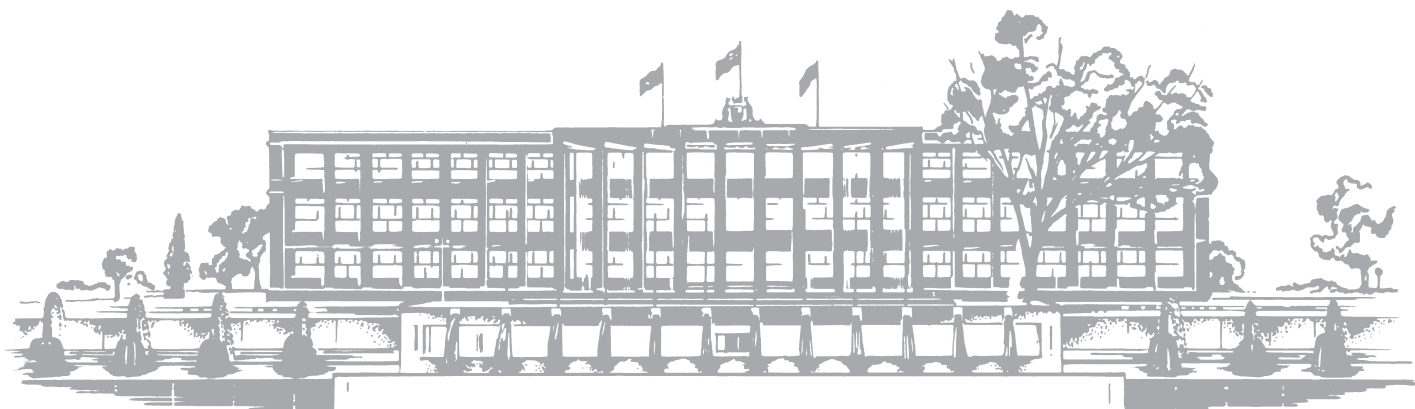


2006-07 BUDGET

BUDGET STATEMENTS

Budget Paper No.2
Volume 2

PRESENTED TO THE LEGISLATIVE ASSEMBLY
ON 11 MAY 2006



2006–07 Budget Statements

(Budget Paper No. 2 Volume 2)

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For further information please contact:

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

Telephone: +61 8 9222 9222

Facsimile: +61 8 9222 9117

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

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BUDGET 2006-07

BUDGET STATEMENTS

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CHAPTER 3

AGENCY INFORMATION IN SUPPORT OF THE ESTIMATES

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Part 7

Attorney General; Minister for Health; Electoral Affairs

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
451	Attorney General			
	– Delivery of Services	223,957	232,059	242,191
	– Capital Contribution	78,828	26,101	15,488
	Total	302,785	258,160	257,679
476	Commissioner for Equal Opportunity			
	– Delivery of Services	2,671	2,727	2,798
	– Capital Contribution	61	61	23
	Total	2,732	2,788	2,821
487	Corruption and Crime Commission			
	– Delivery of Services	25,953	25,953	27,325
	– Capital Contribution	10,257	-	-
	Total	36,210	25,953	27,325
498	Parliamentary Inspector of the Corruption and Crime Commission			
	– Delivery of Services	505	505	529
	– Capital Contribution	10	10	-
	Total	515	515	529
504	Law Reform Commission of Western Australia			
	– Delivery of Services	869	869	878
	Total	869	869	878
511	Office of the Director of Public Prosecutions			
	– Delivery of Services	14,812	18,225	22,452
	– Capital Contribution	-	427	3,605
	Total	14,812	18,652	26,057

Page	Agency	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
522	Office of the Information Commissioner			
	– Delivery of Services	1,183	1,103	1,229
	Total	1,183	1,103	1,229
530	Health			
	– Delivery of Services	3,043,582	3,084,451	3,356,060
	– Capital Contribution	57,752	48,723	94,368
	Total	3,101,334	3,133,174	3,450,428
593	Western Australian Electoral Commission			
	– Delivery of Services	2,839	3,242	8,449
	– Capital Contribution	-	-	173
	Total	2,839	3,242	8,622
	GRAND TOTAL			
	– Delivery of Services	3,316,371	3,369,134	3,661,911
	– Capital Contribution	146,908	75,322	113,657
	Total	3,463,279	3,444,456	3,775,568

ATTORNEY GENERAL

PART 7 - ATTORNEY GENERAL; MINISTER FOR HEALTH; ELECTORAL AFFAIRS

DIVISION 26

APPROPRIATION AND FORWARD ESTIMATES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 63 Net amount appropriated to deliver services	161,917	173,790	177,602	184,528	192,948	225,124	221,563
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	16,300	17,937	18,173	19,497	20,040	20,599	21,205
- Children's Court of Western Australia Act 1988	269	292	294	303	312	321	332
- Criminal Injuries Compensation Act 1985	18,800	17,105	18,605	19,419	19,487	19,487	19,487
- District Court of Western Australia Act 1969	7,300	7,077	7,693	8,529	8,776	9,027	9,297
- Judges' Salaries and Pensions Act 1950 ..	6,800	6,584	6,941	7,181	7,386	7,597	7,824
- Solicitor General Act 1969	280	307	309	320	329	338	348
- State Administrative Tribunal Act 2004 ..	-	-	2,412	2,384	2,243	2,281	2,155
- Suitor's Fund Act 1964	30	30	30	30	30	30	30
- Town Planning and Development Act 1928	811	835	-	-	-	-	-
Total appropriations provided to deliver services	212,507	223,957	232,059	242,191	251,551	284,804	282,241
CAPITAL							
Item 150 Capital Contribution	6,143	78,828	26,101	15,488	36,868	28,989	14,574
GRAND TOTAL	218,650	302,785	258,160	257,679	288,419	313,793	296,815

MISSION

Our purpose is to preserve and enhance the right to justice and safety of all people in Western Australia.

SIGNIFICANT ISSUES AND TRENDS

- The Department of Justice was approved for administrative separation into the Department of the Attorney General and the Department of Corrective Services by Executive Council on 5 January 2006, with effect from 1 February 2006. A reform program to restructure the new Departments will complete this separation. Some corporate areas will remain intact to service both departments in the short-term, however implementing the restructure requires creation of a separate corporate support structure for both departments.
- The emergence of new technology is having a significant impact on the Justice system, particularly the courts. The use of DNA matching, audio visual technology, electronic lodgement and transfer of information is increasing the quality of information available for court processes. The use of digital technology (i.e. digital information storage and retrieval systems) is needed to enable vast volumes of information and evidence used by courts to be more accessible and efficiently utilised.
- The traditional nature of the courts system continues to evolve with reforms seeing more 'problem solving' courts being utilised, in specific situations. Problem solving courts focus the court system and the judiciary to address the underlying cause of criminal offending behaviour and monitoring progress towards individuals not re-offending.

- There has been an increasing trend towards self-represented persons in the courts system. Various legislative and procedural changes have enabled more parties to operate in this manner, reducing the cost to those parties.
- The increased effectiveness of the Police Service in terms of resolving previously unsolved crimes is resulting in more demand being placed on the courts system. In the future, this will be particularly apparent in regional areas with the implementation of remote multi-function police facilities.
- The Federally initiated reforms to the Family Law system will result in substantial changes in this regime. Through the Family Court of Western Australia (FCWA), parties will now have access to a more cooperative and equitable approach, with the interests of children more firmly focused. Many of the improvements in question have already been in operation at the FCWA for some time.
- New guardianship appointments increased by 10 per cent in 2004-05 and demand for Public Advocate services is expected to continue to increase in the foreseeable future. The ageing population, the prevalence of dementia in the community and clients with complex needs are key drivers of this demand.
- Ageing population and decline of extended family continues to increase demand for Public Trustee services and growth in this demand is forecast to be above the rate of population growth for at least the next 30 years.
- The prevention and detection of identity fraud and identity misuse continues to drive the demand for certificates from the Registry of Births, Deaths and Marriages. Proof of identity systems are improving through the implementation of a certificate validation service, while the Commonwealth continues to develop a whole-of-government strategy to enhance identification and verification processes to combat identity fraud and identity misuse.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2005-06 Budget to Parliament on 26 May 2005 are outlined below.

	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
Reducing Aboriginal Imprisonment	1,925	3,715	3,805	3,908
Impact of <i>Children and Community Services Act</i> on Children's Court	685	703	723	742
Court of Appeal – Research and Case Management Staff	463	476	489	504
Aboriginal Justice Agreement	2,163	2,792	2,805	3,047
Aboriginal Court Pilot	303	392	499	434
Additional Magistrate – Mandurah.....	550	553	575	610
Additional District Court Judge.....	1,372	1,133	1,156	1,179
Split of Department.....	2,300	2,700	2,900	3,100
Workforce Planning.....	193	250	256	262
Indigenous Court Liaison Officers	437	365	367	369
Impact of <i>Children and Community Services Act</i> on Legal Aid	593	594	616	620
Additional Legal Aid Representation	1,809	1,863	1,919	1,977
Prisoner Review Board	1,669	1,578	1,618	1,645
Public Advocate Services	483	439	449	459

SERVICE AND APPROPRIATION SUMMARY

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Judiciary and judicial support.....	73,272	68,866	71,269	75,012			
<i>Service 2:</i>							
Civil justice services	43,679	42,823	43,943	45,261			
<i>Service 3:</i>							
Family court services	12,207	12,416	13,350	13,291			
<i>Service 4:</i>							
Adult criminal justice services	97,418	88,122	97,359	98,806			
<i>Service 5:</i>							
Juvenile criminal justice services	2,575	3,165	2,922	2,840			
<i>Service 6:</i>							
Advocacy, guardianship and administration services.....	3,352	2,712	2,626	3,022			
<i>Service 7:</i>							
Trustee services.....	12,005	12,052	12,577	12,490			
<i>Service 8:</i>							
Births, deaths and marriages.....	4,615	6,625	5,699	6,253			
<i>Service 9:</i>							
Services to Government.....	32,832	44,183	43,382	47,292			
<i>Service 10:</i>							
Legal aid assistance	17,746	16,417	17,678	19,357			
Total Cost of Services	299,701	297,381	310,805	323,624	333,841	367,003	365,390
<i>Less Income.....</i>	<i>61,900</i>	<i>58,670</i>	<i>66,039</i>	<i>68,279</i>	<i>69,336</i>	<i>70,345</i>	<i>71,295</i>
Net Cost of Services	237,801	238,711	244,766	255,345	264,505	296,658	294,095
 Adjustments ^(a)	 (25,294)	 (14,754)	 (12,707)	 (13,154)	 (12,954)	 (11,854)	 (11,854)
Appropriation provided to deliver Services.	212,507	223,957	232,059	242,191	251,551	284,804	282,241
 CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	6,143	78,828	26,101	15,488	36,868	28,989	14,574
 TOTAL CONSOLIDATED FUND APPROPRIATIONS.....	218,650	302,785	258,160	257,679	288,419	313,793	296,815

(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, service and financial information is the subject of a Resource Agreement signed by the Attorney General, Director General and the Treasurer.

OUTCOMES, SERVICES AND PERFORMANCE INFORMATION

Relationship to Government Goals

Broad, high level government goals are supported at agency level by more specific desired outcomes. Agencies deliver services to achieve these desired outcomes, which ultimately contribute to meeting the higher level government goals. The following table illustrates the relationship between agency level desired outcomes and the most appropriate government goal.

Government Goal	Desired Outcome	Services
To enhance the quality of life and wellbeing of all people throughout Western Australia.	The right to justice and safety for all people in Western Australia is preserved and enhanced.	<ol style="list-style-type: none"> 1. Judiciary and judicial support 2. Civil justice services 3. Family court services 4. Adult criminal justice services 5. Juvenile criminal justice services 6. Advocacy, guardianship and administration services 7. Trustee services 8. Births, deaths and marriages 9. Services to Government 10. Legal aid assistance

Outcomes and Key Effectiveness Indicators ^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Outcome: The right to justice and safety for all people in Western Australia is preserved and enhanced.					
Backlog of court cases – Civil ^(b)	n/a	9,830	10,250	10,750	
Backlog of court cases – Adult Criminal ^(b)	3,345	7,165	3,300	3,300	
Backlog of court cases – Family Court ^(b)	142	240	253	260	
Backlog of court cases – Children’s Court ^(b)	200	200	164	170	
Attendance Index – Civil ^(c)	1.8	1.8	1.0	1.0	
Attendance Index – Criminal ^(c)	2.6	2.6	2.6	2.6	
Attendance Index – Children’s Court ^(c)	3.9	4.0	4.0	4.0	
Percentage cost recovery – Civil	29%	25%	34%	33%	
Cases finalised before trial – Family Court.....	97%	95%	97.5%	95%	
Percentage of fines satisfied by the fines enforcement registry within 12 months:					
- fines and costs.....	36%	32%	33%	33%	
- infringements	59%	62%	62%	62%	
Percentage of victims of crime responded to within 72 hours.....	96%	100%	100%	100%	
Extent to which trustee services meet the needs of clients.....	76%	85%	80%	80%	
Number of estates relative to the number of adult deaths in Western Australia.....	16%	15%	15%	14%	
Per cent of estates finalised within 12 months of being reported	67%	70%	70%	70%	
Extent to which the Public Trustee maintains a market share in drawing wills naming the Public Trustee as executor	13%	13%	13%	12%	
Extent to which births, deaths and marriages source information is recorded error free	97%	98%	98%	98%	
Proportion of customers provided with advocacy relative to the number of referrals .	100%	95%	95%	95%	
The percentage of customers surveyed satisfied with information and advice by the Office of Public Advocate	n/a	90%	90%	90%	
Guardian of last resort allocated in one day	93%	95%	95%	95%	
Percentage of clients satisfied with service provided – criminal law	72%	n/a	n/a	73%	Criminal law and family law clients surveyed in alternate years.
Percentage of clients satisfied with service provided – family law	n/a	75%	75%	n/a	
Extent to which government departments are satisfied with legal services	100%	87%	87%	87%	
Extent to which legislation was drafted in a timely manner to effect the Government’s legislative programme.....	94%	88%	88%	88%	
Applications approved for a grant of aid as a percentage of all applications received.....	65%	63%	63%	65%	

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

(b) ‘Backlog of court cases’ is an indicator of the number of cases not finalised within a time standard and is a measure of case processing timeliness. This is not a measure of ‘cases on hand’ or ‘cases unresolved.’ With the exception of the Family and Children’s court measures, backlog is averaged over all courts and tribunals. With respect to the 2004-05 civil backlog, this indicator was not part of the 2004-05 reporting structure and not able to be accurately measured. With respect to the 2005-06 budget value for the criminal backlog, this was affected by difficulties counting the backlog component of the underlying data. This issue has been alluded to in previous annual reports and only recently has the extent of the problem become apparent.

(c) ‘Attendance Index’ indicates the average number of attendances (when a party or their representatives are required to be present in court) needed to finalise a matter. Where applicable, this measure is amalgamated and averaged over all courts and tribunals.

Service 1: Judiciary and Judicial Support

A prime task of the justice system in serving the community is the determination of cases brought before a court or tribunal. This output relates to financing the cost of judicial officers (and their support staff) to enable them to make those determinations.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	73,272	68,866	71,269	75,012	Additional District Court judge and additional Magistrate in Mandurah.
Less Income	-	1	-	-	
Net Cost of Service	73,272	68,865	71,269	75,012	2004-05 Actuals include a \$12.5 million increase in provision for Judicial Pensions due to higher than forecast actuarial assessment.
Adjustments ^(a)	(23,021)	(11,820)	(11,858)	(11,565)	
Appropriation for delivery of Service	50,251	57,045	59,411	63,447	
Full Time Equivalents (FTEs)	283	280	289	291	

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

Service 2: Civil Justice Services

Civil Justice Services promote community confidence through the resolution of civil disputes through:

- the accessible, equitable and timely resolution of disputes; and
- a consistent process that provides parties with appropriate and enforceable remedies.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	43,679	42,823	43,943	45,261	
Less Income	15,065	15,182	17,397	17,996	
Net Cost of Service	28,614	27,641	26,546	27,265	
Adjustments ^(a)	(495)	(76)	(93)	(201)	
Appropriation for delivery of Service	28,119	27,565	26,453	27,064	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Clearance index ^(a)	98%	98%	98%	94%	Due to increase in case load.
Cost per case ^(b)	n/a	\$585	\$571	\$583	Due to increase in case load.
Full Time Equivalents (FTEs)	276	235	289	289	

(a) 'Clearance Index – Civil' is a measure of whether a court is keeping up with its workload and is expressed as the ratio of cases finalised to cases received. Data is amalgamated over civil jurisdictions of all courts and tribunals.

(b) 'Cost per case' measures the average administrative cost required to finalise a civil case. Data is amalgamated over the civil jurisdictions of all courts and tribunals. With respect to the 2004-05 value, this indicator was not part of the 2004-05 reporting structure and not able to be accurately measured.

Major Achievements For 2005-06

- With the appointment of an additional Supreme Court Judge within the Court of Appeal on 1 February 2006, this has enabled two Courts of Appeal to sit concurrently. This provides the Court with an average of five extra sitting days per month, which represents seven additional matters heard per month.
- The case management and research capacity of the Court of Appeal has been increased with an injection of additional resources. This has enabled more research to be undertaken prior to court consideration, resulting in a more effective utilisation of judicial resources.
- The District Court implemented a range of reforms to improve efficiency and the quality of its services, including:
 - a Commercial List in order to ensure the particular needs of commercial litigation are met; and
 - an 'Early Mediation Scheme', which has finalised eligible cases more quickly and reduced costs to parties and the Court.
- Implemented enhancements to the Integrated Courts Management System, including:
 - improved case management functionality for the District Court;
 - improved financial transaction processing for the Supreme and District courts;
 - e-lodgment for initiating documents in the Magistrates Courts;
 - online forms into Magistrates Courts; and
 - increased the number of documents able to be lodged electronically by the legal profession and litigants in the District Court.
- The transfer of the Bell Group Trial to London for a six-week period was successfully undertaken. A number of overseas witnesses gave evidence during March/April in this long running civil trial.

Major Initiatives For 2006-07

- The District Court will implement improvements as a result of its Civil Trial Preparation Project, which is designed to reduce costs for civil litigants and provide improved documentation to trial judges resulting in more efficient trials.
- A statutory review will be undertaken of the State Administrative Tribunal, to ensure it is operating in an efficient and effective manner and continuing to offer timely administrative dispute resolution.
- Review, in collaboration with the Corruption and Crime Commission, recently introduced significant legislative reforms to identify areas where improvement is necessary and where appropriate, amend legislation. The review will include the courts reform package of 2005, *Corruption and Crime Commission Act 2003*, *Criminal Injuries Compensation Act 2003*, *State Administrative Tribunal Act 2004*, creation of the Court of Appeal and legislation that introduced reforms to laws on sexual assault, domestic violence and restraining orders.
- Implement changes in court processes towards making the courts system more usable for self-represented persons.

Service 3: Family Court Services

Family Court Services promote community confidence through the resolution of family disputes through:

- the accessible, equitable and timely resolution of disputes; and
- a consistent process that provides parties with appropriate and enforceable remedies.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(b)	12,207	12,416	13,350	13,291	
Less Income	13,810	12,918	14,236	14,509	
Net Cost of Service	(1,603)	(502)	(886)	(1,218)	
Adjustments ^(a)	(130)	(2)	(24)	(59)	
Appropriation for delivery of Service	(1,733)	(504)	(910)	(1,277)	

- (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) Family Court Services are provided by the Family Court of Western Australia (FCWA), which is funded via an annual grant from the Commonwealth Government. Expenses in relation to FCWA Judicial officers and Judicial support are costed to 'Service 1 – Judicial and judicial support'.

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Clearance index ^(a)	76%	112%	83%	86%	
Cost per case ^(b)	\$1,203	\$993	\$1,108	\$1,082	
Full Time Equivalents (FTEs)	78	78	77	76	

- (a) 'Clearance index' in the Family Court is a measure of whether a court is keeping up with its workload and is expressed as the ratio of applications finalised to applications received.
- (b) 'Cost per case' measures the average administrative cost required to complete a case.

Major Achievements For 2005-06

- In advance of the Federally initiated family law reforms, developed a model for an integrated, child-focused family law system for Western Australia, guided by principles of mediation and better communication to achieve the best possible outcomes for children and their parents using interventions tailored to meet individual needs.
- Installed airport type security to all three entrances of the Family Court building which significantly improved the safety of judiciary, staff and clients.
- Developed and included on the Family Court website, electronic self help learning material on the processes of the Court, principally to allow self-represented parties to improve their knowledge of the legal and procedural issues.

Major Initiatives For 2006-07

- Implement the court-based component of the reforms to the Federally initiated Shared Parental Responsibility legislation. Through the Family Court of Western Australia, these reforms will:
 - support and promote a cooperative approach to parenting and encourage people to take responsibility for solving disputes in a non-adversarial manner;
 - better recognise the interests of children;
 - provide greater access to counselling and dispute resolution services; and
 - strengthen existing enforcement regimes by providing powers to deal with people who breach orders.

Service 4: Adult Criminal Justice Services

An Adult Criminal Justice System that:

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

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	97,418	88,122	97,359	98,806	
Less Income	14,220	12,813	15,237	15,932	
Net Cost of Service	83,198	75,309	82,122	82,874	
Adjustments ^(a)	(1,106)	(2,318)	(212)	(332)	
Appropriation for delivery of Service	82,092	72,991	81,910	82,542	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Cost per case ^(a)	\$640	\$505	\$698	\$642	
Clearance index ^(b)	99%	98%	94%	94%	
Average cost per order (Fines Enforcement Registry)	\$22.00	\$14.80	\$16.75	\$17.28	
Cost per case victim support matter ^(c)	\$417	\$294	\$579	\$562	
Full Time Equivalents (FTEs)	402	332	399	433	

- (a) Adult criminal 'Cost per case' measures the average administrative cost required to complete a criminal court case. Data are amalgamated over the criminal jurisdictions of all courts, with the exception of the Children's Court.
- (b) 'Clearance index' is a measure of whether a court is keeping up with its workload and is expressed as the ratio of cases finalised to cases received. Data is amalgamated over the criminal jurisdictions of all Courts.
- (c) 'Cost per case victim support matter' incorporates both adult and juvenile cases. *Privacy Act* considerations make it impossible at this stage to provide an adult/juvenile split.

Major Achievements For 2005-06

- The District Court established a 'duty judge' service that enables clients to make emergency applications to the Court outside normal business hours. This ensures that various parties are not detained in custody any longer than necessary.
- The Victim Support Service significantly increased services in terms of the number of vulnerable adult witnesses receiving support. This included in-court support during sexual assault cases as enabled by the 2005 sexual assault reforms.
- Victims Awareness training was extended to the Department of Corrective Services, the Office of the Director of Public Prosecutions and other external agencies.
- The Child Witness Service (CWS) published two educational resource books for children giving evidence in court. The books act as an aid to the child witness preparation process. The CWS also provided integral support to the introduction of visually recorded interviews in the District Court.
- The Coronial Counselling Service coordinated recruitment and training of volunteer counsellors for possible use in support of Police during Disaster Victim Identification.

- A victims focused representative was appointed to the Parole Board. This is part of a range of initiatives aimed at giving greater representation of victims' interests in offender review and release boards.
- A 'case management' team was established within the Fines Enforcement Registry to proactively pursue long-outstanding fines, creating prison capacity through reductions in fine related imprisonment days.
- The Coroner's Court website was launched in December 2005 providing a range of information about the coronial process, inquests, findings and publications.
- The establishment of the 'Cross Border Justice' scheme has progressed with work on legislative reforms and consultation being undertaken. This scheme will see police, courts, community corrections and prisons services from Western Australia, the Northern Territory and South Australia entering into inter-governmental service level agreements so that justice services can be provided more effectively in the remote cross-border area in Central Australia. Western Australian Magistrates will be able to deal with offences committed in the other jurisdictions under the laws of that other jurisdiction (and vice versa). This scheme will assist the courts in responding to the increased police presence in the region and bring greater stability to the communities in the region.
- Four Sheriff/Community Development Officers were established in remote areas of the state to provide assistance to Aboriginal people in the management of their outstanding fines and to educate the communities in respect to justice issues.
- Implemented Stage 2 of the e-brief project, enabling improved communication between Police and Courts on court outcomes. This tool now includes the facility to transfer details of court outcomes automatically back to Police, enhancing the information available for their activities.

Major Initiatives For 2006-07

- In response to the recommendations of the Mahoney Inquiry, an improved system of Parole will commence. The Prisoners' Review Board will replace the previous Parole Board and improve the transparency and accountability of the Parole function, place more emphasis on the consideration of the risks to community safety and have more regard for submissions from victims. The number of members and administrative support will be increased and will enable more consideration time to be given to each matter. Certain categories of prisoners will be regularly reviewed to ensure their re-socialisation programs are progressing appropriately.
- An additional District Court Judge will be engaged, enabling approximately an additional 100 sensitive criminal cases to be dealt with per annum. This will reduce the waiting time for victims and accused and reduce anxiety for all parties. With the reduction in waiting times for court hearings, witness evidence will be more recent and hence more accurate thereby improving information available to the court and jurors and court outcomes.
- A pilot Aboriginal Court will be established in Kalgoorlie, which will explore the use of traditional Aboriginal customary laws in the state's justice system. Aboriginal elders will assist the Magistrate towards tailoring sentences that will be more meaningful to an Indigenous offender. This mode of delivery will seek to address the underlying issues behind the offending behaviour, to reduce the high level of Aboriginal imprisonment.
- An additional Magistrate will commence in the Peel region to service the increased demand from the rapidly increasing population in the region. Current delays in obtaining a court listing date will be significantly reduced. Court administrative services will be more responsive to the community and be able to service the increased demand.
- The upgrade of four regional and three metropolitan courtrooms with audio visual facilities will significantly enhance the capacity of the court system to deal with cases involving parties providing evidence remotely. In addition to reducing inconvenience to witnesses generally, the court system will now be able to offer more victims and witnesses (in sexual assault cases in particular) the opportunity to give evidence from a separate room via video link.
- Phase 3 of the Integrated Courts Management System (ICMS) will be implemented into the:
 - criminal jurisdictions of the Supreme, District and Magistrates Courts. This will enable the seamless processing of information in relation to criminal offences, from the initial charge to the final court outcome. This information will be exchanged between Courts, Police, Department of Corrective Services, Office of the Director for Public Prosecutions and the legal profession to improve the efficiency of these processes and enable trends to be analysed more effectively; and
 - the Fines Enforcement Registry, enabling more efficient processing of the collection of fines and infringements through integration with the various court jurisdictions and prosecuting authorities, as well as an increase in the number of payment options and an improved 'time to pay' process.

- Additional Domestic Violence courts will be established in Perth and Geraldton. This follows on the success of the Joondalup Family Violence Court in terms of supporting victims, and pro-actively addressing the traits of domestic violence perpetrators. The Perth-based network will have coverage across the metropolitan area including support networks in Perth Central Law Courts, Armadale, Fremantle, Midland and Rockingham justice complexes. The Perth-based services will incorporate the delivery of culturally appropriate service strategies and perpetrator programs for Aboriginal people. An Aboriginal specific service will also be developed at the Geraldton court.
- The Aboriginal Justice Agreement will provide a state-wide framework for improving justice outcomes for Aboriginal people through the provision of a whole-of-government approach. Agencies will work together in partnership with local Aboriginal communities in the Kimberley, Pilbara, Goldfields, the Midwest and Metropolitan Perth, through Local Reference Groups, to address issues relating to community safety and security, individual and family wellbeing and the over representation of Aboriginals in the criminal justice system. Regional Aboriginal Justice Advisory Groups will be formed to coordinate Justice Plans developed by these Local Reference Groups and ensure initiatives identified in these Plans are implemented. These Justice Plans will inform the development of Aboriginal policy and state-wide strategies to improve the coordination of services to Indigenous people throughout Western Australia.
- In response to a recommendation from the Mahoney Inquiry, Indigenous Court Liaison Officers will be put into place across the state to work with Indigenous offenders in the courts system. In addition, culturally inclusive training strategies will be developed and ways to increase the retention of suitably skilled Aboriginal staff will be implemented.

Service 5: Juvenile Criminal Justice Services

An accessible and equitable juvenile justice system which:

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

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	2,575	3,165	2,922	2,840	
Less Income	17	23	13	18	
Net Cost of Service	2,558	3,142	2,909	2,822	
Adjustments ^(a)	(26)	(10)	(5)	(10)	
Appropriation for delivery of Service	2,532	3,132	2,904	2,812	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Cost per case ^(a)	\$183	\$235	\$206	\$216	
Clearance index ^(b)	107%	107%	92%	93%	
Full Time Equivalents (FTEs)	21	22	24	23	

(a) Cost per case finalised represents the administrative cost only.

(b) 'Clearance Index' is a measure of whether a court is keeping up with its workload and is expressed as the ratio of cases finalised to cases received.

Major Achievements For 2005-06

- The Children's Court established arrangements to ensure that the court meets the requirements of the new care and protection regime for children under the *Children and Community Services Act 2004*. This involved establishing new regulations, practice directions, communication and administrative arrangements. The Children's Court is now more heavily involved in the care and protection of children at risk and this additional workload has necessitated the recruitment of an additional Magistrate.
- Furthermore, with respect to the new care and protection regime, pre-trial conferences, which were previously undertaken without any enabling legislation, are now part of the legislative framework. Non-judicial facilitators are now used in certain instances to assist parties in communicating better on these issues and reaching agreement prior to a trial situation. In addition, the Children's Court is now able to order and utilise independent professional reports (e.g. psychological reports) and utilise protection/supervision orders, in appropriate situations. These orders provide the court with the option to enable a child to remain with their parent or guardian, with the Department of Community Development supervising the care, wellbeing and development of the child.

Major Initiatives For 2006-07

- To further complement the reforms for care and protection of children, a panel of experts will be established to provide independent reports for the courts' consideration.

Service 6: Advocacy, Guardianship and Administration Services

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

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

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	3,352	2,712	2,626	3,022	
Less Income	21	22	17	16	
Net Cost of Service	3,331	2,690	2,609	3,006	
Adjustments ^(a)	(9)	(18)	(8)	(20)	
Appropriation for delivery of Service	3,322	2,672	2,601	2,986	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost of providing Advocacy and Guardianship services	\$2,218	\$2,067	\$2,121	\$2,430	Increase reflects funding approval for an additional five FTE's in 2006-07.
Full Time Equivalents (FTEs)	28	28	27	32	

Major Achievements For 2005-06

- Commenced development of local responses to the abuse of older Aboriginal people and people from culturally and linguistically diverse backgrounds. This includes the release of a report on Mistreatment of Older People in Aboriginal Communities project. The recommendations arising from this report are being progressed.
- Expanded video conferencing technology in regional Western Australia through the provision of community education services, investigation and guardianship services. Regular training sessions for rural and remote communities utilising video conferencing have commenced throughout the state.
- Established a Working Group to progress amendments to the *Guardianship and Administration Act (1990)* to further protect Western Australians with a decision-making disability.
- Developed, in conjunction with other Government agencies, innovative mechanisms for addressing the needs of people with decision-making disabilities. The Human Services Directors' General Group has established a Senior Officers' Group to develop an appropriate service model for people with complex needs.
- Commenced a feasibility study on the most appropriate case management system to enhance service provision to clients.

Major Initiatives For 2006-07

- Develop new initiatives to protect people with decision-making disabilities in regional and remote areas, particularly, Aboriginal people.
- Establish new positions to reduce the risk of people with complex needs living in the community.
- Progress initiatives to protect and support older people in culturally and linguistically diverse communities.
- Fully implement the Community Guardianship Program by recruiting, training and supporting members of the community to become community guardians.
- Contribute to the development of a new service model for mentally impaired accused people who are currently detained in prison due to a lack of any other service option.

Service 7: Trustee Services

The Public Trustee provides funds management and investment services through the operations of the Common Fund, an at-call investment facility that is backed by the State, and acts as trustee or financial administrator pursuant to the orders of courts or tribunals. It also administers the estates of people who die with or without a will, in accordance with the terms of the will or the relevant law and under the authority of the Supreme Court and conducts examinations of the accounts of administrative orders as ordered by the State Administrative Tribunal.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	12,005	12,052	12,577	12,490	
Less Income	8,601	8,303	8,893	9,701	
Net Cost of Service	3,404	3,749	3,684	2,789	
Adjustments ^(a)	(391)	(393)	(393)	(417)	
Appropriation for delivery of Service	3,013	3,356	3,291	2,372	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per deceased estate administered	\$1,802	\$1,749	\$1,708	\$1,829	
Average cost per trust managed.....	\$1,121	\$1,164	\$1,247	\$1,168	
Average cost per will prepared.....	\$285	\$228	\$360	\$294	
Full Time Equivalents (FTEs)	138	141	146	147	

Major Achievements For 2005-06

- Established a specialised forensic accounting function which completed 40 State Administrative Tribunal investigations and 189 Department of Community Development investigations during the year.
- Focused resources towards accommodating the increased demand for Trustee Services. 550 new trust files have been forecast to be established in 2005-06 being an increase of 80 (17 per cent) over 2004-05. The forecast of 1,100 new estates administered for 2005-06 is an increase of eight per cent from 2004-05.

Major Initiatives For 2006-07

- The Public Trustee is continuing to pursue the passing of amendments to the Public Trustee Act to enable a business framework to be established that will ensure the future viability of the Public Trustee and continued trustee services to all Western Australians.
- Upon completion of the strategic and operational planning, the Public Trustee will commence the upgrade and migration of the trust accounting system software and platform, to maintain customer service standards.

Service 8: Births, Deaths and Marriages

An accurate, permanent and confidential record of Western Australian births, deaths, and marriages that is available to government and the community.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	4,615	6,625	5,699	6,253	Costs of converting historic paper based records to an electronic format now expected to be incurred during 2006-07.
Less Income	5,602	5,218	5,611	5,710	
Net Cost of Service	(987)	1,407	88	543	
Adjustments ^(a)	(14)	(13)	(13)	(31)	
Appropriation for delivery of Service	(1,001)	1,394	75	512	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost of registration services ^(a)	\$1.39	\$1.99	\$1.70	\$1.84	
Full Time Equivalents (FTEs)	47	47	49	49	

- (a) 'Average cost of registration services' in the above table is a combination of the two pre Justice Systems Framework performance indicators 'Average cost of registration services (including records held in storage)' and 'Average cost per civil marriage performed – Perth Registry'. These two indicators were previously published separately under the Outputs 'Registration Services' and 'Civil Marriages'. This is the first time that the new indicator has been used.

Major Achievements For 2005-06

- Completed a new online system (Certificate Validation Service) that enables Government and commercial organisations to validate Registry certificates presented to them against data held at the Registry. This will assist in the prevention and detection of fraudulent certificates.
- Extended birth indexes on the Internet which will assist family historians to trace family members prior to ordering a certificate.
- Commenced planning to provide an online service to funeral directors to enable death registration information to be lodged electronically.

Major Initiatives For 2006-07

- Commence conversion of historic, paper-based records to an electronic format to guarantee their preservation, enhance their usefulness and improve the delivery of services. Previous tender offers were declined as they were not considered to be value for money.
- Implement online service to funeral directors to enable death registration information to be lodged electronically.

Service 9: Services to Government

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

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	32,832	44,183	43,382	47,292	Increase reflects funding approval for continuation of Aboriginal Justice Agreement in 2006-07.
Less Income	4,564	4,190	4,635	4,397	
Net Cost of Service	28,268	39,993	38,747	42,895	
Adjustments ^(a)	(102)	(104)	(101)	(519)	
Appropriation for delivery of Service	28,166	39,889	38,646	42,376	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Department of Corrective Services.....	\$10,006,010	\$12,000,728	\$10,094,885	\$12,039,000	
Director of Public Prosecutions.....	\$721,030	\$831,153	\$848,576	\$742,367	
Equal Opportunity Commission	\$102,278	\$102,685	\$103,917	\$71,846	
Freedom of Information Commission	\$39,191	\$38,232	\$38,382	\$26,797	
Law Reform Commission.....	\$65,249	\$67,660	\$66,607	\$52,592	
Aboriginal Policy Services	\$2,259,375	\$1,828,192	\$2,279,894	\$4,056,829	
Solicitor General	\$756,105	\$759,946	\$750,290	\$754,667	
Other (ex-gratia payments etc)	\$1,151,455	-	-	-	
Average cost per legal matter	\$2,296	\$2,349	\$2,350	\$2,400	
Average cost per page of output	\$141	\$177	\$124	\$153	
Full Time Equivalents (FTEs)	254	220	253	271	

Major Achievements For 2005-06

- Expanded the legislative information available to the public especially with regard to historical Western Australian legislation and provided Internet access to the Parliamentary Counsel Office's electronic database of repealed legislation.
- Focused the Legislation Reprints Programme on heavily amended legislation to provide timely authorised consolidated legislation publications to the public.

Major Initiatives For 2006-07

- Continue the Office's Business Improvement Project by working with the State Law Publisher to improve the Internet publication of legislation.

Service 10: Legal Aid Assistance

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

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	17,746	16,417	17,678	19,357	Increase in 2006-07 due to impact of <i>Children and Community Services Act</i> and additional legal aid representation in Magistrates' and District Courts.
Less Income	-	-	-	-	
Net Cost of Service	17,746	16,417	17,678	19,357	
Adjustments ^(a)	-	-	-	-	
Appropriation for delivery of Service	17,746	16,417	17,678	19,357	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
State Law					
Average cost per call.....	\$13	\$16	\$14	\$15	Influence of new Children's Court protection applications service commenced by DCD.
Average cost per legal representation.....	\$1,818	\$1,923	\$1,915	\$1,915	
Average cost per legal advice.....	\$99	\$104	\$104	\$108	
Average cost per minor assistance.....	\$203	\$187	\$184	\$195	
Average cost per face to face information.....	\$21	\$22	\$27	\$32	
Average cost per duty lawyer service.....	\$78	\$84	\$84	\$92	
Average cost per application processed.....	\$143	\$149	\$150	\$156	
Commonwealth Law					
Average cost per call.....	\$18	\$17	\$18	\$19	
Average cost per legal representation.....	\$2,716	\$2,866	\$2,520	\$2,570	
Average cost per child support assistance	\$1,394	\$1,100	\$1,360	\$1,420	
Average cost per legal advice.....	\$94	\$97	\$93	\$95	
Average cost per minor assistance.....	\$178	\$160	\$160	\$168	
Average cost per face to face information.....	\$26	\$30	\$31	\$32	
Average cost per duty lawyer service.....	\$88	\$90	\$89	\$90	
Average cost per application processed.....	\$487	\$442	\$475	\$494	
Full Time Equivalents (FTEs)	223	226	233	254	

Major Achievements For 2005-06

- Opened two new regional offices in Albany and Geraldton enabling ready access to Legal Aid services in these areas.
- Fully established a new Family Court Duty Lawyer service providing assistance to clients seeking to represent themselves in family law matters before the Family Court.

Major Initiatives For 2006-07

- Improved access for people seeking legal representation in the Magistrates Court.
- Establish a new Children's Court protection service to assist respondents with protection applications commenced by the Department of Community Development.

CAPITAL WORKS PROGRAM

The Department's capital investment program for 2006-07 has a strong focus on construction and redevelopment of court facilities to improve security, future proof for increased demand and maintain and enhance the capabilities/functionality of buildings and core business/corporate information systems. This includes:

- construction of the Hay/Irwin complex, which will include start of the art security and technology towards housing the court operations of 24 courtrooms and associated support operations;
- refurbishment of the Central Law Courts building including the refresh and upgrade of digital recording, audiovisual and related technology;
- upgrade Kalgoorlie Court facilities by redeveloping the former Warden's Court in Hannan Street, improving security and meeting current and future requirements in terms of court rooms and other facilities;
- further upgrade of security in courts resulting from a review based on the Hooker Inquiry;
- contributing towards the funding of the upgrade of the Harvey Police Court for the courtroom and associated supporting facilities such as interview rooms, waiting area and public toilets;
- the Department will continue to develop its front-line information technology and business systems during 2006-07 including further enhancement of the Integrated Court Management System and implementation of the Legislative Drafting and Database System; and
- ongoing maintenance of courts facilities throughout the state will continue to ensure that the agency assets are maintained in a fit-for-purpose state.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Corporate				
Information Projects				
Business Systems				
- Corporate Information Management Systems.....	6,990	4,990	2,600	500
- Financial Management Information System	8,326	6,556	704	350
- Human Resources Management Information System.....	3,563	3,113	331	140
- Integrated Court Management System	17,304	15,634	2,903	1,670
- Legislative Drafting and Database System (PCO)	3,000	458	410	1,000
ICT Infrastructure Upgrade.....	68,769	38,233	8,691	7,136
Other				
Asset Transition CSCS Contract.....	1,809	1,059	1,059	750
Physical Infrastructure				
Replacement Office Equipment.....	1,971	1,288	1,288	683
Court and Tribunal Services				
Information Projects				
Court Audio/Visual Maintenance and Enhancements	9,716	1,540	1,540	-
Physical Infrastructure				
CBD Courts Complex – Planning and Management	13,884	10,481	1,602	1,240
CBD Courts Construction and Central Law Courts Refurbishment	55,208	13,670	13,670	3,384
State Administrative Tribunal (SAT).....	3,786	3,700	236	86
State-wide Courts Security Upgrade Program	3,350	491	491	1,309
COMPLETED WORKS				
Corporate				
Information Projects				
Business Systems				
- Common Party Layer, Criminal Justice System	1,000	1,000	69	-
- WA Registration System (Registry of Births, Deaths and Marriages)	2,107	2,107	66	-
Physical Infrastructure				
Building Infrastructure and Maintenance 2005-06.....	6,126	6,126	6,126	-
Owned/Leased Office Fitouts – 2005-06	500	500	500	-
Court and Tribunal Services				
Physical Infrastructure				
Albany Justice Complex	12,407	12,407	3,813	-
Court Upgrades	261	261	261	-
Courts Security - Response to Hooker Inquiry	3,863	3,863	1,754	-
NEW WORKS				
Corporate				
Physical Infrastructure				
Building Infrastructure and Maintenance 2006-07	7,625	-	-	7,625
CBD Office Accommodation.....	4,324	-	-	2,646
Owned/Leased Office Fitouts – 2006-07	500	-	-	500
Court and Tribunal Services				
Physical Infrastructure				
Harvey Police Court.....	400	-	-	400
Kalgoorlie Court Upgrade.....	20,790	-	-	1,800
Prisoner Review Board	2,460	-	-	1,460
	260,039	127,477	48,114	32,679

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	53,524	119,448	48,114	32,679	53,317	48,949	27,416
	53,524	119,448	48,114	32,679	53,317	48,949	27,416
<i>LESS</i>							
Drawdowns from the Holding Account	22,420	23,314	17,351	7,966	4,986	5,105	4,355
Funding Included in Service Appropriations ^(a)	20,988	17,081	9,470	8,998	11,463	14,855	8,486
Internal Funds and Balances	3,973	225	(4,808)	227	-	-	1
Capital Contribution	6,143	78,828	26,101	15,488	36,868	28,989	14,574

(a) Capital works expensed through the Income Statement.

(b) 2004-05 and 2005-06 amounts are not comparable due to the administrative separation of the Department of Justice into the Department of the Attorney General and the Department of Corrective Services effective from 1 February 2006.

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	281,446	294,989	219,581	130,912	134,560	142,174	144,970
Superannuation	48,390	39,733	33,820	26,979	27,391	26,606	28,279
Grants and subsidies ^(c)	44,520	40,156	40,462	42,078	42,454	42,797	42,861
Supplies and services	168,365	163,405	117,521	50,561	51,088	70,819	64,419
Accommodation	40,744	37,444	37,553	28,221	32,056	34,630	33,527
Finance costs	1,390	1,441	1,441	1,441	1,441	1,441	1,441
Capital user charge	51,868	56,166	41,893	18,035	20,100	22,706	24,419
Depreciation and amortisation	25,951	25,598	22,573	13,150	12,033	12,516	12,160
State taxes	340	350	350	360	371	371	371
Other expenses	24,526	24,887	25,848	11,887	12,347	12,943	12,943
TOTAL COST OF SERVICES	687,540	684,169	541,042	323,624	333,841	367,003	365,390
Income							
User charges and fees	17,362	17,138	17,207	16,911	17,256	17,336	17,336
Regulatory fees and fines	26,420	26,368	31,234	32,518	33,114	33,721	34,343
Grants and subsidies	13,478	12,412	12,926	12,977	13,235	13,496	13,764
Proceeds from disposal of non-current assets ..	38	-	-	-	-	-	-
Other revenue	17,208	15,305	13,553	5,873	5,731	5,792	5,852
Total Income	74,506	71,223	74,920	68,279	69,336	70,345	71,295
NET COST OF SERVICES	613,034	612,946	466,122	255,345	264,505	296,658	294,095
INCOME FROM STATE GOVERNMENT							
Service appropriations	575,046	595,737	459,352	242,191	251,551	284,804	282,241
Resources received free of charge	4,724	3,926	505	254	254	254	254
Liabilities assumed by the Treasurer	23,718	13,391	13,078	12,540	12,340	11,240	11,240
TOTAL INCOME FROM STATE GOVERNMENT	603,488	613,054	472,935	254,985	264,145	296,298	293,735
SURPLUS (DEFICIENCY) FOR THE PERIOD	(9,546)	108	6,813	(360)	(360)	(360)	(360)
CHANGE IN SURPLUS (DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(9,546)	108	6,813	(360)	(360)	(360)	(360)

(a) 2004-05 and 2005-06 amounts are not comparable due to the administrative separation of the Department of Justice into the Department of the Attorney General and the Department of Corrective Services effective from 1 February 2006.

(b) The Full Time Equivalents (FTEs) for 2004-05 Actual, 2005-06 Estimated Actual and 2006-07 Estimate are 1,750, 1,786 and 1,865 respectively.

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

BALANCE SHEET
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CURRENT ASSETS							
Cash and cash equivalents	13,967	18,089	8,186	7,975	7,741	7,482	7,196
Restricted cash	-	1,108	-	-	-	-	-
Receivables	6,715	6,759	6,215	6,215	6,215	6,215	6,215
Amounts receivable for services	23,314	15,376	7,966	4,986	5,105	4,355	-
Prepayments	2,146	650	2,024	2,024	2,024	2,024	2,024
Total current assets	46,142	41,982	24,391	21,200	21,085	20,076	15,435
NON-CURRENT ASSETS							
Amounts receivable for services	34,982	49,204	26,216	35,980	44,508	54,269	68,029
Land and buildings	678,082	649,889	196,194	202,075	221,085	242,128	239,492
Plant, equipment and other	56,889	108,170	24,219	29,392	40,203	40,738	50,143
Intangibles	-	12,684	12,710	11,960	11,960	11,960	11,960
Total non-current assets	769,953	819,947	259,339	279,407	317,756	349,095	369,624
TOTAL ASSETS	816,095	861,929	283,730	300,607	338,841	369,171	385,059
CURRENT LIABILITIES							
Payables	21,920	24,749	17,920	17,920	17,920	17,920	17,920
Provision for employee entitlements	45,996	48,022	11,354	11,914	12,474	13,034	13,594
Interest payable	109	110	109	109	109	109	109
Finance leases	190	211	211	234	259	286	315
Accrued salaries	-	2,958	350	710	1,070	1,430	1,790
Total current liabilities	68,215	76,050	29,944	30,887	31,832	32,779	33,728
NON-CURRENT LIABILITIES							
Provision for employee entitlements	33,173	31,739	23,319	24,359	25,399	26,439	27,479
Finance leases	12,809	12,598	12,598	12,364	12,105	11,819	11,504
Total non-current liabilities	45,982	44,337	35,917	36,723	37,504	38,258	38,983
TOTAL LIABILITIES	114,197	120,387	65,861	67,610	69,336	71,037	72,711
EQUITY							
Contributed equity	37,875	128,789	(452,967)	(437,479)	(400,611)	(371,622)	(357,048)
Accumulated surplus/(deficit)	101,601	104,127	108,414	108,054	107,694	107,334	106,974
Reserves	562,422	508,626	562,422	562,422	562,422	562,422	562,422
Total equity	701,898	741,542	217,869	232,997	269,505	298,134	312,348
TOTAL LIABILITIES AND EQUITY	816,095	861,929	283,730	300,607	338,841	369,171	385,059

(a) 2004-05 and 2005-06 amounts are not comparable due to the administrative separation of the Department of Justice into the Department of the Attorney General and the Department of Corrective Services effective from 1 February 2006.

CASHFLOW STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	546,263	566,139	433,779	227,441	237,918	270,688	268,481
Capital contribution	6,143	78,828	26,101	15,488	36,868	28,989	14,574
Holding account drawdowns	22,420	23,314	17,351	7,966	4,986	5,105	4,355
Net cash provided by State government	574,826	668,281	477,231	250,895	279,772	304,782	287,410
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(282,795)	(290,141)	(216,231)	(128,952)	(132,600)	(140,214)	(143,010)
Superannuation	(24,963)	(26,342)	(20,742)	(14,439)	(15,051)	(15,366)	(17,039)
Grants and subsidies	(44,520)	(40,156)	(40,462)	(42,078)	(42,454)	(42,797)	(42,861)
Supplies and services	(175,244)	(168,716)	(121,237)	(50,307)	(50,834)	(70,565)	(64,165)
Accommodation.....	(32,303)	(37,444)	(37,553)	(28,221)	(32,056)	(34,630)	(33,527)
Finance costs	(1,391)	(1,441)	(1,441)	(1,441)	(1,441)	(1,441)	(1,441)
Capital user charge.....	(51,868)	(56,166)	(41,893)	(18,035)	(20,100)	(22,706)	(24,419)
State taxes	(340)	(350)	(350)	(360)	(371)	(371)	(371)
Goods and services tax	(25,157)	(22,300)	(22,300)	(22,300)	(22,300)	(22,300)	(22,300)
Other.....	(24,992)	(15,650)	(25,848)	(11,887)	(12,347)	(12,943)	(12,943)
Receipts							
User charges and fees.....	17,719	17,138	17,207	16,911	17,256	17,336	17,336
Regulatory fees and fines.....	26,925	26,368	31,234	32,518	33,114	33,721	34,343
Grants and subsidies	13,460	12,412	12,926	12,977	13,235	13,496	13,764
Goods and services tax	25,502	22,300	22,300	22,300	22,300	22,300	22,300
Other receipts	16,063	15,305	13,553	5,873	5,731	5,792	5,852
Net cash from operating activities.....	(563,904)	(565,183)	(430,837)	(227,441)	(237,918)	(270,688)	(268,481)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(30,437)	(102,142)	(37,485)	(23,454)	(41,854)	(34,094)	(18,929)
Proceeds from sale of non-current assets	38	-	-	-	-	-	-
Net cash from investing activities.....	(30,399)	(102,142)	(37,485)	(23,454)	(41,854)	(34,094)	(18,929)
CASH FLOWS FROM FINANCING ACTIVITIES							
Other payments for financing activities.....	(171)	(190)	(190)	(211)	(234)	(259)	(286)
Net cash from financing activities	(171)	(190)	(190)	(211)	(234)	(259)	(286)
NET INCREASE/(DECREASE) IN CASH HELD	(19,648)	766	8,719	(211)	(234)	(259)	(286)
Cash assets at the beginning of the reporting period	33,615	18,431	13,967	8,186	7,975	7,741	7,482
Net cash transferred to/from other agencies.....	-	-	(14,500)	-	-	-	-
Cash assets at the end of the reporting period.....	13,967	19,197	8,186	7,975	7,741	7,482	7,196

(a) 2004-05 and 2005-06 amounts are not comparable due to the administrative separation of the Department of Justice into the Department of the Attorney General and the Department of Corrective Services effective from 1 February 2006.

SCHEDULE OF ADMINISTERED EXPENSES AND INCOME

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
EXPENSES							
Grants and subsidies ^(a)	12,200	11,400	12,421	12,669	12,923	13,181	13,445
Receipts paid into consolidated fund ^(b)	20,142	16,406	20,406	16,406	16,406	16,406	16,406
Other expenses ^(c)	46,354	38,243	47,243	47,993	48,758	48,758	48,758
TOTAL ADMINISTERED EXPENSES	78,696	66,049	80,070	77,068	78,087	78,345	78,609
INCOME							
Grants and subsidies ^(a)	11,830	11,400	12,421	12,669	12,923	13,181	13,445
Fines and penalties ^(b)	25,281	16,656	20,656	16,656	16,656	16,656	16,656
Other revenue ^(c)	46,422	37,993	46,993	47,743	48,508	48,508	48,508
TOTAL ADMINISTERED INCOME.....	83,533	66,049	80,070	77,068	78,087	78,345	78,609

(a) Grants and subsidies received from the Commonwealth to fund the Family Law Court operations.

(b) Fines and penalties imposed by the Courts.

(c) Relates to collections and disbursements by the Fines Enforcement Registry on behalf of other government agencies.

SCHEDULE OF ADMINISTERED ASSETS AND LIABILITIES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
ADMINISTERED CURRENT ASSETS							
Cash and cash equivalents	1,034	1,386	1,034	1,034	1,034	1,034	1,034
Receivables	39,501	34,319	39,501	39,501	39,501	39,501	39,501
Total Administered Current Assets	40,535	35,705	40,535	40,535	40,535	40,535	40,535
TOTAL ADMINISTERED ASSETS.....	40,535	35,705	40,535	40,535	40,535	40,535	40,535
ADMINISTERED CURRENT LIABILITIES							
Payables	4	11	4	4	4	4	4
Amounts due to the Treasurer.....	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Total Administered Current Liabilities.....	1,004	1,011	1,004	1,004	1,004	1,004	1,004
TOTAL ADMINISTERED LIABILITIES..	1,004	1,011	1,004	1,004	1,004	1,004	1,004

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Grants and subsidies ^(a)	(12,200)	(11,400)	(12,421)	(12,669)	(12,923)	(13,181)	(13,445)
Receipts paid into consolidated fund ^(b)	(20,142)	(16,406)	(20,406)	(16,406)	(16,406)	(16,406)	(16,406)
Other ^(c)	(46,361)	(38,243)	(47,243)	(47,993)	(48,758)	(48,758)	(48,758)
Financing Activities							
Repayment of borrowings.....	(100)	-	-	-	-	-	-
TOTAL ADMINISTERED CASH OUTFLOWS	(78,803)	(66,049)	(80,070)	(77,068)	(78,087)	(78,345)	(78,609)
CASH INFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Grants and subsidies ^(a)	11,830	11,400	12,421	12,669	12,923	13,181	13,445
Regulatory fees and fines ^(b)	25,281	16,656	20,656	16,656	16,656	16,656	16,656
Other receipts ^(c)	41,240	37,993	46,993	47,743	48,508	48,508	48,508
TOTAL ADMINISTERED CASH INFLOWS.....	78,351	66,049	80,070	77,068	78,087	78,345	78,609
NET CASH INFLOWS/(OUTFLOWS) FROM ADMINISTERED TRANSACTIONS.....	(452)	-	-	-	-	-	-

(a) Grants and subsidies received from the Commonwealth to fund the Family Law Court operations.

(b) Fines and penalties imposed by the Courts.

(c) Relates to collections and disbursements by the Fines Enforcement Registry on behalf of other government agencies.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
Legal Aid Assistance grant.....	17,746	16,417	17,678	19,357	19,970	20,404	20,468
Criminal Injuries compensation payments	19,202	17,105	18,605	19,419	19,487	19,487	19,487
Prisoner Gratuities payments	4,472	3,750	1,335	-	-	-	-
Defendant Costs payments	1,377	1,177	1,177	1,213	1,249	1,249	1,249
Acts of Grace payments.....	1,155	-	-	-	-	-	-
Grants to non government organisations.....	84	797	757	213	595	579	579
Other grants, subsidies and transfer payments .	484	910	910	1,876	1,153	1,078	1,078
TOTAL.....	44,520	40,156	40,462	42,078	42,454	42,797	42,861

(a) 2004-05 and 2005-06 amounts are not comparable due to the administrative separation of the Department of Justice into the Department of the Attorney General and the Department of Corrective Services effective from 1 February 2006.

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:

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
Proceeds from Supreme Court fees	5,600	5,680	5,680	5,958
Proceeds from District Court fees	2,543	2,378	2,585	2,637
Proceeds from Magistrates Court fees	5,255	5,074	7,120	7,244
Proceeds from Fines Enforcement Registry fees	12,225	11,123	13,415	14,200
Proceeds from Family Court fees	1,563	1,412	1,733	1,768
Proceeds from State Administrative Tribunal fees	152	264	264	269
Proceeds from Other Boards and Tribunals fees	224	237	237	238
Proceeds from Sheriff's Office fees	200	200	200	204
Proceeds from Public Trustee estate fees	7,428	6,541	7,151	7,961
Proceeds from Public Trustee common fund management fees	1,092	1,738	1,738	1,738
Proceeds from Registry of Births, Deaths and Marriages fees	5,588	5,176	5,584	5,684
Proceeds from State Solicitor's fees	2,765	2,870	3,000	3,150
Proceeds from sale of industry goods	2,250	2,350	1,671	-
Proceeds from prison canteen sales	4,238	4,270	2,790	-
Proceeds from recoup of prisoner telephone calls	1,062	1,100	842	-
Proceeds from recoup of residential tenancy payments	1,235	1,200	1,200	1,236
Proceeds from recoup of workers compensation payments	2,727	2,457	1,634	150
Proceeds from recoup of criminal injury awards	1,040	1,037	1,170	1,193
Proceeds from recoup of legal costs	622	700	700	700
Proceeds from recoup of salary costs	1,353	1,250	1,295	806
Proceeds from recoup of other costs	1,440	1,683	1,563	261
Family Court grant received from the Commonwealth	12,200	11,400	12,421	12,669
Indian Ocean Territories grant received from the Commonwealth	256	200	192	192
Schools Assistance grant received from the Commonwealth	337	225	225	-
Other grants received	685	587	486	-
GST receipts on sales	1,387	1,300	1,300	1,300
GST receipts from Australian Taxation Office	24,152	21,000	21,000	21,000
Proceeds from other departmental revenue	50	71	24	21
TOTAL	99,669	93,523	97,220	90,579

- (a) 2004-05 and 2005-06 amounts are not comparable due to the administrative separation of the Department of Justice into the Department of the Attorney General and the Department of Corrective Services effective from 1 February 2006.

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

COMMISSIONER FOR EQUAL OPPORTUNITY

PART 7 - ATTORNEY GENERAL; MINISTER FOR HEALTH; ELECTORAL AFFAIRS

DIVISION 27

APPROPRIATION AND FORWARD ESTIMATES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 64 Net amount appropriated to deliver services	2,235	2,493	2,549	2,614	2,704	2,783	2,836
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	173	178	178	184	189	195	195
Total appropriations provided to deliver services	2,408	2,671	2,727	2,798	2,893	2,978	3,031
CAPITAL							
Item 151 Capital Contribution	95	61	61	23	71	56	39
GRAND TOTAL	2,503	2,732	2,788	2,821	2,964	3,034	3,070

MISSION

To ensure that people in the Western Australian community are treated on their merits, free from assumptions based on prejudice and unlawful discrimination.

SIGNIFICANT ISSUES AND TRENDS

- The Commission implemented the Policy Framework for Substantive Equality aimed at identifying systemic discrimination in the delivery of public sector services. This continues a new strategic direction in public policy to review the effects of practices and/or policies across government to ensure equitable outcomes for clients.
- The Commissioner's report into the provision of public housing and related services to Aboriginal people in Western Australia represented an attempt by the Equal Opportunity Commission to identify systemic discrimination. Together with an Implementation and Monitoring Committee established to oversee implementation of the recommendations contained within the report, the Department of Housing and Works has agreed to expedite implementation of the recommendations.
- There has been a significant increase (27 per cent) in the number of training sessions delivered by the Community Education team. These have mainly been in training provided to specific organisations. In the 2004-05 financial year 64 sessions were provided to specific organisations up to 31 March 2005. In 2005-06 financial year 97 sessions have been delivered up to 31 March 2006.
- The Commission has received increased requests for training and education from new and emerging communities. It has also increased sessions in 'rights based' training in partnership with non-government organisations.
- The Government approved the drafting of the Equal Opportunity (Racial Vilification) Amendment Bill 2006, which will be introduced into Parliament in 2006. This is expected to lead to increased investigation and conciliation of complaints and education and training sessions. The Bill follows the release in 2004 of the Commission's consultation paper, 'Racial and Religious Vilification' on the need for civil laws making public acts of racial and religious vilification unlawful.
- Establish reference groups with participants from the Aboriginal community, disability services and employer organisations to advise the Community Education section on current and future training needs.

SERVICE AND APPROPRIATION SUMMARY

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Provision of information and advice regarding equal opportunity and human rights	1,541	1,663	1,693	1,732			
<i>Service 2:</i>							
Avenue of redress for unlawful discrimination and unreasonable treatment	1,126	1,234	1,290	1,247			
Total Cost of Services	2,667	2,897	2,983	2,979	3,079	3,168	3,226
<i>Less Income</i>	<i>229</i>	<i>155</i>	<i>185</i>	<i>185</i>	<i>190</i>	<i>190</i>	<i>195</i>
Net Cost of Services	2,438	2,742	2,798	2,794	2,889	2,978	3,031
Adjustments ^(a)	(30)	(71)	(71)	4	4	-	-
Appropriation provided to deliver Services.	2,408	2,671	2,727	2,798	2,893	2,978	3,031
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	95	61	61	23	71	56	39
TOTAL CONSOLIDATED FUND APPROPRIATIONS.....	2,503	2,732	2,788	2,821	2,964	3,034	3,070

(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, service and financial information is the subject of a Resource Agreement signed by the Attorney General, the Commissioner and the Treasurer.

OUTCOMES, SERVICES AND PERFORMANCE INFORMATION**Relationship to Government Goals**

Broad, high level government goals are supported at agency level by more specific desired outcomes. Agencies deliver services to achieve these desired outcomes, which ultimately contribute to meeting the higher level government goals. The following table illustrates the relationship between agency level desired outcomes and the most appropriate government goal.

Government Goal	Desired Outcome	Services
To enhance the quality of life and wellbeing of all people throughout Western Australia.	The people of Western Australia are provided with information and advice about equal opportunity and human rights issues and have accessible avenues of redress under relevant legislation.	<ol style="list-style-type: none"> 1. Provision of information and advice regarding equal opportunity and human rights 2. Avenue of redress for unlawful discrimination and unreasonable treatment

Outcomes and Key Effectiveness Indicators ^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Outcome: The people of Western Australia are provided with information and advice about equal opportunity and human rights issues and have accessible avenues of redress under relevant legislation.					
Community awareness of the Act and belief it is of benefit	82%	85%	82%	83%	
Proportion of complainants and respondents who believe that the Act is a good way to resolve acts of discrimination	73%	75%	71%	75%	

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

Service 1: Provision of information and advice regarding equal opportunity and human rights

Dissemination of relevant and appropriate information on the *Equal Opportunity Act 1984*, other relevant laws and human rights issues generally, provision of accurate advice on equal opportunity matters and the identification of discriminatory policies and practices.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	1,541	1,663	1,693	1,732	
Less Income	212	140	170	170	
Net Cost of Service	1,329	1,523	1,523	1,562	
Adjustments ^(a)	(1)	(1)	(1)	-	
Appropriation for delivery of Service	1,328	1,522	1,522	1,562	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per presentation/seminar/workshop	\$2,225	\$2,718	\$2,287	\$2,074	
Average cost per enquiry	\$88	\$91	115	\$100	
Average cost per policy advice and review	\$2,344	\$2,611	\$1,232	\$1,215	
Average cost per publication	\$6,542	\$12,109	\$5,804	\$5,226	
Full Time Equivalents (FTEs)	15	15	15	15	

Major Achievements For 2005-06

- Implementation of the policy framework for substantive equality was commenced in July 2005.
- Officers within the Substantive Equality Unit have briefed departments represented on the Strategic Management Council on how substantive equality can be achieved.
- Continued the Program Partnership to provide strategic direction in implementing the policy framework for substantive equality.
- Provided workshops, briefing sessions and specialist training to CEOs, corporate executives and public sector personnel on the meaning of substantive equality and how this can be translated into public policy and service delivery.
- Produced a guide to key terms about substantive equality.
- Developed a dedicated section within the Commission's website to publish all documents related to the administration of substantive equality thus creating significant savings for the Commission and the public sector.
- Assisted those departments to identify areas and geographic locations within which to commence implementation of substantive equality to review their policies and practices for equality impact.
- Developed obligatory reporting requirements related to substantive equality.
- Partnered with the Department of Indigenous Affairs to respond to systemic discrimination related to public housing.
- Maintained negotiations and developed a strategic framework in cooperation with the Department of Housing and Works to action recommendations of 'Finding A Place', the Commissioner's report into the provision of public housing to Aboriginal people, released in December 2004.
- Provision of sexual harassment, sex discrimination, race discrimination, racial harassment and religious conviction information brochures translated into Chinese and Malay to the Christmas Island communities.
- Public launch of the 'Play by the Rules' website.
- Developed a partnership with the Department of Sport and Recreation in the provision of Member Protection Officer training.
- Developed a new training manual for Contact Officer training.
- Training sessions with Aboriginal Education Units in the Department of Education Metropolitan District Offices.
- Following the updating of the Commission logo and publications, the website was revised and relaunched, encompassing a more contemporary style and structure making it more accessible and useful to clients. This included a range of multilingual information.
- The Commission celebrated 20 years of operation with two events showcasing the achievements of the Commission including presentations by Justice Hasluck of the Western Australian Supreme Court and High Court Justice Michael Kirby.
- International Women's Day was marked by a breakfast event that attracted nearly 300 guests to hear a variety of speakers on the theme of the new workplace environment.
- A review of the *Equal Opportunity Act 1984* has commenced with a public announcement and call for submissions.
- A number of multi-lingual publications were produced to provide information to communities whose first language is not English.
- A completely revised plain-English Reference Guide to the *Equal Opportunity Act* was published, available in hard copy and on the website. The program for renewal of the Commission's publications continued, including a guide to the Act for recruitment agencies.

Major Initiatives For 2006-07

- Assess the Commission's complaint process and its promotional activities (including publications) for its equality impact.
- Continue to provide a support service to participating government departments in order to help define and set out how substantive equality will be implemented.
- Assist government departments to review the effects of practices and/or policies in order to determine the equality impact.
- Develop and deliver specialist sessions on themes relevant to substantive equality.
- Assist in the development of integrated training to raise awareness of the particular challenges and opportunities within existing education of serving a diverse community.
- Provide a consultancy, staff resources and assistance with material on how services for Aboriginal people can be improved, as well as removing systemic discrimination.
- Influence and assist in the development of a training plan for the Department of Housing and Works that will provide awareness education and training on indirect discrimination and delivery of Aboriginal client-based customer service.
- Help to modify policy so that indirect and systemic discrimination matters are addressed.
- Develop publications based on the current Equal Opportunity Commission's Unlawful Discrimination brochure in a language specific to the people of Cocos Island (Bahasa Kokos).
- Develop programs training in regional areas across the State.
- Translate 'the Workplace Bullying for Employees' information brochure for the Chinese community on Christmas Island in conjunction with Worksafe.
- Education initiatives involving sessions on sexual orientation discrimination in schools.
- New training courses will be offered in developing policies and grievance procedures for organisations.
- Review and revise the Grievance Officer training program and manual.
- Continue the review of all Commission publications. This will include a needs assessment in accordance with the Commission's policy on substantive equality, with particular reference to information provided to Aboriginal people.
- The Commission's databases will be upgraded and revised to ensure comprehensive reporting and continuing participation in the Australian Council of Human Rights Agencies' project to develop national protocols for reporting Australia-wide data.

Service 2: Avenue of redress for unlawful discrimination and unreasonable treatment

Investigating and attempting to conciliate complaints that fall within the jurisdiction of the *Equal Opportunity Act 1984* and other legislation administered by the Commissioner and providing assistance to complainants referred to the Equal Opportunity Tribunal (Operating under the State Administrative Tribunal).

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	1,126	1,234	1,290	1,247	
Less Income	17	15	15	15	
Net Cost of Service	1,109	1,219	1,275	1,232	
Adjustments ^(a)	(29)	(70)	(70)	4	
Appropriation for delivery of Service	1,080	1,149	1,205	1,236	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per complaint	\$1,043	\$912	\$1,168	\$1,025	
Average cost per case referred to the State Administrative Tribunal.....	\$3,090	\$2,991	\$2,937	\$2,885	
Full Time Equivalents (FTEs)	12	12	12	12	

Major Achievements For 2005-06

- Represented the Commissioner before the State Administrative Tribunal in opposing an exemption application by a manufacturing company that would allow the identification and marking of employees of certain nationalities. The State Administrative Tribunal granted the exemption and the Commissioner along with other parties, appealed the decision.
- Provided advice in respect to drafting of the Equal Opportunity (Racial Vilification) Amendment Bill 2006.
- Assisted a complainant to present her case to the State Administrative Tribunal and on appeal in the Supreme Court. This resulted in a clarification on the law relating to pregnancy discrimination.
- Implemented a new system in the conciliation section whereby conferences are convened at an early date in the complaint handling process.

Major Initiatives For 2006-07

- Maintain or increase the current level of complaints resolved through negotiation and mediation in the State Administrative Tribunal with the assistance of the Legal Section of the Commission.
- Contribute to and provide advice to the review of the *Equal Opportunity Act* in 2006.
- Provide advice to the Government and the Commission in respect to the new racial vilification amendments when they come into force.
- Conduct a review of the Commission's information to complainants to ensure equality of access to the conciliation services.

CAPITAL WORKS PROGRAM

The Equal Opportunity Commission's planned capital works expenditure is for the replacement of computer hardware and software that supports the delivery of services.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
COMPLETED WORKS				
Computer Hardware and Software				
2004-05 Program	56	56	37	-
2005-06 Program	95	95	95	-
NEW WORKS				
Computer Hardware and Software				
2006-07 Program	61	-	-	61
	212	151	132	61

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	27	95	132	61	109	92	69
	27	95	132	61	109	92	69
LESS							
Drawdowns from the Holding Account	31	34	34	38	38	36	30
Internal Funds and Balances	(99)	-	37	-	-	-	-
Capital Contribution	95	61	61	23	71	56	39

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	1,585	1,839	1,886	1,954	2,030	2,113	2,146
Superannuation	156	180	184	186	189	197	197
Grants and subsidies	17	-	-	-	-	-	-
Supplies and services	433	359	389	299	308	346	366
Accommodation	314	329	329	329	329	334	334
Depreciation and amortisation	27	38	38	38	38	38	38
Other expenses	135	152	157	173	185	140	145
TOTAL COST OF SERVICES	2,667	2,897	2,983	2,979	3,079	3,168	3,226
Income							
User charges and fees	179	120	150	150	155	155	160
Grants and subsidies	49	35	35	35	35	35	35
Other revenue	1	-	-	-	-	-	-
Total Income	229	155	185	185	190	190	195
NET COST OF SERVICES	2,438	2,742	2,798	2,794	2,889	2,978	3,031
INCOME FROM STATE GOVERNMENT							
Service appropriations	2,408	2,671	2,727	2,798	2,893	2,978	3,031
Resources received free of charge	110	75	75	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	2,518	2,746	2,802	2,798	2,893	2,978	3,031
SURPLUS (DEFICIENCY) FOR THE PERIOD	80	4	4	4	4	-	-

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

(b) The Full Time Equivalents (FTEs) for 2004-05 Actual, 2005-06 Estimated Actual and 2006-07 Estimate are 27, 27 and 27 respectively.

**BALANCE SHEET
(Controlled)**

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CURRENT ASSETS							
Cash and cash equivalents	363	159	330	334	338	338	338
Restricted cash	-	59	-	-	-	-	-
Receivables	55	48	55	55	55	55	55
Amounts receivable for services	33	37	37	37	36	30	-
Prepayments	7	4	7	7	7	7	7
Total current assets	458	307	429	433	436	430	400
NON-CURRENT ASSETS							
Amounts receivable for services	-	-	-	-	1	9	47
Plant and equipment	55	217	149	172	243	297	327
Other	31	31	31	31	31	31	32
Total non-current assets	86	248	180	203	275	337	406
TOTAL ASSETS	544	555	609	636	711	767	806
CURRENT LIABILITIES							
Payables	61	67	61	61	61	61	61
Provision for employee entitlements	220	264	220	220	220	220	220
Accrued salaries	-	5	-	-	-	-	-
Other	1	1	1	1	1	1	1
Total current liabilities	282	337	282	282	282	282	282
NON-CURRENT LIABILITIES							
Provision for employee entitlements	173	146	173	173	173	173	173
Total non-current liabilities	173	146	173	173	173	173	173
TOTAL LIABILITIES	455	483	455	455	455	455	455
EQUITY							
Contributed equity	229	290	290	313	384	440	479
Accumulated surplus/(deficit)	(140)	(218)	(136)	(132)	(128)	(128)	(128)
Total equity	89	72	154	181	256	312	351
TOTAL LIABILITIES AND EQUITY	544	555	609	636	711	767	806

- (a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

CASHFLOW STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	2,374	2,633	2,689	2,760	2,855	2,940	2,993
Capital contribution	95	61	61	23	71	56	39
Holding account drawdowns	31	34	34	38	38	36	30
Net cash provided by State government	2,500	2,728	2,784	2,821	2,964	3,032	3,062
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(1,654)	(1,839)	(1,886)	(1,954)	(2,030)	(2,113)	(2,146)
Superannuation	(156)	(180)	(184)	(186)	(189)	(197)	(197)
Grants and subsidies	(17)	-	-	-	-	-	-
Supplies and services	(323)	(284)	(314)	(299)	(308)	(346)	(366)
Accommodation.....	(314)	(329)	(329)	(329)	(329)	(334)	(334)
Goods and services tax	(103)	(72)	(72)	(72)	(78)	(78)	(78)
Other.....	(137)	(152)	(157)	(173)	(185)	(140)	(145)
Receipts							
User charges and fees.....	173	120	150	150	155	155	160
Grants and subsidies	49	35	35	35	35	35	35
Goods and services tax	102	72	72	72	78	78	78
Net cash from operating activities.....	(2,380)	(2,629)	(2,685)	(2,756)	(2,851)	(2,940)	(2,993)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(27)	(95)	(132)	(61)	(109)	(92)	(69)
Net cash from investing activities.....	(27)	(95)	(132)	(61)	(109)	(92)	(69)
NET INCREASE/(DECREASE) IN CASH HELD	93	4	(33)	4	4	-	-
Cash assets at the beginning of the reporting period	270	214	363	330	334	338	338
Cash assets at the end of the reporting period.....	363	218	330	334	338	338	338

- (a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

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:

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
Proceeds from the provision of Community Education Services	173	120	150	150
Proceeds from the provision of services to the Indian Ocean Territories.....	49	35	35	35
GST input credits	92	62	62	62
GST receipts on sales.....	10	10	10	10
TOTAL.....	324	227	257	257

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

CORRUPTION AND CRIME COMMISSION

PART 7 - ATTORNEY GENERAL; MINISTER FOR HEALTH; ELECTORAL AFFAIRS

DIVISION 28

APPROPRIATION AND FORWARD ESTIMATES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 65 Net amount appropriated to deliver services	22,178	25,823	25,823	27,172	28,443	28,832	28,175
Amount Authorised by Other Statutes - Corruption and Crime Commission Act 2003.....	96	130	130	153	155	156	157
Total appropriations provided to deliver services	22,274	25,953	25,953	27,325	28,598	28,988	28,332
CAPITAL							
Capital Contribution	767	10,257	-	-	-	1,000	433
GRAND TOTAL	23,041	36,210	25,953	27,325	28,598	29,988	28,765

MISSION

To improve continuously the integrity of, and to reduce the incidence of misconduct in, the public sector; and combat and reduce the incidence of organised crime.

SIGNIFICANT ISSUES AND TRENDS

- Since its inception in January 2004, the Corruption and Crime Commission has almost achieved its target Full Time Equivalent (FTE) staff of 153. Additionally, through its capital program, it has acquired most of the systems and equipment required to achieve full operational capacity. In 2006-07, the Commission will fine tune its organisational structure, systems and processes to enhance the delivery of its services.
- A 75 per cent increase in the Corruption Prevention and Education Directorate's FTE staff will permit the Commission to shift its focus from educating agencies about their responsibilities for reporting misconduct, to assisting them to develop policies and systems designed to increase corruption resistance. As the Commission expands its knowledge of both the general and unique misconduct risks and factors affecting particular agencies, the Commission will develop specifically targeted education programs.
- In completing a number of serious misconduct investigations and reviews of agencies' complaint management processes and systems, the Commission has made recommendations for improvement within these areas. The Commission will oversee the implementation of those recommendations and will assess the level of agencies' acceptance and implementation of the recommendations in order to establish their effectiveness in reducing public sector misconduct.
- The Commission will implement a new case management system for the control of information associated with its misconduct function matters. This will enhance the management of cases from initial notification or allegation of misconduct, through the entire investigative process to its completion.

- The Commission is subject to the Attorney General's Review of Administration of Justice Legislation, which could recommend legislative amendments in a number of areas. Additionally, the Joint Standing Committee on the Corruption and Crime Commission is undertaking an 'Inquiry into Legislative Amendments to the *Corruption and Crime Commission Act 2003*'. It is possible that any resultant legislative amendments could affect the Commission's operations and resources.
- The Commission will continue to conduct concurrent investigations into public sector misconduct. Many of these are developing into major investigations involving significant criminal matters.
- The Commission will continue to encourage the Western Australia Police Service to make greater use of organised crime functions available under the *Corruption and Crime Commission Act*.

SERVICE AND APPROPRIATION SUMMARY

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i> Corruption prevention and education programs, reviews and consultancy services to the public sector	1,160	1,473	1,863	3,025			
<i>Service 2:</i> Oversight and conduct of public sector misconduct investigations.....	19,894	24,341	24,049	24,024			
<i>Service 3:</i> Facilitation of investigations into organised crime.....	43	98	-	178			
Total Cost of Services	21,097	25,912	25,912	27,227	28,618	29,008	28,352
<i>Less Income.....</i>	<i>152</i>	<i>20</i>	<i>20</i>	<i>20</i>	<i>20</i>	<i>20</i>	<i>20</i>
Net Cost of Services	20,945	25,892	25,892	27,207	28,598	28,988	28,332
Adjustments ^(a)	1,329	61	61	118	-	-	-
Appropriation provided to deliver Services.	22,274	25,953	25,953	27,325	28,598	28,988	28,332
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	767	10,257	-	-	-	1,000	433
TOTAL CONSOLIDATED FUND APPROPRIATIONS.....	23,041	36,210	25,953	27,325	28,598	29,988	28,765

(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, SERVICES AND PERFORMANCE INFORMATION

Relationship to Government Goals

Broad, high level government goals are supported at agency level by more specific desired outcomes. Agencies deliver services to achieve these desired outcomes, which ultimately contribute to meeting the higher level government goals. The following table illustrates the relationship between agency level desired outcomes and the most appropriate government goal.

Government Goal	Desired Outcomes	Services
To govern for all Western Australians in an open, effective and efficient manner that also ensures a sustainable future.	The public sector is better able to prevent misconduct.	1. Corruption prevention and education programs, reviews and consultancy services to the public sector
	The public sector is better able to deal with misconduct.	2. Oversight and conduct of public sector misconduct investigations
	Organised crime is combated and its incidence is reduced.	3. Facilitation of investigations into organised crime

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

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Outcome: The public sector is better able to prevent misconduct.					
The proportion of public sector agencies assessed by the Corruption and Crime Commission to be 'well informed' about corruption risks	-	-	85%	90%	
The proportion of public sector agencies reviewed by the Corruption and Crime Commission within which misconduct prevention and management processes are evident	-	-	30%	60%	Improved guidelines in Annual Report framework. Increased assistance by Commission officers.
Outcome: The public sector is better able to deal with misconduct.					
Ratio of misconduct allegations to FTEs.....	n/a	n/a	1:56	1:56	

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

(b) The Commission reviewed its outcomes, services and performance indicators in early 2006. Additional indicators will be included in the 2007-08 Budget.

Service 1: Corruption Prevention and Education Programs, Reviews and Consultancy Services to the Public Sector

This service delivers corruption prevention education programs, inquiries and reviews to help prevent misconduct.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	1,160	1,473	1,863	3,025	Increase reflects redirection of resources to this service to enhance the delivery of its proposed initiatives in 2006-07.
Less Income	-	-	-	-	
Net Cost of Service	1,160	1,473	1,863	3,025	
Adjustments ^(a)	-	-	-	-	
Appropriation for delivery of Service	1,160	1,473	1,863	3,025	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per person educated in the metropolitan area.	n/a	n/a	\$123	\$132	Increase reflects targeted education to smaller groups within the metropolitan area.
Average cost per person educated in the regions.	n/a	n/a	\$706	\$702	
Average cost per major inquiry or review conducted.	n/a	n/a	\$93,150	\$140,046	Reflects the forecast increased complexity of the inquiries and reviews to be undertaken.
Average cost per minor inquiry or review conducted.	n/a	n/a	n/a	\$28,009	Reflects minor reviews to be undertaken in 2006-07.
Average cost per major education material produced.	n/a	n/a	\$66,536	\$126,042	Reflects the forecast increased complexity of the publications produced.
Average cost per minor education material produced.	n/a	n/a	\$13,307	\$25,208	Reflects the forecast increased complexity of the publications produced.
Full Time Equivalents (FTEs)	8	10	11	17	

Major Achievements For 2005-06

- Delivered 100 corruption prevention education seminars to over 1,800 public officers in both metropolitan and regional locations.
- Tabled three reports in the Parliament and undertook four major inquiries, including one in partnership with the Western Australia Police Service.
- Developed and delivered several major corruption prevention and education programs during the year, including its Risky Business presentation. These were delivered to various groups of public sector employees and to 10 ministerial offices. Customised presentations were introduced to target specific agency misconduct risks, the Regional Visit Program was commenced and Community Forums initiated. Educational products included the development of Conflict of Interest materials and the production of two DVDs.
- The report 'Protecting Personal Data in the Public Sector' was tabled, as was the report 'WA Police Property Management Practices', developed in collaboration with Western Australia Police Service.

Major Initiatives For 2006-07

- The Commission intends developing two new educational programs during 2006-07. Topics are planned to include 'Conflict of Interest' and 'Developing a Corruption Prevention Plan'.
- A regular newsletter is planned for circulation to public officers, constituting a means of efficiently distributing current and relevant information about misconduct risks, themes and issues through the public sector and local government.
- An Investigation Manual will be developed to provide appropriate guidelines to officers responsible for conducting investigations within the public sector.
- Misconduct investigation guidelines will be developed to assist agencies in dealing with misconduct under the Corruption and Crime Commission's legislation.

Service 2: Oversight and Conduct of Public Sector Misconduct Investigations

This service ensures that an allegation, information or matter involving misconduct is dealt with appropriately by assessing allegations, monitoring other agencies' investigations, reviewing other agencies' completed investigations and, or, conducting investigations.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	19,894	24,341	24,049	24,024	
Less Income	152	20	20	20	
Net Cost of Service	19,742	24,321	24,029	24,004	
Adjustments ^(a)	1,329	61	61	118	
Appropriation for delivery of Service	21,071	24,382	24,090	24,122	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per matter assessed, monitored and reviewed.	n/a	n/a	\$493	\$493	
Average cost per matter investigated.	n/a	n/a	\$66,632	\$66,733	
Average time taken per matter assessed, monitored and reviewed.....	n/a	n/a	24 days	24 days	
Average time taken per completed investigation.	n/a	n/a	54 days	54 days	
Full Time Equivalents (FTEs)	122	142	142	135	

Major Achievements For 2005-06

- Received and assessed over 2,200 allegations and notifications of misconduct and conducted about 2,000 reviews of public sector agency misconduct investigations.
- Held more than 15 hearings involving over 15 examination days.
- Started a program to review the complaint handling systems and processes of individual public sector agencies. Among the first departments reviewed were the Department of Local Government and Regional Development, the Department of Consumer and Employment Protection and the Department of Community Development.
- On the request of Special Inquirer Hon. Dennis Mahoney QC, the Commission provided a submission to the Inquiry into the Management of Offenders in Custody and in the Community in August 2005. The Mahoney Inquiry report, tabled in November, incorporated key recommendations made by the Commission.
- Provided a submission to the Department of Education and Training and participated in the review of internal complaints management processes and procedures.
- Completed a number of complex investigations involving allegations of serious misconduct on the part of public officers. Some of those investigations have included the use of the Commission's coercive powers in the form of both private and public hearings. Resulting from the investigations, at least 95 charges have been preferred against 11 public officers, with results including convictions and terms of imprisonment.

Major Initiatives For 2006-07

- Continue the programme of agency misconduct management reviews to encompass other areas of the broader public sector.
- Implement a Case Management and Intelligence System. The system will enhance the Commission's management of investigations, the collection and analysis of intelligence, and the collection of information and statistical data.

Service 3: Facilitation of investigations into organised crime

The facilitation of investigations into organised crime by approving and overseeing the use of exceptional powers and fortification warning notices by the Western Australia Police Service.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual ^(b) \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	43	98	-	178	Reflects allocation of resources to meet foreseeable costs in delivery of this service as required.
Less Income	-	-	-	-	
Net Cost of Service	43	98	-	178	
Adjustments ^(a)	-	-	-	-	
Appropriation for delivery of Service	43	98	-	178	
Full Time Equivalents (FTEs)	1	1	-	1	

(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) No investigations into organised crime were undertaken by the Commission in 2005-06 that involved approving and overseeing the use of exceptional powers and fortification warning notices by the Western Australia Police Service.

Major Achievements For 2005-06

- The Commission continued to seek to engage the Western Australia Police Service in respect of the availability and use of the exceptional and fortification removal powers to facilitate the Western Australia Police Service's investigations of organised crime.
- The Corruption and Crime Commission's organised crime function, reliant upon application from the Commissioner of Police, produced one exceptional powers finding and associated organised crime examination using the Commission's coercive powers. There were no fortification warning notices applied for or issued.
- The outcome of contempt proceedings in the Court of Appeal highlighted concerns for limits on the Commission's exceptional powers in facilitating the investigation of organised crime.

Major Initiatives For 2006-07

- On the Commissioner of Police's application, the Commission may, if it is satisfied that grounds including the public interest exist for the use of exceptional powers, make an 'exceptional powers finding'. This enables the Commission to facilitate the Commissioner of Police's organised crime investigation through the use of powers that include examining witnesses before the Commission.

CAPITAL WORKS PROGRAM

The Commission's planned capital works program of \$1.5 million provides mainly for operational support equipment and information technology replacement.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Computing Hardware 2004-05 to 2008-09	1,142	430	430	463
Network Infrastructure Project 2004-05 to 2008-09	743	452	-	75
Office Equipment Replacement.....	796	327	185	169
Office Fitout for 186 St Georges Terrace.....	5,873	5,723	2,400	-
COMPLETED WORKS				
Case Management System - Investigations.....	800	800	800	-
Financial Management Information System	284	284	228	-
New Operational Support Equipment	6,841	6,841	5,019	-
Payroll System	284	284	249	-
Records Management System Upgrade.....	406	406	48	-
NEW WORKS				
Replacement of Operational Support Equipment.....	4,838	-	-	876
	22,007	15,547	9,359	1,583

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	6,114	11,955	9,359	1,583	1,980	2,814	433
	6,114	11,955	9,359	1,583	1,980	2,814	433
LESS							
Drawdowns from the Holding Account	283	1,698	1,698	876	1,597	1,365	-
Internal Funds and Balances	5,064	-	7,661	707	383	449	-
Capital Contribution	767	10,257	-	-	-	1,000	433

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	9,904	11,370	12,852	14,364	14,794	15,163	15,593
Superannuation	860	1,077	1,157	1,199	1,211	1,235	1,283
Consultancies expense	-	-	311	210	230	230	230
Supplies and services	2,510	5,010	3,652	3,225	3,297	3,546	3,906
Accommodation	2,978	1,575	2,609	2,044	2,060	2,080	2,055
Capital user charge	1,173	1,618	1,618	2,167	2,319	2,334	2,350
Depreciation and amortisation	2,266	4,855	3,333	3,766	4,452	4,165	2,680
State taxes	33	25	25	25	25	25	25
Other expenses	1,373	382	355	227	230	230	230
TOTAL COST OF SERVICES	21,097	25,912	25,912	27,227	28,618	29,008	28,352
Income							
User charges and fees	35	-	-	-	-	-	-
Gain on disposal of non-current assets	4	-	-	-	-	-	-
Interest revenue	34	-	-	-	-	-	-
Other revenue	79	20	20	20	20	20	20
Total Income	152	20	20	20	20	20	20
NET COST OF SERVICES	20,945	25,892	25,892	27,207	28,598	28,988	28,332
INCOME FROM STATE GOVERNMENT							
Service appropriations	22,274	25,953	25,953	27,325	28,598	28,988	28,332
Resources received free of charge	21	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	22,295	25,953	25,953	27,325	28,598	28,988	28,332
SURPLUS (DEFICIENCY) FOR THE PERIOD	1,350	61	61	118	-	-	-

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

(b) The Full Time Equivalents (FTEs) for 2004-05 Actual, 2005-06 Estimated Actual and 2006-07 Estimate are 131, 153 and 153 respectively.

**BALANCE SHEET
(Controlled)**

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CURRENT ASSETS							
Cash and cash equivalents	8,867	1,817	1,551	1,287	1,209	1,065	1,370
Restricted cash	1	40	727	1,333	2,040	1,804	1,937
Receivables	209	987	274	274	274	294	294
Amounts receivable for services	1,698	2,110	876	1,597	1,365	-	-
Prepayments	-	60	-	-	-	-	-
Total current assets	10,775	5,014	3,428	4,491	4,888	3,163	3,601
NON-CURRENT ASSETS							
Amounts receivable for services	1,968	4,713	4,425	6,594	9,681	13,846	16,526
Land and buildings	3,112	1,574	4,905	4,087	3,398	2,559	1,721
Plant and equipment	3,695	13,021	8,413	7,371	6,128	5,183	3,726
Intangibles	-	124	124	248	372	372	372
Other	-	3,168	-	-	-	-	-
Total non-current assets	8,775	22,600	17,867	18,300	19,579	21,960	22,345
TOTAL ASSETS	19,550	27,614	21,295	22,791	24,467	25,123	25,946
CURRENT LIABILITIES							
Payables	280	-	101	101	101	101	101
Provision for employee entitlements	1,064	1,106	1,595	2,094	2,588	2,595	2,728
Accrued salaries	-	225	-	-	-	-	-
Other	297	61	297	297	297	297	297
Total current liabilities	1,641	1,392	1,993	2,492	2,986	2,993	3,126
NON-CURRENT LIABILITIES							
Provision for employee entitlements	743	836	953	1,070	1,283	1,040	1,040
Other	2,054	-	3,176	3,938	4,907	4,799	5,056
Total non-current liabilities	2,797	836	4,129	5,008	6,190	5,839	6,096
TOTAL LIABILITIES	4,438	2,228	6,122	7,500	9,176	8,832	9,222
EQUITY							
Contributed equity	12,370	22,362	12,370	12,370	12,370	13,370	13,803
Accumulated surplus/(deficit)	2,742	3,024	2,803	2,921	2,921	2,921	2,921
Total equity	15,112	25,386	15,173	15,291	15,291	16,291	16,724
TOTAL LIABILITIES AND EQUITY	19,550	27,614	21,295	22,791	24,467	25,123	25,946

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

CASHFLOW STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	21,064	21,098	22,620	23,559	24,146	24,823	25,652
Capital contribution	767	10,257	-	-	-	1,000	433
Holding account drawdowns	283	1,698	1,698	876	1,597	1,365	-
Net cash provided by State government	22,114	33,053	24,318	24,435	25,743	27,188	26,085
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(9,518)	(11,145)	(12,111)	(13,757)	(14,087)	(15,399)	(15,460)
Superannuation	(854)	(1,077)	(1,157)	(1,199)	(1,199)	(1,235)	(1,283)
Consultancies payments.....	-	-	(311)	(210)	(230)	(230)	(230)
Supplies and services	(1,559)	(5,134)	(3,550)	(2,976)	(3,079)	(3,316)	(3,701)
Accommodation.....	(3,100)	(1,575)	(2,487)	(1,969)	(1,985)	(2,005)	(1,955)
Capital user charge.....	(1,102)	(1,618)	(1,618)	(2,167)	(2,319)	(2,334)	(2,350)
State taxes	-	(25)	(25)	(25)	(25)	(25)	(25)
Goods and services tax	(911)	(325)	(325)	(325)	(305)	(305)	(305)
Other.....	(1,505)	(382)	(309)	(227)	(230)	(230)	(230)
Receipts							
User charges and fees.....	-	20	20	20	20	20	20
Interest received.....	34	-	-	-	-	-	-
Goods and services tax	901	325	325	325	305	305	305
Other receipts	2,392	-	-	-	-	-	-
Net cash from operating activities.....	(15,222)	(20,936)	(21,548)	(22,510)	(23,134)	(24,754)	(25,214)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(6,254)	(11,955)	(9,359)	(1,583)	(1,980)	(2,814)	(433)
Proceeds from sale of non-current assets	151	-	-	-	-	-	-
Net cash from investing activities.....	(6,103)	(11,955)	(9,359)	(1,583)	(1,980)	(2,814)	(433)
NET INCREASE/(DECREASE) IN CASH HELD	789	162	(6,589)	342	629	(380)	438
Cash assets at the beginning of the reporting period	8,078	1,695	8,867	2,278	2,620	3,249	2,869
Cash assets at the end of the reporting period.....	8,867	1,857	2,278	2,620	3,249	2,869	3,307

- (a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

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:

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
User Charges and fees	-	20	20	20
Goods and Services Tax	901	325	325	325
Other receipts	2,426	-	-	-
TOTAL	3,327	345	345	345

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

PARLIAMENTARY INSPECTOR OF THE CORRUPTION AND CRIME COMMISSION

PART 7 - ATTORNEY GENERAL; MINISTER FOR HEALTH; ELECTORAL AFFAIRS

DIVISION 29

APPROPRIATION AND FORWARD ESTIMATES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 66 Net amount appropriated to deliver services	287	399	399	420	443	454	460
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	103	106	106	109	112	116	119
Total appropriations provided to deliver services	390	505	505	529	555	570	579
CAPITAL							
Capital Contribution	-	10	10	-	-	-	-
GRAND TOTAL	390	515	515	529	555	570	579

MISSION

To evaluate the effectiveness and appropriateness of the Corruption and Crime Commission.

SERVICE AND APPROPRIATION SUMMARY

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
SERVICES							
Service 1:							
Evaluation of the effectiveness and appropriateness of Corruption and Crime Commission operations	338	572	572	596			
Total Cost of Services	338	572	572	596	622	637	646
<i>Less Income</i>	-	-	-	-	-	-	-
Net Cost of Services	338	572	572	596	622	637	646
Adjustments ^(a)	52	(67)	(67)	(67)	(67)	(67)	(67)
Appropriation provided to deliver Services.	390	505	505	529	555	570	579
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	-	10	10	-	-	-	-
TOTAL CONSOLIDATED FUND APPROPRIATIONS	390	515	515	529	555	570	579

(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, SERVICES AND PERFORMANCE INFORMATION**Relationship to Government Goals**

Broad, high level government goals are supported at agency level by more specific desired outcomes. Agencies deliver services to achieve these desired outcomes, which ultimately contribute to meeting the higher level government goals. The following table illustrates the relationship between agency level desired outcomes and the most appropriate government goal.

Government Goal	Desired Outcome	Service
To govern for all Western Australians in an open, effective and efficient manner that also ensures a sustainable future.	The integrity and effectiveness of the Corruption and Crime Commission is ensured.	1. Evaluation of the effectiveness and appropriateness of Corruption and Crime Commission operations

Outcomes and Key Effectiveness Indicators ^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Outcome: The integrity and effectiveness of the Corruption and Crime Commission is ensured.					
Proportion of investigations finalised satisfactorily.....	100%	100%	100%	100%	

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

Service 1: Evaluation of the Effectiveness and Appropriateness of Corruption and Crime Commission Operations

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	338	572	572	596	
Less Income	-	-	-	-	
Net Cost of Service	338	572	572	596	
Adjustments ^(a)	52	(67)	(67)	(67)	
Appropriation for delivery of Service	390	505	505	529	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Matters finalised within target time frames.....	100%	100%	100%	100%	
Full Time Equivalents (FTEs)	1	1	1	1	

Major Achievements For 2005-06

- During the period the Inspectorate received 30 referrals and completed 11 investigations. Of the referrals the Corruption and Crime Commission referred 14.
- The Inspector reviewed "Notification Guidelines" for the Corruption and Crime Commission and was satisfied that they provide accurate and helpful information.

CAPITAL WORKS PROGRAM

The Capital Works Program for 2006-07 relates to the purchase of computers and office equipment for the office of the Parliamentary Inspector of the Corruption and Crime Commission.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Office Equipment.....	40	10	10	10
	40	10	10	10

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	1	10	10	10	10	10	-
	1	10	10	10	10	10	-
LESS							
Drawdowns from the Holding Account	-	-	-	10	10	10	-
Internal Funds and Balances	1	-	-	-	-	-	-
Capital Contribution	-	10	10	-	-	-	-

FINANCIAL STATEMENTS**INCOME STATEMENT
(Controlled)**

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	148	160	160	167	169	174	185
Superannuation	10	15	15	16	16	16	16
Supplies and services	50	299	299	313	335	345	343
Accommodation	49	55	55	56	57	57	57
Capital user charge	-	16	16	16	16	16	16
Depreciation and amortisation	59	17	17	17	10	10	10
State taxes	2	-	-	-	-	-	-
Other expenses	20	10	10	11	19	19	19
TOTAL COST OF SERVICES	338	572	572	596	622	637	646
INCOME FROM STATE GOVERNMENT							
Service appropriations	390	505	505	529	555	570	579
Resources received free of charge	34	67	67	67	67	67	67
TOTAL INCOME FROM STATE GOVERNMENT	424	572	572	596	622	637	646
CHANGE IN SURPLUS (DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	86	-	-	-	-	-	-

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

(b) The Full Time Equivalents (FTEs) for 2004-05 Actual, 2005-06 Estimated Actual and 2006-07 Estimate are 1, 1 and 1 respectively.

BALANCE SHEET
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CURRENT ASSETS							
Cash and cash equivalents	189	177	189	189	189	189	189
Receivables	3	15	3	3	3	3	3
Amounts receivable for services	7	10	10	10	10	-	-
Total current assets	199	202	202	202	202	192	192
NON-CURRENT ASSETS							
Amounts receivable for services	-	14	14	21	28	45	62
Plant and equipment	24	14	17	10	10	10	0
Other	86	126	86	86	79	72	65
Total non-current assets	110	154	117	117	117	127	127
TOTAL ASSETS	309	356	319	319	319	319	319
CURRENT LIABILITIES							
Payables	2	136	2	2	2	2	2
Provision for employee entitlements	16	1	16	16	16	16	16
Accrued salaries	-	4	-	-	-	-	-
Total current liabilities	18	141	18	18	18	18	18
NON-CURRENT LIABILITIES							
Total non-current liabilities	-	-	-	-	-	-	-
TOTAL LIABILITIES	18	141	18	18	18	18	18
EQUITY							
Contributed equity	150	160	160	160	160	160	160
Accumulated surplus/(deficit)	141	55	141	141	141	141	141
Total equity	291	215	301	301	301	301	301
TOTAL LIABILITIES AND EQUITY	309	356	319	319	319	319	319

- (a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

CASHFLOW STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	390	488	488	512	538	553	562
Capital contribution	-	10	10	-	-	-	-
Holding account drawdowns	-	-	-	10	10	10	-
Net cash provided by State government	390	498	498	522	548	563	562
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(148)	(160)	(160)	(167)	(169)	(174)	(185)
Superannuation	(11)	(15)	(15)	(16)	(16)	(16)	(16)
Supplies and services	(13)	(232)	(232)	(246)	(268)	(278)	(276)
Accommodation	(49)	(55)	(55)	(56)	(57)	(57)	(57)
Capital user charge	-	(16)	(16)	(16)	(16)	(16)	(16)
State taxes	(2)	-	-	-	-	-	-
Goods and services tax	(11)	-	-	-	-	-	-
Other	(19)	(10)	(10)	(11)	(12)	(12)	(12)
Receipts							
Goods and services tax	23	-	-	-	-	-	-
Net cash from operating activities	(230)	(488)	(488)	(512)	(538)	(553)	(562)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(150)	(10)	(10)	(10)	(10)	(10)	-
Net cash from investing activities	(150)	(10)	(10)	(10)	(10)	(10)	-
NET INCREASE/(DECREASE) IN CASH HELD	10	-	-	-	-	-	-
Cash assets at the beginning of the reporting period	178	177	188	188	188	188	188
Cash assets at the end of the reporting period	188	177	188	188	188	188	188

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

LAW REFORM COMMISSION OF WESTERN AUSTRALIA

PART 7 - ATTORNEY GENERAL; MINISTER FOR HEALTH; ELECTORAL AFFAIRS

DIVISION 30

APPROPRIATION AND FORWARD ESTIMATES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 67 Net amount appropriated to deliver services	884	869	869	878	897	913	928
Total appropriations provided to deliver services	884	869	869	878	897	913	928
CAPITAL							
Capital Contribution	-	-	-	-	6	-	-
GRAND TOTAL	884	869	869	878	903	913	928

MISSION

To assist in keeping the law up to date and relevant to the needs of society by making recommendations for the reform of areas of law referred to it by the Attorney General.

SIGNIFICANT ISSUES AND TRENDS

- The continuing issue for the Law Reform Commission is to assist in keeping the law up to date and relevant to the needs of society. The Commission reviews the law as requested by the Attorney General, with stakeholders kept informed of outcomes through the Commission's publications.

SERVICE AND APPROPRIATION SUMMARY

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
SERVICES							
Service 1:							
Publications on Law Reform	877	1,225	1,525	881			
Total Cost of Services	877	1,225	1,525	881	897	913	928
<i>Less Income.....</i>	1	-	-	-	-	-	-
Net Cost of Services	876	1,225	1,525	881	897	913	928
Adjustments ^(a)	8	(356)	(656)	(3)	-	-	-
Appropriation provided to deliver Services.	884	869	869	878	897	913	928
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	-	-	-	-	6	-	-
TOTAL CONSOLIDATED FUND APPROPRIATIONS.....	884	869	869	878	903	913	928

(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, service and financial information is the subject of a Resource Agreement signed by the Attorney General, the Chief Executive Officer and the Treasurer.

OUTCOMES, SERVICES AND PERFORMANCE INFORMATION**Relationship to Government Goals**

Broad, high level government goals are supported at agency level by more specific desired outcomes. Agencies deliver services to achieve these desired outcomes, which ultimately contribute to meeting the higher level government goals. The following table illustrates the relationship between agency level desired outcomes and the most appropriate government goal.

Government Goal	Desired Outcome	Service
To enhance the quality of life and wellbeing of all people throughout Western Australia.	The law is reviewed as requested by the Attorney General and stakeholders are kept informed.	1. Publications on Law Reform

Outcomes and Key Effectiveness Indicators ^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Outcome: The law is reviewed as requested by the Attorney General and stakeholders are kept informed.					
Progress of Aboriginal Customary Laws (ACL) reference against target timelines	87%	100%	100%	n/a	ACL reference is expected to be completed in 2005-06
Progress of Problem Oriented Courts and Judicial Case Management (POC) reference against target timelines	62.5%	95%	77.7%	100%	POC reference encountered some unexpected delays and is now anticipated to be completed in 2006-07.
Progress of the Review of the Law of Homicide (LOH) reference against target timelines	16.66%	95%	100%	n/a	LOH reference is anticipated to be completed in 2005-06.
Progress of the Compensation for Injurious Affection (CIA) reference against target timelines	n/a	n/a	n/a	95%	CIA reference will commence in July 2006 and work towards completion in July 2007.

(a) Effectiveness indicators for the 2006-07 Budget differ from the 2005-06 Budget. The indicator provided last year has been broken down into four different projects that are currently being undertaken by the Commission and now measured separately. More details of effectiveness indicators are provided in the annual report.

Service 1: Publications on Law Reform

On receipt of references from the Attorney General to review particular areas of law, the Commission examines current law and practice, consults widely, issues discussion papers for public comment and prepares reports making recommendations for reform.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	877	1,225	1,525	881	Changes in the number and nature of the references undertaken.
Less Income	1	-	-	-	
Net Cost of Service	876	1,225	1,525	881	Funds carried forward from prior years relating to the ACL reference were expensed in 2005-06.
Adjustments ^(a)	8	(356)	(656)	(3)	
Appropriation for delivery of Service	884	869	869	878	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per publication	\$56,332	\$275,625	\$343,125	\$396,450	The Commission has only one reference to complete in 2006-07 requiring a Discussion Report and a Final Report to be published.
Total Community Contacts	17,969	10,000	10,000	15,000	
Average cost per contact	\$4.88	\$12.25	\$15.25	\$5.87	
Publications on Law Reform References.	14	4	4	2	
Full Time Equivalents (FTEs)	4	4	5	4	

Major Achievements For 2005-06

- Completed the Aboriginal Customary Laws Background Paper series by republishing them into a single volume of papers.
- Completed and published the Aboriginal Customary Laws Discussion Paper and Discussion Paper Overview. The Discussion Paper is a thorough research paper which takes into account the information and submissions received from the various Aboriginal communities and the issues identified by the various Background Papers.
- Launched the Aboriginal Customary Laws Discussion Paper at a function attended by the Attorney General and other interested stakeholders.
- Published a series of eight flyers for the Aboriginal Customary Laws reference on the topics of Sentencing, Alcohol and Substance Abuse, Burial Rights, Constitutional Change, Community Groups, Bail, Court Procedure and Inheritance. The series of flyers was produced to provide further background information to those providing submissions on the Commission's proposals outlined in the Aboriginal Customary Laws Discussion Paper.
- Travelled to various remote Aboriginal communities to distribute the Commission's Discussion Paper on Aboriginal Customary Laws and present the Commission's proposed recommendations. Submissions on the Commission's proposals were received directly from community members.

- Received a new reference on Compensation for Injurious Affection. The reference requires the Commission to inquire into and report upon whether the principles, practices and procedures pertaining to the issues of compensation for injurious affection to land in Western Australia require reform.
- Complete the Commission's reference on the Review of the Law of Homicide with the publication of the final report by June 2006.

Major Initiatives For 2006-07

- Complete the Commission's reference on Problem Oriented Courts and Judicial Case Management with the publication of the Discussion Paper and Final Report by December 2006.
- Complete the Commission's reference on Compensation for Injurious Affection with the publication of the Discussion Paper and Final Report by July 2007.
- Continue to publish all Reports and Discussion Papers utilising CD-ROM technology wherever possible thus creating significant savings for the Commission.

CAPITAL WORKS PROGRAM

The Law Reform Commission's capital works expenditure for 2006-07 of \$20,000 is for the purchase of new and replacement office equipment and computers.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
COMPLETED WORKS				
Computer and Equipment Purchases 2005-06	10	10	10	-
NEW WORKS				
Computer and Equipment Purchases 2006-07	20	-	-	20
	30	10	10	20

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	17	10	10	20	20	10	10
	17	10	10	20	20	10	10
LESS							
Drawdowns from the Holding Account	10	10	10	20	14	10	10
Internal Funds and Balances	7	-	-	-	-	-	-
Capital Contribution	-	-	-	-	6	-	-

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	392	375	575	338	310	316	318
Superannuation	36	35	35	31	27	27	27
Supplies and services	280	689	569	381	410	410	410
Accommodation	43	53	53	60	70	75	75
Capital user charge	59	17	17	3	1	-	-
Depreciation and amortisation	7	13	13	12	12	12	12
Other expenses	60	43	263	56	67	73	86
TOTAL COST OF SERVICES	877	1,225	1,525	881	897	913	928
Income							
Other revenue	1	-	-	-	-	-	-
Total Income	1	-	-	-	-	-	-
NET COST OF SERVICES	876	1,225	1,525	881	897	913	928
INCOME FROM STATE GOVERNMENT							
Service appropriations	884	869	869	878	897	913	928
Resources received free of charge	67	70	70	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	951	939	939	878	897	913	928
SURPLUS (DEFICIENCY) FOR THE PERIOD	75	(286)	(586)	(3)	-	-	-

- (a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.
- (b) The Full Time Equivalents (FTEs) for 2004-05 Actual, 2005-06 Estimated Actual and 2006-07 Estimate are 4, 5 and 4 respectively.

BALANCE SHEET
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CURRENT ASSETS							
Cash and cash equivalents	845	71	254	259	259	259	259
Restricted cash	-	-	5	5	5	5	5
Receivables	11	14	11	11	11	11	11
Amounts receivable for services	10	20	20	14	10	10	12
Prepayments	7	-	7	7	7	7	7
Total current assets	873	105	297	296	292	292	294
NON-CURRENT ASSETS							
Amounts receivable for services	10	3	3	1	3	5	5
Plant and equipment	16	16	13	21	29	27	25
Total non-current assets	26	19	16	22	32	32	30
TOTAL ASSETS	899	124	313	318	324	324	324
CURRENT LIABILITIES							
Payables	10	92	10	18	18	18	18
Provision for employee entitlements	25	24	25	25	25	25	25
Accrued salaries	-	12	-	-	-	-	-
Total current liabilities	35	128	35	43	43	43	43
NON-CURRENT LIABILITIES							
Provision for employee entitlements	21	6	21	21	21	21	21
Total non-current liabilities	21	6	21	21	21	21	21
TOTAL LIABILITIES	56	134	56	64	64	64	64
EQUITY							
Contributed equity	11	11	11	11	17	17	17
Accumulated surplus/(deficit)	832	(21)	246	243	243	243	243
Total equity	843	(10)	257	254	260	260	260
TOTAL LIABILITIES AND EQUITY	899	124	313	318	324	324	324

- (a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

CASHFLOW STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	871	856	856	866	885	901	916
Capital contribution	-	-	-	-	6	-	-
Holding account drawdowns	10	10	10	20	14	10	10
Net cash provided by State government	881	866	866	886	905	911	926
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(387)	(375)	(575)	(338)	(310)	(316)	(318)
Superannuation	(36)	(35)	(35)	(31)	(27)	(27)	(27)
Supplies and services	(210)	(619)	(499)	(381)	(410)	(410)	(410)
Accommodation	(43)	(53)	(53)	(60)	(70)	(75)	(75)
Capital user charge	(59)	(17)	(17)	(3)	(1)	-	-
Goods and services tax	(26)	(20)	(20)	(20)	(30)	(35)	(35)
Other	(152)	(43)	(263)	(48)	(67)	(73)	(86)
Receipts							
Goods and services tax	29	20	20	20	30	35	35
Other receipts	1	-	-	-	-	-	-
Net cash from operating activities	(883)	(1,142)	(1,442)	(861)	(885)	(901)	(916)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(8)	(10)	(10)	(20)	(20)	(10)	(10)
Net cash from investing activities	(8)	(10)	(10)	(20)	(20)	(10)	(10)
NET INCREASE/(DECREASE) IN CASH HELD	(10)	(286)	(586)	5	-	-	-
Cash assets at the beginning of the reporting period	855	357	845	259	264	264	264
Cash assets at the end of the reporting period	845	71	259	264	264	264	264

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS

PART 7 - ATTORNEY GENERAL; MINISTER FOR HEALTH; ELECTORAL AFFAIRS

DIVISION 31

APPROPRIATION AND FORWARD ESTIMATES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 68 Net amount appropriated to deliver services	16,443	13,333	16,746	20,752	21,526	22,033	22,483
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975^(a)	1,436	1,479	1,479	1,700	1,751	1,803	1,857
Total appropriations provided to deliver services	17,879	14,812	18,225	22,452	23,277	23,836	24,340
CAPITAL							
Item 152 Capital Contribution	-	-	427	3,605	-	-	-
GRAND TOTAL	17,879	14,812	18,652	26,057	23,277	23,836	24,340

- (a) The recommendation by the Salaries and Allowance Tribunal on 7 April 2006 regarding senior public servants' salaries was received after the deadline for finalising agencies' individual financial projections. Accordingly, a provision for the total cost (estimated at around \$1.5 million per year from 2006-07) is reflected in the 'Authorised by Other Statutes' appropriations and financial statements of the administered activities of the Department of Treasury and Finance (Budget Paper 2, Volume 1). This provision will be reflected in agencies' estimates following the release of the 2006-07 Budget.

MISSION

To provide the people of Western Australia with an independent and effective criminal prosecution service which is both fair and just.

SIGNIFICANT ISSUES AND TRENDS

- The Office of the Director of Public Prosecutions' provides the State with an independent and fair prosecution service while at the same time working in cooperation with other justice agencies to sustain the overall effectiveness of the criminal justice system.
- The Courts' changing listing practices, including increasing the level of over listing cases and using more rolling lists, continues to increase the Office of the Director of Public Prosecutions' workload.
- Recruiting for experienced prosecutors and paralegals commenced in late 2005 and is continuing. Until the recruitment program is finalised, pressure will continue on the Office of the Director of Public Prosecutions' external brief out costs.
- The criminal law reform package, including the abolition of preliminary hearings, forcing down of minor cases from the District Court to the Magistrates Court and the requirement for disclosure at the earliest opportunity, should, over time, streamline some aspects of the office of the Director of Public Prosecutions' work. In the short term, the abolition of preliminary hearings in conjunction with earlier disclosure has caused a spike in workload and created extra demand on the Office's resources to ensure all changes are implemented effectively.
- The Office of the Director of Public Prosecutions' work in the Children's Court and Drug Court continues to expand. Additional resources have been provided to carry out this work to ensure the effective operations of the Courts.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2005-06 Budget to Parliament on 26 May 2005 are outlined below.

	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
Additional resources to fund a more effective and sustainable prosecution service	7,151	7,318	7,488	7,488
Relocation of the Office of the Director of Public Prosecutions	-	350	389	448

SERVICE AND APPROPRIATION SUMMARY

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Criminal Prosecutions.....	16,511	15,242	20,029	23,581			
<i>Service 2:</i>							
Confiscation of Assets	1,070	1,100	1,529	1,462			
Total Cost of Services	17,581	16,342	21,558	25,043	25,897	26,556	27,060
<i>Less Income.....</i>	<i>533</i>	<i>714</i>	<i>1,743</i>	<i>1,775</i>	<i>1,717</i>	<i>1,760</i>	<i>1,760</i>
Net Cost of Services	17,048	15,628	19,815	23,268	24,180	24,796	25,300
Adjustments ^(a)	831	(816)	(1,590)	(816)	(903)	(960)	(960)
Appropriation provided to deliver Services.	17,879	14,812	18,225	22,452	23,277	23,836	24,340
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	-	-	427	3,605	-	-	-
TOTAL CONSOLIDATED FUND APPROPRIATIONS.....	17,879	14,812	18,652	26,057	23,277	23,836	24,340

(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, service and financial information is the subject of a Resource Agreement signed by the Attorney General, the Director of Public Prosecutions and the Treasurer.

OUTCOMES, SERVICES AND PERFORMANCE INFORMATION**Relationship to Government Goals**

Broad, high level government goals are supported at agency level by more specific desired outcomes. Agencies deliver services to achieve these desired outcomes, which ultimately contribute to meeting the higher level government goals. The following table illustrates the relationship between agency level desired outcomes and the most appropriate government goal.

Government Goal	Desired Outcome	Services
To enhance the quality of life and wellbeing of all people throughout Western Australia.	A fair and independent criminal prosecution service for the State of Western Australia.	1. Criminal Prosecutions 2. Confiscation of Assets

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

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Outcome: A fair and independent criminal prosecution service for the State of Western Australia.					
Establishing a case to answer ^(c)	98%	98%	98%	98%	
Portion of contested objections to the confiscation of frozen property dismissed.....	95%	95%	95%	95%	

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

(b) In 2006 the Office of the Director of Public Prosecutions will develop revised performance indicators to reflect the outcomes to be achieved by the additional resources approved by Government in October 2005.

(c) The State will satisfy the Court in more than 98% of trials that the accused person has a case to answer.

Service 1: Criminal Prosecutions

The Office of the Director of Public Prosecutions conducts prosecutions against people accused of serious breaches of the State's criminal laws. These prosecutions are principally conducted on indictments in the Supreme and District Courts sitting at Perth and also in major country locations. Prosecutions are conducted on behalf of the State, independently of external influences and in accordance with the law and a published statement of the Office of the Director of Public Prosecutions' prosecution policy and guidelines.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	16,511	15,242	20,029	23,581	Reflects the increase in resource levels approved in October 2005 to provide a more effective prosecution service.
Less Income	133	214	214	313	
Net Cost of Service	16,378	15,028	19,815	23,268	
Adjustments ^(a)	831	(416)	(1,590)	(816)	
Appropriation for delivery of Service	17,209	14,612	18,225	22,452	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per criminal prosecution	\$6,277	\$6,096	\$8,012	\$9,400	
Full Time Equivalents (FTEs)	147	147	185	197	

Major Achievements For 2005-06

- With the support of the Department of Treasury and Finance, the Office of the Director of Public Prosecutions undertook an extensive review of its business and working practices as well as an activity based mapping and costing exercise. The report on this project was presented to, and approved by Government in October 2005. It documented the resource requirements of the Office of the Director of Public Prosecutions necessary to conduct an effective prosecution service for the State in light of the current court structure, crime levels, and the mix and complexity of those crimes.
- Following increased funding from Government, the Office of the Director of Public Prosecutions undertook an extensive recruitment program for prosecutors, implemented a paralegal team within the Office and improved corporate governance arrangements through the recruitment of key personnel and a revised organisational structure.

Major Initiatives For 2006-07

- In early 2007 the Office of the Director of Public Prosecutions will relocate to International House, located at 26 St Georges Terrace, adjacent to the present Central Law Courts and proximate to the new District Courthouse. This move will facilitate logistical efficiencies for Prosecutorial and Paralegal staff and reduce the demand for state prosecution related accommodation in the new law courts.
- The recruitment of additional prosecutors will assist the Office of the Director of Public Prosecutions in implementing key strategies to improve the effectiveness of its prosecution service, including a "cradle to grave" approach to the file management of matters and early attention to new cases received.

Service 2: Confiscation of Assets

The Office of the Director of Public Prosecutions will act effectively to institute and conduct proceedings in a just and fair manner to confiscate property acquired as a result of criminal activity, property used for criminal activity and property of declared drug traffickers.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	1,070	1,100	1,529	1,462	The cost of the Confiscations Unit is now fully recouped from the Confiscation Proceeds Account (proceeds of crime).
Less Income	400	500	1,529	1,462	
Net Cost of Service	670	600	-	-	
Adjustments ^(a)	-	(400)	-	-	
Appropriation for delivery of Service	670	200	-	-	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per freezing order/notice issued .	\$8,560	\$8,800	\$10,544	\$10,082	
Full Time Equivalents (FTEs)	10	10	12	12	

CAPITAL WORKS PROGRAM

The Office of the Director of Public Prosecutions' capital works program in 2006-07 includes the once off costs associated with the relocation of the Office closer to the Central Law Courts and the new District Courthouse. This includes fitting out 10 floors at International House (the Office currently occupies 3 floors at Westralia Square), in-house trial preparation rooms (these are currently provided by the Courts) and the accommodation of 40 additional staff.

The balance of the capital works program is the ongoing replacement of computing and office equipment including the equipment presently supplied by the co-located Department of the Attorney General. The Office will need to replace these services when it relocates.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
COMPLETED WORKS				
Computer and Office Equipment Replacement				
2004-05 Program	200	200	32	-
2005-06 Program	575	575	575	-
NEW WORKS				
Computer and Office Equipment Replacement				
2006-07 Program	148	-	-	148
Relocation to International House - CBD accommodation.....	3,405	-	-	3,405
Replacement of IT services currently shared with the Department of the Attorney General at Westralia Square	200	-	-	200
	4,528	775	607	3,753

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	168	200	607	3,753	148	365	148
	168	200	607	3,753	148	365	148
LESS							
Drawdowns from the Holding Account	200	200	148	148	148	365	148
Internal Funds and Balances	(32)	-	32	-	-	-	-
Capital Contribution	-	-	427	3,605	-	-	-

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	10,610	10,280	13,801	16,782	17,088	17,504	17,829
Superannuation	1,070	899	1,133	1,581	1,620	1,659	1,693
Supplies and services	2,135	1,866	2,644	2,719	2,787	2,857	2,885
Accommodation	1,335	1,284	1,531	1,642	2,033	2,114	2,199
Depreciation and amortisation	197	277	241	285	285	285	285
Witness expenses	862	850	907	951	975	999	1,014
Legal briefing expenses	909	600	809	562	576	591	600
Loss on disposal of non-current assets	6	-	-	-	-	-	-
Other expenses	457	286	492	521	533	547	555
TOTAL COST OF SERVICES	17,581	16,342	21,558	25,043	25,897	26,556	27,060
Income							
Grants and subsidies	400	-	1,529	1,461	1,498	1,535	1,535
Other revenue	133	714	214	314	219	225	225
Total Income	533	714	1,743	1,775	1,717	1,760	1,760
NET COST OF SERVICES	17,048	15,628	19,815	23,268	24,180	24,796	25,300
INCOME FROM STATE GOVERNMENT							
Service appropriations	17,879	14,812	18,225	22,452	23,277	23,836	24,340
Resources received free of charge	739	928	928	928	951	975	975
Liabilities assumed by the Treasurer	55	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	18,673	15,740	19,153	23,380	24,228	24,811	25,315
SURPLUS (DEFICIENCY) FOR THE PERIOD	1,625	112	(662)	112	48	15	15

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

(b) The Full Time Equivalents (FTEs) for 2004-05 Actual, 2005-06 Estimated Actual and 2006-07 Estimate are 157, 197 and 209 respectively. FTEs of 209 for 2006-7 include 204 approved by Government as a result of the review of Office of the Director of Public Prosecutions operations, 1 FTE resulting from a transfer from the Department of Health and 4 FTEs flowing from the decision to appoint an additional District Court Judge.

BALANCE SHEET
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CURRENT ASSETS							
Cash and cash equivalents	806	261	112	324	372	388	403
Restricted cash	-	35	53	115	178	243	309
Receivables	71	38	71	71	71	71	71
Amounts receivable for services	200	200	148	148	365	148	170
Prepayments	4	8	4	4	4	4	4
Total current assets	1,081	542	388	662	990	854	957
NON-CURRENT ASSETS							
Amounts receivable for services	1,094	1,171	1,239	1,376	1,296	1,433	1,548
Plant and equipment	402	197	638	769	700	848	779
Other	282	372	412	3,749	3,681	3,613	3,545
Total non-current assets	1,778	1,740	2,289	5,894	5,677	5,894	5,872
TOTAL ASSETS	2,859	2,282	2,677	6,556	6,667	6,748	6,829
CURRENT LIABILITIES							
Payables	243	300	243	243	243	244	244
Provision for employee entitlements	1,260	1,399	1,538	1,604	1,604	1,604	1,604
Accrued salaries	-	35	53	115	178	243	309
Total current liabilities	1,503	1,734	1,834	1,962	2,025	2,091	2,157
NON-CURRENT LIABILITIES							
Provision for employee entitlements	1,203	953	925	959	959	959	959
Total non-current liabilities	1,203	953	925	959	959	959	959
TOTAL LIABILITIES	2,706	2,687	2,759	2,921	2,984	3,050	3,116
EQUITY							
Contributed equity	407	407	834	4,439	4,439	4,439	4,439
Accumulated surplus/(deficit)	(254)	(812)	(916)	(804)	(756)	(741)	(726)
Total equity	153	(405)	(82)	3,635	3,683	3,698	3,713
TOTAL LIABILITIES AND EQUITY	2,859	2,282	2,677	6,556	6,667	6,748	6,829

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

CASHFLOW STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	16,906	14,535	17,984	22,167	22,992	23,551	24,055
Capital contribution	-	-	427	3,605	-	-	-
Holding account drawdowns	200	200	148	148	148	365	148
Net cash provided by State government	17,106	14,735	18,559	25,920	23,140	23,916	24,203
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(10,836)	(10,411)	(13,748)	(16,620)	(17,025)	(17,439)	(17,763)
Superannuation	(1,015)	(894)	(1,132)	(1,581)	(1,620)	(1,659)	(1,693)
Supplies and services	(1,396)	(805)	(1,717)	(1,792)	(1,836)	(1,882)	(1,910)
Accommodation	(1,335)	(1,284)	(1,531)	(1,641)	(2,033)	(2,113)	(2,199)
Witness expenses	(862)	(850)	(907)	(951)	(975)	(999)	(1,014)
Legal briefing expenses	(909)	(600)	(809)	(562)	(576)	(591)	(600)
Goods and services tax	(530)	(280)	(574)	(592)	(606)	(621)	(629)
Other	(729)	(440)	(492)	(521)	(533)	(547)	(555)
Receipts							
Grants and subsidies	400	500	1,529	1,461	1,498	1,535	1,535
Goods and services tax	525	280	574	592	606	621	629
Other receipts	105	214	214	214	219	225	225
Net cash from operating activities	(16,582)	(14,570)	(18,593)	(21,993)	(22,881)	(23,470)	(23,974)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(164)	(200)	(607)	(3,753)	(148)	(365)	(148)
Net cash from investing activities	(164)	(200)	(607)	(3,753)	(148)	(365)	(148)
NET INCREASE/(DECREASE) IN CASH HELD	360	(35)	(641)	174	111	81	81
Cash assets at the beginning of the reporting period	446	331	806	165	439	550	631
Net cash transferred to/from other agencies	-	-	-	100	-	-	-
Cash assets at the end of the reporting period	806	296	165	439	550	631	712

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

SCHEDULE OF ADMINISTERED EXPENSES AND INCOME

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
EXPENSES							
Grants and subsidies paid from the Confiscation Proceeds Account	936	1,100	600	600	600	600	600
Confiscation expenses paid out of the Confiscations Proceeds Account	400	-	1,529	1,461	1,498	1,535	1,535
Receipts paid into the Consolidated Fund	247	100	100	100	100	100	100
TOTAL ADMINISTERED EXPENSES.....	1,583	1,200	2,229	2,161	2,198	2,235	2,235
INCOME							
Confiscation of Assets	2,781	1,100	2,129	2,061	2,098	2,135	2,135
Proceeds of Crime (<i>Misuse of Drugs Act</i>)	247	100	100	100	100	100	100
TOTAL ADMINISTERED INCOME.....	3,028	1,200	2,229	2,161	2,198	2,235	2,235

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

SCHEDULE OF ADMINISTERED ASSETS AND LIABILITIES

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
ADMINISTERED CURRENT ASSETS							
Cash and cash equivalents	2,081	1,035	2,081	2,081	2,081	2,081	2,081
Receivables	896	201	896	896	896	896	896
Total Administered Current Assets	2,977	1,236	2,977	2,977	2,977	2,977	2,977
TOTAL ADMINISTERED ASSETS.....	2,977	1,236	2,977	2,977	2,977	2,977	2,977
ADMINISTERED CURRENT LIABILITIES							
Payables	297	1	297	297	297	297	297
Total Administered Current Liabilities.....	297	1	297	297	297	297	297
TOTAL ADMINISTERED LIABILITIES..	297	1	297	297	297	297	297

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Grants and subsidies from the Confiscation Proceeds Account.....	(660)	(1,100)	(600)	(600)	(600)	(600)	(600)
Supplies and services	(400)	-	(1,529)	(1,461)	(1,498)	(1,535)	(1,535)
Receipts paid into the Consolidated Fund	(247)	(100)	(100)	(100)	(100)	(100)	(100)
TOTAL ADMINISTERED CASH OUTFLOWS	(1,307)	(1,200)	(2,229)	(2,161)	(2,198)	(2,235)	(2,235)
CASH INFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Other receipts	2,353	1,200	2,229	2,161	2,198	2,235	2,235
TOTAL ADMINISTERED CASH INFLOWS.....	2,353	1,200	2,229	2,161	2,198	2,235	2,235
NET CASH INFLOWS/(OUTFLOWS) FROM ADMINISTERED TRANSACTIONS.....	1,046	-	-	-	-	-	-

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

TRUST ACCOUNT DETAILS

Confiscation Account

Proceeds of the *Criminal Confiscation Act 2000*

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
Opening Balance	1,035	866	2,081	1,481
Receipts:				
Confiscation of Assets	2,629	1,100	2,100	2,100
	3,664	1,966	4,181	3,581
Payments	1,583	1,100	2,700	2,600
CLOSING BALANCE	2,081	866	1,481	981

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:

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
Employee contributions to the Executive Vehicle Scheme	-	28	28	28
GST receipts on sales.....	10	2	2	2
GST input credits	515	278	572	590
Miscellaneous Legal Revenue	105	186	186	186
Contribution from the Confiscation Proceeds Account	400	500	1,529	1,461
TOTAL.....	1,030	994	2,317	2,267

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

OFFICE OF THE INFORMATION COMMISSIONER

PART 7 - ATTORNEY GENERAL; MINISTER FOR HEALTH; ELECTORAL AFFAIRS

DIVISION 32

APPROPRIATION AND FORWARD ESTIMATES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 69 Net amount appropriated to deliver services	1,132	1,028	948	1,069	964	979	997
Amount Authorised by Other Statutes - Freedom of Information Act 1992 ^(a)	151	155	155	160	165	170	175
Total appropriations provided to deliver services	1,283	1,183	1,103	1,229	1,129	1,149	1,172
CAPITAL							
Capital Contribution	-	-	-	-	2	5	5
GRAND TOTAL	1,283	1,183	1,103	1,229	1,131	1,154	1,177

- (a) The recommendation by the Salaries and Allowance Tribunal on 7 April 2006 regarding senior public servants salaries was received after the deadline for finalising agencies' individual financial projections. Accordingly, a provision for the total cost (estimated at around \$1.5 million per year from 2006-07) is reflected in the 'Authorised by Other Statutes' appropriations and financial statements of the administered activities of the Department of Treasury and Finance (Budget Paper 2, Volume 1). This provision will be reflected in agencies' estimates following the release of the 2006-07 Budget.

MISSION

To promote public understanding and confidence in the decision-making of government agencies through access to relevant information.

SIGNIFICANT ISSUES AND TRENDS

- The main function of the Information Commissioner is to deal with complaints about decisions of government agencies under the *Freedom of Information Act 1992*. Although the number of complaints received remains reasonably constant, the percentage of more complex complaints tends to be higher. Even so, a further increase in the rate of complaints resolved by negotiation and conciliation has been achieved.
- The office is also responsible for providing advice and assistance to members of the public and agencies as to their rights and responsibilities under the Act, and provides an active program including a telephone advice service, training courses, briefings to community groups and agencies and a website including an e-advice service. Although the number of applications made to "agencies" under the Act continues to increase, the number of complaints then referred to the Information Commissioner for review remains steady so the rate of matters requiring such reviews continues to decrease. This suggests improved responses by government agencies to applications.
- A review of agencies' compliance with the requirements of Sections 94, 96 and 97 of the Act to publish an up-to-date "Information Statement" has been undertaken and will be reported on in the 2005-06 annual report. Information contained within such statements includes the structure and functions of the particular agency, a description of the kinds of documents that are usually held by the agency and of the agency's arrangements for giving members of the public access to the documents mentioned, amongst others things.
- The Government has announced plans to enact privacy legislation, giving the Information Commissioner a role under that legislation and amalgamate the office with that of the Parliamentary Commissioner for Administrative Investigations (Ombudsman).

SERVICE AND APPROPRIATION SUMMARY

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Resolution of complaints	930	875	859	911			
<i>Service 2:</i>							
Advice and awareness.....	398	382	318	392			
Total Cost of Services	1,328	1,257	1,177	1,303	1,203	1,223	1,246
<i>Less Income</i>	<i>7</i>	<i>4</i>	<i>4</i>	<i>4</i>	<i>4</i>	<i>4</i>	<i>4</i>
Net Cost of Services	1,321	1,253	1,173	1,299	1,199	1,219	1,242
Adjustments ^(a)	(38)	(70)	(70)	(70)	(70)	(70)	(70)
Appropriation provided to deliver Services.	1,283	1,183	1,103	1,229	1,129	1,149	1,172
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	-	-	-	-	2	5	5
TOTAL CONSOLIDATED FUND APPROPRIATIONS.....	1,283	1,183	1,103	1,229	1,131	1,154	1,177

(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, service and financial information is the subject of a Resource Agreement signed by the Attorney General, Acting Information Commissioner and Treasurer.

OUTCOMES, SERVICES AND PERFORMANCE INFORMATION**Relationship to Government Goals**

Broad, high level government goals are supported at agency level by more specific desired outcomes. Agencies deliver services to achieve these desired outcomes, which ultimately contribute to meeting the higher level government goals. The following table illustrates the relationship between agency level desired outcomes and the most appropriate government goal.

Government Goal	Desired Outcome	Services
To govern for all Western Australians in an open, effective and efficient manner that also ensures a sustainable future.	Access to documents and observance of processes in accordance with the <i>Freedom of Information Act 1992</i> .	1. Resolution of complaints 2. Advice and awareness

Outcomes and Key Effectiveness Indicators ^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Outcome: Access to documents and observance of processes in accordance with the <i>Freedom of Information Act 1992</i>.					
Participants satisfied with complaint resolution and external review processes adopted by the Information Commissioner	86%	88%	86%	88%	

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

Service 1: Resolution of Complaints

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

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	930	875	859	911	
Less Income	5	3	3	3	
Net Cost of Service	925	872	856	908	
Adjustments ^(a)	(27)	(50)	(50)	(48)	
Appropriation for delivery of Service	898	822	806	860	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Applications for external review resolved by conciliation	66%	88%	70%	70%	
Average cost per complaint and external review finalised	\$5,413	\$4,166	\$5,373	\$5,548	
Full Time Equivalents (FTEs)	8	8	8	8	

Major Achievements For 2005-06

- A further increase in the percentage of complaints resolved by conciliation.
- Continued high level of satisfaction of participants.

Major Initiatives For 2006-07

- The development and implementation of initiatives to reduce the time taken to deal with complaints, such as the re-introduction of target timeframes for each stage of the investigation.
- Assisting in the preparation of legislation and other arrangements to facilitate amalgamation of the Office with that of the Parliamentary Commissioner for Administrative Investigations (Ombudsman).
- Input into preparation of Government's proposed privacy legislation.

Service 2: Advice and Awareness

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

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	398	382	318	392	
Less Income	2	1	1	1	
Net Cost of Service	396	381	317	391	
Adjustments ^(a)	(11)	(20)	(20)	(22)	
Appropriation for delivery of Service	385	361	297	369	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost of service per application lodged ^(a)	\$184	\$55	\$121	\$120	
Full Time Equivalents (FTEs)	3	3	2	2	

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

Major Achievements For 2005-06

- Efficient absorption of duties by remaining officers following a restructure of resources.
- Review of all State and local government agencies' compliance with a requirement to publish information statements.
- Review of 'related agencies' in preparation for reprint of Regulations.

Major Initiatives For 2006-07

- Follow up with non-compliant agencies following review of information statement publication requirements.
- Review of training modules.
- Further restructure and redirection of existing resources to meet new areas of need including responsibilities under privacy legislation.

CAPITAL WORKS PROGRAM

The Office's planned capital works expenditure is primarily for the replacement of computer hardware and software to support the delivery of the agency's services.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
COMPLETED WORKS				
Computer and Office Equipment Replacement 2005-06 Program	30	30	30	-
NEW WORKS				
Computer and Office Equipment Replacement 2006-07 Program	35	-	-	35
	65	30	30	35

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	30	30	30	35	35	35	40
	30	30	30	35	35	35	40
LESS							
Drawdowns from the Holding Account	30	30	30	35	33	30	30
Internal Funds and Balances	-	-	-	-	-	-	5
Capital Contribution	-	-	-	-	2	5	5

FINANCIAL STATEMENTS**INCOME STATEMENT
(Controlled)**

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	993	862	782	877	899	920	960
Superannuation	91	112	104	104	104	104	104
Supplies and services	169	73	81	89	90	90	82
Accommodation	17	139	139	146	15	15	15
Capital user charge	-	2	2	2	2	2	2
Depreciation and amortisation	18	30	30	30	30	30	30
State taxes	1	-	-	-	-	-	-
Other expenses	39	39	39	55	63	62	53
TOTAL COST OF SERVICES	1,328	1,257	1,177	1,303	1,203	1,223	1,246
Income							
Other revenue	7	4	4	4	4	4	4
Total Income	7	4	4	4	4	4	4
NET COST OF SERVICES	1,321	1,253	1,173	1,299	1,199	1,219	1,242
INCOME FROM STATE GOVERNMENT							
Service appropriations	1,283	1,183	1,103	1,229	1,129	1,149	1,172
Resources received free of charge	40	38	38	38	37	37	37
Liabilities assumed by the Treasurer	8	33	33	33	33	33	33
TOTAL INCOME FROM STATE GOVERNMENT	1,331	1,254	1,174	1,300	1,199	1,219	1,242
SURPLUS (DEFICIENCY) FOR THE PERIOD	10	1	1	1	-	-	-

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

(b) The Full Time Equivalents (FTEs) for 2004-05 Actual, 2005-06 Estimated Actual and 2006-07 Estimate are 11, 10 and 10 respectively.

BALANCE SHEET
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CURRENT ASSETS							
Cash and cash equivalents	50	42	34	31	28	25	25
Restricted cash	-	3	3	6	9	12	12
Receivables	5	8	5	5	5	5	5
Amounts receivable for services	28	35	35	33	30	30	30
Prepayments	6	3	6	7	7	7	7
Total current assets	89	91	83	82	79	79	79
NON-CURRENT ASSETS							
Amounts receivable for services	10	3	3	-	-	-	-
Plant and equipment	31	31	31	36	41	46	51
Total non-current assets	41	34	34	36	41	46	51
TOTAL ASSETS	130	125	117	118	120	125	130
CURRENT LIABILITIES							
Payables	30	48	13	10	7	7	7
Provision for employee entitlements	131	122	131	131	131	131	131
Accrued salaries	-	3	3	6	9	9	9
Total current liabilities	161	173	147	147	147	147	147
NON-CURRENT LIABILITIES							
Provision for employee entitlements	118	100	118	118	118	118	118
Total non-current liabilities	118	100	118	118	118	118	118
TOTAL LIABILITIES	279	273	265	265	265	265	265
EQUITY							
Contributed equity	25	25	25	25	27	32	37
Accumulated surplus/(deficit)	(174)	(173)	(173)	(172)	(172)	(172)	(172)
Total equity	(149)	(148)	(148)	(147)	(145)	(140)	(135)
TOTAL LIABILITIES AND EQUITY	130	125	117	118	120	125	130

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

CASHFLOW STATEMENT (Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	1,253	1,153	1,073	1,199	1,099	1,119	1,142
Capital contribution	-	-	-	-	2	5	5
Holding account drawdowns	30	30	30	35	33	30	30
Net cash provided by State government	1,283	1,183	1,103	1,234	1,134	1,154	1,177
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(996)	(845)	(765)	(860)	(881)	(902)	(929)
Superannuation	(83)	(49)	(41)	(41)	(41)	(41)	(41)
Supplies and services	(129)	(90)	(80)	(88)	(90)	(90)	(90)
Accommodation	(17)	(139)	(139)	(146)	(15)	(15)	(15)
Capital user charge	-	(2)	(2)	(2)	(2)	(2)	(2)
State taxes	(1)	-	-	-	-	-	-
Goods and services tax	(23)	(22)	(22)	(22)	(22)	(22)	(22)
Other.....	(60)	(35)	(53)	(56)	(64)	(63)	(54)
Receipts							
Goods and services tax	26	12	12	12	12	12	12
Other receipts	7	4	4	4	4	4	4
Net cash from operating activities.....	(1,276)	(1,166)	(1,086)	(1,199)	(1,099)	(1,119)	(1,137)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(18)	(30)	(30)	(35)	(35)	(35)	(40)
Net cash from investing activities.....	(18)	(30)	(30)	(35)	(35)	(35)	(40)
NET INCREASE/(DECREASE) IN CASH HELD	(11)	(13)	(13)	-	-	-	-
Cash assets at the beginning of the reporting period	61	58	50	37	37	37	37
Cash assets at the end of the reporting period.....	50	45	37	37	37	37	37

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

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:

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
GST input credits	26	12	12	12
Revenues from the Executive Vehicle Scheme.....	4	4	3	3
Other Revenue	3	0	1	1
TOTAL.....	33	16	16	16

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

HEALTH

PART 7 - ATTORNEY GENERAL; MINISTER FOR HEALTH; ELECTORAL AFFAIRS

DIVISION 33

APPROPRIATION AND FORWARD ESTIMATES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 70 Net amount appropriated to deliver services.....	527,123	584,589	584,425	640,915	671,866	716,081	780,260
Item 71 Contribution to Hospital Fund.....	2,249,984	2,379,677	2,418,606	2,632,641	2,783,017	2,959,453	3,116,861
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975 ^(a)	630	649	649	491	506	522	538
- Lotteries Commission Act 1990	80,251	78,667	80,771	82,013	83,306	84,621	85,957
Total appropriations provided to deliver services.....	2,857,988	3,043,582	3,084,451	3,356,060	3,538,695	3,760,677	3,983,616
CAPITAL							
Item 153 Capital Contribution^(b)	68,353	57,752	48,723	94,368	109,221	77,823	24,139
GRAND TOTAL	2,926,341	3,101,334	3,133,174	3,450,428	3,647,916	3,838,500	4,007,755

- (a) The recommendation by the Salaries and Allowance Tribunal on 7 April 2006 regarding senior public servants' salaries was received after the deadline for finalising agencies' individual financial projections. Accordingly, a provision for the total cost (estimated at around \$1.5 million per year from 2006-07) is reflected in the 'Authorised by Other Statutes' appropriations and financial statements of the administered activities of the Department of Treasury and Finance (Budget Paper 2, Volume 1). This provision will be reflected in agencies' estimates following the release of the 2006-07 Budget.
- (b) Item 153 Capital Contribution excludes funding held in the Department of Treasury and Finance Administered allocation.

MISSION

The mission of the state health system is to ensure the best achievable health status for all of the Western Australian community. In particular, the system will deliver:

- *strong public health and preventive measures to protect the community and promote health;*
- *high quality acute and chronic health care to those in need;*
- *appropriate health, rehabilitation and domiciliary care for all stages of life; and*
- *a continuing and cooperative emphasis on improving the health status of our Indigenous, rural and remote and disadvantaged populations.*

SIGNIFICANT ISSUES AND TRENDS

Service Trends

- 2005-06 was a year of significant activity growth in Western Australia Health.
- Activity growth has occurred in inpatient services and emergency department attendances, the latter reflecting continued problems of access to general practitioner (GP) services, particularly affordable after hours GP services.

- Comparing the first nine months of 2005-06 with the same period in 2004-05:
 - attendances at metropolitan public hospital emergency departments have increased by 5.8 per cent. The largest growth has been in Triage Category 4 (increase of 8,485 attendances or 7.8 per cent over last year) followed by Triage Category 2 (increase of 1,551 attendances or 6.3 per cent over last year). The significant growth in lower acuity presentations to emergency departments reinforces the need for people to have timely, affordable access to GP services so that health issues are not exacerbated by lack of primary medical care to the point where attendance at a public hospital emergency department becomes necessary;
 - inpatient services, as measured by the number of separations, from metropolitan public hospitals have increased by 6.3 per cent;
 - the productivity of the metropolitan public hospital system improved, as indicated by a 5.3 per cent decrease in the average length of stay for acute overnight separations; and
 - inpatient activity in country hospitals remained relatively stable, but attendances at country hospital emergency departments increased by 6.9 per cent.

Health Reform Implementation

- The Government has embarked on a massive and comprehensive reform program to improve the efficiency of Western Australia's health services and to provide better access to service and a greater focus on the maintenance of health relative to the treatment of illness and injury. The task of implementing the recommendations of the report of the Health Reform Committee 'A Healthy Future for Western Australians' is now well underway. Key outcomes and principles underpinning the reform program are reflected in Recommendation 1 of the report. These direct that Western Australia Health should:
 - promote and protect the health of the people of Western Australia;
 - reduce inequalities in health status;
 - provide safe, high quality evidence-based health care;
 - promote a patient centred continuum of care;
 - ensure value for money;
 - be transparent and accountable;
 - optimise the public / private mix;
 - be financially sustainable; and
 - have a sustainable workforce.
- The pace of reform implementation stepped up significantly during the course of 2005-06. A number of significant threshold decisions were taken by the State Government paving the way for implementation of the capital infrastructure elements of the reform program. These included:
 - Government's endorsement in September 2005 of the Clinical Services Framework and the Metropolitan Infrastructure Development Plan (MIDP) as the basis for reconfiguring public hospital services in metropolitan Perth over the next decade; and
 - allocation of an additional \$1.0 billion for Western Australia Health's 13 year capital works program reported in the 2005-06 Mid Year Review, bringing the total available funding to \$3.7 billion over that period. This decision provides budget certainty for planning and implementing the MIDP, including an additional \$843.2 million for 16 metropolitan public hospitals and \$171.1 million for country hospitals and health facilities. The spending increase provides for interim costs enabling essential works to be continued in hospitals until they are redeveloped or replaced, cost escalation and various scope changes and new projects. Notwithstanding this funding increase, the forward capital works program remains vulnerable to movements in building costs, particularly if significant slippage in program implementation occurs.

Accountability for Reform Implementation

- During the course of 2005-06, management arrangements to support the Director General of Health in discharging his accountability for health reform implementation and for the stewardship of Western Australia Health continued to be refined. In addition to his position as the Director General, Dr Neale Fong is the delegate of the Minister in his capacity as the Board of all Western Australian health services. The Director General retains his responsibilities as Executive Chairman of the Health Reform Implementation Taskforce appointed under and subject to the *Health Legislation Administration Act 1984*. Dr Fong also carries the statutory title of Commissioner of Health.

- A Health Reform Implementation Steering Committee (HRISC) was formed to provide assurance to Government that the reform program is on track. The HRISC is jointly chaired by the Director General of Health and the Under Treasurer and includes Professor Michael Reid (Chair of the Health Reform Committee) and representatives of the offices of the Minister for Health and the Treasurer.
- The development of Area Health Services has continued with the devolution of service functions from the Department of Health to the North Metropolitan Area Health Service, the South Metropolitan Area Health Service, the Women's and the Children's Health Service and the Western Australia Country Health Service. Devolved services include responsibility for population health program delivery, and the management of contractual arrangements for non-government organisations and private hospitals providing services to public patients.
- Significant realignments of services and functions within Area Health Services also occurred, notably the transfer of the management of Royal Perth Hospital to the South Metropolitan Area Health Service to facilitate planning for the new Fiona Stanley Hospital in due course, and the consolidation of all rural services under the Western Australia Country Health Service.

Delivering a Healthy Western Australia – Strategic Directions 2005-10

- Delivering a reform agenda as large and complex as that being pursued by Western Australia Health requires the organisation to be focused on identifying and implementing a substantial program of work while at the same time ensuring the ongoing delivery of services for patients. Strategic and operational planning centred on six Strategic Directions has been put in place to provide this focus. The Strategic Directions are:
 - healthy workforce;
 - healthy hospitals, healthy services and infrastructure;
 - healthy partnerships;
 - healthy communities;
 - healthy resources; and
 - healthy leadership.
- The following provides a high level summary of the key reform projects and priorities for each Strategic Direction.

Healthy Workforce

- The healthy workforce strategic direction aims to:
 - maximise the number of health professionals available to the Western Australian health system with an appropriate distribution of skills between metropolitan and regional, rural and remote areas;
 - ensure that work roles support new models of care and provide the best and most effective utilisation of the skills across the Western Australian health workforce;
 - ensure that health workforce education and training is responsive to health care delivery requirements in Western Australia; and
 - establish a workplace culture and environment that supports innovation and continuous improvement in the delivery of health care to Western Australians.

Healthy Workforce Strategic Framework

- A major program of work is underway to model the future workforce requirements of Western Australia Health. The Healthy Workforce Strategic Framework has been developed and the Healthy Workforce Committee established to oversee the development and delivery of strategic workforce initiatives.
- The Healthy Workforce Strategic Framework addresses the workforce component of achieving Western Australia Health's vision to improve and protect the health of Western Australians by providing a safe, high quality, accountable and sustainable health care system.
- The Healthy Workforce Strategic Framework is the principal workforce policy supporting the Western Australia Health Strategic Plan and therefore the reference point for all workforce planning decisions and initiatives in Western Australia Health. The framework aims to establish a sustainable workforce through creating an environment that motivates, supports innovation and responsiveness to change, provides for skills acquisition and development and values all people. The framework will apply over a 10 year timeframe.

- The implementation of the Healthy Workforce Strategic Framework is a key priority for 2006-07. Workforce planning has been initially targeted at the major clinical groups within the workforce - medical, nursing and midwifery and allied health / health sciences – with the aim of developing workforce strategies for each of these groups. These groups are at various stages of development of short-term, medium-term and long-term strategies to address the attraction and retention of staff, training and ongoing skill development, the development of new roles and employee satisfaction.
- A further key priority which underpins the sustainability of the health workforce is the renegotiation of industrial agreements covering Western Australia Health staff.

Addressing Immediate Areas of Workforce Need

- Key areas of workforce shortage are being targeted for particular attention.
- An additional 23 surgical training positions have been created under the Western Australia Health Medicine Training Program and intern places in GP have been increased, specifically targeting rural and remote areas. An additional 140 Australian Government funded university places for medical students in 2007 will allow an expansion in undergraduate medical training through Western Australian universities from 1,163 to 1,303 medical students. The number of medical students graduating in 2006 increases by 17 on 2005, and in 2007, by a further 19 on 2006 graduate numbers.
- In nursing, plans for the placement of 25 nurse practitioners in Western Australia Health have been drawn up and a trial of the role of nursing assistants has commenced.
- In August 2004 a review of management strategies for all renewal of registration and refresher programs for nursing, midwifery and mental health was undertaken by the Office of the Chief Nursing Officer. The review recommended a centralised management structure to coordinate and manage the above activities. The Manager of NurseLink was appointed in January 2006.
- Renewal of registrations are program accredited by the Nurses Board of Western Australia and are program developed to assist nurses regain registration and return to the workforce after an absence of greater than five years. In 2005-06, 100 registered and enrolled nurses have accessed renewal of registration programs.
- Refresher programs are coordinated and facilitated for nurses who have worked in non-acute clinical areas, but are wanting to gain skills to move into acute clinical areas or take back to their areas, hence provide improved service. In 2005-06, 38 registered and enrolled nurses have accessed refresher programs.
- Upskilling programs are a new initiative introduced in 2006 to assist nurses to gain skills to move to high need clinical areas with safe and competent practice. In 2005-06, 63 registered and enrolled nurses have accessed upskilling.

Healthy Hospitals, Healthy Services and Infrastructure

- The healthy hospitals, healthy services and infrastructure strategic direction aims to ensure that Western Australia Health has the capacity and capability to meet current and projected service requirements for hospital care and other health services and that services are safe and of high quality.

Capital Infrastructure Program

- Following the State Government's endorsement of the Clinical Services Framework and the MIDP, a program of business case development has been commenced to provide assurance to Government that individual projects within Western Australia Health's capital works program meet reform objectives, including delivering a financially sustainable health system.
- Key priorities for 2006-07 include progressing implementation of the MIDP, the Western Australia Country Health Service capital program, and the Mental Health Strategy 2004-2007 capital program. Details of individual projects are provided in the accompanying table.

[illegible]

	TOTAL	Prior Actuals	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Out-years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
- Metropolitan Plan Implementation -													
Bentley Hospital - Development	22,841	-	50	1500	800	-	1,500	12,000	6,000	991	-	-	-
Cannington Breast Screen Clinic –													
Relocation and Expansion	500	-	300	200	-	-	-	-	-	-	-	-	-
Murray District Health Centre	3,700	-	-	1,630	2,070	-	-	-	-	-	-	-	-
Peel Health Campus - Development													
Stage 1	7,659	-	100	1,200	5,200	1,159	-	-	-	-	-	-	-
Royal Perth Hospital (RPH) - Holding	10,000	-	500	2,500	3,500	3,000	500	-	-	-	-	-	-
Shenton Park - Holding	5,000	-	-	1,000	1,000	1,000	1,000	1,000	-	-	-	-	-
Swan Hospital - Obstetrics Unit	1,900	-	500	1400	-	-	-	-	-	-	-	-	-
- Moora Multi Purpose Centre –													
Redevelopment	8,687	1,702	4,798	1900	287	-	-	-	-	-	-	-	-
- Morawa and Perenjori Multi Purpose													
Centre - Replacement	9,000	-	50	2,400	5,200	1,350	-	-	-	-	-	-	-
- New Swan Health Campus (Buildings)	181,200	-	-	1,500	13,500	48,500	69,500	45,000	3,200	-	-	-	-
- New Swan Health Campus - Land	11,300	-	3,400	7900	-	-	-	-	-	-	-	-	-
- North Perth Dental Extension	300	11	-	289	-	-	-	-	-	-	-	-	-
- Pathways Home Program	23,000	115	300	2,000	15,000	4,585	1,000	-	-	-	-	-	-
- Peel Health Campus - Emergency													
Department Expansion	3,000	-	50	500	2,200	250	-	-	-	-	-	-	-
- Port Hedland Regional Resource Centre -													
Interim Works	2,505	1,687	500	318	-	-	-	-	-	-	-	-	-
- Princess Margaret Hospital - Holding	15,000	-	200	2,000	3,000	3,000	3,000	2,500	1,300	-	-	-	-
- Rockingham Kwinana Hospital -													
Redevelopment Stage 1	92,136	-	1,000	12,000	38,000	38,000	3,136	-	-	-	-	-	-
- RPH and Shenton Park Hospital -													
Developments	24,500	14,138	5,300	5062	-	-	-	-	-	-	-	-	-
- South Metropolitan Obstetrics													
(Woodside Hospital)	2,000	-	100	1800	100	-	-	-	-	-	-	-	-
- South West Health Campus -													
Inpatient Mental Health Unit Expansion	6,000	-	300	3,000	2,700	-	-	-	-	-	-	-	-
- South West Health Campus -													
Intensive Care Unit	300	-	50	250	-	-	-	-	-	-	-	-	-
- South West Health Campus -													
New Mental Health Clinic	3,000	-	200	2100	700	-	-	-	-	-	-	-	-
- South West Health Campus -													
New Radiotherapy Facility	8,500	-	150	1,000	2,550	4,800	-	-	-	-	-	-	-
- Southern Tertiary Hospital - New Stage 1	741,900	-	50	19,650	54,800	100,800	180,400	247,800	136,300	2,100	-	-	-
- Warburton Clinic - Replacement	3,930	1,172	2,500	258	-	-	-	-	-	-	-	-	-
- Wyndham Multi Purpose Centre -													
Development	4,500	6	100	2,000	2,394	-	-	-	-	-	-	-	-
Information and Communication													
Equipment and Infrastructure													
- ICT Shared Services - Relocation	500	-	400	100	-	-	-	-	-	-	-	-	-
- Information & Communication Technology	335,000	973	2,521	25,500	26,000	16,600	15,000	30,000	26,700	35,000	35,000	33,300	88,406
Other Projects -													
- Carryover - Various	1,807	813	100	200	180	180	180	154	-	-	-	-	-
- County Staff Accommodation - Stage 3	24,068	-	2,668	5,500	6,000	2,500	2,500	2,500	2,400	-	-	-	-
- Country - Transport Initiatives	3,326	-	-	1,000	1,500	826	-	-	-	-	-	-	-
- Infrastructure Planning	11,700	2,084	1,853	1,988	2,034	1,680	1,950	111	-	-	-	-	-
- Minor Buildings Works	253,430	19,727	13,859	25,000	27,500	15,000	10,000	10,000	32,500	35,000	37,500	27,344	-
- State-wide Condition Audit - Stage 2	18,032	17,016	700	316	-	-	-	-	-	-	-	-	-
- WA Country Health Service Picture													
Archive Computerised System	6,500	-	750	1,500	3,750	500	-	-	-	-	-	-	-
- WA Country Health Service -													
Refurbishment Stage 2	1,100	-	500	600	-	-	-	-	-	-	-	-	-
Total Works in Progress													
commenced before 30 June 2007	3,276,411	149,200	125,241	278,031	475,265	554,830	463,131	525,487	304,420	120,091	106,677	82,332	91,706

	TOTAL	Prior Actuals	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Out-years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
COMPLETED WORKS TO 30 JUNE 2006													
Hospitals, Health Centres and Community Facilities -													
- Community Health Facilities Expansion State-wide	6,202	3,578	2,624	-	-	-	-	-	-	-	-	-	-
- Denmark Multi Purpose Centre – Planning and Upgrade	500	240	260	-	-	-	-	-	-	-	-	-	-
- Emergency Demand - GP Clinics	1,860	1,354	506	-	-	-	-	-	-	-	-	-	-
- Energy Smart Program	33	-	33	-	-	-	-	-	-	-	-	-	-
- Fremantle Hospital - Developments	6,000	4,413	1,587	-	-	-	-	-	-	-	-	-	-
- Kalamunda Hospital - Redevelopment Stage 1	5,700	2,550	3,150	-	-	-	-	-	-	-	-	-	-
- Morawa Multi Purpose Centre - Fees and Initial Works	890	221	669	-	-	-	-	-	-	-	-	-	-
- Newman Health Centre - Refurbishment	50	-	50	-	-	-	-	-	-	-	-	-	-
Imaging													
- Picture Archive and Communication System - Stage 1 Metro and Country	6,500	3,886	2,614	-	-	-	-	-	-	-	-	-	-
Information and Communication Equipment and Infrastructure													
- Corporate and Shared Services Reform - Health Corporate Network	12,813	5,125	7,688	-	-	-	-	-	-	-	-	-	-
Other Projects -													
- Hedland New Accommodation	745	-	745	-	-	-	-	-	-	-	-	-	-
Total Completed Works to 30 June 2006	41,293	21,367	19,926	-	-	-	-	-	-	-	-	-	-
Total Capital Works Program to 30 June 2007	3,317,704	170,567	145,167	278,031	475,265	554,830	463,131	525,487	304,420	120,091	106,677	82,332	91,706
NEW WORKS COMMENCING AFTER 30 JUNE 2007													
Hospitals, Health Centres and Community Facilities -													
- Esperance Integrated District Health Service - Redevelopment	13,000	-	-	-	-	100	800	5,000	6,000	1,100	-	-	-
- Fremantle Hospital - Reconfiguration Stage 1	13,211	-	-	-	-	-	-	500	3,000	9,000	711	-	-
- Harvey Hospital - Redevelopment	6,200	-	-	-	-	800	4,000	1,400	-	-	-	-	-
- Graylands Hospital - Development Stage 1	16,084	-	-	-	-	-	900	5,000	7,000	3,184	-	-	-
- Kalamunda Hospital - Redevelopment Stage 2	15,439	-	-	-	-	-	1,400	10,600	3,439	-	-	-	-
- Osborne Park Hospital – Reconfiguration Stage 1	79,039	-	-	-	1,200	11,000	3,000	3,500	20,500	33,000	6,839	-	-
- Princess Margaret Hospital - Redevelopment / Replacement	206,799	-	-	-	-	-	500	7,500	25,000	95,000	65,000	11,000	2,799
- Upper Great Southern District (inc Narrogin) - Development and Restructuring	9,000	-	-	-	100	500	4,500	3,000	900	-	-	-	-
- WACHS and SWAHS Rural Various - 12 Year program for allocation	56,700	-	-	-	-	2000	3,000	3,000	11,700	12,000	25,000	-	-
Other Projects -													
- Country - Staff Accommodation- Stage 4	10,000	-	-	-	-	-	-	-	3,100	5,500	1,400	-	-
Total New Works Commencing after 30 June 2007	425,472	-	-	-	1,300	14,400	18,100	39,500	80,639	158,784	98,950	11,000	2,799
TOTAL CAPITAL WORKS PROGRAM	3,743,176	170,567	145,167	278,031	476,565	569,230	481,231	564,987	385,059	278,875	205,627	93,332	94,505

Clinical Service Reform Initiatives

- A major focus of health reform implementation in 2006-07 will be improving access to health services through demand management strategies and reforms of the management of elective activity.
- Ambulatory care initiatives have a major contribution to make to ensuring that demand for services is effectively managed.
- The Ambulatory Surgery Initiative (ASI) aims to improve patient access to non-admitted minor day procedures by allowing doctors to conduct private work in public hospitals. These procedures are typically bulk billed and incur no out-of-pocket expenses for the patient. Procedures conducted within the scope of the ASI are extra work, on top of regular day procedure activity that occurs in public hospitals. Between the inception of the ASI in July 2004 and March 2006, 5,896 cases were treated under the initiative. The medical specialties involved are gastroenterology, urology, ophthalmology, gynaecology, and general surgery. The plan for 2006-07 is to increase ASI throughput to around 1,000 cases per month, up from 600-700 per month at the end of 2005-06.
- Chronic diseases such as diabetes, heart failure and chronic respiratory diseases, account for a significant number of hospital admissions each year, many of which could be avoided through the provision of timely interventions in community settings. A range of initiatives is being put in place under the umbrella Healthy@Home program to improve the management of chronic diseases in the community, with the aim of both improving patients' quality of life and avoiding unnecessary demand on the public hospital system. These include the establishment of eight chronic disease management teams in the metropolitan area having a combined capacity to receive 8,000 new referrals per year. A further three teams will be established in 2006-07.
- The Hospital in the Home (HITH) program aims to provide acute care for patients in their own homes where appropriate to do so instead of through admission to hospital. The expansion of the program in 2006-07 is expected to realise savings of 90,000 hospital admitted bed days across the health system.
- A total of \$47.3 million has been allocated in 2006-07 to continue the implementation of the Mental Health Strategy 2004-2007, including the provision of additional community supported accommodation. The recognition of mental health as a national health priority for all Australian governments provides the opportunity to complement the focus of the initial strategy on hospital and community clinical service provision and community supported accommodation with a broader focus on prevention and primary care of mental illness.

Quality & Safety

- Western Australia continues to lead the nation in the development and deployment of robust clinical governance frameworks, policies and requirements aimed at ensuring safety and quality throughout Western Australia Health.
- During 2005-06, the development of the state-wide Clinical Governance Framework was completed. Area Health Service compliance with the requirements of Western Australia Health's Clinical Governance Framework has been audited and linked to the performance appraisal of Area Chief Executive Officers.
- The inaugural Sentinel Event Report covering the period October 2003 to June 2005 was published.
- Policy development included:
 - the revision of policy for health professionals on gaining consent and disclosing risk to patients;
 - development of guidelines on the reporting, management and investigation of adverse events and sentinel events;
 - development of guidelines for credentialing medical practitioners and defining the scope of clinical practice in Western Australia Health hospitals; and
 - the development of an open disclosure policy for Western Australia Health. A pilot of the national open disclosure standard was conducted in the South Metropolitan Area Health Service.

- Priorities for 2006-07 include:
 - producing the Sentinel Event Surveillance Report for 2005-06;
 - continuing to support surgical mortality audit activity across Western Australia Health, including the Western Australia Audit of Surgical Mortality, ensuring participation of Western Australia clinicians and the application of lessons and findings;
 - auditing compliance within Western Australia Health with credentialing guidelines; and
 - continued engagement with health professionals on adverse event monitoring, investigation and reporting. A robust process for oversight of state-wide responses to healthcare associated infection will be established in Western Australia Health, including the establishment of the Healthcare-Associated Infection Council of Australia.

Healthy Partnerships

- The healthy partnerships strategic direction aims to ensure that Western Australia Health maximises the opportunities and benefits of working across organisational boundaries for the benefit of Western Australians.

Clinical Networks

- Clinical networks aim to improve the delivery of health care through better coordinating and integrating health and related services, while using principles of cooperation and partnership between health care providers and key stakeholders. Networks will have a pivotal role in planning integrated care for specified disease conditions and ensuring consistency in the setting of standards across service providers in Western Australia Health, and will achieve this by significantly increasing participation by clinicians and other key stakeholders.
- Clinical networks are being established for a range of conditions and themes including cancer, mental health, respiratory health, endocrinology, cardiovascular health, neurosciences, women's health, child and youth health, aged care, trauma, injury and poisoning; genitourinary conditions and musculo-skeletal conditions.

Council of Australian Government's Health Reform

- The State Government has allocated an additional \$38.7 million over four years (\$11.7 million in 2006-07) to meet the additional cost of Western Australia's involvement in the Council of Australian Government's (COAG) health reform agenda. This will fund the following initiatives:
 - the Australian Better Health Initiative will expand services to reduce the chronic disease burden. Services include:
 - promoting healthy lifestyles;
 - supporting the early detection of lifestyle risks and chronic disease;
 - supporting lifestyle and risk modification;
 - encouraging active patient self-management of chronic disease; and
 - improving the integration and coordination of care (including cancer case conferencing).
 - the systems standardisation necessary for National E-Health Records will be accelerated. Secure electronic record transfer – with the patient's consent – will improve treatment safety and efficacy. This initiative will develop and implement an individual health identifier, a healthcare provider identifier and agreed clinical terminologies, and promote compliance with these nationally agreed standards.
 - Telehealth offers rural, regional and remote communities timely access to clinical services not directly available in these areas. Western Australia is matching Australian Government funding to target the best use of this information and communications technology via the Clever Networks program.
- Western Australia already boasts Australia's most comprehensive nurse-based phone service. HealthDirect will be incorporated into a National Health Call Centre Network system linking all Australians to health information and advice 24 hours a day, 7 days a week. This will maximise effective use of GPs, and particularly benefit rural, remote, and more mobile populations. Operators will be able to assist emergency services as necessary.

Health and Medical Research

- The State Health Research Advisory Council commenced in its role of providing strategic directions and policies for Health and Medical Research and development at a state-wide level.
- A total of \$5.0 million was awarded to 102 researchers in Western Australia to support their health and medical research programs under the 2005 Round Nine of the Medical and Health Research Infrastructure Fund.
- The State Government is providing funds to establish the National Nursing Research Institute, headquartered at Sir Charles Gairdner Hospital.
- A \$2.5 million private donation by Mr Ray Dobney to the Royal Perth Hospital Medical Research Foundation was matched by the State Government, which will contribute \$625,000 per year for four years commencing 2005-06. The \$5.0 million will be used to build a new research laboratory at Royal Perth Hospital to be named the Ray and Bill Dobney Cellular and Tissue Therapy Laboratories, and fund research principally into cancer.
- The Minister for Health and the Premier announced plans to build two new research centres at the QEII Medical Centre and Fiona Stanley Hospital sites. A Memorandum of Understanding was signed between the State Government, the Western Australia Institute for Medical Research, the University of Western Australia and the Lions Eye Institute, including a commitment of \$50.0 million each from the Government and University of Western Australia.

Healthy Communities

- The healthy communities strategic direction aims to ensure that Western Australia Health maximises the opportunities for improving the health status of Western Australians, focusing in particular on communities at risk.
- Opportunities for health improvement within individual communities will be targeted through the system-wide planning activities of Clinical Networks, and response planning by Area Health Services.
- An increased emphasis on health promotion and disease prevention will result from Western Australian participation in national initiatives in chronic disease and mental illness prevention in collaboration with the Australian Government.
- A complete ban on smoking in enclosed public places (except for the Burswood International Room) will be achieved on 31 July 2006.
- Community engagement will be strengthened in country Western Australia by ensuring that all District Health Advisory Committees are formed and functional. The role and capacity of Community Health Councils will be further strengthened in metropolitan Area Health Services.

Healthy Resources

- The healthy resources strategic direction aims to ensure that Western Australia Health exercises effective stewardship of the resources available to it and identifies and takes opportunities to deliver services more efficiently.

Resource Allocation

- Implementation of resource allocation models incorporating activity-based funding for hospital services will be commenced in 2006-07 and progressively implemented.

Budget Management

- Performance reporting and management arrangements will be strengthened to ensure that Western Australia Health operates in a financially sustainable manner, including delivering services within expenditure limits determined by the State Government.

Efficiency and Productivity

- Substantial progress has been made in delivering key structural and efficiency reforms with savings being re-applied for the benefit of patient care.
- Initiatives to encourage patients attending Western Australia Health hospitals to use their private insurance are increasing revenue which is retained by Area Health Services and applied to improve or expand health service delivery.

Health Corporate Network

- The Health Corporate Network (HCN), Western Australia Health's dedicated shared service cluster, became operational on 22 February 2006. The HCN will provide a range of corporate support services to Western Australia Health clients, including financial services, supply and human resource services. During 2005-06, the transfer of staff to the HCN from across Western Australia Health was substantially completed, the HCN's integrated service centre established at 81 St George's Terrace, and significant progress was made in consolidating financial and payroll information systems. The formation of the HCN will result in a reduction of 178 FTEs from corporate support areas.
- Plans for 2006-07 include the finalisation of the roll in of functional responsibilities, the completion of the roll out of the financial system and Western Australia Health's rostering system, the achievement of the targeted efficiencies and staff reductions and the design and build of a new human resource and payroll system for Western Australia Health.

Information Technology

- On 1 January 2006, the Information and Communications Technology (ICT) and medical technology functions for Western Australia Health were combined under a single division, Technology. The consolidation of these functions will ensure a more consistent approach to the acquisition and deployment of technology aligned to service priorities. ICT and medical technology are central to the implementation of the health reform agenda with \$335.0 million allocated to replace patient administration and clinical information systems.
- For 2006-07 the patient administration and clinical information systems tender will be let to the market with preparation for implementation commencing in late 2007. Implementation of the patient administration and clinical information systems will be aligned with the health reform capital program and will ensure significant benefits to patients. Consolidation of the medical technology function will be completed during 2006-07.

PathWest

- The Health Reform Committee's recommendation that all Western Australian public pathology services should be integrated into a new organisation was achieved on 15 July 2005 when PathCentre and the pathology laboratories of Royal Perth Hospital, Princess Margaret Hospital, King Edward Memorial Hospital and Fremantle Hospital were merged into a new organisation named PathWest Laboratory Medicine Western Australia.
- The new organisation is expected to deliver efficiency savings and productivity through integration of pathology services with standardisation and rationalisation of tests, instruments and corporate services. With the formation of advisory groups across the six pathology disciplines, significant gains have been made with two instrument / equipment tenders let resulting in substantial savings. The recent highly successful merger of the four pathology Information Technology (IT) databases after nine months intensive standardisation and testing performed in record time and under budget will result in improvements in service to clinicians and patients.
- Plans for 2006-07 include:
 - extension of the single IT database to country Western Australia, allowing pathology test results to be viewed by practitioners across the whole state;
 - commencement of electronic ordering of pathology tests in the major teaching hospitals. This process is well advanced and at the end of 2006 should introduce demand management of pathology requesting with a reduction of unnecessary and inappropriate test duplication;
 - continuation of the standardisation of instrumentation and methodology across all laboratories;
 - negotiations with the University of Western Australia to re-establish the position of Professor of Pathology with the recognition of medical workforce problems in the near future and the necessity to have in place a structured training program for undergraduate and post graduate teaching to meet this demand; and
 - feasibility planning for the proposed new highly automated laboratories at Sir Charles Gairdner Hospital and Fiona Stanley Hospital will be completed.

Legislative Reform

- A substantial overhaul of the legislative basis for Western Australia Health's operations and for action to protect the public health is being progressed. This will see the wholesale replacement of laws regulating the activities of health professionals and the extension of regulation to potentially high risk activities, including the practice of traditional Chinese medicine and the administration of radiation in clinical service delivery.
- Replacement of the *Health Act 1911* with modern public health legislation to better protect the health of Western Australians has commenced with the introduction of a new Food Bill and consultation on a broader *Public Health Act*. In addition, legislation strengthening regulatory controls over tobacco products has been passed.
- A review of the legislative governance framework for Western Australia Health is being undertaken to produce policy proposals for replacing the *Hospitals and Health Services Act 1927*.
- Other legislative measures planned for 2006-07 include an Advanced Health Care Planning Bill, Mental Health Bill and Surrogacy Bill.

Public Accountability

- Western Australia Health's outcome statements, service descriptions, and key efficiency and effectiveness targets have been revised in line with Recommendation 76 of the Health Reform Committee's report and are reflected in these Budget Statements. This has involved a significant expansion of the individual services reported upon and their associated financial allocations and performance targets.

Healthy Leadership

- The healthy leadership strategic direction aims to ensure that staff at all levels in Western Australia Health are empowered to contribute to the best of their ability to the goal of delivering a healthy Western Australia.
- Significant investment is being made in developing leadership capability within Western Australia Health. In 2005-06 leadership development programs targeting middle and senior management were initiated and have been continued into 2006-07.
- Leadership development targeting the needs of Clinical Networks will be implemented in 2006-07.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2005-06 Budget to Parliament on 26 May 2005 are outlined below.

	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
COAG Health Reform Initiatives	11,690	11,148	8,182	7,644
Continence Management	1,758	1,811	1,865	1,921
Derby Aged Care	5,730	-	-	-
Disaster Response – Counter Terrorism	2,242	2,242	2,242	2,242
Mental Health Strategy – Ongoing Funding	8,787	30,000	30,000	30,000
Road Safety Initiatives	1,000	1,000	1,000	1,000

SERVICE AND APPROPRIATION SUMMARY

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Admitted patient services	1,961,679	2,041,271	2,147,460	2,264,702			
<i>Service 2:</i>							
Specialised mental health services	104,871	120,650	114,916	125,899			
<i>Service 3:</i>							
Hospital in the home (HITH) services.....	2,920	5,840	5,440	16,953			
<i>Service 4:</i>							
Palliative care.....	15,790	16,681	16,704	17,298			
<i>Service 5:</i>							
Emergency department services	107,971	112,689	120,647	127,700			
<i>Service 6:</i>							
Non-admitted patient services	484,708	486,528	513,063	540,138			
<i>Service 7:</i>							
Patient transport services	49,271	66,444	66,906	69,529			
<i>Service 8:</i>							
Prevention and promotion services	189,591	193,905	200,161	215,778			
<i>Service 9:</i>							
Health protection services.....	54,511	55,379	55,425	57,172			
<i>Service 10:</i>							
Dental health services	56,546	56,110	55,945	58,226			
<i>Service 11:</i>							
Home and community care services.....	129,799	141,035	141,035	153,248			
<i>Service 12:</i>							
Aged care assessment services	19,205	19,066	20,299	21,372			
<i>Service 13:</i>							
Community mental health services.....	125,347	143,420	139,167	154,975			
<i>Service 14:</i>							
Residential care.....	18,961	19,226	19,413	26,143			
<i>Service 15:</i>							
Residential mental health care	15,175	15,879	15,915	16,702			
<i>Service 16:</i>							
Chronic illness and continuing care support	11,742	16,649	15,499	23,462			
Total Cost of Services	3,348,087	3,510,772	3,647,995	3,889,297	4,087,478	4,311,299	4,551,633
<i>Less Income.....</i>	<i>499,115</i>	<i>472,819</i>	<i>533,227</i>	<i>531,747</i>	<i>547,293</i>	<i>549,132</i>	<i>566,527</i>
Net Cost of Services	2,848,972	3,037,953	3,114,768	3,357,550	3,540,185	3,762,167	3,985,106
Adjustments ^(a)	9,016	5,629	(30,317)	(1,490)	(1,490)	(1,490)	(1,490)
Appropriation provided to deliver Services.	2,857,988	3,043,582	3,084,451	3,356,060	3,538,695	3,760,677	3,983,616
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	68,353	57,752	48,723	94,368	109,221	77,823	24,139
TOTAL CONSOLIDATED FUND APPROPRIATIONS.....	2,926,341	3,101,334	3,133,174	3,450,428	3,647,916	3,838,500	4,007,755

(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, service and financial information is the subject of a Resource Agreement signed by the Minister, Director General and the Treasurer.

OUTCOMES, SERVICES AND PERFORMANCE INFORMATION

Relationship to Government Goals

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

Government Goals	Desired Outcomes	Services
To enhance the quality of life and wellbeing of all people throughout Western Australia.	Restoration of patient health, safe delivery of newborns and support for patients and families during terminal illness.	1. Admitted patient services 2. Specialised mental health services 3. Hospital in the home (HITH) services 4. Palliative care 5. Emergency department services 6. Non-admitted patient services 7. Patient transport services
	Improved health of the people of Western Australia by reducing the incidence of preventable disease, specified injury, disability and premature death.	8. Prevention and promotion services 9. Health protection services 10. Dental health services
	Enhanced wellbeing and environment of those with chronic illness or disability.	11. Home and community care services 12. Aged care assessment services 13. Community mental health services 14. Residential care 15. Residential mental health care 16. Chronic illness and continuing care support

Outcome: Restoration of Patient Health, Safe Delivery of Newborns and Support for Patients and Families During Terminal Illness^(a)

Key Effectiveness Indicators^(b)

Proportion of patients discharged to home after admitted hospital treatment^(c)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target ^(d)	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Under 40 years	97.55%		97.80%		
40-64 years	98.12%		98.41%		
65-79 years	98.32%		98.65%		
80 years and over	95.24%		95.98%		
All ages	97.69%	>97.7%	98.02%	>98.0%	

(a) An effectiveness indicator measuring support for patients and families during terminal illness will be developed in the future. This is the first year that this outcome has been reported.

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

(c) An indirect measure of the extent to which people have been restored to health after an acute illness is that they are well enough to be discharged home after hospitalisation. The percentage of people discharged home over time provides an indication of whether the public health system is becoming more or less effective in restoring people to health. This indicator shows the percentage of all discharges from hospitals that are discharges to home. As older patients are less likely to be discharged to home than younger people the information has been presented by age grouping.

(d) No existing national targets are available. 'All ages' target 2006-07 is based on previous actuals.

Rate of unplanned hospital readmissions within 28 days to the same hospital for a related condition ^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target ^(d)	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Rate of unplanned hospital readmissions within 28 days to the same hospital for a related condition.....	1.3%	<2.8%	1.4%	<2.8%	Target is based on a national benchmark.

- (a) Good medical and / or surgical intervention together with good discharge planning will decrease the likelihood of unplanned hospital readmissions. An unplanned readmission is an unplanned return to hospital as an admitted patient for the same or a related condition for which the patient had most recently been discharged. Unplanned readmissions necessitate patients spending additional periods of time in hospital as well as utilising additional hospital resources. Although there are some conditions that may require numerous admissions to enable the best level of care to be given, in most cases these readmissions to hospital would be planned. A low unplanned readmission rate suggests that good clinical practice is in operation. A return to hospital is a readmission only if the reason for this admission is the same or is related to the condition treated in the previous admission. Only actual separations, not statistical discharges, are included. This is also an Australian Council on Healthcare Standards (ACHS) indicator.
- (b) Target is based on the most recently published national rate of 2.8 per cent for participating hospitals in 2004 as reported in the Report on Government Services 2006.

Proportion of live births with an APGAR score of three or lower, five minutes post delivery ^(a)

Birthweight (grams)	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target ^(b)	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
0-1,499.....	7.1%	<14.5%	10.0%	<14.5%	Targets are based on national figures.
1,500-1,999	0.7%	<=0.8%	1.8%	<=0.8%	
2,000-2,499	0.2%	<=0.5%	0.2%	<=0.5%	
2,500 and over.....	0.1%	<=0.1%	0.1%	<=0.1%	

- (a) This indicator reports the number of live births of babies with a low APGAR score five minutes post delivery. APGAR stands for Activity (muscle tone / movement), Pulse, Grimace (reflex), Appearance (skin colour - blue etc.) and Respiration. A baby with a low APGAR score is more likely to have been affected by an antenatal or intrapartum event such as maternal haemorrhage, preterm labour or an infection.
- (b) Target is based on the most recently published national rates for participating hospitals in 2004 as reported in the Report on Government Services 2006.

Proportion of Metropolitan Health Service emergency department patients seen within recommended times ^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target ^(b)	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Triage category 1 (immediately)	99.68%	100%	99.76%	100%	Targets are based on national benchmarks.
Triage category 2 (within 10 minutes)	74.31%	80%	73.53%	80%	
Triage category 3 (within 30 minutes)	59.52%	75%	59.57%	75%	
Triage category 4 (within 60 minutes)	53.56%	70%	53.84%	70%	
Triage category 5 (within 2 hours)	75.35%	70%	77.26%	70%	

- (a) This indicator measures the percentage of patients in each triage category who were seen within the time periods recommended by the Australasian College of Emergency Medicine. When patients first enter an emergency department, they are assessed by specially trained nursing staff who judge how urgently treatment should be provided. The aim of this process, known as triage, is to ensure treatment is given in the appropriate time. This should prevent adverse conditions arising from deterioration in the patient's condition. Treatment within recommended times should assist in restoration to health either during an emergency visit or an admission to hospital, which may follow emergency department care.
- (b) The triage process and scores are recognised by the Australasian College of Emergency Medicine and are recommended for prioritising those who present to an emergency department. In a busy emergency department, when several people present at the same time, the service aims for the best outcome for all. Treatment should be within the recommended time of the triage category allocated. This is also an ACHS indicator and the Report on Government Services 2006 indicator.

Outcome: Improved Health of the People of WA by Reducing the Incidence of Preventable Disease, Specified Injury, Disability and Premature Death.

This indicator is based on long-term outcomes, as the effect of interventions may not be seen for decades. Short-term targets are meaningless, success is measured by gradual downward trends over a number of years. Therefore a 10 year period for the indicator is shown below.

Key Effectiveness Indicator

Loss of life from premature death due to identifiable causes of preventable disease or injury^{(a) (b)}

	1995 Actual	1996 Actual	1997 Actual	1998 Actual	1999 Actual	2000 Actual	2001 Actual	2002 Actual	2003 Actual	2004 Actual	Target (c) (d)
Suicide.....	4.3	4.2	4.7	5.4	4.4	4.8	4.7	4.5	3.8	2.8	3.5
Ischaemic Heart Disease.....	6.0	5.7	4.6	4.6	4.3	3.8	4.2	3.9	3.1	3.1	3.8
Breast cancer.....	3.4	3.4	3.7	3.0	3.4	2.6	2.6	3.0	2.8	2.3	3.0
Lung cancer.....	2.5	2.5	2.2	2.3	2.4	2.3	2.1	2.2	2.2	1.8	2.1
Cervical cancer.....	0.7	0.5	0.4	0.5	0.4	0.4	0.4	0.4	0.5	0.3	0.3
Falls.....	0.3	0.3	0.2	0.2	0.3	0.2	0.3	0.3	0.2	0.3	0.3
Melanoma.....	0.7	0.6	0.6	0.5	0.6	0.4	0.6	0.6	0.6	0.8	0.6

(a) Age standardised Person Years of Life Lost (PYLL) up to 74 years of age per 1,000 population.

(b) International Classification of Diseases codes were used to select deaths for conditions known to be largely preventable. Although not all cases of these conditions will be avoidable, it is very difficult to assess what proportion is avoidable without extensive meta-analysis of the literature. The conditions identified above are those for which the Department of Health has screening or health promotion programs. Premature deaths from these conditions should be largely preventable. Although the Department of Health has programs specifically targeted at reducing the impact of these diseases and injuries, not all of the reduction in PYLL can be attributed to these programs, there are other influences outside of the Department's jurisdiction.

(c) Target based on national result 2003, as additional deaths registered in years following the year of occurrence may result in slight changes to some data shown in this report compared with previous years. Due to some cases still being before the Coroner's office, some deaths occurring in 2004 were not registered by the Australian Bureau of Statistics until 2005 and were not included in this analysis. The preliminary nature of the 2004 death data is likely to affect the calculation of PYLLs for conditions, which contribute to the greatest proportion of deaths. Consequently, no trend analysis was applied to these data. Non-Western Australian residents who died in Western Australia were included. PYLL calculations were based on three year moving averages.

(d) Target is benchmarked against the Australian National figures.

Outcome: Enhanced Wellbeing and Environment of those with Chronic Illness or Disability.

Key Effectiveness Indicators

Rate per 1,000 target population who receive Home and Community Care services^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target ^(b)	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Rate per 1,000 target population.....	349	350	350	363	

(a) This indicator measures the rate per 1,000 target population who receive Home and Community Care (HACC) services. The HACC program is a key provider of community care services to frail aged and younger people with disabilities, as well as to their carers. It provides services to support people living at home whose capacity for independent living is at risk. The services provided by HACC include domestic assistance, social support, nursing and allied health professional care, personal care, prepared meals, linen services, transport and respite care. If these services are available to the frail aged and carers, who may also be frail, the aged can decide when they are no longer able to manage at home. It is generally accepted that people value independence and prefer to live in their own homes and manage the tasks of daily living for as long as they are able. Without support services, the quality of life of those who are frail or disabled may not be sustained and carers may feel the remaining option is permanent care in a nursing home.

(b) No existing national targets are available. Target is based on previous actuals and population projections.

Percentage of contacts with community-based public mental health non-admitted services within 7 and 14 days post discharge from public mental health inpatient units ^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target ^(b)	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Within 7 days	59%	60%	60%	60%	
Within 14 days	74%	74%	74%	74%	

- (a) This indicator reports on clients with a principal diagnosis of schizophrenia or bipolar disorder who had contact with community-based public mental health non-admitted services within seven and 14 days following discharge from public mental health inpatient units. A large proportion of people with a severe and persistent psychiatric illness generally have a chronic or recurrent type illness that results in only partial recovery between acute episodes and deterioration in functioning that can lead to problems in living an independent life. As a result, hospitalisation may be required with the need for ongoing clinical care from community-based non-admitted services following discharge. This type of care, for persons who have experienced an acute psychiatric episode requiring hospitalisation, is essential after discharge to maintain or improve clinical and functional stability and to reduce the likelihood of an unplanned readmission.
- (b) The time period of seven days has been recommended nationally as an indicative measure of follow up with non-admitted services for people with a severe and persistent mental illness. There is currently no agreed target benchmark for the proportion of clients to be seen within a seven day period. Target is based on previous actuals.

FTE Profile ^(a)

Outcome	2004-05 Actual	2005-06 Budget ^(b)	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Restoration of patient health, safe delivery of newborns and support for patients and families during terminal illness.....	19,698	n/a	20,519	20,781	
Improved health of the people of Western Australia by reducing the incidence of preventable disease, specified injury, disability and premature death	3,464	n/a	3,609	3,655	
Enhanced wellbeing and environment of those with chronic illness or disability	2,654	n/a	2,764	2,800	
TOTAL FTEs	25,816	n/a	26,892	27,236	

- (a) FTE data has been provided at the outcome level following the adoption of a new outcome structure and associated service groups. FTE data at service group level is being developed but not sufficiently complete for reporting in the 2006-07 Budget Statements.

Service 1: Admitted Patient Services

Admitted patient services are provided for the care of inpatients in public hospitals and public patients treated in private facilities under contract to the Department of Health. Care involves an admission to hospital and can be for periods of one or more days. Care includes medical and surgical treatment, renal dialysis, specialist older persons mental health inpatient care, oncology services and obstetric care.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	1,961,679	2,041,271	2,147,460	2,264,702	
Less Income	289,986	274,708	309,805	308,377	
Net Cost of Service	1,671,693	1,766,563	1,837,655	1,956,325	
Adjustments ^(a)	5,861	3,850	(17,239)	(285)	
Appropriation for delivery of Service	1,677,554	1,770,413	1,820,416	1,956,040	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per casemix adjusted separation for teaching hospitals	\$4,365	\$4,381	\$4,661	\$4,877	
Average cost per casemix adjusted separation for non-teaching hospitals.....	\$3,407	\$3,503	\$3,600	\$3,774	
Average cost of admitted public patient treatment episodes in private hospitals	\$2,253	\$2,425	\$2,425	\$2,547	
Average cost of supporting treatment of patients in public hospitals.....	\$29	\$30	\$30	\$31	
Average cost per bedday for admitted patients (selected small rural hospitals)	\$658	\$673	\$700	\$736	
Average cost per bedday in older persons mental health inpatient units	\$660	\$667	\$639	\$658	

Major Achievements For 2005-06

- The \$13.0 million Cancer Centre at Sir Charles Gairdner Hospital has been completed. This is the first stage of the development of centres of cancer excellence at tertiary sites to provide highly specialised cancer services ensuring best patient outcomes for complex cancer cases. The Cancer Centre will also provide the hub for the Western Australia Cancer and Palliative Care Network also established in 2005-06, and will provide coordination of clinical policy through cooperation, integration and interaction between service providers and other stakeholders to improve cancer service delivery.
- Sir Charles Gairdner Hospital worked towards national best practice in average length of stay and achieved a reduction of around 20 per cent from 7.0 days to 5.6 days for overnight and multi day stay patients.
- The state-wide Neurosurgery Service was enhanced and relocated to Sir Charles Gairdner Hospital to provide a world class service to patients requiring complex neurosurgery.
- The Allied Health Discharge Team at Sir Charles Gairdner Hospital was established to assist at risk ward and emergency department patients achieve a safer, patient-focused discharge.
- The new operating procedure room at Osborne Park Hospital was commissioned which will increase the capacity to deliver surgical services, improving access for elective surgical patients.
- In the metropolitan area, access to elective plastic and orthopaedic surgery for the Swan Health Service catchment area increased, with approximately 440 additional elective surgery cases to be undertaken during 2005-06. These services previously required treatment at the teaching hospitals.
- Swan Health Service has commenced providing a fracture clinic to enable patients with minor orthopaedic problems to be treated locally. These patients would have previously needed to travel to Royal Perth Hospital. There will be approximately 420 orthopaedic clinic attendances in 2005-06.
- The capacity of the Swan Health Service Medical Unit has increased. This has enabled a higher proportion of Emergency Department patients requiring subsequent admission to remain at Swan District Hospital rather than be transferred to another hospital.
- Stage One of the redevelopment of Kalamunda Hospital was completed on 31 March 2006. The Kalamunda obstetric service was closed on 30 April 2006 and services transferred to Swan District Hospital.
- The Vascular Service was expanded metropolitan-wide to ensure that all patients have access to vascular services.
- South Metropolitan Area Health Service has appointed a project director to progress planning for the new Fiona Stanley Hospital in line with the Western Australian Clinical Services Framework 2005-15.

- The business case for the redevelopment of Rockingham Kwinana District Hospital has been completed by the South Metropolitan Area Health Service, consistent with the Western Australian Clinical Services Framework 2005-15. The redevelopment will see the hospital expand to a 239 bed general hospital (Stage One), and provide a range of new services for the local community.
- The South Metropolitan Area Health Service has undertaken a business case for the expansion of the Emergency Department at Armadale Kelmscott Memorial Hospital.
- The health needs of the Peel Region have been determined through the development of the Peel Clinical Services Framework. The Report of the Peel Health Services Taskforce includes a health needs analysis and is the first stage in developing a health services plan for the region.
- Woodside Hospital obstetric and gynaecology services were relocated to Kaleeya Hospital on 3 April 2006. The relocation provides a significant facility upgrade for obstetric and gynaecology services in the South Metropolitan Area Health Service, prior to the future relocation of these services to the new Fiona Stanley Hospital.
- Kaleeya Hospital has successfully provided elective surgery services to public patients. From July 2005 to March 2006, the hospital had 2,634 admissions with a specialty distribution of 75 per cent surgical and 25 per cent medical. Of these admissions, 2,080 were from the Elective Waitlist.
- Services for women and children have been further developed. Key positions have been recruited for the Cerebral Palsy Mobility Service, including a service leader. Development of clinical pathways based on best practice has commenced, as well as the establishment of entry and additional botulinum toxin treatment clinics to meet demand.
- The state-wide Obstetric Support Unit has seen the appointment of key positions including the Medical Director and Midwifery Director. Relationships have been established with regional hospitals and health services, Curtin University of Technology and medical education outreach services. Consumer groups and representatives will be invited to join the advisory panel and focus groups. Review of policies and standards across all obstetric services is ongoing, with information obtained from preliminary site visits to inform the development of best practice guidelines. Strategies are also being developed to address identified needs including professional support, works issues, clinical quality and safety processes.
- Improving access to services closer to home for country areas continues. Within each Western Australia Country Health Service region, a Regional Resource Centre is being developed to provide a central 'hub' from which to plan, integrate and coordinate services across the region. The Regional Resource Centres include the regional hospitals at Broome, Port Hedland, Geraldton, Bunbury, Kalgoorlie and Albany. The last three years have focused on increasing the capacity of regional hospitals and consolidating business systems across regions.
- A second full-time salaried general physician for the Kimberley was successfully recruited in 2005 to assist in the development of primary health care and acute care medical services.
- Construction of the new Halls Creek Hospital has been completed and the building became operational in October 2005.
- The provision of surgical services in the Pilbara is being enhanced with the replacement of the previous contracted service by a salaried surgical service. One general surgeon has been recruited and efforts continue to recruit the second. Outreach services to Newman have commenced. The project between the Clinical Education Training Centre at the University of Western Australia and Nickol Bay Hospital to provide telehealth supported gastroscopy services, established in 2002, has continued, allowing for formal accreditation of the local salaried doctor to be achieved in 2006-07.
- Construction of Phase One of the new Geraldton Health Campus was completed and became operational in August 2005. Phase Two is expected to be completed by July 2006.
- Medical staffing of the Kalgoorlie Regional Hospital increased during 2005-06. A salaried specialist surgeon has commenced together with additional medical officers. Emergency medicine physicians have been engaged on a locum basis while efforts to recruit permanent staff to the critical care areas of high dependency and the Emergency Department are undertaken.

- A surgeon based in Narrogin has been visiting Merredin on a monthly basis during 2005. This service has been enhanced in 2006 with longer visits allowing an increased range of services to be provided, including gastroenterology, gynaecology and more complex general surgery. A detailed clinical service planning exercise to identify and cost the medical and nursing workforce model required to provide an elective and emergency obstetric service for Merredin has commenced.
- Funding for a Radiotherapy Unit at the South West Health Campus at Bunbury has been increased to \$8.5 million to allow for building cost escalation. An integrated cancer service has been identified as the preferred service model, incorporating chemotherapy, radiation oncology with a linear accelerator and outpatient consulting services into a single unit. The location of the unit is to be finalised.
- A detailed study of the options available in relation to the siting of the new Busselton hospital has begun and public consultations have been undertaken.
- Enhancements have been made to the rural patient records system. This allows all sites to link patients to a single state-wide patient related medical record number. The new metropolitan Picture Archival and Communication System / Radiology Imaging System has been implemented and integrated. The Theatre Management System has been upgraded to include pre-operative anaesthetic assessments.
- The establishment of HealthConnect in Western Australia is continuing. This includes preparing for a local operating presence and governance systems, and preparing a HealthConnect Implementation Planning Study. A Memorandum of Understanding and Funding Agreement has been signed with the Australian Government. Work has been done with the support of the Office of e-Government to trial the demonstrator portal for standardised electronic discharge summaries. Business cases are being developed to achieve full operationalisation of the portal for referrals, care plans, and other online clinician and patient services. Contributions have been made to the Australian National e-Health Transition Authority work program for the development of supporting specifications for a national electronic health records system.
- Consolidation of databases within the health system has been occurring. Five databases have been consolidated to allow the sharing of appropriate patient related clinical information across 12 metropolitan hospitals. Four pathology information databases have also been consolidated to allow the sharing of relevant information between separate PathWest laboratories. The procurement process to establish satellite renal dialysis services in the Stirling and Cannington localities was completed. Investigation into improving the Home Dialysis Program was also conducted.
- The WA Country Health Service has a 10 year capital plan to redevelop all Regional Resource Centres, with the opening of the new Geraldton site in October 2005. A Specialist Services Plan has been completed and is being progressively implemented.

Major Initiatives For 2006-07

- In line with its overall objective of managing demand, particularly demand driven by chronic disease, it is anticipated that non-inpatient services (particularly Hospital in the Home (HITH), Hospital in the Nursing Home and chronic disease support services in the community) will grow, with an associated reduction in demand for hospital beddays.
- The Neuro-Interventional Service at Sir Charles Gairdner Hospital will commence to improve patient access for diagnosis of neurological disease.
- Local community access to a range of orthopaedic services will improve through the expansion of fracture clinic operations at Swan District Hospital. Approximately 1,500 clinic attendances are anticipated.
- The South Metropolitan Area Health Service will further develop its Clinical Services Planning and undertake a Clinical Resource Planning Project.
- Workforce plans will be progressed by the South Metropolitan Area Health Service to support planning for the redeveloped Rockingham Kwinana District Hospital and the new Fiona Stanley Hospital.
- A review of models of care will be undertaken with a view to integrate appropriate services between Fremantle Hospital and Royal Perth Hospital.

- All facilities in the South Metropolitan Area Health Service will continue with average length of stay strategies to attain best quartile benchmarking. This will include continuing to monitor changes in episodes of care, improving the rehabilitation and restorative episodes of care, introducing event led discharge initiatives and further promoting HITH services.
- The South Metropolitan Area Health Service will implement nurse practitioner initiatives. Fremantle Hospital will appoint its first nurse practitioner in late 2006. This position will support the urology team and will greatly improve their capacity to more effectively treat admitted patients and outpatients. The nurse practitioner will be authorised to prescribe a predefined set of medications, order diagnostic tests and will perform a number of urology screening procedures.
- Planning will commence for implementing recommendations of the Peel Clinical Services Framework. A new health centre facility will be constructed in Pinjarra to provide improved access to identified needs, including mental health and rehabilitation.
- Phase Two of the Cerebral Palsy Mobility plan will be implemented by the Women's and Children's Health Service. This will include providing botulinum toxin treatment for upper limb spasticity, increasing the number of current services in other areas of the program, developing a clinical information system, securing adequate outpatient and theatre time, and developing further links with community service providers.
- Implementation of the state-wide Obstetric Support Unit will continue. This will include:
 - the appropriate identification and referral of women with mental health care needs to psychological services;
 - establishing an advisory panel and focus groups;
 - implementing interdisciplinary workforce development and quality initiatives;
 - establishing an interdisciplinary research group to develop an inter-site research portfolio;
 - coordinating the implementation of an interdisciplinary training program for the management of obstetric emergencies; and
 - promoting the Unit.
- The Western Australia Country Service Specialist Services Plan will continue to be progressively implemented. This includes establishing additional salaried medical officers and resident specialists across nine core specialty areas. A general physician, an anaesthetist and an orthopaedic surgeon for Geraldton will be recruited during 2006-07 and additional surgical specialists for Port Hedland. In addition, gastroenterology, gynaecology, obstetrics and general surgery services will be expanded in Merredin. The next few years will focus on the enhanced regional coordination of non-inpatient services, including population health, mental health and patient transport.
- Establishment of the Stirling and Cannington satellite renal dialysis services and the Home Dialysis Program will be finalised.
- During 2006-07, metropolitan-based information technology systems will be deployed to country regions, including the Picture Archival and Communication System / Radiology Imaging System, the Pathology Laboratory Information System and the Clinical Information System.

Service 2: Specialised Mental Health Services

Authorised mental health units are hospitals or hospital wards devoted to the treatment and care of patients with psychiatric, mental or behavioural disorders; that are by law able to admit people as involuntary patients for psychiatric treatment.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	104,871	120,650	114,916	125,899	
Less Income	-	-	-	-	
Net Cost of Service	104,871	120,650	114,916	125,899	
Adjustments ^(a)	313	228	(922)	(16)	
Appropriation for delivery of Service	105,184	120,878	113,994	125,883	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per bedday in an authorised mental health unit.....	\$765	\$884	\$826	\$891	

Major Achievements For 2005-06

- The construction of an additional 12 bed secure unit and a new four bed secure observation area at Graylands Hospital commenced in March 2006 and is due for completion in December 2006.
- The construction of an eight bed adult mental health unit at Armadale Kelmscott Memorial Hospital has commenced, and is scheduled to open in May 2006.
- The construction of the Mental Health Mother and Baby Unit at King Edward Memorial Hospital is currently being tendered.

Major Initiatives For 2006-07

- Workforce safety initiatives and the knowledge and skills of the mental health workforce will continue to be improved. The state-wide clinical risk assessment and management policy and the practice framework / guidelines will continue to be implemented and are scheduled for completion during 2006-07.
- Planning for the development of 15 public beds and 15 private beds in the adult inpatient facility in Joondalup Health Campus will occur. Planning for a permanent intermediate care service at Joondalup Health Campus will commence, with the service to be operational within three years.
- Twelve additional adult secure beds will be constructed and four additional observation beds will be opened in Graylands Hospital by December 2006. Sixteen interim intermediate beds will be commissioned at Hawthorn House by September 2006.

- Planning for a new adult intermediate care facility and an acute inpatient facility for adults and older adults at Rockingham Kwinana District Hospital will commence.
- Construction of eight new beds in the Mother and Baby Unit at King Edward Memorial Hospital will occur. The unit will be opened in December 2006.
- Planning will commence for the development of 18 additional beds for the acute psychiatric unit at the South West Health Campus, Bunbury. A complementary therapy pilot program will be established for mental health inpatients at Albany Regional Hospital.

Service 3: Hospital in the Home (HITH) Services

Hospital type services are delivered to selected patients in their own homes. It includes patients who can be safely cared for without constant monitoring and those who require regular intravenous drug treatments or may require regular wound dressings.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	2,920	5,840	5,440	16,953	Increase reflects decision to expand the HITH program in 2006-07.
Less Income	-	-	-	-	
Net Cost of Service	2,920	5,840	5,440	16,953	
Adjustments ^(a)	9	11	(45)	(2)	
Appropriation for delivery of Service	2,929	5,851	5,395	16,951	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per HITH patient day	\$250	\$250	\$170	\$177	

Major Achievements For 2005-06

- HITH activity across the North Metropolitan Area Health Service and the South Metropolitan Area Health Service has increased significantly since September 2005. It is projected that savings of over 36,000 hospital admitted beddays across the Metropolitan Area Health Services will be achieved in 2005-06. In the South Metropolitan Area Health Service, a satellite service has been established at Rockingham Kwinana District Hospital servicing patients resident in the Peel and Rockingham Kwinana catchment areas.
- The Women's and Children's Health Service has delivered care to patients outside the hospital setting. Princess Margaret Hospital has a visiting nurse service which aims to keep chronically ill children out of hospital and the King Edward Memorial Hospital has a visiting midwifery service which support the early discharge of postnatal women.

Major Initiatives For 2006-07

- HITH services will be expanded across Western Australia Health in 2006-07, including the Women's and Children's Health Service, to achieve savings of over 90,000 hospital admitted bed days.
- The HITH service for the South Metropolitan Area Health Service will be further integrated and expanded across the area to include orthopaedic, general medical, allied health and emergency department patients.
- The Residential Care Line will be extended across the North Metropolitan Area Health Service and the South Metropolitan Area Health Service, to enable a rapid response to persons needing a clinical assessment in residential care facilities, who otherwise would be transported to hospital for assessment.

Service 4: Palliative Care

Palliative care services provide inpatient and home based multi disciplinary care and support for terminally ill people and their families and carers. Education and advisory services are also available to assist professionals, particularly those in rural areas.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	15,790	16,681	16,704	17,298	
Less Income	-	-	-	-	
Net Cost of Service	15,790	16,681	16,704	17,298	
Adjustments ^(a)	47	31	(134)	(2)	
Appropriation for delivery of Service	15,837	16,712	16,570	17,296	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per client receiving palliative care services	\$3,937	\$4,158	\$4,158	\$4,299	

Major Achievements For 2005-06

- Palliative care service provision in Armadale Kelmscott Memorial Hospital was enhanced, including provision of a multi disciplinary approach, medical management, modifications to support family involvement, and provision of education and information for families and patients.
- Speciality palliative care for public patients at Bethesda and Kalamunda Hospitals was established through the reprovision of public patient activity from the Cottage Hospice. This includes four palliative care beds which were opened at Kalamunda Health Service on 1 April 2006, providing a new service for the residents of the eastern suburbs.
- Implementation of the National Respecting Patient Choices Program occurred, with Fremantle Hospital being the lead hospital in Western Australia. Training has commenced among staff on pilot wards including renal, oncology, haematology and aged care.

- A Memorandum of Understanding between Southern Cross Care Western Australia and Broome Hospital was implemented to provide part time community based palliative care for patients.
- The Program of Experience in the Palliative Approach was implemented which aims to enhance the capacity of nursing and allied health professionals to deliver palliative care in the primary health setting. The Indigenous Palliative Care Practice Principles and Educational Resource Project was also delivered to improve the cultural competences of specialist palliative care services to deliver palliative care to Indigenous Australians.
- The report Palliative Care in Western Australia: The Present and the Future was developed by the Palliative Care Advisory Group chaired by Professor Linda Kristjanson. The report outlines the current provision of palliative care services in Western Australia, projects future needs and identifies options for coordinating future service delivery across the state.
- A Palliative Care Network is currently under development as part of the Cancer and Palliative Network. The Director of Nursing for the Cancer and Palliative Care Network has been appointed.

Major Initiatives For 2006-07

- The Palliative Care Network will use the report Palliative Care in Western Australia: The Present and the Future to develop a model of care for palliative care services in Western Australia.
- Palliative care services at Armadale Kelmscott Memorial Hospital will be reviewed and further developed, by evaluating palliative care patient satisfaction, increasing the use of volunteers, providing increased staff education and developing strategies to evaluate palliative care standards.
- The Respecting Patient Choices Program will be extended from pilot wards into the rest of Fremantle Hospital and into the community through GPs, residential aged care facilities and hospices.

Service 5: Emergency Department Services

Emergency department services are those provided by metropolitan hospitals. Emergency services are provided to treat those people with sudden onset of illness or injury of such severity and urgency that they need immediate medical help which is either not available from their GP, or for which their GP has referred them for treatment. Emergency departments provide a range of services from immediate resuscitation to urgent medical advice. An emergency department presentation may result in an admission, or be treated without admission.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	107,971	112,689	120,647	127,700	
Less Income	-	-	-	-	
Net Cost of Service	107,971	112,689	120,647	127,700	
Adjustments ^(a)	322	213	(968)	(16)	
Appropriation for delivery of Service	108,293	112,902	119,679	127,684	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per emergency department presentation for Metropolitan Health Service hospitals.....	\$348	\$357	\$372	\$389	

Major Achievements For 2005-06

- Sir Charles Gairdner Hospital Emergency Department has introduced a discharge streaming process to improve the waiting times of patients who are discharged home from the Emergency Department.
- Co-located GP clinics have continued to operate at Royal Perth Hospital and Fremantle Hospital, with the goal of improving access to after hours GP services.
- Emergency Department transfer rates from Armadale Kelmscott Memorial Hospital and Rockingham Kwinana District Hospital to tertiary hospitals have decreased, enabling a greater number of patients to be treated closer to home. A co-located GP clinic commenced at Rockingham Kwinana District Hospital. A fast track system for selected emergency department patients continues to operate successfully at Armadale.
- Access to mental health services has been significantly enhanced through the appointment of mental health nurses into the Emergency Departments at Sir Charles Gairdner Hospital, Royal Perth Hospital, Joondalup Health Campus, Fremantle, Rockingham Kwinana District Hospital and Armadale Kelmscott Memorial Hospital, to better manage the identification and treatment of patients presenting with a psychiatric complaint. This initiative has resulted in improved patient assessment and management of people with mental health needs.
- Specific mental health admission units have been created in the emergency departments of Royal Perth Hospital (five beds) and Joondalup Health Campus (four beds) to accommodate patients presenting with a mental health condition. Planning has commenced for the building of five emergency department beds at Fremantle Hospital to accommodate people presenting with a mental health condition.
- An additional six on duty mental health registrars have been allocated within emergency departments at Sir Charles Gairdner Hospital, Swan District Hospital, and Royal Perth Hospital.
- The South West Health Campus at Bunbury has recently expanded the role of the Director of Emergency Medicine to cover the entire South West. Protocols for retrieval and transport of patients have been developed to support the smaller sites and the GPs and communication links between all hospitals in the South West have been strengthened.
- The Mental Health Emergency Care Interface Project was delivered in the Goldfields, and achieved its goal of improved access to mental health emergency care.
- The Merredin Medical Service, a private medical practice, has been contracted to provide a 24 hour emergency on call service for Merredin Hospital and the broader Eastern Wheatbelt.

Major Initiatives For 2006-07

- A new mental health emergency response service for the North and South Metropolitan Area Health Services will be implemented during 2006-07. It will include community-based emergency teams and a mental health emergency response line.
- The greater use of ambulatory care strategies will be the focus of managing demand in 2006-07. This includes nursing care and rehabilitation provided at home as well as coordinating and improving the care of patients with chronic disease.

- Demand for emergency department services across the North Metropolitan Area Health Service has been growing above the rate of population growth for the past three years. The North Metropolitan Area Health Service will manage demand in partnership with community providers, with a focus on the four major chronic diseases, namely heart failure, lung failure, diabetes and mental health. Acute emergency services also benefit from the expansion of sub acute mental health services, which will provide more acute mental health capacity at Graylands Hospital.
- The North Metropolitan Area Health Service will focus on attaining best quartile average length of stay and best practice for same day surgery, 23 hours surgery and 47 hour surgery. These initiatives will improve the capacity of hospitals to manage emergency demand.
- Reviews of all emergency departments in the South Metropolitan Area Health Service will be undertaken, with a view to managing demand with a focus on four major clinical diseases. Initiatives including chronic disease management of frequent users of emergency departments will be undertaken. A fast track system for selected Emergency Department patients will be rolled out at Rockingham Kwinana District Hospital. Both Royal Perth Hospital and Fremantle Hospital will be introducing the discharge streaming process already in place at Sir Charles Gairdner Hospital.
- Five additional mental health observation beds in the Emergency Department at Fremantle Hospital will be opened by July 2006.
- An additional on duty mental health registrar will be provided to the Emergency Department at the Armadale Kelmscott Memorial Hospital.
- Emergency services and high dependency care in Kalgoorlie and Geraldton Regional Hospitals will be improved by introducing specialist medical support and nurse practitioners and by enhancing training of clinical staff.

Service 6: Non-admitted Patient Services

Non-admitted services are provided by medical officers, nurses and allied health staff. Services include outpatient health and medical care as well as similar emergency services as described for metropolitan emergency departments but provided in smaller country hospitals.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	484,708	486,528	513,063	540,138	
Less Income	64,386	60,994	68,786	68,675	
Net Cost of Service	420,322	425,534	444,277	471,463	
Adjustments ^(a)	1,448	918	(4,118)	(68)	
Appropriation for delivery of Service	421,770	426,452	440,159	471,395	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per doctor attended outpatient episode for Metropolitan Health Service hospitals.....	\$184	\$184	\$189	\$199	
Average cost per non-admitted occasion of service for Metropolitan Health Service hospitals (excludes emergency and doctor attended).....	\$103	\$103	\$110	\$116	
Average cost of non-admitted public patient treatment episodes in private hospitals	\$258	\$277	\$277	\$290	
Average cost per non-admitted hospital based occasion of service for rural hospitals	\$162	\$166	\$171	\$180	

Major Achievements For 2005-06

- The Ambulatory Surgery Initiative (ASI) aims to improve patient access to non-admitted minor day procedures by allowing doctors to conduct private work in public hospitals. These procedures are typically bulk billed, and incur no out-of-pocket expenses for the patient. Procedures conducted with the scope of the ASI are extra work, on top of regular day procedure activity that occurs in public hospitals. Between the inception of the ASI in July 2004 and March 2006, 5,896 cases were treated under the initiative. The medical specialties involved are gastroenterology, urology, ophthalmology, gynaecology and general surgery. The plan for 2006-07 is to increase the ASI's throughput to around 1,000 cases per month, up from 600-700 per month at the end of 2005-06.
- Two additional after hours GP clinics have been developed. The new Bentley clinic commenced operating in September 2005. A building contract for the Swan after hours GP clinic was awarded in February 2006, with the clinic due to commence operations in July 2006. These clinics are in addition to the four that opened in 2004 at Fremantle Hospital, Joondalup Health Campus, Rockingham Kwinana District Hospital and Royal Perth Hospital.
- A range of initiatives to enhance treatment and services for cancer patients living in Western Australia were progressed. This included an audit of cancer services and resources provided across the state, development of the Western Australia Health Cancer Services Framework, and establishment of the Cancer and Palliative Care Network. Clinical appointments have been made including the Director of Nursing Cancer and Palliative Care to provide support, mentoring and leadership for all cancer nursing roles in the state. In 2006, the Western Australia Cancer and Palliative Care Network will recruit 10 rural Cancer Nurse Coordinators in partnership with the Western Australia Country Health Service and 10 state-wide Cancer Nurse Coordinators in partnership with the metropolitan Area Health Services.
- The outpatients cancellation line Outpatients Direct commenced on 8 December 2005 and was launched by the Minister for Health on 11 January 2006. To the end of February 2006, Outpatients Direct has taken a daily average of over 330 calls.
- Western Australia has completed the Outpatient Care National Minimum Data Set project and submitted all deliverables to the Australian Government Department of Health and Ageing. This project has given a greater understanding of the quality of current outpatient care data, and has provided a basis for estimating the cost and effort required to improve it. It has also established the basis for a centralised state-wide Outpatient Data Collection, which will be essential for meeting the State's data needs and reporting requirements under the Australian Health Care Agreement.
- The Royal Perth Hospital Outpatient Department was relocated to the former Perth Dental Hospital site in January 2006 to provide improved outpatient facilities. Additional renovations are underway to relocate diabetes and podiatry services to the Perth Dental Hospital site with other outpatient services.
- Telehealth clinics for the provision of clinical services to regional Western Australia were developed. Services included hip and knee joint replacement assessment for Northam Hospital, breast assessment patient review for the South West Health Campus at Bunbury. State-wide geriatric medicine and aged care, completion of a neurology six month trial and a pain medicine trial is currently in process.

- The computerised tomography scanner for Broome Hospital will be installed and operational by June 2006. A new replacement computerised tomography scanner will be installed and operational at Port Hedland Hospital by June 2006.
- New medium level ultrasound machines have been delivered to the hospitals at Carnarvon, Kununurra, Merredin, Narrogin and Newman. Medium-high ultrasound machines have been delivered to the hospitals at Albany, Derby, Esperance, Kalgoorlie, Nickol Bay and Northam.
- A midwife is now available at Esperance Hospital to make home visits to new mothers needing continuing post natal care. The service can be accessed by self referral or by referral from local GPs.

Major Initiatives For 2006-07

- The North Metropolitan Area Health Service is providing the option of privately referred non-inpatient services to run parallel with traditional public outpatients. The referral process to non-inpatient clinics in the North Metropolitan Area Health Service is also being reformed as part of the elective surgical reform agenda. This is to ensure that only patients requiring consultation opinion are referred and that the referrals are dealt with in a timely fashion.
- Test sites for the introduction of clinical screening and assessment of outpatient referrals will be established during 2006-07. This process will be based on agreed clinical protocols and will see patients directed to the most suitable clinic and location for the level and type of service needed. An integrated common booking system will also be developed to allow centralised bookings and communication with outpatient clinics.
- A new collection of information about outpatient services provided in Western Australian public hospitals will commence during 2006-07. The new outpatient data collection will draw on information from teaching hospitals, metropolitan non-teaching hospitals and country hospitals and will enable data from 23 different clinic types to be collected in a nationally consistent way. This will assist service planning and enable comparison of services provided in Western Australia with those provided in other States.
- The rescheduling function of the Outpatients Direct cancellation line will be introduced. This will enable patient appointments for all outpatient clinics to be rescheduled where necessary.
- Telehealth services for the provision of speciality care to rural and remote communities across will be enhanced, with a focus on psychiatry, gastroenterology, hepatology, wound care and paediatric burns. A pain management clinic for regional Western Australia via telehealth videoconferencing will be established. Telehealth trials of a wound management program will be implemented with the Mid West / Murchison to assist with the discharge of rural referrals for wound patients. A gastroenterology clinic will also be trialled state-wide. The relationship with the Department of Corrective Services will be progressed, to schedule high security risk prisoners into telehealth appointments.
- The treatment and associated services for cancer patients living in country communities will be enhanced through the appointment of Rural Cancer Nurse Coordinators. These services will be linked to state-wide Cancer Nurse Coordinators and the Cancer and Palliative Care Network.
- There will be improved access for maternity patients at Kalgoorlie with the introduction of an antenatal clinic at Kalgoorlie Hospital.
- The Picture Archiving and Communication System will be installed and operationalised at Geraldton Hospital by late 2006.

Service 7: Patient Transport Services

Patient transport services are those services provided by St John Ambulance, Royal Flying Doctor Service (RFDS) and the Patient Assisted Travel Service program. These services assist people in need of urgent medical treatment to reach the nearest appropriate medical facility or assist people living in rural or remote locations to access specialist services.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	49,271	66,444	66,906	69,529	
Less Income	-	-	-	-	
Net Cost of Service	49,271	66,444	66,906	69,529	
Adjustments ^(a)	147	125	(537)	(9)	
Appropriation for delivery of Service	49,418	66,569	66,369	69,520	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per trip of Patient Assisted Travel Scheme (PATs)	\$267	\$275	\$282	\$296	
Cost per capita of Royal Flying Doctor Service Western Operations, St John Ambulance Australia - Western Australia Ambulance Service agreements	\$17	\$25	\$25	\$26	

Major Achievements For 2005-06

- The Western Australia Country Health Service is revising user guidelines, application forms and brochures for the Patient Assisted Travel Scheme (PATs) which will be published by July 2006.
- An evaluation of the introduction of call centre technology was carried out in the South West. The call centre technology is continuing to be used for the administration of PATs in the South West.
- The Western Australia Country Health Service has carried out an examination of inter-hospital demand patterns and improvements in the management of inter-hospital transfers is being implemented throughout country areas.
- A review of the operations of the RFDS was undertaken and this has highlighted opportunities for the Western Australia Country Health Service and RFDS to work collaboratively to better manage and monitor demand for patient transport.
- The election commitment to provide free ambulance services for pensioners was implemented from 1 July 2005. All Western Australian aged pensioners have access to primary ambulance services free of charge and all senior citizens over the age of 65 receive a 50 per cent rebate on the cost of both emergency and non-urgent ambulance transport.

Major Initiatives For 2006-07

- Flexible reimbursement options will be introduced for rural and remote patients using the PATs.
- Planning for a support service has been initiated for Aboriginal patients arriving in Perth from remote communities for specialist appointments, with implementation planned for 2006-07.

Service 8: Prevention and Promotion Services

Prevention and promotion services include cancer prevention and detection, child, community and primary health care, health promotion, genomics, preventive health, Aboriginal health, mental health, health policy and clinical reform, and the management and development of health information.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	189,591	193,905	200,161	215,778	The 2006-07 estimate includes additional funding for COAG Health Reform Initiatives.
Less Income	25,455	24,114	27,195	27,225	
Net Cost of Service	164,136	169,791	172,966	188,553	
Adjustments ^(a)	566	366	(1,607)	(27)	
Appropriation for delivery of Service	164,702	170,157	171,359	188,526	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Cost per capita of providing preventative interventions and health promotion activities...	\$32	\$34	\$34	\$37	
Average cost per capita of supporting individuals, families and communities to increase control over and improve their health via Population Health Units	\$59	\$59	\$62	\$64	

Major Achievements For 2005-06

Child, Community and Primary Health Care

- The new schedule of contacts for child health screening and surveillance has been developed and Area Health Services are implementing the schedule throughout the Child Health program.
- The revision of the Community Child Health Resource Manual has commenced.
- An interagency youth health reference group has been established by the Women's and Children's Health Service for the development of a Youth Health Strategy. Consultations with young people have been completed. Over 100 youth service providers have been involved in the development phase.
- The Guidelines for Responding to Family and Domestic Violence have been developed, piloted with health services and expert reviewed.
- A range of training initiatives were developed to support the implementation of new guidelines and policies. These included:
 - a training course on the Guidelines for Responding to Child Abuse, Neglect and the Impact of Family and Domestic Violence;
 - a facilitator's manual on Early Years Nutrition; and
 - an annual training program for community health staff. A web based workforce development calendar was developed to provide a central repository for relevant courses.

- The Department of Health worked with the Telethon Institute for Child Health Research on a risk benefit analysis on behalf of Food Standards Australia and New Zealand (FSANZ). FSANZ has brought forward the planned completion date for the assessment of the proposal to introduce mandatory fortification of food with folic acid to August 2006.
- In the South Metropolitan Area Health Service, there has been a reduction in waiting times and numbers for children referred for assessment and intervention in response to concerns regarding developmental disorder and delay. This improved performance was achieved by the allocation of additional therapists to Child Development Services.
- A Memorandum of Understanding has been signed between the Department of Health and the Department of Education and Training for the delivery of school health services. The state-wide agreement is complemented by local Service Level Agreements in each Area Health Service region.
- Local governments have been assisted to secure additional funding for new physical activity initiatives in the south metropolitan area.
- The opening of the new Mandurah Community Health Centre located on the Peel Health Campus provides more accessible and appropriate premises for the provision of prevention and promotion services to the Peel community.
- A research project titled 'Developmental Pathways to Health, Education and Behavioural Outcomes in Western Australian Children: a holistic approach to inform early intervention strategies' is in progress, with an inter-agency governance structure, best practice data access and management protocols, consumer consultation and communication strategies and the linkage of the majority of the 430,000 education records to corresponding health records.
- Primary health service guidelines have been developed and implemented in the South West to ensure equitable, predictable and uniform access to services regardless of where consumers reside.
- A specialised therapy team has been established within the South West to provide services for people with a disability.
- A new health clinic in the remote community of Looma in the Kimberley was completed in early October 2005 and is fully operational.
- The integrated Well Women's Health Clinic has been established at Broome.

Cancer Prevention and Detection

- A strategic plan was developed to guide the future operations of BreastScreen Western Australia in light of changing demographics and technological advances.
- Information for clients was revised with regard to breast cancer screening and assessment procedures, in line with BreastScreen Australia and National Breast Cancer Centre Client Information Statements. A policy based on evidence-based guidelines for the screening of women with a family history of breast cancer was implemented. A promotional video 'Having a Screening Mammogram' was developed to increase participation rates in women invited to attend a mammography screening clinic. An Indigenous program officer has been appointed to develop and promote a breast screening strategy targeting Indigenous women. Metropolitan and regional Continuous Medical Education initiatives were provided to better equip health professions in the diagnosis and treatment of breast cancer. Open disclosure mechanisms were developed for GPs and clients with regard to interval cancers within 12 months of a normal screening mammogram. Strategies were also developed with the aim of increasing screening participation by culturally and linguistically diverse women.
- The Cannington Breast Screen Clinic relocated to larger premises to allow expansion to two mammogram machines. Six mammogram machines at the Joondalup, Midland, Perth City, and Rockingham clinics and two machines at the Fremantle clinic have been replaced, ensuring a high quality, safe mammographic service is available to the Western Australian community.

Genomics

- A protocol for the management of Breast Cancer Mutation Carriers in Western Australia was published.
- Economic evaluation of the familial cancer services program in Western Australia was completed. Projections from the models indicate that genetic screening for familial cancer in Western Australia is a cost effective use of resources under a range of scenarios.
- GP education programs were implemented through Biotechnology Australia, the Royal Australian College of General Practice, the Human Genetics Society of Australasia and the University of Western Australia Department of General Practice. The programs included education regarding genetic conditions, patient management and testing procedures and development of resources to be used in general practice.
- Western Australia drafted a set of principles and guidelines for newborn screening relating to the provision of information, consent, collection, retention and storage of newborn screening blood spot samples, and participated in national consultations on behalf of the Australian Health Minister's Advisory Council Advisory Group on Human Gene Patents and Genetic Testing. The final principles and guidelines will be submitted as recommendations to the Australian Health Ministers' Advisory Council later in 2006.

Health Promotion

- Following an election commitment by Government, the devolution of health promotion, chronic disease and injury prevention programs to non-government agencies commenced with a doubling of funding to \$5.0 million.
- The initial consultation phase for the across government and community sector Suicide Prevention Strategy has commenced. The Mental Health Network will undertake the coordination and development of the Strategy.
- State-wide strategies were implemented to address childhood obesity including the Crunch and Sip school fruit and water policy, the Foodbank healthy school breakfast program, school canteen manager healthy food service training and dissemination of 2004 National Physical Activity Guidelines for Children and Adolescents. A review of obesity initiatives and data in Western Australia was also completed.
- Area Health Services implemented and supported community-based initiatives encouraging physical activity and healthy eating, including Canning Stock Route (a school-based healthy lifestyle program), community walking programs and Crunch and Sip.
- The Department of Health facilitates falls prevention strategic planning across the continuum of care and continues to liaise with the Australian Department of Health and Aged Care in relation to joint falls prevention opportunities. A senior clinician has been appointed to lead the development and implementation of the state-wide falls strategy.
- Outpatient group education at Bentley Hospital has been provided for patients referred with obesity / overweight, elevated cholesterol and / or hypertension. Evaluation of the program has shown that participants have increased their knowledge and skills in the management of weight, cholesterol and blood pressure with dietary and lifestyle modifications.

Aboriginal Health

- A hospital Aboriginal liaison officer position for prevention and promotion services was piloted by the South Metropolitan Area Health Service.
- Community consultation on the Western Australian Aboriginal Social and Emotional Well Being and Mental Health Strategy has been completed. Using funding provided through the Mental Health Strategy 2004-2007, projects have commenced to develop perinatal mental health services, supported accommodation and an Aboriginal Mental Health Service.
- A Western Australian Aboriginal Health Promotion Strategy to prevent chronic disease was developed.

- A partnership between the State Office of Aboriginal Health and the Federal Office of Aboriginal and Torres Strait Islander Health has been developed to enable the implementation of common contract outputs and reporting, joint visits to service providers and participation on Regional Aboriginal Health Planning Forums to facilitate coordinated planning and service delivery. The Office of Aboriginal Health has completed and implemented a best practice model and package on community governance and professional staff development for contracted services.
- The Office of Aboriginal Health has further developed its partnership with the Aboriginal Health Council of Western Australia to identify service needs of Aboriginal health services. Cultural partnerships have been facilitated with Area Health Services to increase Aboriginal representation and address access issues, including integrated service delivery with the Aboriginal community controlled services in Fitzroy Crossing and Roebourne.
- The Western Australian Health Aboriginal Cultural Respect Implementation Framework has been finalised. The Framework will be used to negotiate future Aboriginal input to the state's clinical networks.
- The Office of Aboriginal Health has finalised negotiations and funding commitments to facilitate an Aboriginal Health Worker Association. The establishment and presentation of the inaugural Aboriginal health worker award occurred.
- An Audit and Best Practice for Chronic Disease Extension program was implemented in participating Aboriginal service providers.

Health Information

- Progress occurred towards the development of a holistic health information approach to inform early intervention strategies for Western Australian children. This includes an interagency governance structure, developing and adopting best practice procedures for data access and management of the program of research and consumer consultation and communication. Approvals are now in place to undertake linkages between health, education and community development data. The Data Linkage Unit to date has completed linkage of the majority of the 430,000 education records to health records. Preparations to link the state's community development client list of more than 300,000 records are underway.

Drug and Alcohol Services

- The Western Australian Drug and Alcohol Strategy 2005-09 was released in November 2005. Agency drug and alcohol action plans have been developed by key government departments to support the Strategy and to achieve an across-government approach in addressing alcohol and other drug problems in Western Australia. Partnership arrangements have been developed between the Drug and Alcohol Office, the Australian Government Department of Health and Ageing and the Office of Aboriginal Health.
- The Western Australian Alcohol Plan 2005-09 was released in April 2006. Key strategies to reduce alcohol related problems have been implemented. These include the *Enough is Enough* alcohol education program, alcohol control initiatives, support for communities experiencing or wanting to prevent problems, and workforce development.
- A Volatile Substance Use Plan has been developed, consistent with national initiatives. The plan promotes the integration of service delivery between treatment agencies and supports community initiatives to address local needs. A local community capacity building model has been established in Belmont through the Belmont Volatile Substance Use Action Group. A CD-ROM has been developed specifically targeting service providers, community and retailers to improve knowledge and understanding around Volatile Substance Use. Volatile substance use training has been developed and delivered to service providers throughout Western Australia.
- A range of workforce development initiatives has been implemented under the Strong Spirit Strong Mind: Aboriginal Alcohol and Other Drug Worker Training Program. This includes implementation of the Indigenous National Alcohol and Other Drug Workforce Development Program funded by the Australian Government Department of Health and Ageing, and supporting the delivery of nationally recognised training in Western Australia, Queensland, the Australian Capital Territory and South Australia.

Major Initiatives For 2006-07**Child, Community and Primary Health Care**

- Initiatives from the Council of Australian Governments' 'Australian Better Health Initiative: Promoting Good Health, Prevention and Early Intervention' will be developed.
- The Community Child Health Universal Contact Schedule will be implemented and supported through the delivery of additional workforce training and clinical skill updates.
- A strategy to improve the immunisation coverage of children aged zero to four years across the South Metropolitan Area Health Service will be implemented.
- The Youth Health Strategy will be finalised. The Strategy will provide guidance to Western Australia Health and non-government organisations in planning health services and programs for people aged 15 to 25 years across the continuum of care.
- Community Health staff will be provided with ongoing support, professional development and clinical updates.
- The five year planning framework for the 12 Women's Health Centres will be implemented. This includes developing initiatives to address physical activity in women, the health of women in motherhood and the health and wellbeing of women as they age.
- A Western Australia Health network for policy development, training and program implementation in the area of family and domestic violence will be established.
- The Aboriginal Healing Project will be implemented with a focus on the prevention of violence and safety of children.

Cancer Prevention and Detection

- BreastScreen Western Australia will aim to provide 87,000 screens in 2006-07. Breast cancer screening services will also be provided to Christmas Island.

Genomics

- A genetics reference document for GPs, including editing by field experts and piloting the document, will be completed. On completion, professional development to GPs to support the use of the document will be delivered.
- The family history collaborative project will be further developed to raise community awareness of family history and how such information can be used to prevent future disease. Developing an electronic family history and risk assessment tool will allow GPs to record and identify a family history of disease as a means of disease prevention.
- The ongoing program of work to describe the burden of genetic disease in Western Australia and associated health service utilisation will continue. The work will initially focus on single gene and chromosome disorders.
- A process to determine the addition and / or removal of tests from the suite of diseases tested for in newborns will be developed. This will include consideration of costs and public health benefits.
- A pilot project will be developed to assess the cost effectiveness of newborn screening for Congenital Adrenal Hyperplasia.
- Working with the Telethon Institute of Child Health Research, the appropriate level of folate to be added to food to reduce neural tube defects will be established. A monitoring system to collect baseline data prior to implementation will also be developed.

Health Promotion

- Intersectoral prevention networks will be established to support Clinical Networks, and facilitate greater coordination of health promotion activities between non-government agencies, Area Health Services and primary care providers.
- The five year Health Promotion Strategic Directions will be completed by June 2006, with implementation to follow. The Directions outline key priorities for devolving delivery of state-wide health promotion programs to non-government agencies.
- The 'Mentally Healthy Western Australia' health promotion program will be expanded to Albany, Esperance, Kalgoorlie, Karratha, Geraldton and Northam / York / Toodyay through a collaborative project with universities and non-government organisations.
- The Safety and Quality Council Resource Suite for preventing falls and harm in older people will be implemented in hospitals and residential aged care facilities.
- Support will be provided for falls prevention in older persons through funding to the Injury Control Council of Western Australia. The Council will conduct programs such as community-based exercise programs, develop printed information and conduct awareness strategies with GPs, and through local government initiatives.

Aboriginal Health

- In conjunction with the Australian Government and the Aboriginal community controlled sector, the Aboriginal and Torres Strait Islander Health Workforce national strategic framework will be further implemented. This will provide a support network for professional development and training for Aboriginal Health Workers.
- In line with the Western Australian Aboriginal Health Promotion Strategy and the Health Promotion Strategic Directions, health promotion programs will be contracted to non-government agencies to target Aboriginal people. Initiatives will address key risk factors such as nutrition, physical activity, smoking, obesity and injury prevention.
- The Western Australian Health Aboriginal Cultural Respect Implementation Framework will be expanded to all areas of Western Australia Health. The development of appropriate services and policy in areas of high Aboriginal service requirements will be monitored, and implementation of the policy to all contracted non-government providers will be negotiated.
- In collaboration with the Australian Government and state health services, the capacity of Aboriginal health services will be improved and increased by facilitating governance training, cultural respect implementation and mentoring and development programs.
- In partnership with the Australian Government Office for Aboriginal and Torres Strait Islander Health and the Aboriginal Health Worker Association, coordination of resources will improve chronic disease prevention and management.
- In line with the Western Australian Drug and Alcohol Strategy 2005-09 and its priority for Aboriginal people, dedicated beds and culturally secure programs will be established for Aboriginal patients in the Drug and Alcohol Office inpatient detoxification service and in non-government organisations' residential rehabilitation programs.
- The Audit and Best Practice for Chronic Disease Extension program will be implemented in all 19 Aboriginal community controlled services in Western Australia.
- Primary medical care services for Aboriginal people in six Wheatbelt towns will be enhanced in partnership with the Australian Government and the Western Australia Country Health Service.
- The Strong Spirit Strong Mind cultural awareness training program will continue for Drug and Alcohol Office staff and be expanded to the broader alcohol and other drug sector.
- The rate of chronic ear infections in Aboriginal communities will be reduced, by increasing access to ear health screening and specialist medical services in the Wheatbelt, Murchison, Great Southern and Goldfields.
- Sexual health and blood borne virus protection programs will be established for the Aboriginal population in the Great Southern region.

Health Information

- Regulations under the *Health Act 1911* relating to the collection of information by the Western Australian Cancer Registry will be reviewed. Following consultation with clinicians and other data providers / users, the existing regulations will be amended and gazetted.
- Material developed in 2006 for the Community Data Awareness initiative will be promoted and distributed. A range of material will provide information about the health data held by the Department of Health. Resources will include leaflets, posters and audiovisual material as well as amendments to existing information documents. A complaints mechanism for people who have concerns over the use of their health information will be maintained.
- De-identified data linkages between the Departments of Health, Education and Community Development will be completed. These linkages will enable linked, de-identified data to be provided to researchers to investigate developmental pathways in children, and to inform early intervention strategies to improve outcomes for Aboriginal and non-Aboriginal children.

Drug and Alcohol Services

- The implementation of the Western Australian Alcohol Plan 2005-09 will be expanded to include a series of alcohol forums to be conducted state-wide. A local government alcohol management resource and supporting initiatives will be introduced state-wide.
- In partnership with the non-government sector and with local community action, expanded alcohol abuse prevention programs and drug abuse prevention programs will be implemented through the Enough is Enough and the Drug Aware public health campaigns respectively.
- The needle and syringe distribution program will be expanded in the South West.
- Formal arrangements for service coordination between alcohol and other drug services and mental health services will be developed across the state. This will include clinical pathways and shared case management.
- Combined comprehensive and expanded services will be provided in the Southern Metropolitan region, by integrating the medical services provided by the Drug and Alcohol Office and non-government sector drug and alcohol services.
- Training related to volatile substance use will be provided to alcohol and other drug workers in the government and non-government sectors, with a particular focus on developing the skills and knowledge of Aboriginal workers.
- Key government departments will continue to implement and monitor the Western Australian Drug and Alcohol Strategy 2005-09. This will include annual revision of agency action plans and compilation of an annual report against the Strategy.

Service 9: Health Protection Services

Health protection services include communicable disease control, environmental health, disaster planning and management, statutory medical notifications and services provided by the Office of the Chief Medical Advisor.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	54,511	55,379	55,425	57,172	
Less Income	10,981	10,402	11,731	11,790	
Net Cost of Service	43,530	44,977	43,694	45,382	
Adjustments ^(a)	163	104	(445)	(7)	
Appropriation for delivery of Service	43,693	45,081	43,249	45,375	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Cost per capita of health protection services	\$26	\$27	\$27	\$27	

Major Achievements For 2005-06

- Immunisation programs in Western Australia were enhanced during 2005-06. This included commencing a review into Central Immunisation Clinic attendance and recall processes, funding a project to establish a community-based immunisation coalition, reviewing detailed immunisation coverage rates to enable targeting of poor coverage areas and conducting training for service providers.
- Strategies and protocols to improve the detection and management of sexually transmitted infections and blood borne viruses were developed during 2005-06. This included a:
 - revised Sexually Transmitted Clinical Guidelines Manual;
 - Western Australian Human Immunodeficiency Virus (HIV) Prevention Treatment and Care Plan;
 - Western Australian Sexually Transmitted Infection Prevention Treatment and Care Strategy;
 - Western Australian Hepatitis C Prevention Treatment and Care Plan;
 - Western Australian Aboriginal Sexual Health Strategy; and
 - review of metropolitan sexual health services.
- A series of plans have been developed to enhance the response of the health sector to pandemic influenza. This included:
 - revision of the Human Epidemic Plan under West Plan;
 - production of a Western Australian Management Plan for Pandemic Influenza;
 - development of a Western Australian Stockpile Distribution Plan; and
 - development of a staged epidemic cohorting plan for infectious hospital patients during a pandemic.
- In line with the Government's Counter Terrorism Initiative, project working groups were developed and projects commenced. This included commencement of purchasing equipment for stockpile, review of hospital perimeter security, audit of emergency department disaster response packs, information technology upgrade in the Emergency Operation Centres, review and commencement of on-call processes for key personnel and review of support agencies requirements (St John Ambulance, RFDS and PathWest).
- Other disaster preparedness arrangements and responses were addressed, including development of interagency activation and response processes for visiting Guests of Government and other Very Important Persons, orientation packages for the response arrangements of the State Health Coordinator and the Emergency Operations Centre staff, development of a response planning framework for surge capacity planning during a mass casualty incident, development of a hospital response framework for an isolation facility in a human epidemic situation and development of a Mental Health Disaster Response Subplan.
- Interagency planning occurred for a Chemical, Biological, Radiological field exercise in April 2006, with participation in the multi agency field exercise conducted at the airport in October 2005.
- An additional five senior instructors were trained in the use of Emergotrain, which will enhance Western Australia Health's ability to conduct hypothetical exercises at hospitals. Preparations to develop disaster medical assistance teams occurred, including a literature review and research field trip. Role delineation guidelines and a risk matrix were developed to outline hospitals' disaster response capabilities and critical infrastructure redundancy required at individual hospitals.
- The Department of Health provided public health response assistance to the Lake Grace community following the Cyclone Clare flooding.
- Consultation with key stakeholders was commenced to develop a new Western Australia Tobacco Action Plan. The plan will facilitate implementation of key recommendations of the National Tobacco Strategy 2004-09 and will set public health policy on tobacco control for Western Australia.

- A Department of Health Sectoral Report was delivered for the Western Australian Greenhouse Strategy Greenhouse Subcommittee Action 5.5 Study. Ongoing input to the activities of the Greenhouse Inter Departmental Committee investigation into potential health impacts arising from changes to climatic conditions was also provided.
- Progress towards establishing a framework for Health Impact Assessment for new developments in Western Australia has included:
 - extensive consultation and workshops with stakeholders;
 - investigations into the scope for linking Health Impact Assessment to key development approval processes; and
 - development and release of a Health Impact Assessment Public Discussion Paper and release of discussion papers.
- Implementation of the Integrated Project Approvals System has achieved participation in approvals processes for major projects including:
 - development of environmental health criteria for proponents and inclusion in the Project Definition Document;
 - development of a training package for Department of Health Public Health employees and Environmental Health Officers from local government;
 - initiation of website development for proponent information;
 - gap analysis of required health based proponent information; and the
 - development of a Health Risk Assessment in Western Australia guidance document.

Major Initiatives For 2006-07

- Immunisation provider training will be reviewed including content, delivery models, practical training and accreditation.
- Immunisation records in community health services and the Central Immunisation Clinic will be converted to the Australian Childhood Immunisation Register.
- A review will be conducted into immunisation rates to develop strategies to increase the state participation rates.
- Sexual health and blood borne virus workforce training needs will undergo a review.
- The focus on emerging and re-emerging areas of HIV transmission, including overseas acquired cases and HIV in new migrants, will be examined and improvements identified.
- The state needle and syringe distribution program will undergo an evaluation.
- Protocols underpinning the Western Australian Management Plan for Pandemic Influenza will be improved through development of a National Action Plan and State Action Plan and involvement in the National Pandemic Exercise in October 2006.
- The new Western Australia Tobacco Action Plan 2006-10 will be developed and disseminated throughout the State.
- The establishment of a framework for Health Impact Assessment for new developments in Western Australia will be progressed by delivering presentations and workshops across Western Australia during the consultation period.
- Key guidance information for proponents for specific environmental and public health projects will be developed and published.
- Monitoring and reporting regimes regarding future climate change health impacts will be investigated and implemented.
- Disaster preparedness and response arrangements including:
 - development of operational processes for hospital surge capacity response;
 - activation of isolation facilities;
 - disaster medical assistance teams;
 - urban search and rescue processes for health personnel; and
 - enhancement of the Introduction to Emergency Management course for health practitioners.
- The National Counter Terrorism field exercise will be held and participated in by the Department of Health to enhance disaster preparedness and response.
- The Department of Health's activation and command and control processes and emergency response plans will be reviewed following implementation of new legislation.

Service 10: Dental Health Services

Dental health services include the school dental service, providing dental health assessment and treatment for schoolchildren; the adult dental service, for financially and / or geographically disadvantaged people; and the provision of specialist and general dental and oral health care by the Oral Health Centre of Western Australia to holders of a Health Care Card.

Services are provided through government funded dental clinics, itinerant services, visiting services and through private dental practitioners participating in the metropolitan, country and orthodontic patient dental subsidy schemes.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	56,546	56,110	55,945	58,226	
Less Income	4,492	4,255	4,799	4,681	
Net Cost of Service	52,054	51,855	51,146	53,545	
Adjustments ^(a)	(831)	(894)	(1,449)	(1,007)	
Appropriation for delivery of Service	51,223	50,961	49,697	52,538	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per enrolled child for school dental service.....	\$90	\$88	\$90	\$90	
Average cost per dental service provided by Oral Health Centre of Western Australia	\$97	\$91	\$91	\$94	
Average cost of completed courses of adult dental care	\$297	\$285	\$301	\$304	

Major Achievements For 2005-06

- Approximately 241,000 school children are enrolled in the school dental program across the State. These children continue to have access to and receive free oral health treatment.
- The State Government provided additional funding of \$1.0 million in 2005-06 to manage the dental waitlist level. At the end of February 2006, 13,598 patients were registered on the dental waitlist as compared to 14,818 at the end of June 2005.
- In early 2006 the construction of new dental clinics at Joondalup and Kununurra commenced. In addition, a business case for the construction of a new dental health facility in Bunbury has been developed. It is expected this will improve access and service provision to eligible patients in the region. The proposed new clinic will increase chair numbers from six to ten.
- The use of recruitment initiatives to attract additional overseas dentists has resulted in an increase in the number of dentists employed. As at the end of February 2006 Dental Health Services employed a total of 103 dentists. As part of the overall plan to attract and retain dentists, a criteria progression classification system was approved for dentists.

Major Initiatives For 2006-07

- The school dental program will continue with its focus of providing registered school children with an annual oral health check. Approximately 250,000 school children are targeted to be enrolled and under care in the school dental program in 2006-07.
- Dental Health Services will maintain the current dental wait list levels. Funding of \$1.0 million has been allocated to the dental waitlist initiative for the 2006-07 financial year.
- New clinics at Joondalup, Kununurra and Bunbury will improve access and service provision to eligible patients in the growing northern metropolitan corridor, the Kununurra area and Bunbury and surrounding districts respectively.
- Dental Health Services will continue recruitment initiatives to attract additional overseas registered dentists. An improved criteria progression classification system has been implemented and is now ongoing to attract and maintain dentists in the public health system.

Service 11: Home and Community Care Services

Home and Community Care (HACC) provides services that support people who live at home and whose capacity for independent living is at risk of premature admission to long-term residential care. Services include domestic assistance, social support, nursing care, respite care, food services and home maintenance.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	129,799	141,035	141,035	153,248	Proposed increase in number of HACC clients.
Less Income	88,343	83,689	94,381	94,316	
Net Cost of Service	41,456	57,346	46,654	58,932	
Adjustments ^(a)	403	273	(1,163)	(20)	
Appropriation for delivery of Service	41,859	57,619	45,491	58,912	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost of HACC services per person with long-term disability	\$1,900	\$1,861	\$1,861	\$1,822	

Major Achievements For 2005-06

- A new HACC Amending Agreement is being progressed with the Australian Government for the operation of the program in Western Australia. This will streamline administrative processes and provide a more seamless service to community care clients across a range of community care programs. Development of common arrangements for assessment, quality reporting and financial reporting commenced in consultation with the Australian Government through Community Care Officials' working groups.

- Strategies identified in the State Aged Care Plan, Carers' Action Plan for Western Australia 2003-07 and the Dementia Action Plan for Western Australia 2003-06 were progressed through the HACC program to assist informal providers of care in the community. Initiatives included carer recognition training for HACC providers, carer information support at the acute / community interface, dementia skills training for acute care staff, increased dementia support services and development of best practice models of care for people with dementia.
- A training program on competencies in the management and / or administration of medications was delivered to community care support workers.

Major Initiatives For 2006-07

- A priority in 2006-07 will be to increase the number of HACC clients. The program has received increased investment which has allowed an 11 per cent increase in the number of clients receiving HACC services from 2001-02 to 2004-05. This growth level is expected to continue over the next five years.
- The new Amending Agreement with the Australian Government will be finalised for the operation of the Western Australian HACC program. Common arrangements for assessment, quality reporting and financial reporting will be finalised in consultation with the Australian Government, through Community Care Officials' working groups.
- Strategies will continue to be progressed to assist informal providers of care in the community, under the State Aged Care Plan, the Carers Action Plan for Western Australia 2003-07 and the Dementia Action Plan for Western Australia 2003-06.
- Ongoing opportunities will continue to be implemented through the HACC Program annual growth funding round to support the Dementia Action Plan.
- Community Care support workers will continue to receive training on the management and / or administration of medications.

Service 12: Aged Care Assessment Services

Aged care assessment services determine eligibility for, and the level of care required by, the frail aged. It includes assessments for those who require permanent care in an appropriate aged care facility including the Care Awaiting Placement program, and eligibility for Community Aged Care Packages.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	19,205	19,066	20,299	21,372	
Less Income	12,478	11,820	13,331	13,448	
Net Cost of Service	6,727	7,246	6,968	7,924	
Adjustments ^(a)	57	36	(163)	(3)	
Appropriation for delivery of Service	6,784	7,282	6,805	7,921	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per completed Aged Care Assessment Team (ACAT) assessment.....	\$410	\$415	\$437	\$460	
Average cost per care awaiting placement (CAP) day	\$319	\$319	\$342	\$359	

Major Achievements For 2005-06

- Aged Care Assessment Team (ACAT) Care Coordination commenced in March 2006. ACATs have been promoted as the preferred providers of comprehensive assessments for HACC clients.
- Guidelines for transitional care and care coordination under the Aged Care Assessment Program and guidelines for dementia under Extended Aged Care at Home have superseded the need to update the Aged Care Assessment Team Towards Best Practice Manual in 2005-06.

Major Initiatives For 2006-07

- An ACAT training framework will be developed to strengthen and broaden the role of the ACATs. This is in alignment with the imperatives identified through the Care of the Older Australian Working Group agenda.
- The Aged Care Assessment Team Towards Best Practice Manual will be reviewed in the context of the training framework. Common referral documentation will be implemented in 2006-07.
- Enhancement of the ACAT role will enable more timely patient assessment and care coordination.

Service 13: Community Mental Health Services

Community mental health care provides a range of community-based services for people with mental health disorders, which may include emergency assessment and treatment, case management, psycho-geriatric assessment and day programs provided in either a clinic or home environment. Service providers include both government and non-government service agencies. Contracted non-government non-clinical support services also support long-term mental health patients living in the community.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	125,347	143,420	139,167	154,975	Increase reflects approved expansion under the Government's existing Mental Health Strategy 2004-2007.
Less Income	-	-	-	-	
Net Cost of Service	125,347	143,420	139,167	154,975	
Adjustments ^(a)	374	270	(1,117)	(20)	
Appropriation for delivery of Service	125,721	143,690	138,050	154,955	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per person receiving care from public community-based mental health services	\$3,211	\$3,686	\$3,328	\$3,596	
Average cost per hour for community support provided by non-government organisations to people with a severe and persistent psychiatric disability	\$25	\$57	\$58	\$59	

Major Achievements For 2005-06

- The Mental Health Strategy 2004-2007 workforce and safety initiatives have been progressed as follows:
 - approximately 40 per cent of the mental health workforce has been recruited to meet Mental Health Strategy 2004-2007 requirements;
 - safety guidelines for duress alarms have been completed and implemented;
 - state-wide orientation seminars for new mental health public sector staff have commenced;
 - a clinical supervision database has been launched on the Office of Mental Health website and training and information sessions conducted; and
 - the Mental Health Leadership and Management Program was completed.
- A state-wide mental health consumer participation framework was developed and is now is being implemented. Within this framework the consumer payment policy was updated and fully implemented. Development of the carer participation policy will be informed by Carers Western Australia, who are undertaking a state-wide consultation process. Carers Western Australia will complete this process by June 2006.
- Implementation of the Service Standards for Non-Government Providers of Community Mental Health Services has commenced with the development of a Standards website by the Western Australian Association for Mental Health. Workshops relating to each of the standards have been conducted and the development of a mentoring system is progressing.
- A state-wide consultation process for the establishment of the state-wide Community Aboriginal Mental Health Service has been completed. A report with recommendations for service implementation has been provided to the Project Control Group for endorsement.
- State-wide postnatal depression services have been expanded through a range of activities coordinated by the North Metropolitan Area Health Service. These include service identification and mapping, delivery of training and education, and establishment of a website. Research funded by first round scholarships was completed, as was research on perinatal requirements for culturally and linguistically diverse groups who are considered most at risk of developing postnatal depression. A total of 8,000 copies of the 'Where to find help' perinatal booklet were published and distributed. A perinatal resource book for Aboriginal Health Workers was also completed.
- A state-wide training program for clinicians in the use of the Edinburgh Postnatal Depression Scale was delivered during 2005-06 by the North Metropolitan Area Health Service.
- Operational planning for the Joondalup and Clarkson Day Therapy Program sites was completed. A facility has been acquired at Clarkson, which will enable the program to commence in June 2006.
- Approvals were received from the Western Australian Planning Commission and the Town of Vincent to upgrade Hawthorn House, located in Mt Hawthorn. The service will be upgraded to a 16 bed intermediate care unit, and will become operational in October 2006.
- The Northbridge Day Therapy Art Program is operational.
- A psychiatric liaison service was provided to the Paediatric Department at Fremantle Hospital. A mental health liaison officer within the Child and Adolescent Mental Health Service liaised with schools throughout the South Metropolitan Area Health Service.

- The Bentley Health Service Day Therapy Program was expanded. The program includes an intensive two week day therapy program to provide treatment, rehabilitation and support for mental health consumers at risk of relapse and admission to the acute hospital sector, or to facilitate early discharge from the Mills Street Centre.
- The Armadale Community Adult Mental Health Service moved from a two team structure to a four team structure, in order to improve clinical governance and outcomes for clients.
- A Youth Reach South Service commenced in Gosnells to provide intensive community support for young people aged 15 to 24 years.
- Community based services, including dedicated intensive case management for adolescents and a day program for adults, were significantly augmented in the Rockingham Kwinana area.
- A senior medical officer in psychiatry was recruited in Kalgoorlie to enhance the provision of mental health services. Outreach services commenced in Laverton, Leonora, Esperance and Norseman.
- Case management guidelines, processes and documentation for Bunbury's adult mental health service were developed and implemented from October 2005. Two FTEs have been recruited to the Bunbury Community Mental Health Team. The Bunbury Child and Adolescent Mental Health Service is fully operational. The Wheatbelt Adult Community Mental Health Team is fully operational with four FTEs appointed in March 2005.

Major Initiatives For 2006-07

- The state-wide Mental Health Network will progress the implementation of Stage One of the state-wide consumer participation framework and will progress the development of the carers participation policy.
- Initiatives to address postnatal depression service gaps will commence. This will include:
 - development of a video resource for Aboriginal perinatal workers;
 - development of information videos for Sudanese, Ethiopian and Iraqi women; and
 - distribution of 50 translated versions of the Edinburgh Postnatal Depression Scale.
- Implementation of the Service Standards for Non-Government Providers of Community Mental Health Services will be completed by June 2007. The mentoring system for supporting standards implementation will be fully operational and the standards monitoring system implementation will commence.
- The Fremantle Child and Adolescent Mental Health Service will implement a Dialectical Behaviour Therapy program for adolescents and their parents. A clinical model to work with under five year olds will be further developed, with links to child health and paediatric services.
- A General Practice Liaison Service will be developed within the Armadale Mental Health Service catchment area.
- The Bentley Child and Adolescent Mental Health Service Day Therapy program will increase staffing and resources to allow a doubling of the numbers of young clients who can receive treatment and support from the Transition Unit, thereby reducing the likelihood of young patients with mental illness being prematurely discharged, relapsing and being admitted to an acute bed.
- Access to acute mental health services in country Western Australia will be improved by recruiting psychiatrists and/or other mental health professionals in Broome, Geraldton, Kalgoorlie, Albany, Bunbury and Northam.
- Access to community mental health services in the South West will be improved by better coordinating the current range of available services, with the recruitment of a mental health clinical director.
- Two staff will be permanently appointed to the Adult Community Mental Health Teams in the Kimberley / Pilbara.

Service 14: Residential Care

Residential care services are provided for people assessed as no longer being able to live at home. Services include non-acute admitted continuing care, nursing home care, nursing home type care provided in public hospitals and hostel care.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	18,961	19,226	19,413	26,143	The figure for 2006-07 includes a one off capital grant of \$5.7 million.
Less Income	1,996	1,891	2,133	2,135	
Net Cost of Service	16,965	17,335	17,280	24,008	
Adjustments ^(a)	57	37	(158)	(3)	
Appropriation for delivery of Service	17,022	17,372	17,122	24,005	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per bed day in a specified residential care facility	\$291	\$300	\$307	\$322	
Average cost per day of care for non-acute admitted continuing care	\$33	\$35	\$35	\$36	

Major Achievements For 2005-06

- The North Transition Care Service was implemented, providing a total of 50 places (20 residential places and 30 flexible community packages). Funding and approval for the implementation of the three year Transition Care Plan in Western Australia was secured. A payment agreement between the Australian Government and State was signed for a period of three years until 2008.
- The process to mainstream the Intermittent Care Service Pilot in the south metropolitan area commenced.
- The Department of Health's Operation Circular regarding Transition Care Options for Older Western Australians was updated. This included the Care Awaiting Placement Program.
- Consultation and support were provided to the South Metropolitan Area Health Service for the re-negotiation of their Care Awaiting Placement Contract. This will continue to provide a total of 40 beds (including secure beds) to reduce pressure on public hospitals.
- Stage One of the new 56 bed residential aged care facility in South Hedland will be completed and opened in late 2006.

Major Initiatives For 2006-07

- Rural residential aged care facilities will be enhanced by reconfiguration of services in the Kimberley, completion of the new residential care facility in South Hedland, and by improving aged care service coordination in the Wheatbelt.
- The State Government has allocated \$5.73 million as a capital grant to facilitate the transfer of responsibility for the provision of residential aged care services in Derby to the non-government sector. The private provider will build a modern aged care facility to replace the ageing State Government Numbala-Nunga Nursing Home.
- The provision of transition care will be enhanced by operationalising the South Transition Care Service to provide 50 places (30 residential places and 20 flexible community packages).
- Transition care will be expanded to provide 60 Transition Care Places across the Western Australia Country Health Service.
- A consumer information resource on Transition Care Options and a State based Transition Care website will be developed.

Service 15: Residential Mental Health Care

Non-government agencies contracted to provide 'home type' or nursing home or hostel residential care to people with a long-term mental health condition.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	15,175	15,879	15,915	16,702	
Less Income	998	946	1,066	1,100	
Net Cost of Service	14,177	14,933	14,849	15,602	
Adjustments ^(a)	45	30	(128)	(2)	
Appropriation for delivery of Service	14,222	14,963	14,721	15,600	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Cost per bedday to support people with psychiatric illness living in community residential accommodation provided by non-government organisations.....	\$130	\$136	\$136	\$141	
Average Department of Health subsidy per bedday to support residents in metropolitan licensed private psychiatric hostels	\$14	\$15	\$15	\$15	
Average Department of Health subsidy per bedday provided to aged care nursing homes to manage people who have a psychiatric illness and significant behavioural problems.	\$154	\$157	\$165	\$162	

Major Achievements For 2005-06

- Planning commenced for the construction of Community Supported Residential Units. This is a partnership between the Department of Housing and Works and the Department of Health to expand community supported accommodation for people with a serious and persistent mental illness in Western Australia. A concept plan has been approved and operational plans and accommodation briefs provided to the Department of Housing and Works.
- Sites for the development of Community Supported Residential Units have been identified at Osborne Park (25 beds), Kalamunda (25 beds), Bentley (25 beds), Armadale Kelmscott Memorial Hospital (25 beds), Peel (25 beds), Albany (11 beds), Geraldton (14 beds), Bunbury (15 beds) and Busselton (10 beds). Architects are proceeding with documentation on the Bentley, Albany and Geraldton sites. Preliminary facility planning has also begun for the Armadale, Bunbury and Busselton sites. Detailed community consultation is incorporated into the development of each project.
- A building on the Whitby Falls residential site was refurbished to improve the environment, comfort and safety of the residents. Comprehensive inpatient assessments were conducted on all Whitby Falls Hostel residents. Residents who did not possess the functional abilities to live in supported community accommodation were found more appropriate accommodation in residential aged care facilities or licensed mental health hostels, in consultation with each resident's family.
- Community Options planning progressed for the transition of 30 long stay Graylands Hospital inpatients to community-based accommodation, with associated support services. Sites have been identified in Mount Claremont, Hilton, Kelmscott and Osborne Park. Planning approval has been received from the Western Australian Planning Commission for the Kelmscott site, and planning approvals for the other sites are being sought.
- A site in East Perth has been identified to provide supported residential accommodation for homeless people, which aims to support 32 homeless people with a mental illness in the metropolitan area. The service will provide 24 hour supported accommodation and community inreach.
- Expanded psychosocial support services were delivered by non-government organisations to help people live in their own homes. This included agreement from the Department of Housing and Works for the construction of an additional 60 residential dwellings under the Independent Living Program, incorporating three houses for young people.
- An architect has been appointed for the planned 18 bed Fremantle site for supported residential accommodation for homeless youth with a mental illness. A new purchasing framework for licensed private psychiatric hostels has been finalised.

Major Initiatives For 2006-07

- Community consultation, planning and design of Community Supported Residential Units in Osborne Park, Kalamunda, Bentley, Peel, Armadale, Albany, Geraldton, Bunbury and Busselton will be progressed. Development approvals will also progressed by the Department of Housing and Works.
- Construction of a purpose built facility on the Armadale Health Service campus will be completed to accommodate the Whitby Falls Hostel residents who have been clinically assessed as possessing the functional abilities to live in supported community accommodation. Construction will be completed by February 2007.
- A communication strategy will be developed to inform the non-government sector of the contemporary service models that have been developed for supported accommodation services for people with a mental illness in Western Australia.
- The Independent Living Program will be progressed with the Department of Housing and Works for the provision of 60 residential dwellings for people with a mental illness. The capital works supported accommodation program will also be progressed in partnership with the Department of Housing and Works.
- Planning for Community Options group homes in Mt Claremont, Hilton and Osborne Park will be progressed. Construction will commence on the group homes in Kelmscott. This will include a comprehensive consultation strategy with the local communities and key stakeholders.

- Planning and development approvals with the Department of Housing and Works will be progressed for supported residential accommodation in East Perth for 32 homeless people with a mental illness. Construction will commence in February 2007.
- A non-government organisation tender will be awarded to provide comprehensive psychosocial support to 10 young people (aged 16 to 25 years) at risk of homelessness and developing a mental illness.
- The new purchasing framework for licensed psychiatric hostels will be introduced.

Service 16: Chronic Illness and Continuing Care Support

Chronic illness and continuing care support services are provided to people with a chronic illness enabling them to remain at home in comfort. Services include the Healthy@Home program which provides clinical services to prevent those with chronic illness having frequent admissions to hospital as well as service provision contracts with numerous non-government agencies that provide community-based support to sufferers of specific chronic illnesses.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	11,742	16,649	15,499	23,462	Increase reflects service expansion.
Less Income	-	-	-	-	
Net Cost of Service	11,742	16,649	15,499	23,462	
Adjustments ^(a)	35	31	(124)	(3)	
Appropriation for delivery of Service	11,777	16,680	15,375	23,459	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per client in a chronic disease management program.....	n/a	\$20	\$1,575	\$754	Increase in 2005-06 estimate since Budget due to high startup costs and low client numbers.
Average cost to support patients who suffer specific chronic illness and other clients who require continuing care	\$19	\$19	\$19	\$20	

Major Achievements For 2005-06

- Establishment of state-wide Clinical Networks has commenced. The Networks will cover major areas of health and illness such as cancer, mental health, child health, aged care and respiratory health. Appointment of Clinical Leaders for the Networks has commenced, and stakeholders have been engaged through publications, reports, workshops and presentations. Costings have been developed to implement the recommended 'Model of Stroke Care' and have been referred to the clinical leader of the Neurosciences Clinical Network.

- As part of the Western Australian Ambulatory Care Reform Initiative, eight community-based chronic disease management teams have been established, with four in the North Metropolitan Area Health Service and four in the South Metropolitan Area Health Service. The multi disciplinary teams provide education and support to clients who are known to have one or more chronic diseases, with the goal of clients managing their conditions at home and preventing inappropriate hospital admission. The program targets unstable diabetes, cardiac failure and chronic respiratory disease, which often require admission to tertiary care. All teams commenced receiving referrals from selected GPs in March 2006. The teams will have capacity to receive 8,000 new referrals per year.
- Detailed planning occurred for the Pathways Home Project, which will be linked with the Western Australian Ambulatory Care Reform Initiative. A request has been made to the Australian Government for the revision of Pathways Home to support building of up to eight 'Healthy@Home' centres to serve as home bases for the Chronic Disease Management Teams of the Ambulatory Care Reform Initiative as well as house some community assessment functions performed by Aged Care Assessment Teams.
- The Chronic Disease Discharge Project aims to reduce length of stay, frequency of readmissions and unplanned readmissions for people with chronic disease. The project has yielded a 50 per cent reduction in unplanned readmissions for target patients and a reduction in length of stay by 1.2 days compared with patients with similar conditions who are not within the project. During 2005-06:
 - a multidisciplinary hospital discharge process for patients with complex and chronic disease was developed;
 - web-based application to streamline discharge care plans was implemented; and
 - use of appropriate Medicare Benefits Scheme items by GPs and allied health professionals was improved.
- The Discharge Liaison Pharmacy Service Project targets patients with complex medication regimes and / or a history of non-compliance, as well as patients who have experienced an adverse drug event. The project established a hospital-wide risk assessment process to identify high-risk patients. To support these patients, a liaison and notification process for GPs and a home pharmacy visiting service to conduct risk assessments was delivered. An electronic discharge summary process for GPs within 12 hours of patient discharge was developed. The project delivered a 100 per cent reduction in admissions for drug related adverse events in patients identified as high risk, and a 100 per cent reduction of drug related readmissions within 28 days for identified high risk patients.
- A Chronic Obstructive Pulmonary Disease Community Linkage Service based at Bentley and Guildford was established in November 2005 to provide an intensive management service for people with severe chronic obstructive pulmonary disease. The service provides specialist review, case management and pulmonary rehabilitation services.
- The Aboriginal and Torres Strait Islander Community General Practice Links Service increased its activity. This included increases in new referrals, identification and planning for complex patients who are readmitted to Royal Perth Hospital on a regular basis.
- The General Practice Hospital Integration Program developed a Memorandum of Understanding, signed on 13 May 2005, to establish greater collaboration between the acute, primary health and community care sectors. The Memorandum of Understanding between the Department of Health, the North Metropolitan Area Health Service, Divisions of General Practice (Perth and Hills, Osborne and Perth Central Coastal) and Joondalup Health Campus, provides the framework for the parties to work collaboratively in the integration of tertiary and primary health care sectors within the region.
- Part of the General Practice Hospital Integration Program included a telephone coaching service. The contract and all funding agreements have been finalised. Training of staff members to deliver the service has been completed, and all algorithms linked to chronic obstructive pulmonary disease and congestive heart failure have been developed and agreed upon.
- The Healthy@Home Phone Coaching Program in the North Metropolitan Area Health Service commenced work with patients on 22 February 2006. Registered nurses provide telephone-based coaching and advice to a sample of 800 people with diabetes and 200 people with chronic obstructive pulmonary disease. Over the next two years, the program will assess the cost effectiveness of telephone coaching as an intervention for chronic diseases, particularly as a secondary prevention measure to reduce and / or prevent hospital admission. The service is provided by Health Direct.

- The Residential Care Line service at Royal Perth Hospital serves 67 residential aged care facilities comprising 3,963 beds. The service received 181 calls during 2005-06 (up to March 2006). Emergency department discharge nurses have referred patients to the service which has facilitated patient follow up for care planning and the provision of educational advice to aged care facilities. This has included the review of 29 patients' wounds and other specialist advice.
- A Chronic Respiratory Disease Clinical Service Improvement Framework was launched in November 2005. The Framework maps out standards, targets and milestones encompassing prevention, detection, screening, management, treatment, and rehabilitation for chronic respiratory disease over a three year period to 2007.
- Improved safety in prescribing and medication administration by clinical pharmacists at Armadale Health Service was implemented. The Pharmaceutical Benefits Scheme dispensing at Armadale Health Service was continued. This supplies discharge and outpatient medications to clients for up to one month. Improved systems to record and manage adverse drug reactions at Armadale Health Service were also introduced. The Service was also recognised by the Australian Commission of Safety and Quality in Health Care and the Department of Health Office of Safety and Quality for strategies implemented at Armadale Health Service to improve safe administration of anticoagulation (warfarin) therapy.
- 'My Health Record' is a patient hand held record, with the aim of providing a simple, practical method for people with chronic illness to keep their medical information in one place. A trial to gauge its effectiveness was conducted during 2005-06, with 1,000 people suffering from chronic illness taking part. An evaluation of this trial was also conducted over a six month period. The results of this evaluation are soon to be published with recommendations made to the State Health Executive Forum to help inform planning for a broader roll out of the Western Australian 'My Health Record' during 2006-07. The evaluation showed that whilst this was a useful tool for patients with chronic illness, it was less useful for those who did not have a chronic illness. It was therefore recommended that a further targeted release occur specifically targeting patients with one or more chronic conditions.
- A number of pilot projects using electronic health records in the South West were commenced in 2005-06, relating to the improvement of care pathways, case management and collection and use of health and medical data. The projects are in the areas of chronic disease management, diabetes management, cancer care coordination and child development services.
- In line with the Dementia Action Plan 2003-06 for Western Australia, Western Australia Health has undertaken a range of initiatives. Opportunities have been pursued through the Home and Community Care Program annual growth funding, such as funding of the Alzheimers' Association of Western Australia to develop and deliver training in the acute care sector to hospital staff, family members and carers. The Alzheimers' Association of Western Australia provided dementia specific, centre-based day care services in the Great Southern region, each focussing on different stages of dementia and providing training on the different stages of dementia.
- The sphere of influence of the Western Australian Aged Care Advisory Council was broadened with the inclusion of the Council as one of the three key groups that form the Clinical Network for Aged Care.
- The implementation of the National Action Plan through the Care of the Older Australian Working Group will support the training of acute care sector staff.

Major Initiatives For 2006-07

- The establishment of 13 Clinical Networks and Clinical Network Support Teams across Western Australia will continue during 2006-07. The Networks will provide leadership within and across clinical disciplines to improve patient care in Western Australians. Evidence-based clinical guidelines will be developed to support delivery of consistent, safe and evidence-based clinical care.
- All of the state's Chronic Disease Management Teams will operate at full capacity during 2006-07, and a further three new Chronic Disease Management Teams will also be created. Work will commence on all eight 'Healthy@Home' centres in metropolitan Perth under the Pathways Home Project.
- The 'Wounds West' project will be established to provide coordinated prevention and management of wounds in the community and acute sector. This will include the use of digital imaging, surveillance, education and interventions to ensure wound care in Western Australia is best practice.

- A Disease Management Unit at Royal Perth Hospital will be established to promote better management of patients with complex co-morbid conditions and frequent admissions in the community sector.
- Strategies raised in the Chronic Respiratory Disease Clinical Service Improvement Framework will be implemented and progressed. The Respiratory Health Clinical Network will play a key role in this. The Network will advise on key implementation issues as well as continue to develop and disseminate appropriate evidenced based guidelines and protocols.
- Residential aged care facility staff will receive education as part of Royal Perth Hospital's Residential Care Line Service in the areas of type one diabetes mellitus, intravenous antibiotics, needleless intravenous systems, percutaneous endoscopic gastrostomy management, falls prevention and palliative care. The Residential Care Line will be expanded to Swan District Hospital.
- Royal Perth Hospital's remote monitoring of patients via telemetry and case management will be improved.
- Pharmacy services at Armadale Kelmscott Memorial Hospital will be extended to cover weekends, public holidays and after hours. Aseptic dispensing will be established at Armadale Kelmscott Memorial Hospital. This will reduce the need for patients to be either transferred or receive delayed intravenous medications.
- The Residential Care Line, which currently operates in the metropolitan area, will be extended to the Wheatbelt.
- The results of the 'My Health Record' evaluation will be published to inform a potentially broader roll out of the initiative.
- The State Aged Care Plan and subsequent action plans will continue to be implemented. This provides high level direction for the State's response to the health and care needs of older people. Opportunities support the Dementia Action Plan will continue to be identified and facilitated.

CAPITAL WORKS PROGRAM

The planned capital expenditure for 2006-07 is \$278.0 million. The program addresses new areas of need, while progressively reconfiguring and renewing existing health infrastructure consistent with the health reform agenda whilst ensuring continuing high standards of health care.

Major initiatives include the continuation of the health reform program to develop metropolitan general and tertiary hospitals, the development of regional resource centres in rural areas and the development of new and enhancement of existing mental health facilities across the state.

North Metropolitan Area Health Service:

- finalise planning and commence development of the Joondalup Health Campus to expand the emergency centre and associated support services plus provide additional acute hospital and mental health beds;
- finalise planning and commence development of the new Central Tertiary Hospital Stage 1 which is proposed to include research, education, pathology facilities, State Cancer Centre Stage 2, and also includes the expansion of inpatient services and remodelling / refurbishing of existing inpatient facilities;
- finalise planning and commence development of the new Swan Health Campus in Midland, which will include a new emergency department, birthing unit and diagnostic facilities, as well as expanded hospital inpatient, mental health, ambulatory care and rehabilitation facilities;
- complete construction of the new 10 chair dental clinic at Joondalup Health Campus; and
- complete the installation of two new linear accelerators at the recently completed State Cancer Centre Stage 1, and commence operation to provide radiotherapy treatment for people with cancer throughout the State.

South Metropolitan Area Health Service:

- finalise planning and commence the development of Rockingham Kwinana District Hospital to provide a general hospital with an increased range of medical services, including general surgery, orthopaedics, emergency, obstetrics and gynaecology, paediatrics and mental health;
- finalise planning and commence development of the Armadale Kelmscott Hospital to expand emergency department capacity;
- continue planning for the new Fiona Stanley (Southern Tertiary) Hospital, which will contain the State Trauma Centre and Burns Centre and major cancer services including radiotherapy, paediatric and neonatal facilities and acute mental health care;

- finalise planning and commence development of the expansion of Peel Health Campus, to double the capacity of the emergency department;
- finalise planning for the Mandurah Community Health Centre Stage 2 at Peel Health Campus to accommodate allied, community and mental health services;
- continue initial modifications at Fremantle Hospital to focus on sub-acute, aged care, rehabilitation, day surgery and community-based services to ensure that this key facility remains clinically appropriate pending development of the new Fiona Stanley (Southern Tertiary) Hospital; and
- finalise planning and commence construction of the Murray District Health Centre to accommodate GPs, and provide enhanced community based aged care, mental health and aboriginal health services.

Women's and Children's Health Service:

- finalise planning and commence construction of initial modifications at Princess Margaret Hospital and King Edward Memorial Hospital to ensure existing facilities are appropriate to meet operational requirements.

Western Australia Country Health Service:

- finalise planning and commence the development of a new mental health clinic and additional mental health beds at the South West Health Campus;
- finalise planning and commence construction of a replacement dental clinic at Bunbury;
- finalise planning and commence development of a new facility to replace the existing Busselton Hospital;
- continue construction of the Stage 1 redevelopment of Broome Hospital as the regional resource centre for the Kimberley which will include new operating theatres, mortuary, kitchen and laundry, specialist consulting rooms, pharmacy, dental services and ward remodelling;
- continue development of other projects in the Kimberley, including projects at Derby (hospital upgrade), Kununurra (hospital upgrade and new dental clinic) and Wyndham (multipurpose centre development) and replacement hospital at Fitzroy Crossing;
- finalise planning and commence construction for new health facilities at Denmark, which will include hospital inpatient and outpatient services and residential aged care services;
- continue the ongoing \$24.1 million program (\$5.5 million in 2006-07) for renewal of country housing to attract and retain country staff;
- complete construction of the new 56 bed aged care facility at South Hedland;
- finalise planning and commence development of the Albany Regional Resource Centre Stage 1;
- finalise planning and commence development of the Hedland Regional Resource Centre Replacement Stage 2 which will accommodate hospital inpatient and outpatient services, allied health and support services replacing the ageing facility at Port Hedland;
- finalise planning and commence development of the Kalgoorlie Regional Resource Centre which will include upgrade and expansion of emergency department, medical imaging, day surgery and theatres; and
- finalise construction of the new 20 bed health facility at Moora (Multi Purpose Service) which will provide hospital and aged care residential services and outpatient and community health services.

Mental Health Services:

The expansion of mental health facilities includes:

- provision of additional adult inpatient beds at Graylands and Armadale;
- provision of additional admission / holding beds at Royal Perth Hospital and Fremantle Hospital;
- expansion of Graylands secure assessment area;
- development of an Intermediate Care Facility at Hawthorn House;
- expansion of the King Edward Memorial Hospital Mother Baby Unit; and
- expanding community clinics across the state to provide enhanced community services.

State-wide Developments:

- continue the ongoing equipment replacement program of \$241.4 million to upgrade and replace hospital equipment (\$31.0 million in 2006-07) to provide better services for patients and a better work environment for staff;
- continue the \$253.4 million ongoing program to maintain the existing capital infrastructure of health facilities (\$25 million in 2006-07), including the replacement of building services components, hospital plant and equipment and the undertaking of other minor building works;
- develop the information management capital plan that outlines the key investments and operational budgets required to deliver effective and efficient information management support for the Department's clinical and administrative business; and
- continue the implementation of broadband network services of between four and 10 megabytes per second to 57 Health sites in 53 rural and regional towns in Western Australia. This will provide capability for the delivery of enhanced clinical and administrative information services outside the metropolitan area.

The capital works program table below details capital projects completed in 2005-06, and those to continue or expected to commence in 2006-07. The table excludes all projects commencing beyond 2006-07.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Equipment:				
Communication Infrastructure	11,000	8,392	4,247	2,608
Sir Charles Gairdner Hospital - State Cancer Centre Stage 1	12,271	7,590	6,000	4,681
Hospitals, Health Centres and Community Facilities:				
Albany Regional Resource Centre - Rehabilitation Day Centre - Refurbishment	820	700	700	120
Broome Regional Resource Centre - Redevelopment Stage 1	42,000	1,135	1,000	10,000
Carnarvon Integrated Health Service - Redevelopment Stage 1	2,300	468	300	1,832
Carnarvon Sobering Up Centre	500	10	10	490
Denmark Multi Purpose Centre - Replacement	18,000	250	250	4,000
Geraldton Regional Resource Centre - Redevelopment	49,000	48,125	6,180	875
Graylands Hospital - Redevelopment Planning	600	275	241	325
Hedland Regional Resource Centre - Replacement Stage 1 - Residential Care ..	14,650	11,493	10,700	3,157
Joondalup Dental Clinic	2,200	1,645	1,500	555
Kimberley - Various Health Project Developments	44,200	17,300	7,490	19,000
Kununurra Integrated District Health Service - Development (including New Dental Clinic)	6,800	1,057	1,000	4,943
Land Acquisition	5,750	4,750	1,437	1,000
Margaret River Hospital - Upgrade	3,430	3,330	2,437	100
Metropolitan Plan Implementation:				
- Cannington Breast Screen Clinic - Relocation and Expansion	500	300	300	200
- Swan Hospital - Obstetrics Unit	1,900	500	500	1,400
Moora Multi Purpose Centre - Redevelopment	8,687	6,500	4,798	1,900
Morawa and Perenjori Multi Purpose Centre - Replacement	9,000	50	50	2,400
New Swan Health Campus (Land	11,300	3,400	3,400	7,900
North Perth Dental Extension	300	11	-	289
Pathways Home Program	23,000	415	300	2,000
Port Hedland Regional Resource Centre - Interim Works	2,505	2,187	500	318
Rockingham Kwinana Hospital - Redevelopment Stage 1	92,136	1,000	1,000	12,000
Royal Perth Hospital and Shenton Park Hospital - Developments	24,500	19,438	5,300	5,062
Warburton Clinic - Replacement	3,930	3,672	2,500	258
Wyndham Multi Purpose Centre - Development	4,500	106	100	2,000
Information and Communication Equipment and Infrastructure:				
ICT Shared Services - Relocation	500	400	400	100
Other Projects:				
Carryover - Various	1,807	913	100	200
Country Staff Accommodation - Stage 3	24,068	2,668	2,668	5,500
Infrastructure Planning	4,500	2,290	1,853	1,763
State-wide Condition Audit - Stage 2	18,032	17,716	700	316
Western Australia Country Health Service - Refurbishment Stage 2	1,100	500	500	600
COMPLETED WORKS				
Hospitals, Health Centres and Community Facilities:				
Community Health Facilities Expansion State-wide	6,202	6,202	2,624	-
Denmark Multi Purpose Centre - Planning and Upgrade	500	500	260	-
Emergency Demand - GP Clinics	1,860	1,860	506	-
Energy Smart Program	33	33	33	-
Fremantle Hospital - Developments	6,000	6,000	1,587	-
Kalamunda Hospital - Redevelopment Stage 1	5,700	5,700	3,150	-
Morawa Multi Purpose Centre - Fees and Initial Works	890	890	669	-
Newman Health Centre - Refurbishment	50	50	50	-
Imaging:				
Picture Archive and Communication System - Stage 1 Metro and Country	6,500	6,500	2,614	-
Other Projects:				
Hedland New Accommodation	745	745	745	-
NEW WORKS				
Hospitals, Health Centres and Community Facilities:				
Murray District Health Centre	3,700	-	-	1630
Sub Total of Non Administered Projects	477,966	197,066	80,699	99,522

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
HEALTH REFORM AND BROADER HEALTH INITIATIVES FUNDING INCLUDED IN DEPARTMENT OF TREASURY AND FINANCE ADMINISTERED ITEM ^(a)				
Equipment:				
Equipment Replacement Program	241,400	58,712	32,500	31,000
Hospitals, Health Centres and Community Facilities:				
Albany Regional Resource Centre - Redevelopment Stage 1	26,800	200	200	1,500
Armadale Kelmscott Hospital - Development	15,970	150	150	2,500
Bunbury - Replacement Dental Clinic	3,300	100	100	800
Busselton Integrated District Health Service - Replacement	65,000	300	300	3,000
Hedland Regional Resource Centre - Replacement Stage 2	90,000	200	200	6,000
Joondalup Health Campus - Development Stage 1	126,322	400	400	11,800
Joondalup Health Campus - Inpatient Mental Health Unit - Expansion	5,000	300	300	1,500
Kalgoorlie Regional Resource Centre - Redevelopment Stage 1	40,000	100	100	1,500
King Edward Memorial Hospital - Holding	20,000	200	200	1,500
Mandurah Community Health Centre - Development Stage 2	3,200	50	50	500
Mental Health Initiatives	11,900	3,916	3,400	7,984
Metropolitan Plan Implementation:				
- Bentley Hospital - Development	22,841	50	50	1,500
- Peel Health Campus - Development Stage 1	7,659	100	100	1,200
- Royal Perth Hospital - Holding	10,000	500	500	2,500
Peel Health Campus - Emergency Department Expansion	3,000	50	50	500
Princess Margaret Hospital - Holding	15,000	200	200	2,000
South Metropolitan Obstetrics (Woodside Hospital)	2,000	100	100	1,800
South West Health Campus - Inpatient Mental Health Unit Expansion	6,000	300	300	3,000
South West Health Campus - Intensive Care Unit	300	50	50	250
South West Health Campus - New Mental Health Clinic	3,000	200	200	2,100
South West Health Campus - New Radiotherapy Facility	8,500	150	150	1,000
Southern Tertiary Hospital - New Stage 1	741,900	50	50	19,650
Information and Communication Equipment and Infrastructure:				
Information and Communication Technology	335,000	3,494	2,521	25,500
Imaging:				
Western Australia Country Health Service Picture Archive Computerised System	6,500	750	750	1,500
Other Projects:				
Infrastructure Planning	7,200	1,647	-	225
Minor Buildings Works	253,430	33,586	13,859	25,000
COMPLETED WORKS				
Information and Communication Equipment and Infrastructure:				
Corporate and Shared Services Reform - Health Corporate Network	12,813	12,813	7,688	-
NEW WORKS				
Hospitals, Health Centres and Community Facilities:				
Carnarvon Integrated District Health Service - Redevelopment Stage 2	6,000	-	-	100
Central Tertiary Hospital - Development Stage 1	536,177	-	-	15,000
Eastern Wheatbelt District (incl Merredin) - Development and Restructuring	9,000	-	-	100
Fremantle Hospital - Holding	15,000	-	-	2,500
Metropolitan Plan Implementation:				
- Shenton Park - Holding	5,000	-	-	1,000
New Swan Health Campus (Buildings)	181,200	-	-	1,500
Other Projects:				
Country - Transport Initiatives	3,326	-	-	1,000
Sub Total of Administered Projects ^(b)	2,839,738	118,668	64,468	178,509
GRAND TOTAL	3,317,704	315,734	145,167	278,031

(a) Global funding for these projects is appropriated to Department of Treasury and Finance Administered Item 131.

(b) The 2005-06 Department of Treasury and Finance Administered Item projects total of \$64.5 million includes a carryover amount from 2004-05 of \$9.9 million.

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	177,456	220,423	145,167	278,031	476,565	569,230	481,231
Working capital requirement							
Loan and Other Repayments	12,038	11,193	11,193	11,771	12,412	13,358	13,358
	189,494	231,616	156,360	289,802	488,977	582,588	494,589
LESS							
Asset Sales	525	900	900	900	900	900	900
Commonwealth Grants	2,020	6,005	6,005	-	-	-	-
Drawdowns from the Holding Account	42,103	32,267	32,267	13,605	1,569	-	-
Funding included in Department of Treasury and Finance – Administered Item ^(a)	82,677	133,933	54,578	178,509	377,287	503,865	469,550
Internal Funds and Balances ^(b)	(9,890)	-	9,890	-	-	-	-
Other.....	3,706	759	3,997	2,420	-	-	-
Capital Contribution	68,353	57,752	48,723	94,368	109,221	77,823	24,139

- (a) Funding for the Department of Health's Capital Works Program for health reform and related broader health initiatives have been appropriated as a Department of Treasury and Finance Administered Item. The Department of Health will be required to submit business cases, including planning details to Government for approval to access funding from the global amount.
- (b) The amount of \$9.9 million from Internal Funds and Balances in 2005-06 represents the 2004-05 cash carry over balance from the Department of Treasury and Finance Administered item.

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	1,668,440	1,777,074	1,861,096	1,957,764	2,049,025	2,156,040	2,277,958
Superannuation	144,387	149,435	153,609	162,133	169,457	177,708	188,306
Grants and subsidies ^(c)	319,077	337,365	333,329	352,492	364,477	374,722	386,022
Supplies and services	233,630	233,343	281,855	301,680	314,154	328,437	344,823
Accommodation	40,803	40,468	44,750	46,263	48,590	51,321	53,899
Finance costs	13,296	12,777	12,777	11,017	10,456	10,176	9,514
Capital user charge	99,300	111,303	111,303	168,130	198,102	235,646	261,543
Depreciation and amortisation	101,628	89,027	89,027	93,963	98,591	100,822	106,361
Direct patient support	399,231	448,449	440,441	461,095	483,649	508,161	535,626
Indirect patient support	80,409	80,632	88,964	93,320	97,729	102,546	107,762
Visiting medical practitioners	74,328	86,433	82,332	86,130	90,146	94,529	99,205
Private sector contracts	127,262	135,701	140,778	146,454	153,573	161,382	170,428
Costs of disposal of non-current assets	8,753	-	-	-	-	-	-
Other expenses	37,543	8,765	7,734	8,856	9,529	9,809	10,186
TOTAL COST OF SERVICES	3,348,087	3,510,772	3,647,995	3,889,297	4,087,478	4,311,299	4,551,633
Income							
User charges and fees	81,960	76,669	116,292	125,152	128,863	132,343	135,930
Grants and subsidies	301,233	287,845	289,847	283,224	295,381	292,757	305,755
Interest revenue	10,580	7,452	9,676	9,713	9,746	9,751	9,757
Rent	1,430	1,129	1,129	853	881	908	908
Donations	8,343	3,543	6,422	6,457	6,482	6,487	6,492
Health fees and recoveries	35,297	35,027	57,528	57,215	57,326	57,331	57,336
Proceeds from disposal of non-current assets ..	1,826	-	900	910	910	910	910
Other revenue	58,446	61,154	51,433	48,223	47,704	48,645	49,439
Total Income	499,115	472,819	533,227	531,747	547,293	549,132	566,527
NET COST OF SERVICES	2,848,972	3,037,953	3,114,768	3,357,550	3,540,185	3,762,167	3,985,106
INCOME FROM STATE GOVERNMENT							
Service appropriations	2,857,988	3,043,582	3,084,451	3,356,060	3,538,695	3,760,677	3,983,616
Resources received free of charge	1,388	1,451	1,451	1,490	1,490	1,490	1,490
Liabilities assumed by the Treasurer	5,338	-	-	-	-	-	-
Change in equity arising from transfer of assets / liabilities	554	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	2,865,268	3,045,033	3,085,902	3,357,550	3,540,185	3,762,167	3,985,106
SURPLUS (DEFICIENCY) FOR THE PERIOD ^(d)	16,296	7,080	(28,866)	-	-	-	-
Extraordinary items	(13,529)	-	-	-	-	-	-
CHANGE IN SURPLUS (DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	2,767	7,080	(28,866)	-	-	-	-

- (a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.
- (b) The Full Time Equivalents (FTEs) for 2004-05 Actual, 2005-06 Estimated Actual and 2006-07 Estimate are 25,816; 26,892 and 27,236 respectively.
- (c) Refer Details of Controlled Grants and Subsidies table for further information.
- (d) The 2005-06 projected operating deficiency of \$28.9 million reflects the appreciation of prior year surpluses, revenue recognised in prior periods and associated cash conveyors to fund government approved expenditures.

BALANCE SHEET
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CURRENT ASSETS							
Cash and cash equivalents	138,435	58,345	85,214	82,804	82,804	82,803	81,903
Restricted cash	71,577	67,322	71,577	71,577	71,577	71,577	71,577
Receivables	59,684	53,501	62,094	63,969	65,913	67,568	69,271
Inventories	28,407	25,242	24,058	24,058	24,058	24,058	24,058
Interest receivable	514	1,156	541	569	601	635	671
Amounts receivable for services	32,267	13,605	13,605	1,569	-	-	-
Prepayments	7,758	3,866	7,752	7,769	7,787	7,803	7,820
Total current assets	338,642	223,037	264,841	252,315	252,740	254,444	255,300
NON-CURRENT ASSETS							
Amounts receivable for services	204,013	311,215	311,226	436,235	567,486	701,014	841,615
Land and buildings	1,774,187	1,649,356	1,786,269	1,838,226	1,887,797	1,960,052	2,005,013
Investments	1,006	2,996	1,006	1,006	1,006	1,006	1,006
Plant and equipment	196,499	253,795	224,463	234,769	246,667	251,995	229,462
Intangibles	-	6,370	6,370	14,539	17,820	16,286	15,516
Other	85,355	244,239	92,880	225,831	538,427	929,884	1,283,096
Total non-current assets	2,261,060	2,467,971	2,422,214	2,750,606	3,259,203	3,860,237	4,375,708
TOTAL ASSETS	2,599,702	2,691,008	2,687,055	3,002,921	3,511,943	4,114,681	4,631,008
CURRENT LIABILITIES							
Superannuation	758	666	783	809	836	860	885
Payables	97,144	128,124	113,030	104,969	92,132	93,609	95,130
Provision for employee entitlements	293,630	320,518	318,528	342,738	365,348	389,503	414,772
Borrowings	8,914	8,236	9,870	10,270	10,710	11,173	11,607
Interest payable	2,202	2,183	2,202	2,202	2,202	2,202	2,202
Finance leases	3,455	3,152	3,177	3,100	3,022	3,022	3,022
Accrued salaries	38,416	40,911	42,914	49,278	63,857	63,857	63,857
Other	6,377	5,361	6,593	6,817	7,042	7,246	7,456
Total current liabilities	450,896	509,151	497,097	520,183	545,149	571,472	598,931
NON-CURRENT LIABILITIES							
Provision for employee entitlements	67,327	75,631	74,220	82,525	92,575	101,125	110,096
Borrowings	194,026	190,050	186,406	179,171	171,786	164,378	158,256
Finance leases	80,119	61,420	61,081	56,332	50,943	44,530	36,860
Total non-current liabilities	341,472	327,101	321,707	318,028	315,304	310,033	305,212
TOTAL LIABILITIES	792,368	836,252	818,804	838,211	860,453	881,505	904,143
EQUITY							
Contributed equity	477,140	707,098	584,150	860,394	1,346,902	1,928,590	2,422,279
Accumulated surplus / (deficit)	(89,362)	(89,672)	(104,450)	(104,450)	(104,450)	(104,450)	(104,450)
Reserves	1,419,556	1,237,330	1,388,551	1,408,766	1,409,038	1,409,036	1,409,036
Total equity	1,807,334	1,854,756	1,868,251	2,164,710	2,651,490	3,233,176	3,726,865
TOTAL LIABILITIES AND EQUITY	2,599,702	2,691,008	2,687,055	3,002,921	3,511,943	4,114,681	4,631,008

- (a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

CASHFLOW STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	2,724,877	2,922,869	2,963,633	3,229,482	3,407,444	3,627,150	3,843,015
Capital contribution	68,353	57,752	48,723	94,368	109,221	77,823	24,139
Holding account drawdowns	42,103	32,267	32,267	13,605	1,569	-	-
Net cash provided by State government	2,835,333	3,012,888	3,044,623	3,337,455	3,518,234	3,704,973	3,867,154
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(1,614,477)	(1,740,888)	(1,824,805)	(1,918,115)	(2,000,737)	(2,123,334)	(2,243,718)
Superannuation	(140,140)	(146,737)	(150,911)	(159,435)	(166,789)	(177,708)	(188,306)
Grants and subsidies	(319,077)	(337,365)	(332,709)	(351,872)	(363,857)	(374,102)	(385,172)
Supplies and services	(229,061)	(227,096)	(276,228)	(291,681)	(299,250)	(320,842)	(337,867)
Accommodation.....	(40,803)	(40,986)	(45,268)	(46,433)	(48,892)	(51,321)	(53,899)
Finance costs	(13,277)	(12,789)	(12,789)	(11,852)	(11,361)	(10,544)	(9,514)
Capital user charge.....	(99,300)	(111,303)	(111,303)	(168,130)	(198,102)	(235,646)	(261,543)
Direct patient support.....	(405,294)	(455,279)	(442,771)	(462,118)	(496,799)	(508,161)	(535,626)
Indirect patient support	(81,630)	(83,208)	(91,540)	(96,082)	(102,869)	(102,544)	(107,762)
Visiting medical practioners	(75,457)	(86,433)	(82,332)	(86,130)	(90,146)	(94,529)	(99,205)
Private sector contracts	(127,262)	(135,701)	(140,778)	(150,454)	(157,573)	(161,382)	(170,428)
Goods and Services Tax	(122,078)	(147,565)	(147,565)	(148,575)	(148,575)	(148,575)	(156,747)
Other.....	(5,902)	(9,058)	(8,027)	(9,247)	(9,124)	(9,024)	(8,735)
Receipts							
User charges and fees.....	74,963	76,668	116,291	125,152	128,864	132,343	135,930
Grants and subsidies	302,498	287,846	289,848	283,224	295,381	292,757	305,755
Interest received	11,222	7,452	9,676	9,713	9,746	9,751	9,757
Rent receipts.....	1,080	1,129	1,129	852	881	908	908
Donations receipts.....	8,343	3,543	6,422	6,457	6,482	6,487	6,492
Goods and Services Tax	122,624	146,698	146,698	148,575	148,575	148,575	156,747
Health fees and recoveries	35,297	35,027	57,528	57,216	57,326	57,331	57,336
Other receipts	58,580	60,464	51,643	48,437	47,921	50,993	49,439
Net cash from operating activities.....	(2,659,151)	(2,915,581)	(2,987,791)	(3,220,498)	(3,398,898)	(3,618,567)	(3,836,158)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(181,422)	(220,423)	(145,167)	(278,031)	(476,565)	(569,230)	(481,231)
Proceeds from sale of non-current assets	525	900	900	910	910	910	910
Equity contribution receipts.....	82,677	133,933	54,578	178,509	377,287	503,865	469,550
Net cash from investing activities.....	(98,220)	(85,590)	(89,689)	(98,612)	(98,368)	(64,455)	(10,771)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(8,675)	(6,357)	(6,357)	(6,017)	(5,688)	(5,688)	(5,688)
Other payments for financing activities.....	(11,772)	(14,007)	(14,007)	(14,638)	(15,280)	(16,263)	(15,437)
Net cash from financing activities	(20,447)	(20,364)	(20,364)	(20,655)	(20,968)	(21,951)	(21,125)
NET INCREASE / (DECREASE) IN CASH HELD	57,515	(8,647)	(53,221)	(2,310)	-	-	(900)
Cash assets at the beginning of the reporting period..	152,698	137,036	210,213	156,992	154,582	154,582	154,582
Net cash transferred to / from other agencies.....	-	-	-	(100)	-	-	-
Cash assets at the end of the reporting period ...	210,213	128,389	156,992	154,582	154,582	154,582	153,682

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

SCHEDULE OF ADMINISTERED EXPENSES AND INCOME

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
EXPENSES							
Other expenses	795,668	818,223	821,405	869,562	919,375	972,551	1,029,251
TOTAL ADMINISTERED EXPENSES ^(b)..	795,668	818,223	821,405	869,562	919,375	972,551	1,029,251
INCOME							
Grants and subsidies	795,668	818,223	821,405	869,562	919,375	972,551	1,029,251
TOTAL ADMINISTERED INCOME ^(c)	795,668	818,223	821,405	869,562	919,375	972,551	1,029,251

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

(b) Further information is provided in the table 'Details of the Administered Transactions Expenses'.

(c) Further information is provided in the table 'Details of the Administered Transactions Income'.

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Other.....	(795,668)	(818,223)	(821,405)	(869,562)	(919,375)	(972,551)	(1,029,251)
TOTAL ADMINISTERED CASH OUTFLOWS	(795,668)	(818,223)	(821,405)	(869,562)	(919,375)	(972,551)	(1,029,251)
CASH INFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Grants and subsidies	795,668	818,223	821,405	869,562	919,375	972,551	1,029,251
TOTAL ADMINISTERED CASH INFLOWS.....	795,668	818,223	821,405	869,562	919,375	972,551	1,029,251
NET CASH INFLOWS / (OUTFLOWS) FROM ADMINISTERED TRANSACTIONS.....	-	-	-	-	-	-	-

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES ^(a)

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
Admitted patient services	39,881	41,367	40,517	41,981	43,408	44,432	45,639
Specialised mental health services	2,451	2,542	2,490	2,580	2,668	2,731	2,805
Hospital in the home (HITH) services.....	1,859	1,928	1,888	1,956	2,023	2,071	2,127
Palliative care.....	6,036	6,261	6,133	6,354	6,570	6,725	6,908
Emergency department services	215	223	218	226	234	239	246
Non-admitted patient services	29,196	30,283	29,661	30,733	31,778	32,527	33,411
Patient transport services	44,486	46,143	45,195	46,828	48,420	49,562	50,908
Prevention and promotion services	18,158	18,835	18,448	19,114	19,764	20,230	20,780
Health protection services.....	8,496	8,812	8,631	8,943	9,247	9,465	9,722
Dental health services	7,818	8,109	7,942	8,229	8,509	8,710	8,947
Home and community care services	129,798	141,035	141,034	153,249	158,458	163,846	169,416
Community mental health services.....	14,614	15,159	14,847	15,384	15,907	16,282	16,724
Residential care.....	8,309	8,618	8,441	8,746	9,044	9,257	9,508
Residential mental health care	4,980	5,166	5,060	5,242	5,421	5,548	5,699
Chronic illness and continuing care support	2,780	2,884	2,824	2,927	3,026	3,097	3,182
TOTAL.....	319,077	337,365	333,329	352,492	364,477	374,722	386,022

(a) Indexation provided to the Non-Government Human Services Sector is based on a composite wage cost index of 3.1 per cent in 2004-05, 3.5 per cent in 2005-06, 3.4 per cent in 2006-07, 3.3 per cent in 2007-08 and 2.9 per cent in 2008-09 and 2009-10.

DETAILS OF THE ADMINISTERED TRANSACTIONS EXPENSES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
OTHER STATE SERVICES							
Receipts paid into Consolidated Fund	795,668	818,223	821,405	869,562	919,375	972,551	1,029,251
TOTAL.....	795,668	818,223	821,405	869,562	919,375	972,551	1,029,251

DETAILS OF THE ADMINISTERED TRANSACTIONS INCOME

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
COMMONWEALTH GRANTS							
Grants & Subsidies	795,668	818,223	821,405	869,562	919,375	972,551	1,029,251
TOTAL.....	795,668	818,223	821,405	869,562	919,375	972,551	1,029,251

TRUST ACCOUNT DETAILS**Hospital Fund**

The purpose of the fund is to hold funds to give effect to the provision of the Hospital Fund Act including, but not limited to, the operating costs of public hospital and health services.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
Opening Balance	7,044	-	8,880	-
Receipts:				
Appropriations	2,125,508	2,265,317	2,304,141	2,486,766
Other.....	79,000	78,667	80,771	82,013
	2,211,552	2,343,984	2,393,792	2,568,779
Payments	2,202,672	2,343,984	2,393,792	2,568,779
CLOSING BALANCE	8,880	-	-	-

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:

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
Proceeds from services provided by Health Statistics Branch.....	-	5	4	-
Proceeds from services provided by Environmental Health Services	987	925	985	1,021
Proceeds from services provided by Community Support Services	1,439	1,476	1,477	1,514
Proceeds from services provided by Health Promotion Services	709	698	698	722
Proceeds from services provided by Miscellaneous Services	1,411	746	2,469	2,327
Proceeds for services provided by the Drug and Alcohol Office (DAO)	119	150	100	120
GST input credits	53,196	55,399	54,926	58,406
GST receipts on sales.....	1,931	1,210	2,113	2,491
Commonwealth Specific Purpose Programs ^(a)				
Aboriginal Torres Strait Islanders Health - Regional Aboriginal Environmental Health Enhancement	300	-	-	-
Australian Immunisation Agreement.....	21,963	-	10,364	11,790
Building Solid Families	785	785	803	803
Civilian Disaster Medical Assistance Program	-	-	10	-
Clinical Preceptor Program.....	86	86	86	59
Council of Australian Governments (COAG) Commonwealth funded initiatives and programs relating to Western Australian Drug Abuse Strategy Office.....	1,000	4,411	4,461	4,735
COAG - Environmental Health Programs	200	-	-	-
DAO - Keeping In Touch Program	40	-	-	-
DAO - Ministerial Council on Drug Strategy	50	-	126	-
Emergo - Train System - Pilot Strategy.....	10	-	-	-
HealthConnect.....	-	-	500	-
Home and Community Care	74,251	81,065	80,794	87,791
Home and Community Care - Veterans Home Care	1,245	1,283	1,277	1,309
Homeless Youth.....	217	221	-	-
Kimberley Satellite Dialysis Centre	25	-	-	-
Mental Health - Quality Through Outcome	340	760	750	-
Post Graduate Medical Council.....	154	-	55	-
Public Health - Breast Cancer Counselling	82	107	122	116
Public Health - COAG Needle and Syringe Program	978	1,003	1,003	1,029
Public Health - Data Linkage.....	110	-	110	-
Public Health - ENHealth Council	258	258	-	-
Public Health - Food Chain Newsletter.....	26	-	-	-
Public Health - Foodborne Disease Sentinel Site.....	56	-	38	-
Public Health - Health Insurance Commission (HIC) - Geriatric Evaluation and Management Rehabilitation Program	-	-	250	-
Public Health - Hep C - Education and Prevention.....	247	247	253	260
Public Health - HIC - Outpatient Care Services.....	-	-	175	-
Public Health - Human Quarantine Program.....	18	18	18	19
Public Health - Increase Consumption of Fruit and Vegetables	109	-	-	-
Public Health - National Indigenous Immunisation	668	448	448	448
Public Health - Pneumococcal Disease Program	15	15	15	15
Public Health - Sexual Health Programs	137	100	100	-
Public Health Outcome Funding Agreement.....	13,551	21,715	7,014	7,053
Public Health Outcome Funding Agreement - Meningococcal Vaccine Program	-	973	-	-
Western Australia Indigenous Family Healing Program	-	-	150	150
TOTAL.....	176,713	174,104	171,694	182,178

- (a) Some Commonwealth programs are not listed as the revenue is retained under the Hospital Fund. The more significant programs include High Cost Drugs, the Aged Care Assessment Program, Multi Purpose Services, Rural Health Services, Telehealth and partial revenue from Home and Community Care.

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

WESTERN AUSTRALIAN ELECTORAL COMMISSION

PART 7 - ATTORNEY GENERAL; MINISTER FOR HEALTH; ELECTORAL AFFAIRS

DIVISION 34

APPROPRIATION AND FORWARD ESTIMATES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 72 Net amount appropriated to deliver services	17,607	2,530	2,683	7,650	3,024	18,750	2,806
Amount Authorised by Other Statutes							
- Electoral Act 1907	288	253	503	743	1,163	277	285
- Industrial Relations Act 1979	56	56	56	56	56	56	56
Total appropriations provided to deliver services	17,951	2,839	3,242	8,449	4,243	19,083	3,147
CAPITAL							
Item 154 Capital Contribution	-	-	-	173	-	136	172
GRAND TOTAL	17,951	2,839	3,242	8,622	4,243	19,219	3,319

MISSION

To conduct impartial and independent elections and promote public awareness of electoral matters through education and information programs to foster public confidence and participation in the electoral process.

SIGNIFICANT ISSUES AND TRENDS

- An electoral boundary distribution will commence in this period. This will be the first distribution following changes to the *Electoral Act 1907* affecting representation in Parliament in districts and regions. There will likely be significant change to electoral boundaries throughout the State. Distributions will now occur every four years instead of every eight years.
- Progress will be made on the redevelopment of the Commission's Electoral Roll Maintenance System. The current system has been in place for 20 years, and while an upgrade has been implemented, a four year program will introduce many new technology advances to assist in maintaining the State elector database.
- An increasing number of private clients are seeking to use the services of the Commission to conduct their elections to ensure independence and transparency in the process.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2005-06 Budget to Parliament on 26 May 2005 are outlined below.

	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
Commonwealth/State - Joint Roll Arrangement	154	188	224	260
Electoral Boundaries Distribution	482	894	-	-

SERVICE AND APPROPRIATION SUMMARY

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Electoral Services	18,171	5,477	6,183	8,573			
Total Cost of Services	18,171	5,477	6,183	8,573	6,867	19,371	5,639
<i>Less Income</i>	2,551	43	43	2,543	43	2,543	43
Net Cost of Services	15,620	5,434	6,140	6,030	6,824	16,828	5,596
Adjustments ^(a)	2,331	(2,595)	(2,898)	2,419	(2,581)	2,255	(2,449)
Appropriation provided to deliver Services	17,951	2,839	3,242	8,449	4,243	19,083	3,147
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	-	-	-	173	-	136	172
TOTAL CONSOLIDATED FUND APPROPRIATIONS	17,951	2,839	3,242	8,622	4,243	19,219	3,319

(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, SERVICES AND PERFORMANCE INFORMATION**Relationship to Government Goals**

Broad, high level government goals are supported at agency level by more specific desired outcomes. Agencies deliver services to achieve these desired outcomes, which ultimately contribute to meeting the higher level government goals. The following table illustrates the relationship between agency level desired outcomes and the most appropriate government goal.

Government Goal	Desired Outcome	Service
To govern for all Western Australians in an open, effective and efficient manner that also ensures a sustainable future.	All electors are able to participate in impartial, effective and democratic elections or referenda conducted by the Commission.	1. Electoral Services

Outcomes and Key Effectiveness Indicators ^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Outcome: All electors are able to participate in impartial, effective and democratic elections or referenda conducted by the Commission.					
Participation rate of electors in Parliamentary elections.....	90%	n/a	n/a	n/a	No State general election in 2006-07.
Participation rate of electors in local government postal elections.....	37%	n/a	n/a	38%	Local government postal elections in 2006-07.

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

Service 1: Electoral Services

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

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	18,171	5,477	6,183	8,573	Local government elections due in May 2007. Revenue due from local government to recoup costs of conducting postal elections.
Less Income	2,551	43	43	2,543	
Net Cost of Service	15,620	5,434	6,140	6,030	
Adjustments ^(a)	2,331	(2,595)	(2,898)	2,419	
Appropriation for delivery of Service	17,951	2,839	3,242	8,449	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per elector of providing electoral services	\$4.69	\$4.02	\$4.47	\$4.74	No State general election in 2006-07. Local government postal elections in 2006-07.
Average cost per elector to conduct Parliamentary elections ^(a)	\$8.36	\$0.23	\$0.20	n/a	
Average cost per elector to conduct local government elections ^(b)	\$2.04	n/a	\$2.02	\$2.48	
Full Time Equivalents (FTEs)	42	42	43	43	

(a) Cost of Parliamentary elections in 2005-06 reflects cost of follow-up work associated with the February 2005 State general election.

(b) Cost of local government elections in 2005-06 reflects costs of extraordinary elections not initially provided for in the budget.

Major Achievements For 2005-06

- A new Joint Roll Arrangement with the Commonwealth was finalised after a long period of negotiation. The arrangement allows for the continued use of a single enrolment form for Commonwealth, State and local government elections.
- An upgrade of the Commission's Electoral Roll Maintenance System was finalised. The upgrade will provide enhanced stability for several years as a redevelopment project is advanced.
- Considerable enhancements to the Election Management System were completed. These enhancements will provide for better management of a number of election processes.
- Electoral activity has included one by-election for the district of Victoria Park, 12 local government extraordinary elections (including the City of Joondalup where the Council was removed under Section 4.14 of the *Local Government Act*) and 35 Union, Extraneous and non-statutory elections.
- A major redevelopment of the Commission's website has been completed. This will enable the website to be updated inhouse and provide for faster update of electoral information.

Major Initiatives For 2006-07

- Preliminary work on the next distribution of electoral boundaries will commence.
- Postal elections for local government are scheduled to be held in May 2007, although anticipated amendments to the *Local Government Act 1995* could see this moved to October 2007.
- Conduct a "proof of concept" trial on Internet electronic voting in a limited way, with the support of the Office of e-Government.

CAPITAL WORKS PROGRAM

The Western Australian Electoral Commission's planned capital works expenditure in 2006-07 is for the continuation of the redevelopment of the Electoral Roll Maintenance System. The redevelopment of this system using modern technology will also allow integration with the Commission's Election Management System.

The Commission in 2006-07 will also continue its asset replacement program and upgrade major components of its systems. The systems upgrades will focus on central processing systems and some development of non-Parliamentary election management systems.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Electoral Roll Maintenance System Upgrade	790	60	60	480
COMPLETED WORKS				
Asset Replacement				
2005-06 Program	50	50	50	-
Election Management System	275	275	275	-
NEW WORKS				
Asset Replacement				
2006-07 Program	50	-	-	50
IT System Upgrade				
2006-07 Program	400	-	-	400
	1,565	385	385	930

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	284	565	385	930	200	400	450
	284	565	385	930	200	400	450
LESS							
Drawdowns from the Holding Account	-	110	110	277	50	164	278
Funding Included in Service Appropriations ^(a)	-	455	275	480	150	100	-
Internal Funds and Balances	284	-	-	-	-	-	-
Capital Contribution	-	-	-	173	-	136	172

(a) Capital works expensed through the Income Statement.

FINANCIAL STATEMENTS**INCOME STATEMENT
(Controlled)**

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	8,554	1,998	2,091	1,943	1,955	4,902	2,127
Superannuation	675	337	337	337	337	337	337
Consultancies expense	-	180	180	300	150	100	100
Supplies and services	7,839	2,104	2,717	5,157	3,538	13,117	2,182
Accommodation	876	487	487	487	487	517	487
Capital user charge	44	48	48	54	60	58	58
Depreciation and amortisation	156	129	129	164	164	164	164
Loss on disposal of non-current assets	3	-	-	-	-	-	-
Other expenses	24	194	194	131	176	176	184
TOTAL COST OF SERVICES	18,171	5,477	6,183	8,573	6,867	19,371	5,639
Income							
User charges and fees	2,551	43	43	2,543	43	2,543	43
Total Income	2,551	43	43	2,543	43	2,543	43
NET COST OF SERVICES	15,620	5,434	6,140	6,030	6,824	16,828	5,596
INCOME FROM STATE GOVERNMENT							
Service appropriations	17,951	2,839	3,242	8,449	4,243	19,083	3,147
Resources received free of charge	50	42	42	42	42	42	42
Liabilities assumed by the Treasurer	89	31	31	31	31	31	31
TOTAL INCOME FROM STATE GOVERNMENT	18,090	2,912	3,315	8,522	4,316	19,156	3,220
SURPLUS (DEFICIENCY) FOR THE PERIOD	2,470	(2,522)	(2,825)	2,492	(2,508)	2,328	(2,376)
Extraordinary items	(35)	-	-	-	-	-	-
CHANGE IN SURPLUS (DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	2,435	(2,522)	(2,825)	2,492	(2,508)	2,328	(2,376)

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

(b) The Full Time Equivalents (FTEs) for 2004-05 Actual, 2005-06 Estimated Actual and 2006-07 Estimate are 42, 43 and 43 respectively.

BALANCE SHEET
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CURRENT ASSETS							
Cash and cash equivalents	2,324	213	302	1,294	286	1,114	238
Restricted cash	-	8	8	16	24	32	40
Receivables	990	180	187	1,687	187	1,687	187
Amounts receivable for services	110	277	277	50	164	278	164
Prepayments	55	52	55	55	55	55	55
Total current assets	3,479	730	829	3,102	716	3,166	684
NON-CURRENT ASSETS							
Amounts receivable for services	216	102	102	250	284	204	238
Plant and equipment	262	310	243	479	365	501	787
Other	-	-	-	50	50	50	50
Total non-current assets	478	412	345	779	699	755	1,075
TOTAL ASSETS	3,957	1,142	1,174	3,881	1,415	3,921	1,759
CURRENT LIABILITIES							
Payables	126	37	126	126	126	126	126
Provision for employee entitlements	286	267	340	394	428	462	496
Accrued salaries	-	8	8	16	24	32	40
Total current liabilities	412	312	474	536	578	620	662
NON-CURRENT LIABILITIES							
Provision for employee entitlements	287	239	267	247	247	247	247
Total non-current liabilities	287	239	267	247	247	247	247
TOTAL LIABILITIES	699	551	741	783	825	867	909
EQUITY							
Contributed equity	568	568	568	741	741	877	1,049
Accumulated surplus/(deficit)	2,690	23	(135)	2,357	(151)	2,177	(199)
Total equity	3,258	591	433	3,098	590	3,054	850
TOTAL LIABILITIES AND EQUITY	3,957	1,142	1,174	3,881	1,415	3,921	1,759

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

CASHFLOW STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	17,788	2,676	3,079	8,251	4,045	18,885	2,949
Capital contribution	-	-	-	173	-	136	172
Holding account drawdowns	-	110	110	277	50	164	278
Net cash provided by State government	17,788	2,786	3,189	8,701	4,095	19,185	3,399
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(8,642)	(1,956)	(2,049)	(1,901)	(1,913)	(4,860)	(2,085)
Superannuation	(586)	(186)	(337)	(337)	(337)	(337)	(337)
Consultancies payments.....	-	(180)	(180)	(300)	(150)	(100)	(150)
Supplies and services	(7,662)	(2,160)	(2,622)	(5,089)	(3,515)	(13,094)	(2,109)
Accommodation.....	(876)	(487)	(487)	(487)	(487)	(517)	(487)
Capital user charge.....	(44)	(48)	(48)	(54)	(60)	(58)	(58)
Goods and Services Tax	(50)	(80)	(80)	(80)	(80)	(80)	(80)
Other.....	-	(216)	(216)	(126)	(126)	(126)	(134)
Receipts							
User charges and fees.....	1,695	1,543	846	1,043	1,543	1,043	1,543
Goods and Services Tax	97	80	80	80	80	80	80
Net cash from operating activities.....	(16,068)	(3,690)	(5,093)	(7,251)	(5,045)	(18,049)	(3,817)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(196)	(110)	(110)	(450)	(50)	(300)	(450)
Net cash from investing activities.....	(196)	(110)	(110)	(450)	(50)	(300)	(450)
NET INCREASE/(DECREASE) IN CASH HELD	1,524	(1,014)	(2,014)	1,000	(1,000)	836	(868)
Cash assets at the beginning of the reporting period	800	1,235	2,324	310	1,310	310	1,146
Cash assets at the end of the reporting period.....	2,324	221	310	1,310	310	1,146	278

- (a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

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:

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
Extraneous Election Recoups	20	20	20	20
Sale of Rolls and Maps	19	20	20	20
Local Government Postal Election Recoups	1,656	1,500	726	1,000
Sundries.....	-	3	80	3
GST Input Credits.....	97	80	80	80
TOTAL.....	1,792	1,623	926	1,123

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

Part 8

Minister for Housing and Works; Consumer Protection; Heritage; Land Information

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
603	Housing and Works			
	– Delivery of Services	30,599	34,711	34,426
	– Administered Grants, Subsidies and Other Transfer Payments	79,063	29,063	31,710
	– Capital Contribution	5,100	4,176	30,450
	Total	114,762	67,950	96,586
616	State Housing Commission	-	-	-
621	Government Employees' Housing Authority	-	-	-
622	Country Housing Authority	-	-	-
623	Heritage Council of Western Australia			
	– Delivery of Services	4,679	5,279	4,767
	Total	4,679	5,279	4,767
631	National Trust of Australia (WA)			
	– Delivery of Services	2,070	2,070	2,608
	– Capital Contribution	521	521	618
	Total	2,591	2,591	3,226
640	Land Information			
	– Delivery of Services	31,235	31,845	31,663
	– Capital Contribution	633	133	-
	Total	31,868	31,978	31,663
	GRAND TOTAL			
	– Delivery of Services	68,583	73,905	73,464
	– Administered Grants, Subsidies and Other Transfer Payments	79,063	29,063	31,710
	– Capital Contribution	6,254	4,830	31,068
	Total	153,900	107,798	136,242

HOUSING AND WORKS

PART 8 - MINISTER FOR HOUSING AND WORKS; CONSUMER PROTECTION; HERITAGE; LAND INFORMATION

DIVISION 35

APPROPRIATION AND FORWARD ESTIMATES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 73 Net amount appropriated to deliver services	30,826	30,599	34,711	34,426	36,853	42,033	45,714
Total appropriations provided to deliver services	30,826	30,599	34,711	34,426	36,853	42,033	45,714
ADMINISTERED TRANSACTIONS ^(a)							
Amount provided for Administered Grants, Subsidies and Other Transfer Payments...	4,407	50,000	-	-	-	-	-
Item 74 State Housing Commission - Emergency Services Levy	2,100	2,100	2,100	2,100	2,100	2,100	2,100
Item 75 State Housing Commission - General Housing Funding ^(b)	8,000	5,000	5,000	2,130	7,134	4,638	2,143
Item 76 State Housing Commission - Indigenous Housing	18,483	18,483	18,483	24,000	24,000	24,000	24,000
Item 77 State Housing Commission - Subsidies for Housing	3,480	3,480	3,480	3,480	3,480	3,480	3,480
Total appropriations for State Housing Commission	32,063	29,063	29,063	31,710	36,714	34,218	31,723
CAPITAL							
Item 155 Capital Contribution	500	5,100	4,176	30,450	84,074	76,500	10,000
GRAND TOTAL	67,796	114,762	67,950	96,586	157,641	152,751	87,437

(a) Administered Transactions now include Items for the State Housing Commission that in prior years were shown under the Department of Treasury and Finance.

(b) Includes funding for Halls Creek housing of \$12 million over four years.

MISSION

Responding to the hopes of all Western Australians for their housing and construction needs.

SIGNIFICANT ISSUES AND TRENDS

- The Government's unprecedented capital works program is characterised by the high number of large individual projects over \$10 million, with 41 projects managed by the Department as compared to 30 in the previous year.
- The ongoing construction boom creates a challenging environment for the delivery of the works program. The Building Cost Index is projected to increase 12 per cent for 2005-06.
- The Department rolled out the Government's Strategic Asset Management Framework to government agencies. The framework aims to improve the procurement and maintenance of Government assets through greater emphasis on thorough planning. This will result in greater adherence to construction timelines and budgets, attention to priority maintenance needs and make the best possible use of assets.

- An interim IT solution for the Functional Review Taskforce's recommendations on building maintenance reform will be completed by 1 July 2006. A business case for the permanent solution will be completed by August 2006. This initiative will reduce duplication of effort across government agencies in the building maintenance area.
- The Department continues to work with the Office of Shared Services teams to develop and implement whole-of-government technology solutions for building maintenance.
- The new Building Maintenance business model for service delivery in the metropolitan area will commence on 1 July 2006. Work will then commence on a business model for regional Western Australia. This will reduce costs and duplication of effort across government.
- The long-term sustainability of the historic Fremantle Prison is dependent upon the effectiveness of realising on-site opportunities and trends in tourism to increase visitation, which will generate almost 90 per cent of revenues. The launch of the Fremantle Prison Tunnels Tours in June 2005, together with targeted product enrichment and marketing that leverages the positive tourism industry outlook for 2006-07 will enable a further increase in the financial contribution to essential maintenance and conservation programs from business operations. Overall business growth in 2005-06 has been in line with the general tourism market. The implementation of a range of new initiatives on-site supported by a positive industry outlook is delivering dramatic and lasting economic benefits to Western Australia's most significant heritage site.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2005-06 Budget to Parliament on 26 May 2005 are outlined below.

	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
Old Treasury Buildings - Design development and internal demolition	600	200	-	-

SERVICE AND APPROPRIATION SUMMARY

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Delivery, management and maintenance of Government buildings, projects and office accommodation	534,223	546,707	642,540	761,648			
Total Cost of Services	534,223	546,707	642,540	761,648	817,584	826,161	830,632
<i>Less Income</i>	512,453	516,118	606,389	727,021	780,991	782,700	783,874
Net Cost of Services	21,770	30,589	36,151	34,627	36,593	43,461	46,758
Adjustments ^(a)	9,056	10	(1,440)	(201)	260	(1,428)	(1,044)
Appropriation provided to deliver Services.	30,826	30,599	34,711	34,426	36,853	42,033	45,714
ADMINISTERED TRANSACTIONS							
Appropriation for Administered Grants, Subsidies and Transfer Payments	36,470	79,063	29,063	31,710	36,714	34,218	31,723
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	500	5,100	4,176	30,450	84,074	76,500	10,000
TOTAL CONSOLIDATED FUND APPROPRIATIONS.....	67,796	114,762	67,950	96,586	157,641	152,751	87,437

(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, service and financial information is the subject of a Resource Agreement signed by the Minister, Acting Director General and the Treasurer.

OUTCOMES, SERVICES AND PERFORMANCE INFORMATION**Relationship to Government Goals**

Broad, high level government goals are supported at agency level by more specific desired outcomes. Agencies deliver services to achieve these desired outcomes, which ultimately contribute to meeting the higher level government goals. The following table illustrates the relationship between agency level desired outcomes and the most appropriate government goal.

Government Goal	Desired Outcome	Service
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 buildings and accommodation delivered, managed and maintained at agreed standards.	1. Delivery, management and maintenance of Government buildings, projects and office accommodation

Outcomes and Key Effectiveness Indicators ^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Outcome: Government buildings and accommodation delivered, managed and maintained at agreed standards.					
The extent to which the Department has delivered and maintained government buildings and accommodation to agreed standards.....	65%	75%	75%	75%	

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

Service 1: Delivery, Management and Maintenance of Government Buildings, Projects and Office Accommodation

Management services for the delivery of public buildings, infrastructure assets, Government's office accommodation portfolio, projects and the on-going management of Government properties. Includes policy development and advice to Government in relation to its building and construction activities.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	534,223	546,707	642,540	761,648	
Less Income	512,453	516,118	606,389	727,021	
Net Cost of Service	21,770	30,589	36,151	34,627	
Adjustments ^(a)	9,056	10	(1,440)	(201)	
Appropriation for delivery of Service	30,826	30,599	34,711	34,426	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Cost per million dollars of value of capital works projects delivered	\$26,840	\$26,880	\$35,526	\$24,488	Costs have reduced due to the completion of one-off projects and client turnover expenditure has increased from \$380 million to \$500 million.
Cost per million dollars of value of buildings and office accommodation managed	\$285,586	\$270,367	\$317,888	\$311,988	
Cost per million dollars of value of minor works and maintenance services delivered....	\$100,301	\$111,760	\$132,824	\$117,434	Costs have reduced due to the completion of one-off projects and the procurement reform project.
Full Time Equivalents (FTEs)	200	210	251	251	

Major Achievements For 2005-06

- The Department managed a \$380 million construction program, following \$270 million in 2003-04 and \$320 million in 2004-05.
- Initiated significant building projects in the Central Business District (CBD): the Multipurpose Indoor Entertainment and Sports Stadium, CBD Courts on the corner of Hay and Irwin Streets, the Old Treasury Building redevelopment on St Georges Terrace, planning for a new building to house government offices at 140 William Street and a new Performing Arts Venue for Northbridge.
- Led a consortium of private sector firms and state and local government agencies in bidding for participation in the \$75.3 million Commonwealth Solar Cities Program. The submission was successful and the Perth Solar City Consortium was short listed to submit a detailed business case to the Commonwealth.
- The property management contract for the Federal Department of Transport and Regional Services commercial and community leases portfolio on the Indian Ocean Territories was finalised and endorsed.
- Initiatives to improve the management of the building program were implemented and included:
 - higher levels of Occupational Health and Safety compliance on government construction sites;
 - providing strategic advice to the whole-of-government Major Government Projects Taskforce and State Infrastructure Strategy; and
 - hosting of briefings to industry on the planned building works program and government procurement processes.
- The Department's capital works area was restructured and consultant selection was streamlined to better align with the Strategic Asset Management Framework. Projects prepared using the framework will result in improved management of time and budgets.
- Implemented the Aboriginal Enterprise and Employment Tendering Preference Policy to boost Indigenous employment and training through the provision of tendering preferences to businesses that are owned by or employ Aboriginal persons.
- The Government Architect led the design selection of several major projects with the aim of creating high quality public architecture of major Government projects which are being recognised by the community for their bold and innovative architecture. These include the new Multipurpose Indoor Entertainment and Sports Stadium and the Old Treasury Buildings redevelopment.
- The 2005-06 Department of Education and Training (DET) 'Fixing our Schools' program has been allocated \$25.6 million of which \$11.1 million is for works procurement in the metropolitan area and \$14.5 million procurement in country areas. It is being expended on nominated schools determined by the DET in collaboration with the Department of Housing and Works.
- The Department has assisted schools with their grant submissions for rounds one and two of the Commonwealth Government's 'Investing In Our Schools' program and will assist schools over the remaining three years. The program is worth \$75.0 million State-wide over four years.
- With the cessation on 30 June 2005 of three Service Arranger contracts for the provision of maintenance and related services the affected services have been delivered through an in-house team, commencing 1 July 2005, resulting in uninterrupted service delivery to affected agencies.
- Released proposals for a new Building Act for community consultation.
- The *Architects Act 2004* was proclaimed to come into operation on 16 November 2005.
- The Local Government (Miscellaneous Provisions) Amendment Bill passed through the Legislative Assembly in April 2006 and is currently in the Legislative Council. A discussion paper that includes suggested transitional provisions for adopting the National Accreditation Framework for Building Surveyors is currently being distributed to stakeholders.

- Fremantle Prison's system of tunnels was opened to the public in June 2005. The unique tunnels tours are quickly becoming one of Western Australia's premier soft-adventure tour products, with 10,000 people purchasing the fully guided tours in its first year. Also a new gift shop was opened in February 2006 in the restored and adaptively re-used premises of The Gatehouse complex.
- Recognising its cultural heritage significance, Fremantle Prison became the first in Western Australia to be inscribed on the new National Heritage List in August 2005.
- The Department will streamline the tender award process to provide a quicker and more efficient process. This will minimize the cost increases during the time taken to award contracts. This cost can be considerable as building cost escalation is currently running at approximately 12 per cent.
- The Department is seeking to identify opportunities for coordinating the management of multiple projects planned in the one location, particularly in remote townships. This will enable the packaging and sequencing of work to achieve efficiencies in the use of consultants and contractors, and address the impacts of the projects on the communities. Planned works at Fitzroy Crossing will be coordinated in this way.

Major Initiatives For 2006-07

- The Department will manage an increasing building works program estimated at \$500 million. This follows a \$380 million construction program in 2005-06 and \$320 million in 2004-05.
- The major Government Departments of the Attorney General, Corrective Services, Education and Training, Health and Police will all have unprecedented building programs in various stages of delivery in 2006-07. The projects include the Fiona Stanley Hospital, hospitals in Denmark, Fitzroy Crossing and Rockingham, Health Campuses in Broome and Busselton, the Kwinana High School, the Midland Police Operations Support Facility, the Perth Police Centre, Watch House and Crime Headquarters and prison upgrades at Bandyup and Bunbury.
- The Old Treasury Building heritage values will be investigated by the removal of extraneous fixtures and fittings in preparation for major redevelopment.
- The Building Maintenance Procurement Reforms will be extended to selected country towns in 2006-07.
- The Department will continue to assist schools with their grant submissions for the Commonwealth Government's 'Investing In Our Schools' program over the remaining three years.
- Building regulation reform is a continuing major initiative for 2006-07 with the implementation of new legislation and regulations to meet State commitments to national consistency and the National Competition Policy.
- Planned expansion of the 'DHW Apprenticeship Initiative Pilot Project' to cover all Departmental contracts, with a rolling intake of approximately 40 apprentices each year. Depending on the length of apprenticeships and the training capacity of contractors, the full scheme will have up to 160 apprentices at any one time.
- The Department will continue to ensure the long-term sustainability of the Fremantle Prison Heritage Precinct.

CAPITAL WORKS PROGRAM

The Department's 2006-07 capital works program includes the following significant items:

- the Multipurpose Indoor Entertainment and Sports Stadium will commence construction;
- the refurbishment programs for Dumas House in West Perth and 151 Royal Street in East Perth will continue; and
- continuation of the Fremantle Prison Restoration Program. The maintenance backlog associated with the Fremantle Prison's substantial portfolio of convict-built buildings is continuing to be addressed. Funding to meet this backlog commenced with an allocation of \$670,000 in 2004-05 and continues until 2007-08 meeting the critical and urgent maintenance needs of this place of international cultural heritage significance.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Dumas House, West Perth and 151 Royal St. Refurbishment	10,200	676	676	7,450
Multipurpose Indoor Entertainment and Sports Stadium.....	195,000	3,500	3,500	23,000
COMPLETED WORKS				
175th Anniversary Celebrations - Migrant Welcome Wall	1,200	1,200	404	-
Computer and Office Equipment Replacement 2005-06 Program	25	25	25	-
Fremantle Prison Restoration 2004-05 Program	670	670	670	-
2005-06 Program	670	670	670	-
NEW WORKS				
Computer and Office Equipment Replacement 2006-07 Program	25	-	-	25
Fremantle Prison Restoration 2006-07 Program	1,470	-	-	1,470
	209,260	6,741	5,945	31,945

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	4,451	9,145	5,945	31,945	85,169	76,525	10,025
	4,451	9,145	5,945	31,945	85,169	76,525	10,025
LESS							
Drawdowns from the Holding Account	25	25	25	25	25	25	25
Funding Included in Service Appropriations ^(a)	3,506	4,020	670	1,470	1,070	-	-
Internal Funds and Balances	(780)	-	1,074	-	-	-	-
Other.....	1,200	-	-	-	-	-	-
Capital Contribution	500	5,100	4,176	30,450	84,074	76,500	10,000

(a) Capital works expensed through the Income Statement.

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	12,165	13,284	15,908	16,569	17,055	17,645	18,255
Superannuation	1,952	1,619	2,345	2,400	2,449	2,500	2,562
Supplies and services	501,834	513,407	605,049	722,225	772,921	774,348	774,650
Accommodation	924	1,038	1,067	1,109	1,129	1,161	1,197
Finance costs	947	-	-	-	-	-	-
Capital user charge	12,828	13,846	14,658	15,832	20,515	26,992	30,453
Depreciation and amortisation	3,226	3,423	3,423	3,423	3,423	3,423	3,423
Other expenses	347	90	90	90	92	92	92
TOTAL COST OF SERVICES	534,223	546,707	642,540	761,648	817,584	826,161	830,632
Income							
User charges and fees	415,948	415,318	505,589	623,121	674,191	672,400	673,574
Grants and subsidies	89	-	-	-	-	-	-
Rent	96,391	100,800	100,800	103,900	106,800	110,300	110,300
Other revenue	25	-	-	-	-	-	-
Total Income	512,453	516,118	606,389	727,021	780,991	782,700	783,874
NET COST OF SERVICES	21,770	30,589	36,151	34,627	36,593	43,461	46,758
INCOME FROM STATE GOVERNMENT							
Service appropriations	30,826	30,599	34,711	34,426	36,853	42,033	45,714
Resources received free of charge	534	302	534	534	534	534	534
Liabilities assumed by the Treasurer	718	266	718	718	718	718	718
Change in equity arising from transfer of assets/liabilities	1,626	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	33,704	31,167	35,963	35,678	38,105	43,285	46,966
SURPLUS (DEFICIENCY) FOR THE PERIOD	11,934	578	(188)	1,051	1,512	(176)	208

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

(b) The Full Time Equivalents (FTEs) for 2004-05 Actual, 2005-06 Estimated Actual and 2006-07 Estimate are 200, 251 and 251 respectively.

BALANCE SHEET
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CURRENT ASSETS							
Cash and cash equivalents	33,291	19,566	33,003	33,954	35,366	35,090	35,198
Restricted cash	9,949	38	38	77	117	158	199
Receivables	33,589	31,905	33,589	33,589	33,589	33,589	33,589
Amounts receivable for services	25	25	25	25	25	25	25
Prepayments	6	14	6	6	6	6	6
Other	8,020	4,015	8,020	8,020	8,020	8,020	8,020
Total current assets	84,880	55,563	74,681	75,671	77,123	76,888	77,037
NON-CURRENT ASSETS							
Amounts receivable for services	10,472	13,870	13,870	17,268	20,666	24,064	27,462
Land and buildings	164,890	167,806	162,304	166,492	165,143	161,720	158,297
Plant and equipment	3,959	3,192	3,662	3,687	3,712	3,737	3,762
Intangibles	-	161	161	-	-	-	-
Other	1,619	1,182	5,119	28,119	110,119	186,619	196,619
Total non-current assets	180,940	186,211	185,116	215,566	299,640	376,140	386,140
TOTAL ASSETS	265,820	241,774	259,797	291,237	376,763	453,028	463,177
CURRENT LIABILITIES							
Payables	1,799	1,886	1,799	1,799	1,799	1,799	1,799
Provision for employee entitlements	2,224	2,031	2,124	2,024	1,924	1,824	1,724
Accrued salaries	-	270	38	77	117	158	199
Other	60,863	37,174	50,914	50,914	50,914	50,914	50,914
Total current liabilities	64,886	41,361	54,875	54,814	54,754	54,695	54,636
NON-CURRENT LIABILITIES							
Provision for employee entitlements	1,445	1,400	1,445	1,445	1,445	1,445	1,445
Total non-current liabilities	1,445	1,400	1,445	1,445	1,445	1,445	1,445
TOTAL LIABILITIES	66,331	42,761	56,320	56,259	56,199	56,140	56,081
EQUITY							
Contributed equity	18,563	24,257	22,739	53,189	137,263	213,763	223,763
Accumulated surplus/(deficit)	154,252	147,059	154,064	155,115	156,627	156,451	156,659
Reserves	26,674	27,697	26,674	26,674	26,674	26,674	26,674
Total equity	199,489	199,013	203,477	234,978	320,564	396,888	407,096
TOTAL LIABILITIES AND EQUITY	265,820	241,774	259,797	291,237	376,763	453,028	463,177

- (a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

CASHFLOW STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	27,403	27,176	31,288	31,003	33,430	38,610	42,291
Capital contribution	500	5,100	4,176	30,450	84,074	76,500	10,000
Holding account drawdowns	25	25	25	25	25	25	25
Net cash provided by State government	27,928	32,301	35,489	61,478	117,529	115,135	52,316
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(12,666)	(13,346)	(15,970)	(16,630)	(17,115)	(17,704)	(18,314)
Superannuation	(1,233)	(1,353)	(1,627)	(1,682)	(1,731)	(1,782)	(1,844)
Supplies and services	(500,778)	(513,105)	(614,464)	(721,691)	(772,387)	(773,814)	(774,116)
Accommodation	(924)	(1,038)	(1,067)	(1,109)	(1,129)	(1,161)	(1,197)
Finance costs	(1,140)	-	-	-	-	-	-
Capital user charge	(12,828)	(13,846)	(14,658)	(15,832)	(20,515)	(26,992)	(30,453)
Goods and services tax	(56,042)	(48,000)	(63,000)	(70,000)	(76,000)	(76,000)	(76,000)
Other	-	(90)	(90)	(90)	(92)	(92)	(92)
Receipts							
User charges and fees	523,449	516,118	606,389	727,021	780,991	782,700	783,874
Grants and subsidies	89	-	-	-	-	-	-
Goods and services tax	55,896	48,000	63,000	70,000	76,000	76,000	76,000
Other receipts	13,597	-	-	-	-	-	-
Net cash from operating activities	7,420	(26,660)	(41,487)	(30,013)	(31,978)	(38,845)	(42,142)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(2,562)	(5,125)	(4,201)	(30,475)	(84,099)	(76,525)	(10,025)
Net cash from investing activities	(2,562)	(5,125)	(4,201)	(30,475)	(84,099)	(76,525)	(10,025)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings	(36,000)	-	-	-	-	-	-
Other payments for financing activities	(4,079)	-	-	-	-	-	-
Proceeds from borrowings	29,000	-	-	-	-	-	-
Net cash from financing activities	(11,079)	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	21,707	516	(10,199)	990	1,452	(235)	149
Cash assets at the beginning of the reporting period	21,533	19,088	43,240	33,041	34,031	35,483	35,248
Cash assets at the end of the reporting period	43,240	19,604	33,041	34,031	35,483	35,248	35,397

- (a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

SCHEDULE OF ADMINISTERED EXPENSES AND INCOME

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
EXPENSES							
Grants and subsidies	34,063	29,063	29,063	31,710	36,714	34,218	31,723
Supplies and services	2,458	-	-	-	-	-	-
Depreciation and amortisation	152	-	-	-	-	-	-
Other expenses	(1,228)	-	-	-	-	-	-
Receipts paid into consolidated fund	9,607	13,200	13,200	13,600	13,600	14,000	14,000
TOTAL ADMINISTERED EXPENSES ^(b) ..	45,052	42,263	42,263	45,310	50,314	48,218	45,723
INCOME							
Interest revenue	-	1,400	-	-	-	-	-
Rent	9,607	13,200	13,200	13,600	13,600	14,000	14,000
Administered appropriations	36,470	79,063	29,063	31,710	36,714	34,218	31,723
Change in equity arising from transfer of assets/liabilities	(1,626)	-	-	-	-	-	-
TOTAL ADMINISTERED INCOME ^(c)	44,451	93,663	42,263	45,310	50,314	48,218	45,723

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

(b) Further information is provided in the table 'Details of the Administered Transactions Expenses.'

(c) Further information is provided in the table 'Details of the Administered Transactions Income.'

SCHEDULE OF ADMINISTERED ASSETS AND LIABILITIES

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
ADMINISTERED CURRENT ASSETS							
Cash and cash equivalents	1,188	784	784	784	784	784	784
Restricted cash	-	51,400	-	-	-	-	-
Total Administered Current Assets	1,188	52,184	784	784	784	784	784
ADMINISTERED NON-CURRENT ASSETS							
Land and buildings	25,061	8,985	25,061	25,061	25,061	25,061	25,061
Other	52,082	51,300	52,486	52,486	52,486	52,486	52,486
Total Administered Non-Current Assets	77,143	60,285	77,547	77,547	77,547	77,547	77,547
TOTAL ADMINISTERED ASSETS	78,331	112,469	78,331	78,331	78,331	78,331	78,331
TOTAL ADMINISTERED LIABILITIES ..	-	-	-	-	-	-	-

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Grants and subsidies	(34,063)	(29,063)	(29,063)	(31,710)	(36,714)	(34,218)	(31,723)
Supplies and services	(2,728)	-	-	-	-	-	-
Receipts paid into consolidated fund	(9,607)	(13,200)	(13,200)	(13,600)	(13,600)	(14,000)	(14,000)
Investing Activities							
Purchase of non-current assets	(782)	-	(404)	-	-	-	-
TOTAL ADMINISTERED CASH OUTFLOWS	(47,180)	(42,263)	(42,667)	(45,310)	(50,314)	(48,218)	(45,723)
CASH INFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Interest received	-	1,400	-	-	-	-	-
Rent receipts	9,607	13,200	13,200	13,600	13,600	14,000	14,000
Administered appropriations	36,470	79,063	29,063	31,710	36,714	34,218	31,723
Investing Activities							
Equity contribution receipts	1,200	-	-	-	-	-	-
TOTAL ADMINISTERED CASH INFLOWS	47,277	93,663	42,263	45,310	50,314	48,218	45,723
NET CASH INFLOWS/(OUTFLOWS) FROM ADMINISTERED TRANSACTIONS	97	51,400	(404)	-	-	-	-

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

DETAILS OF THE ADMINISTERED TRANSACTIONS EXPENSES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
GRANTS TO CHARITABLE AND OTHER PUBLIC BODIES							
City of Melville - land sales	2,458	-	-	-	-	-	-
Government Employees Housing Authority	2,000	-	-	-	-	-	-
State Housing Commission	32,063	29,063	29,063	31,710	36,714	34,218	31,723
OTHER STATE SERVICES							
Receipts paid into Consolidated Fund	9,607	13,200	13,200	13,600	13,600	14,000	14,000
Depreciation and amortisation	152	-	-	-	-	-	-
Asset revaluation Decrement	(1,228)	-	-	-	-	-	-
TOTAL	45,052	42,263	42,263	45,310	50,314	48,218	45,723

DETAILS OF THE ADMINISTERED TRANSACTIONS INCOME

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
OTHER							
Lease rental receipts from other government agencies	9,607	13,200	13,200	13,600	13,600	14,000	14,000
Appropriations	36,470	79,063	29,063	31,710	36,714	34,218	31,723
Interest revenue	-	1,400	-	-	-	-	-
Transfer of Assets/Liabilities.....	(1,626)	-	-	-	-	-	-
TOTAL.....	44,451	93,663	42,263	45,310	50,314	48,218	45,723

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:

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
Provision of Contract Services	535,302	513,054	603,440	723,675
Fremantle Prison	1,808	3,042	2,927	3,323
Executive Vehicle Scheme	25	22	22	23
Goods and Services Tax	55,896	48,000	63,000	70,000
TOTAL.....	593,031	564,118	669,389	797,021

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

STATE HOUSING COMMISSION

CAPITAL WORKS PROGRAM

The State Housing Commission's total Capital Works Program for 2006-07 is more than \$1 billion, which incorporates new and refurbished public housing for rental, continuation of the Community Housing and Urban Aboriginal Housing programs, land development for future housing, and the provision of loans for home ownership to people on low to moderate incomes.

Rental

In 2006-07 the Commission plans to procure 821 new properties through construction and spot purchase, as well as undertake refurbishment and bed-sitter conversions on 634 existing properties.

The Commission will continue to focus on delivering the construction program to areas of highest demand. This will see more housing in Perth, Fremantle and major regional country towns. The program also incorporates an allocation of \$10.1 million for Indigenous urban construction.

In Perth, it is expected the 37 unit multi-storey development adjacent to the East Perth Rail Terminal will be completed, providing housing for seniors, single people, small family households and people with disabilities.

The Regional Upgrade Strategy will continue with 200 new units to commence and 50 existing units to be refurbished, which will benefit regional centres as well as smaller country towns.

The Mental Health Strategy continues with an allocation of \$6 million to commence 30 units.

The Government has made a commitment to provide funding of \$12.2 million to address the current housing priorities in the town of Halls Creek. The program will include the refurbishment of existing dwellings, land infrastructure and the construction of additional public rental housing and also includes the construction of three major Town Based Communities to be commenced in 2006-07.

Land

The land program will continue with a strong acquisition program to meet immediate and future public housing requirements. Land development will realise yields of 3,041 lots, which include various Joint Venture projects of 2,061 lots. Significant activity in Joint Venture development will continue to progress in Wandina, Clarkson, Ellenbrook, Dalyellup, Brighton and Banksia Grove.

Broad-hectare land development projects will progress in Armadale, Bertram, Brookdale, Bunbury, Kwinana, Windsor Hills and Swan View.

The main focus of land activity under the New Living program will be in Queens Park.

Home Ownership

Keystart is expected to continue lending at high levels, providing a capital injection of \$664.9 million into Western Australian housing. As well as providing low-deposit home loans to people on low to moderate incomes, Keystart will continue to offer home ownership and shared-equity schemes, which will represent approximately 5,000 new loans in 2006-07.

Keystart has introduced a \$50 million affordable housing initiative to enable 200-250 households on lower incomes to buy or build an affordable home. Much of this expenditure will commence in 2006-07.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
COMPLETED WORKS				
Community Housing -				
2005-06 Program	5,435	5,435	5,435	-
Computer Hardware and Software -				
2005-06 Program	2,632	2,632	2,632	-
Construction and Purchase of Houses -				
2005-06 Program	171,316	171,316	171,316	-
Crisis Accommodation -				
2005-06 Program	4,982	4,982	4,982	-
Estate Improvement Land Redevelopment -				
2005-06 Program	3,578	3,578	3,578	-
Land -				
Acquisition -				
2005-06 Program	44,116	44,116	44,116	-
Development -				
2005-06 Program	83,433	83,433	83,433	-
Holding Costs -				
2005-06 Program	766	766	766	-
Redevelopment -				
2005-06 Program	824	824	824	-
Loans to Homebuyers -				
Goodstart Scheme -				
2005-06 Program	12,600	12,600	12,600	-
Keystart Scheme -				
2005-06 Program	779,795	779,795	779,795	-
Minor Works -				
2005-06 Program	4,065	4,065	4,065	-
Offices and Shops -				
2005-06 Program	2,733	2,733	2,733	-
Other -				
2005-06 Program	221	221	221	-
NEW WORKS				
Community Housing -				
2006-07 Program	5,000	-	-	5,000
Computer Hardware and Software -				
2006-07 Program	3,305	-	-	3,305
Construction and Purchase of Houses -				
2006-07 Program	174,205	-	-	174,205
Crisis Accommodation -				
2006-07 Program	3,988	-	-	3,988
Estate Improvement Land Redevelopment -				
2006-07 Program	6,485	-	-	6,485
Land -				
Acquisition -				
2006-07 Program	53,498	-	-	53,498
Development -				
2006-07 Program	76,046	-	-	76,046
Holding Costs -				
2006-07 Program	500	-	-	500
Redevelopment -				
2006-07 Program	381	-	-	381
Loans to Homebuyers -				
Goodstart Scheme -				
2006-07 Program	16,000	-	-	16,000
Keystart Scheme -				
2006-07 Program	664,872	-	-	664,872
Minor Works -				
2006-07 Program	4,479	-	-	4,479
Offices and Shops -				
2006-07 Program	2,000	-	-	2,000
Other -				
2006-07 Program	216	-	-	216
	2,127,471	1,116,496	1,116,496	1,010,975

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	1,085,637	992,400	1,116,496	1,010,975	806,231	819,079	822,993
	1,085,637	992,400	1,116,496	1,010,975	806,231	819,079	822,993
LESS							
Asset Sales	221,208	169,152	245,567	311,713	237,852	246,567	232,712
Borrowings	-	10,000	13,351	20,000	10,000	-	-
Commonwealth Grants	142,918	139,234	139,059	137,199	138,278	138,143	83,872
Specific Contributions	24,963	22,963	4,480	5,610	10,614	8,118	5,623
Government Equity Contribution	19,105	15,000	15,000	15,000	15,000	15,000	15,000
Keystart Program	775,804	650,898	779,795	664,872	572,256	585,115	613,207
Internal Funds and Other Operations	(98,361)	(14,847)	(80,756)	(143,419)	(177,769)	(173,864)	(127,421)
Capital Contribution	-	-	-	-	-	-	-

The State Housing Commission is a statutory authority, which is a separate legal reporting entity under the umbrella of the Department of Housing and Works.

A majority of the activity in the State Housing Commission relates to capital works, in particular rental housing procurement, land development and provision for home loan assistance. Other significant operational programs include the remote Indigenous Housing, New Living and maintenance programs. These are not reported in the capital program above. In order to provide a broader perspective on all the Commission's activities, the following additional information is provided.

Regional Improvements and New Living

The total improvements budget is projected at \$50.1 million, which includes the New Living program. The program will continue to improve infrastructure and amenities in suburbs, with significant activity planned for projects in New North, South Hedland and Hamilton Hill.

In addition, funding will be directed to general regional improvements and refurbishments. The refurbishment program is targeted at older properties involving upgrade works that will add longevity to the dwellings and improve their amenities level and general appearance. The budget allocation will be distributed between Metropolitan and Country Regions. A review and update of fire and emergency procedures in Homeswest complexes will continue, with a focus on reviewing all high-rise complexes and lodging houses.

Indigenous Housing

The Indigenous housing budget for remote and urban programs is \$83.4 million, with \$27.3 million allocated to village construction and \$56.1 million allocated to other expenditure, including maintenance on housing, infrastructure works, the Indigenous Housing Management System and the Remote Area Essential Service Program (RAESP).

The 2006-07 program will focus on addressing overcrowding in larger communities, with large scale projects occurring at a small number of communities, where major housing construction, essential services infrastructure, housing maintenance and housing management will be rolled out.

Maintenance

The maintenance budget continues with strong levels for 2006-07 with \$50.3 million allocated for medium and long-term assets to ensure property standards are preserved.

Major Achievements For 2005-06**Rental**

- In 2005-06 the Commission's plans were to procure 1,037 new properties through construction and spot purchase, as well as undertake refurbishment and bed-sitter conversions on 820 existing dwellings allowing residents to enjoy a greatly improved amenity level in their home.

Completion of the 69 unit Goderich Street East Perth development is scheduled for June 2006. This development features a mix of housing for seniors, single people and small family households. Its location is ideal for pedestrian and free public transport access to facilities such as Royal Perth Hospital, local shopping and entertainment.

A range of new housing in country towns has been completed this year as part of the Regional Upgrade Strategy. This has given the Commission the opportunity to replace ageing sub-standard single houses with a variety of new housing types, which better respond to the changing demographic demand of applicants and existing tenants.

Under the New Living program substantial refurbishment activity has occurred in projects at Coolbellup, New North, Hamilton Hill, Eastern Horizons, Midland and Bunbury.

- The Commission continued with the installation of Residual Current Devices (RCDs) in all of its rental properties. There are 23,000 existing homes that require RCDs to be installed. A special allocation of \$5 million was made in 2004-05, with an additional \$3 million in 2005-06 to complete the RCD installation program.

Land

- In 2005-06 the Commission has acquired land across the State to complement its immediate requirements for building social housing as well as providing for longer-term needs.

A strategically located site was acquired in the Joondalup City Centre. This will enable the development of higher density housing in an area that is well served by public amenities.

At Albany, the Commission has purchased a consolidated parcel of broad-hectare land in partnership with a private developer. The land will assist in land supply at Albany over the next five to 10 years.

The Commission has also acquired single and group housing sites including land in East Perth, Midland, Pearsall, Currambine and Busselton. In addition, land has been acquired through the Commission's joint venture projects at Ellenbrook, Butler, Clarkson, Dalyellup and Geraldton.

- Broad-hectare development of Lot 208 Erica Entrance in Bunbury has been completed with sales expected to commence shortly. This land is directed at the first homeowners market and there has been a high demand registered for its release.
- The Redevelopment Program continued to provide land for the construction of new public rental housing in areas across the State such as Carlisle, East Victoria Park, Gosnells, Innaloo and Mandurah. Significant funds will also be spent in the suburb of Willagee creating vacant lots for sale to the public.
- Joint Venture projects have continued to progress as a result of increased market demand in Albany, Brighton, Dalyellup, Ellenbrook, Beeliar, Quinns, Clarkson and Wellard.
- During 2005-06 some 78 lots will have been developed under the New Living program, the main areas being the 'New North' project in the vicinity of Balga, Coolbellup in the metropolitan area and in Albany (Mt Lockyer). It is envisaged that 36 vacant lots will be sold during the year in several locations across the State with most occurring in Langford.
- The focus of land development activity during the year will be in the creation of 65 lots on the old 'Mia Mia' site in Balga as part of the 'New North' New Living project.

Home Ownership

- Keystart helped more than 4,500 households enter into home ownership by providing low-deposit home loans, which address the affordability of housing.

Keystart injected more than \$779 million into the Western Australian economy, including country regions, through its home loans and issued more than \$150 million in construction loans. This finances the construction of more than 760 affordable, entry-level homes. Based on Housing Industry Association estimates, \$150 million in lending finances over 1,900 jobs in the building and associated industries.

Housing

- The draft Housing Strategy Western Australia, a framework for the future delivery of affordable housing across a variety of tenures, was released for public comment on 14 September 2005 with the consultation period ending on 31 March 2006.
- The National Housing Conference Perth 2005, entitled Building for Diversity, was held in October and attracted 992 delegates across all sectors of the housing industry.
- In August 2005, State and Territory Housing, Planning and Local Government Ministers agreed to develop a more integrated and holistic approach to housing access and affordability through the development of a national action on affordable housing.
- At the State level, Cabinet agreed to the Departments of Housing and Works and Planning and Infrastructure to lead and implement affordable housing initiatives on behalf of the State Government. The cross government Affordable Housing Working Group, hosted by the Department of Housing and Works, is currently developing these initiatives.

Major Initiatives For 2006-07**Rental**

- The Government has committed a total allocation of \$12.2 million to address housing priorities in the Kimberley town of Halls Creek, which will be funded over four years commencing in 2006-07. The Commission plans to acquire land for the construction of additional public rental housing and also includes the construction of new dwellings within the three major town-based communities. A New Living project will be commenced, in conjunction with the Shire of Halls Creek. This project will involve rezoning and reorganisation of lots to enable the sale of some properties under a shared-equity model to existing tenants, some infrastructure works, refurbishment of houses and the creation of four lots for new public rental units.

Land

- The Amarillo farm in Karnup is Landstart's most significant landholding. A 4,000 hectare land parcel, it is estimated the project will eventually house 90,000 people. A Master Plan will be developed for consideration and endorsement by the Government, after which detailed investigation will proceed.
- Projects in Forrestdale Lots 2 and 3 Ranford Road are designed to promote energy saving through improved solar orientation of lots, water conservation through recharging of the aquifer and then drawing back on the aquifer for a non-potable water supply. A range of densities will also provide opportunities for a variety of housing product. Planning approvals are anticipated early in the 2006-07 financial year. Delivery of the project is yet to be determined.

Home Ownership

- The introduction of the new shared-ownership loan product for first homebuyers with household incomes at \$45,000 or less to enable them to build or purchase new-built properties.

Housing

- The Commission will commence a program to install individual electricity meters in all houses and buildings in the larger Indigenous remote communities over the next two years, to power and reduce powerhouse fuel costs.
- The Commission will continue strategies developed in 2005-06 to address housing affordability issues. These issues remain a focus given the increase in housing prices makes it increasingly difficult for first homeowners to enter the market. Affordability is also affected by the availability of direct labour services and the increasing costs in housing materials, extending housing construction and completion deadlines. New initiatives commencing in 2006-07 include the introduction of the shared equity home loan scheme.

GOVERNMENT EMPLOYEES' HOUSING AUTHORITY

CAPITAL WORKS PROGRAM

The 2006-07 year will mark the start of a \$60.0 million program funded by the Government to construct up to 161 new and replacement Government Employees' Housing Authority houses. These dwellings will house teachers, police officers and other Government employees in towns affected by the State's resources boom and in remote Indigenous communities, thus ensuring that the mining communities driving the State's booming economy have access to the Government services vital for them to function.

The program also incorporates 10 dwellings for new government employee housing in Hall's Creek to assist in the overall effort to improve the quality of the town.

2006-07 will also see the completion of the substantial program level undertaken in 2005-06. Included in this will be the last of the dwellings constructed in remote Indigenous communities undertaken to assist in resolving the issues identified by the Gordon Inquiry. This has been a \$12.0 million program, commencing in 2003, to house Police and other health and community safety workers.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
COMPLETED WORKS				
Construction and Purchase of Accommodation				
2005-06 Program	15,100	15,100	15,100	-
NEW WORKS				
Construction and Purchase of Accommodation				
2005-2008 Replacement Program (Borrowings).....	60,000	-	-	15,000
2006-07 Program	18,910	-	-	18,910
	94,010	15,100	15,100	33,910

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	15,603	13,806	15,100	33,910	27,423	32,140	5,945
	15,603	13,806	15,100	33,910	27,423	32,140	5,945
LESS							
Asset Sales	6,472	3,340	6,534	2,636	2,699	2,765	5,382
Borrowings.....	-	6,000	-	25,000	20,000	25,000	-
Internal Funds and Balances	9,131	4,466	8,566	3,810	2,311	2,013	563
Other.....	-	-	-	2,464	2,413	2,362	-
Capital Contribution	-	-	-	-	-	-	-

COUNTRY HOUSING AUTHORITY

CAPITAL WORKS PROGRAM

The Country Housing Authority provides housing finance to farmers, businesses and regional service providers in rural and remote WA, delivered through its Housing Finance Access Program. This program is funded through borrowings from the Western Australian Treasury Corporation and the Authority's cashflow.

During 2006-07 the Country Housing Authority is aiming to approve a further 120 loans and advance in excess of \$10.0 million towards the purchase, construction and renovation of residential accommodation and the installation of environmentally friendly remote area power systems.

The Country Housing Authority also looks forward to providing a further \$1.0 million, through the Housing Development Incentive Program, which provides rural community groups and local government authorities with grants to assist with the construction of new housing in the regions.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Advances for Country Housing				
2005-06 Program	11,655	9,659	9,659	1,996
COMPLETED WORKS				
Advances for Country Housing				
2004-05 Program	8,732	8,732	998	-
NEW WORKS				
Advances for Country Housing				
2006-07 Program	11,988	-	-	9,992
	32,375	18,391	10,657	11,988

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	9,994	12,494	10,657	11,988	11,988	11,988	11,988
	9,994	12,494	10,657	11,988	11,988	11,988	11,988
LESS							
Borrowings	4,665	6,300	6,300	5,700	4,900	4,500	6,500
Internal Funds and Balances	5,329	6,194	4,357	6,288	7,088	7,488	5,488
Capital Contribution	-	-	-	-	-	-	-

HERITAGE COUNCIL OF WESTERN AUSTRALIA

PART 8 - MINISTER FOR HOUSING AND WORKS; CONSUMER PROTECTION; HERITAGE; LAND INFORMATION

DIVISION 36

APPROPRIATION AND FORWARD ESTIMATES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 78 Net amount appropriated to deliver services	6,330	4,679	5,279	4,767	4,936	4,956	5,045
Total appropriations provided to deliver services	6,330	4,679	5,279	4,767	4,936	4,956	5,045
CAPITAL							
Capital Contribution	-	-	-	-	-	11	-
GRAND TOTAL	6,330	4,679	5,279	4,767	4,936	4,967	5,045

MISSION

To identify, provide for and encourage the conservation of places that have significance to the cultural heritage of Western Australia.

SIGNIFICANT ISSUES AND TRENDS

- The rapid growth in the Western Australian economy and consequent demand for new commercial office space is placing additional pressure on the conservation of heritage places particularly in the Perth Central Business District (CBD).
- Together with an increasing State Register, the number and complexity of development referrals continues to grow, including an increase in matters involving the State Administrative Tribunal.
- It is likely that the new National Heritage Listing processes will continue to increase demand on agency resources.
- An increasing awareness of the economic benefits of heritage tourism will create opportunities for capital investment in heritage infrastructure.
- Competition for skilled tradesmen and builders is causing delays in conservation projects funded under the Heritage Grants Program.

SERVICE AND APPROPRIATION SUMMARY

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Cultural Heritage Conservation Services	6,314	4,628	5,422	4,911			
Total Cost of Services	6,314	4,628	5,422	4,911	5,084	5,055	5,094
<i>Less Income.....</i>	215	5	90	80	80	80	80
Net Cost of Services	6,099	4,623	5,332	4,831	5,004	4,975	5,014
Adjustments ^(a)	231	56	(53)	(64)	(68)	(19)	31
Appropriation provided to deliver Services.	6,330	4,679	5,279	4,767	4,936	4,956	5,045
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	-	-	-	-	-	11	-
TOTAL CONSOLIDATED FUND APPROPRIATIONS.....	6,330	4,679	5,279	4,767	4,936	4,967	5,045

(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, service and financial information is the subject of a Resource Agreement signed by the Minister, Director, Chairperson and the Treasurer.

OUTCOMES, SERVICES AND PERFORMANCE INFORMATION**Relationship to Government Goals**

Broad, high level government goals are supported at agency level by more specific desired outcomes. Agencies deliver services to achieve these desired outcomes, which ultimately contribute to meeting the higher level government goals. The following table illustrates the relationship between agency level desired outcomes and the most appropriate government goal.

Government Goal	Desired Outcome	Service
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 of cultural heritage places in Western Australia, for the benefit of present and future generations.	1. Cultural heritage conservation services

Outcomes and Key Effectiveness Indicators ^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Outcome: Conservation of cultural heritage places in Western Australia, for the benefit of present and future generations.					
The extent to which the Register is representative of the State's heritage - completion index.....	67%	68%	69%	70%	
The extent to which registered places are conserved (not demolished).....	99%	99%	99%	99%	

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

Service 1: Cultural Heritage Conservation Services

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

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	6,314	4,628	5,422	4,911	Grant funding provided in 2005-06 for Saint Patrick's Basilica restoration.
Less Income.....	215	5	90	80	
Net Cost of Service	6,099	4,623	5,332	4,831	
Adjustments ^(a)	231	56	(53)	(64)	
Appropriation for delivery of Service	6,330	4,679	5,279	4,767	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost of place assessments	\$6,129	\$6,325	\$5,829	\$5,544	
Average cost of maintaining Heritage Register	\$454	\$423	\$390	\$371	
Average cost of development referrals.....	\$381	\$442	\$480	\$376	
Average cost of grants / incentives administered	\$1,867	\$2,169	\$1,035	\$1,055	
Full Time Equivalents (FTEs)	26	29	29	29	

Major Achievements For 2005-06

- Provision of advice on approximately 860 development referrals including major development proposals for the Midland Railway Workshops site, Old Treasury Buildings, St Mary's Cathedral, Newspaper House Group and the CBD Courts project.
- The backlog review project was completed during 2005-06 with 1,405 preliminary reviews of places recommended to the State Register of Places. This project started in late 2002.
- An addition of 53 places in the State Register on an interim basis bringing the total to 1,171.
- Allocation of \$650,000 for St Patrick's Basilica, Fremantle for conservation works.
- \$1 million in funding for the 2005-06 round of the Heritage Grants Program for privately owned heritage-listed places. The Heritage Loan Scheme expanded to an additional four local government areas, with 21 local governments now participating in the scheme. Seven projects have been completed.
- The Heritage Tourism Strategy received final Ministerial endorsement as government policy.
- Two ground-breaking heritage tourism studies were completed, one identifying key Western Australian heritage themes with the greatest tourism potential, the other determining the direct value of heritage tourism to the economic base of three towns: Fremantle, Albany and New Norcia.
- The Local Government Heritage Working Party finalised and delivered its findings on measures of local heritage protection.

Major Initiatives For 2006-07

- Continuation of the Heritage Grants Program for 2006-07.
- Review the operation of the Heritage Loan Scheme and improve its effectiveness.
- Promote improved outcomes in local heritage protection through 'common standards' developed by the Local Government Heritage Working Party.
- Continue further initiatives to increase consultation with owners of places being considered for listing in the State Register.
- Expand the Regional Heritage Advisory Service.

CAPITAL WORKS PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Information Technology - Asset Replacement.....	257	207	50	50
COMPLETED WORKS				
Heritage Grant Program				
2004-05 Program	1,000	1,000	665	-
2005-06 Program	1,000	1,000	1,000	-
Restoration of Saint George's Cathedral	1,850	1,850	1,850	-
Restoration of Saint Patrick's Basilica.....	600	600	600	-
NEW WORKS				
Heritage Grant Program				
2006-07 Program	1,000	-	-	1,000
	5,707	4,657	4,165	1,050

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	385	1,050	4,165	1,050	1,105	1,112	1,000
	385	1,050	4,165	1,050	1,105	1,112	1,000
LESS							
Drawdowns from the Holding Account	50	50	50	50	70	59	-
Funding Included in Service Appropriations ^(a)	2,850	1,000	1,600	1,000	1,035	1,042	1,000
Internal Funds and Balances	(2,515)	-	2,515	-	-	-	-
Capital Contribution	-	-	-	-	-	11	-

(a) Capital works expensed through the Income Statement.

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	1,720	1,580	1,886	1,935	1,985	2,024	2,105
Superannuation	154	162	184	184	184	184	184
Grants and subsidies ^(c)	3,000	1,176	1,776	1,176	1,276	1,276	1,276
Supplies and services	1,220	1,499	1,347	1,387	1,375	1,300	1,300
Accommodation	113	113	131	131	166	173	131
Depreciation and amortisation	57	54	54	54	54	54	54
Costs of disposal of non-current assets	2	-	-	-	-	-	-
Other expenses	48	44	44	44	44	44	44
TOTAL COST OF SERVICES	6,314	4,628	5,422	4,911	5,084	5,055	5,094
Income							
User charges and fees	-	1	-	-	-	-	-
Grants and subsidies	176	-	70	70	70	70	70
Other revenue	39	4	20	10	10	10	10
Total Income	215	5	90	80	80	80	80
NET COST OF SERVICES	6,099	4,623	5,332	4,831	5,004	4,975	5,014
INCOME FROM STATE GOVERNMENT							
Service appropriations	6,330	4,679	5,279	4,767	4,936	4,956	5,045
Liabilities assumed by the Treasurer	9	10	10	10	10	10	10
TOTAL INCOME FROM STATE GOVERNMENT	6,339	4,689	5,289	4,777	4,946	4,966	5,055
SURPLUS (DEFICIENCY) FOR THE PERIOD	240	66	(43)	(54)	(58)	(9)	41

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

(b) The Full Time Equivalents for 2004-05 Actual, 2005-06 Estimated Actual and 2006-07 Estimate are 26, 29 and 29 respectively.

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

BALANCE SHEET
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CURRENT ASSETS							
Cash and cash equivalents	3,286	437	4,004	633	575	581	622
Receivables	37	50	11	11	11	11	11
Amounts receivable for services	50	50	50	70	59	-	-
Prepayments	1	2	1	1	1	1	1
Total current assets	3,374	539	4,066	715	646	593	634
NON-CURRENT ASSETS							
Amounts receivable for services	32	96	96	130	195	249	303
Plant and equipment	114	134	110	106	122	138	84
Total non-current assets	146	230	206	236	317	387	387
TOTAL ASSETS	3,520	769	4,272	951	963	980	1,021
CURRENT LIABILITIES							
Payables	3,153	594	3,882	565	565	580	580
Provision for employee entitlements	234	220	302	332	392	352	352
Accrued salaries	-	6	6	6	6	6	6
Total current liabilities	3,387	820	4,190	903	963	938	938
NON-CURRENT LIABILITIES							
Provision for employee entitlements	78	120	70	90	100	140	140
Total non-current liabilities	78	120	70	90	100	140	140
TOTAL LIABILITIES	3,465	940	4,260	993	1,063	1,078	1,078
EQUITY							
Contributed equity	389	389	389	389	389	400	400
Accumulated surplus / (deficit)	(334)	(560)	(377)	(431)	(489)	(498)	(457)
Total equity	55	(171)	12	(42)	(100)	(98)	(57)
TOTAL LIABILITIES AND EQUITY	3,520	769	4,272	951	963	980	1,021

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

CASHFLOW STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH FLOWS FROM STATE							
GOVERNMENT							
Service appropriations	6,274	4,565	5,165	4,663	4,812	4,902	4,991
Capital contribution	-	-	-	-	-	11	-
Holding account drawdowns	50	50	50	50	70	59	-
Net cash provided by State government	6,324	4,615	5,215	4,713	4,882	4,972	4,991
CASH FLOWS FROM OPERATING							
ACTIVITIES							
Payments							
Employee benefits	(1,683)	(1,529)	(1,880)	(1,929)	(1,979)	(2,012)	(2,104)
Superannuation	(145)	(152)	(174)	(174)	(174)	(174)	(174)
Grants and subsidies	(775)	(1,826)	(1,000)	(4,505)	(1,276)	(1,276)	(1,276)
Supplies and services	(1,230)	(1,501)	(1,307)	(1,330)	(1,310)	(1,296)	(1,300)
Accommodation	(113)	(113)	(131)	(131)	(166)	(173)	(131)
Goods and Services Tax	(229)	(201)	(220)	(358)	(208)	(208)	(208)
Other	(46)	(44)	(44)	(44)	(44)	(44)	(44)
Receipts							
User charges and fees	-	1	-	-	-	-	-
Grants and subsidies	83	-	70	70	70	70	70
Goods and Services Tax	238	201	220	358	208	208	208
Other receipts	33	6	19	9	9	9	9
Net cash from operating activities	(3,867)	(5,158)	(4,447)	(8,034)	(4,870)	(4,896)	(4,950)
CASH FLOWS FROM INVESTING							
ACTIVITIES							
Purchase of non-current assets	(27)	(50)	(50)	(50)	(70)	(70)	-
Net cash from investing activities	(27)	(50)	(50)	(50)	(70)	(70)	-
NET INCREASE/(DECREASE) IN CASH							
HELD	2,430	(593)	718	(3,371)	(58)	6	41
Cash assets at the beginning of the reporting period	856	1,030	3,286	4,004	633	575	581
Cash assets at the end of the reporting period	3,286	437	4,004	633	575	581	622

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
Heritage Grants Program - Capital Works	936	1,000	1,000	1,000	1,000	1,000	1,000
Heritage Grants Program - Other	-	-	-	-	100	100	100
Restoration of St George's Cathedral	1,850	-	-	-	-	-	-
Restoration of St Patrick's Basilica	-	-	600	-	-	-	-
Cossack Townsite	120	120	120	120	120	120	120
Heritage Loan Scheme Interest Subsidy	35	35	35	35	35	35	35
Conservation Incentive Program	-	10	10	10	10	10	10
Kalgoorlie and Boulder Town Halls	50	-	-	-	-	-	-
Education/Promotion	9	11	11	11	11	11	11
TOTAL	3,000	1,176	1,776	1,176	1,276	1,276	1,276

NATIONAL TRUST OF AUSTRALIA (WA)

PART 8 - MINISTER FOR HOUSING AND WORKS; CONSUMER PROTECTION; HERITAGE; LAND INFORMATION

DIVISION 37

APPROPRIATION AND FORWARD ESTIMATES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 79 Net amount appropriated to deliver services	1,253	2,070	2,070	2,608	2,266	2,022	2,033
Total appropriations provided to deliver services	1,253	2,070	2,070	2,608	2,266	2,022	2,033
CAPITAL							
Item 156 Capital Contribution	339	521	521	618	531	435	-
GRAND TOTAL	1,592	2,591	2,591	3,226	2,797	2,457	2,033

MISSION

To conserve and interpret Western Australia's heritage.

SIGNIFICANT ISSUES AND TRENDS

- The widening gap between the depreciation of capital investment, rising recurrent costs including maintenance and the growth and importance of cultural tourism have significantly increased the challenges of quality experiences at the National Trust and other heritage places.
- The continued growth in expectations of quality experiences requires investment into conservation, interpretation and education activities for National Trust places as well as consideration of investment into infrastructure.
- With the growth in urban, regional and rural development, there is a requirement to address the growing demands in maintaining the increasing number of heritage places.
- The need to provide and fund programs to assist in voluntary conservation on private land is continuing to increase.
- Web-delivered information relating to heritage places, values and issues must be timely, current, accurate and comprehensive. One of the main roles of the National Trust of Australia (the National Trust) is education, which means the Trust must continue to develop this program of heritage issues.

SERVICE AND APPROPRIATION SUMMARY

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Heritage Conservation and Interpretation	4,316	4,517	4,517	4,072			
Total Cost of Services	4,316	4,517	4,517	4,072	3,685	3,397	3,408
<i>Less Income</i>	1,916	2,458	2,458	1,169	1,268	1,407	1,407
Net Cost of Services	2,400	2,059	2,059	2,903	2,417	1,990	2,001
Adjustments ^(a)	(1,147)	11	11	(295)	(151)	32	32
Appropriation provided to deliver Services.	1,253	2,070	2,070	2,608	2,266	2,022	2,033
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	339	521	521	618	531	435	-
TOTAL CONSOLIDATED FUND APPROPRIATIONS	1,592	2,591	2,591	3,226	2,797	2,457	2,033

(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, service and financial information is the subject of a Resource Agreement signed by the Minister, Chief Executive Officer and the Treasurer.

OUTCOMES, SERVICES AND PERFORMANCE INFORMATION**Relationship to Government Goals**

Broad, high level government goals are supported at agency level by more specific desired outcomes. Agencies deliver services to achieve these desired outcomes, which ultimately contribute to meeting the higher level government goals. The following table illustrates the relationship between agency level desired outcomes and the most appropriate government goal.

Government Goal	Desired Outcome	Service
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 of Western Australia's cultural and natural Heritage.	1. Heritage conservation and interpretation

Outcomes and Key Effectiveness Indicators ^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Outcome: Conservation of Western Australia's cultural and natural Heritage.					
Percentage of places with a conservation plan in place	86%	90%	88%	90%	
Percentage of places with an interpretation plan in place	29%	30%	30%	30%	
Percentage of places with a business plan in place	55%	60%	56%	56%	
Percentage of properties open to the public	69%	65%	70%	70%	

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

Service 1: Heritage Conservation and Interpretation

The National Trust is the pre-eminent independent community-based organisation promoting the conservation and interpretation of Western Australia's heritage and educating the community about the values of cultural heritage (built, natural and indigenous) for social, economic and environmental benefits.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	4,316	4,517	4,517	4,072	Work on the golden pipeline projects completed in 2005-06.
Less Income	1,916	2,458	2,458	1,169	The reduction in income is due to the expected decrease in the receipt of grant funds. 2005-06 includes grant funding in excess of \$1m for the Luisini Winery Project.
Net Cost of Service	2,400	2,059	2,059	2,903	
Adjustments ^(a)	(1,147)	11	11	(295)	Expected use of funds held as restricted cash assets for projects.
Appropriation for delivery of Service	1,253	2,070	2,070	2,608	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per visitor to places	\$118	\$116	\$116	\$110	The expected decrease in grant funding will reduce expenditure and the average cost per place.
Average operating cost per place	\$103,000	\$93,000	\$93,000	\$85,000	The expected decrease in grant funding will reduce expenditure and the average cost per place.
Full Time Equivalents (FTEs)	24	24	24	24	

Major Achievements For 2005-06

- Significant progress has been made towards the completion of an online searchable database for heritage places including natural sites, geological monuments, trees and covenants.
- Completion of a significant portion of work in the areas of interpretation of photographs, documentation and digital information into a unitary records management system.
- Stage Two of the Trust's Children Education Program 'Tour Through Time', including web-based material, has been completed.
- The continuation of the covenanting program and completion of all covenants through to the signed stage.
- Continuing to establish detailed management and stewardship plans for covenanting places.
- The acquisition and resale of properties by BushBank.
- Commencement of a major research project into heritage and sustainability for Trust places.
- Completion of planned conservation and interpretation of the Kep Track.
- Completion of Stage Three of the interpretation plan at Greenough.
- Completion of conservation and interpretation work for the York Gaol and Courthouse Complex.
- Completion of the re-roofing for Stage One of the conservation works at the Luisini Winery.
- Completion of a major review of the Australian Council of National Trusts.
- Completion of a major Strategic Plan for years 2006 through to 2011.
- Completed the plan for deaccession of excess heritage objects.

Major Initiatives For 2006-07

- Continual expansion of online heritage information including web-based education programs and the Trust photograph collection.
- The continuation of planned conservation and interpretation works at No.1 and No.8 Pump Stations for the Golden Pipeline.
- The completion of a new visitor centre at Cunderdin (No. 3 Pump Station) and Stage One interpretation works for the Golden Pipeline.
- The continuing conservation and interpretation of Jarrahdale.
- Commencement of new covenant program initiatives in two Natural Resource Management regions focussing on threatened ecosystems.
- The completion of management and stewardship plans for all newly covenanted places.
- The acquisition and restoration of private land areas for the BushBank revolving fund program.
- The establishment of a new sequestration program with community and corporate contributions and sponsorship.
- The continuation of a major research project into heritage and sustainability for Trust places.
- The continued acquisition and management of heritage places.
- The development of a revolving fund for the build environment.
- Approval of development plans for the final stage of the Luisini Winery project.
- Completion of the strategic asset management plan.

CAPITAL WORKS PROGRAM

The National Trust's capital works program includes the continuation of conservation and interpretation works on selected properties to facilitate enhanced public understanding and enjoyment. This program has only been funded for two years at this point. The Trust will continue the three year program to update electrical, security and fire warning systems in heritage properties. The Trust will also continue to maintain its computer hardware and software, including the ongoing development of web facilities for National Trust heritage information.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Upgrades				
Heritage Properties.....	959	495	495	273
COMPLETED WORKS				
Asset Replacement				
2005-06 Program	46	46	46	-
Property Restoration				
2005-06 Program	354	354	354	-
NEW WORKS				
Asset Replacement				
2006-07 Program	60	-	-	60
Property Restoration				
2006-07 Program	540	-	-	540
	1,959	895	895	873

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	400	895	895	873	791	700	-
	400	895	895	873	791	700	-
LESS							
Asset Sales	218	-	-	-	-	-	-
Drawdowns from the Holding Account	-	374	374	255	260	265	-
Internal Funds and Balances	(157)	-	-	-	-	-	-
Capital Contribution	339	521	521	618	531	435	-

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	1,462	1,569	1,569	1,750	1,830	1,613	1,624
Superannuation	168	157	157	176	183	193	193
Supplies and services	1,625	1,734	1,734	1,099	652	517	517
Accommodation	332	345	345	350	355	360	360
Capital user charge	438	323	323	304	291	314	314
Depreciation and amortisation	232	255	255	260	265	270	270
Other expenses	59	134	134	133	109	130	130
TOTAL COST OF SERVICES	4,316	4,517	4,517	4,072	3,685	3,397	3,408
Income							
User charges and fees	23	376	376	376	433	476	476
Gain on disposal of non-current assets	-	-	55	55	55	141	141
Grants and subsidies	891	1,570	1,570	328	370	370	370
Interest revenue	182	110	110	90	80	80	80
Proceeds from disposal of non-current assets ..	-	55	-	-	-	-	-
Other revenue	820	347	347	320	330	340	340
Total Income	1,916	2,458	2,458	1,169	1,268	1,407	1,407
NET COST OF SERVICES	2,400	2,059	2,059	2,903	2,417	1,990	2,001
INCOME FROM STATE GOVERNMENT							
Service appropriations	1,253	2,070	2,070	2,608	2,266	2,022	2,033
Resources received free of charge	-	-	-	-	-	2	2
Change in equity arising from transfer of assets / liabilities	500	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	1,753	2,070	2,070	2,608	2,266	2,024	2,035
SURPLUS (DEFICIENCY) FOR THE PERIOD	(647)	11	11	(295)	(151)	34	34

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

(b) The Full Time Equivalents for 2004-05 Actual, 2005-06 Estimated Actual and 2006-07 Estimate are 24, 24 and 24 respectively.

BALANCE SHEET
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CURRENT ASSETS							
Cash and cash equivalents	2,182	733	1,100	805	647	686	691
Restricted cash	247	1,834	1,300	1,300	1,300	1,300	1,300
Receivables	38	36	39	37	53	53	53
Inventories	35	39	35	35	35	35	35
Interest receivable	-	6	-	-	-	-	-
Amounts receivable for services	421	255	255	260	265	-	-
Prepayments	26	25	26	26	26	26	26
Non current assets held for sale	-	235	940	940	940	940	940
Total current assets	2,949	3,163	3,695	3,403	3,266	3,040	3,045
NON-CURRENT ASSETS							
Amounts receivable for services	-	80	80	113	146	449	752
Land and buildings	24,679	21,628	23,581	24,045	24,402	24,186	23,912
Plant and equipment	343	181	511	389	348	330	330
Other	1,876	2,732	2,371	2,644	2,835	3,485	3,485
Total non-current assets	26,898	24,621	26,543	27,191	27,731	28,450	28,479
TOTAL ASSETS	29,847	27,784	30,238	30,594	30,997	31,490	31,524
CURRENT LIABILITIES							
Payables	314	97	200	200	200	200	200
Provision for employee entitlements	143	116	116	149	172	184	184
Accrued salaries	-	13	-	-	-	3	3
Other	33	55	33	33	33	33	33
Total current liabilities	490	281	349	382	405	420	420
NON-CURRENT LIABILITIES							
Superannuation	-	3	-	-	-	-	-
Provision for employee entitlements	102	82	102	102	102	111	111
Other	-	9	-	-	-	-	-
Total non-current liabilities	102	94	102	102	102	111	111
TOTAL LIABILITIES	592	375	451	484	507	531	531
EQUITY							
Contributed equity	1,536	2,057	2,057	2,675	3,206	3,641	3,641
Accumulated surplus / (deficit)	10,724	10,075	10,735	10,440	10,289	10,323	10,357
Reserves	16,995	15,277	16,995	16,995	16,995	16,995	16,995
Total equity	29,255	27,409	29,787	30,110	30,490	30,959	30,993
TOTAL LIABILITIES AND EQUITY	29,847	27,784	30,238	30,594	30,997	31,490	31,524

- (a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

CASHFLOW STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	1,018	1,782	1,782	2,315	1,968	1,719	1,730
Capital contribution	339	521	521	618	531	435	-
Holding account drawdowns	-	374	374	255	260	265	-
Net cash provided by State government	1,357	2,677	2,677	3,188	2,759	2,419	1,730
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(1,421)	(1,596)	(1,596)	(1,717)	(1,797)	(1,579)	(1,624)
Superannuation	(168)	(157)	(157)	(176)	(184)	(194)	(194)
Supplies and services	(1,339)	(1,704)	(1,704)	(1,157)	(707)	(504)	(504)
Accommodation	(285)	(305)	(305)	(310)	(310)	(315)	(315)
Capital user charge.....	(438)	(323)	(323)	(304)	(291)	(314)	(314)
Goods and Services Tax	(238)	(260)	(260)	(260)	(260)	(260)	(260)
Other.....	(133)	(73)	(83)	(80)	(50)	(40)	(40)
Receipts							
User charges and fees.....	23	376	376	376	433	476	476
Grants and subsidies	891	1,570	1,570	328	370	370	370
Interest received	188	110	110	90	80	80	80
Goods and Services Tax	273	260	260	260	260	260	260
Other receipts	614	301	301	340	330	340	340
Net cash from operating activities	(2,033)	(1,801)	(1,811)	(2,610)	(2,126)	(1,680)	(1,725)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(1,428)	(1,323)	(895)	(873)	(791)	(700)	-
Proceeds from sale of non-current assets	218	-	-	-	-	-	-
Net cash from investing activities	(1,210)	(1,323)	(895)	(873)	(791)	(700)	-
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(10)	(10)	-	-	-	-	-
Net cash from financing activities	(10)	(10)	-	-	-	-	-
NET INCREASE / (DECREASE) IN CASH HELD	(1,896)	(457)	(29)	(295)	(158)	39	5
Cash assets at the beginning of the reporting period	4,325	3,024	2,429	2,400	2,105	1,947	1,986
Cash assets at the end of the reporting period.....	2,429	2,567	2,400	2,105	1,947	1,986	1,991

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

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:

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
User charges and fees	23	376	376	376
Grants and subsidies	891	1,570	1,570	328
Interest received	188	110	110	90
Goods and Services Tax	273	260	260	260
Other receipts	614	301	301	340
TOTAL.....	1,989	2,617	2,617	1,394

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

LAND INFORMATION

PART 8 - MINISTER FOR HOUSING AND WORKS; CONSUMER PROTECTION; HERITAGE; LAND INFORMATION

DIVISION 38

APPROPRIATION AND FORWARD ESTIMATES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 80 Net amount appropriated to deliver services	22,540	30,888	31,388	31,305	28,174	31,151	31,551
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975 ^(a)	337	347	347	358	368	379	390
- Transfer of Land Act 1893	-	-	110	-	-	-	-
Total appropriations provided to deliver services	22,877	31,235	31,845	31,663	28,542	31,530	31,941
CAPITAL							
Capital Contribution	184	633	133	-	976	976	976
GRAND TOTAL	23,061	31,868	31,978	31,663	29,518	32,506	32,917

- (a) The recommendation by the Salaries and Allowance Tribunal on 7 April 2006 regarding senior public servants salaries was received after the deadline for finalising agencies' individual financial projections. Accordingly, a provision for the total cost (estimated at around \$1.5 million per year from 2006-07) is reflected in the 'Authorised by Other Statutes' appropriations and financial statements of the administered activities of the Department of Treasury and Finance (Budget Paper 2, Volume 1). This provision will be reflected in agencies' estimates following the release of the 2006-07 Budget.

MISSION

Providing access to land information anywhere, anytime to promote a strong and sustainable Western Australia.

SIGNIFICANT ISSUES AND TRENDS

- Contrary to the national trend, Western Australia continues to experience substantial growth within the property market. This sustained high level of activity reinforces a strong ongoing demand for the Department of Land Information's core services: title registration, land boundary, geospatial and valuation services.
- The Department is continuing its transition to a land information statutory authority with commercial powers, to deliver a greater return and access to government and the community on the State's land information asset.
- The ability to manipulate and deliver land information using various mediums continues to emerge as a key component in contributing towards government decision-making and the development of public policy.
- Government, industry and the community anticipate the effective management and delivery of land information services in a commercial manner, including:
 - accessible land and property information held across government through a central electronic entry point;
 - electronic forms for land developers and conveyancers superseding hard copy documentation;
 - reducing the duplication of land information maintenance across government agencies; and
 - online transactional capability.

- Impartial and accurate valuation continues to underpin the revenue collection of State and local government. Ongoing attention to data quality and the verification of values will be required to avoid the level of dispute and litigation as is being experienced in other States.
- Independent valuation and property advice is critical to transparency in all government property transactions and compulsory acquisitions in particular.
- The buoyant labour market in the Western Australian property and valuation industry presents a challenge in attracting and retaining suitably qualified and skilled staff.

SERVICE AND APPROPRIATION SUMMARY

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Access to Land Information.....	72,778	76,744	83,811	86,287			
<i>Service 2:</i>							
Valuations	18,053	17,850	19,006	18,597			
<i>Service 3:</i>							
Access to Government geographic information	1,715	1,630	1,722	1,651			
Total Cost of Services	92,546	96,224	104,539	106,535	109,932	114,253	118,432
<i>Less Income.....</i>	<i>74,737</i>	<i>63,777</i>	<i>72,379</i>	<i>73,235</i>	<i>78,715</i>	<i>79,743</i>	<i>83,053</i>
Net Cost of Services	17,809	32,447	32,160	33,300	31,217	34,510	35,379
Adjustments ^(a)	5,068	(1,212)	(315)	(1,637)	(2,675)	(2,980)	(3,438)
Appropriation provided to deliver Services.	22,877	31,235	31,845	31,663	28,542	31,530	31,941
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	184	633	133	-	976	976	976
TOTAL CONSOLIDATED FUND APPROPRIATIONS.....	23,061	31,868	31,978	31,663	29,518	32,506	32,917

(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, service and financial information is the subject of a Resource Agreement signed by the Minister, the Chief Executive and the Treasurer.

OUTCOMES, SERVICES AND PERFORMANCE INFORMATION

Relationship to Government Goals

Broad, high level government goals are supported at agency level by more specific desired outcomes. Agencies deliver services to achieve these desired outcomes, which ultimately contribute to meeting the higher level government goals. The following table illustrates the relationship between agency level desired outcomes and the most appropriate government goal.

Government Goal	Desired Outcomes	Services
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 State's administrative, commercial and social systems are supported by a land information base and certainty of ownership and other interests in land.	1. Access to Land Information
	Independent valuations support governments' collection of rates and taxes, and management of property assets.	2. Valuations
	Coordinated access to Western Australian Land Information System (WALIS) community members' geographic information supports the management and development of the State.	3. Access to Government geographic information

Outcomes and Key Effectiveness Indicators ^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Outcome: The State's administrative, commercial and social systems are supported by a land information base and certainty of ownership and other interests in land.					
1. Extent to which the State Land Information Capture Program is completed according to target.	100%	100%	100%	100%	
2. Claims against registered interests as a result of fraud, negligence or errors, settled by the Crown.	nil	nil	nil	nil	
Outcome: Independent valuations support government's collection of rates and taxes, and management of property assets.					
1. International standards for accuracy and uniformity of rating and taxing values are met:					
Median Ratio Test:					
- Gross Rental Value; and	92.75%	92.5%	92.5%	92.5%	
- Unimproved Value	89.75%	92.5%	92.5%	92.5%	
Coefficient of dispersion:					
- Gross Rental Value; and	5.74%	less than 7%	less than 7%	less than 7%	
- Unimproved Value	9.18%	less than 15%	less than 15%	less than 15%	

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
2. Adjustments to Rating and Taxing Values as a result of Objections and Appeals as a percentage of total values in force.	0.02%	less than 0.2%	less than 0.2%	less than 0.2%	
Outcome: Coordinated access to WALIS community members' geographic information supports the management and development of the State.					
Useability of WALIS spatial information is determined by user awareness, acceptance and re-use.					
Awareness:					
Increase in first time participants at WALIS functions	26%	5%	9.2%	5%	
Increase in repeat participants at WALIS functions	32%	5%	6.4%	15%	
Acceptance:					
Increase in the number of first time customers accessing spatial information from WALIS	0%	2%	0%	2%	
Re-use:					
Increase in the number of return customers accessing spatial information from WALIS community members	0%	2%	68%	2%	WALIS has successfully hosted and strongly promoted several functions that have demonstrated wide appeal.

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

Service 1: Access to Land Information

Information about land ownership, land boundaries and geographic features is collected, recorded and made available for use by government, business and the community.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	72,778	76,744	83,811	86,287	
Less Income	62,012	56,837	65,139	64,680	
Net Cost of Service	10,766	19,907	18,672	21,607	
Adjustments ^(a)	3,060	(744)	(183)	(1,062)	
Appropriation for delivery of Service	13,826	19,163	18,489	20,545	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
1. Average cost per land registration action	\$25.30	\$28.13	\$27.88	\$30.65	
2. Average cost per land information action	\$32.04	\$37.68	\$38.34	\$43.49	
Full Time Equivalents (FTEs)	579	580	590	591	

Major Achievements For 2005-06

- Significant progress has been made on legislation to establish a Statutory Authority that will deliver a greater return to the State and community on its land information asset while continuing to provide core land information, registration and property valuation services.
- The Shared Land Information Platform program has been progressing since April 2005 and has achieved key milestones identified in the Government endorsed Implementation Plan. These include:
 - all agreed deliverables achieved within budget allocation and acceptable timelines;
 - connection of approximately 40 datasets across six government agencies;
 - establishment of cross agency governance arrangements and reporting framework;
 - demonstrated values and benefits of Shared Land Information Platform via events and media opportunities, and presentations to key stakeholder, industry and community groups, at local and national levels; and
 - delivery of a whole-of-program communications strategy, and dedicated web-based portal for the benefit of the Shared Land Information Platform community across government.
- Delivery of improved data access and data quality to the State, local government, emergency services, business community and the public in areas of:
 - real-time spatial and geographic information – State Height Data (Contours) now available on the Department of Land Information Landgate website;
 - topographic information – seamless and improved data supplied for the Peel Emergency Services Directory and the conversion of the entire annual aerial photography program to digital format, which is now available online. Imagery and Digital Elevation Model data (covering Broome to Shark Bay) supplied to Geoscience Australia for the Australian Tsunami Warning Centre;
 - property street addressing project – Department of Land Information has assisted regional local government by coordinating the implementation of rural addresses, and also coordinated a Commonwealth co-contribution for the installation of signage; and
 - plan lodgement – the lodging process and relevant forms for Deposited Plans and Strata/Survey-Strata Plans were reviewed and standardised to facilitate electronic lodgement of all plan formats. This has led to greater efficiency and improved turnaround times, enhancing the land development process.

Major Initiatives For 2006-07

- Introduce the enabling legislation to create the Western Australian Land Information Statutory Authority to replace the Department of Land Information.
- Improve data access and quality to the State, local government, emergency services, business community and the public in the areas of:
 - topographic information;
 - tenure and spatial information;
 - property street addressing;
 - Native Title information; and
 - scoping business process reform of the land titling component in the land development process.
- Complete the delivery of the Shared Land Information Platform in particular:
 - complete the enabling framework, finalise the initial roll-out for the connection of 60 datasets across 15 government agencies;
 - deliver to a range of end users and organisations the Register of Interests (ROI) system for selected business scenarios. This deliverable is projected to form the basis of the final production system for the ROI project; and
 - support lead agencies in collaboration across government to improve access to vital government land and property information, contributing to better decision making, business efficiencies and service delivery to the community of Western Australia.

Service 2: Valuations

An impartial valuation and property consultancy service.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	18,053	17,850	19,006	18,597	
Less Income	12,651	6,860	7,160	8,425	
Net Cost of Service	5,402	10,990	11,846	10,172	
Adjustments ^(a)	2,028	(411)	(116)	(500)	
Appropriation for delivery of Service	7,430	10,579	11,730	9,672	

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

c

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per valuation	\$12.82	\$15.72	\$16.12	\$12.00	
Full Time Equivalents (FTEs)	213	207	207	208	

Major Achievements For 2005-06

- The Valuer General's valuation policies have been updated and formatted into an easy to read web version prior to their release on Department of Land Information's corporate website in June 2006.
- Commenced a three year project aimed at verifying valuation data so as to improve the quality and service.
- Consulted with several agencies having a land acquisition function to clarify the current and future role of the Valuer General in the acquisition and disposal of government land.
- In consultation with rating and taxing authorities, investigations commenced to identify any overlap in concessions in valuations made under the *Valuation of Land Act 1978* and other rating and taxing legislation. Work in this area is expected to continue into 2006-07.

Major Initiatives For 2006-07

- Further enhance valuation data for possible web-based applications and improved delivery of the valuation program.
- Implement strategies to ensure ongoing viability of the valuation program, with particular emphasis on knowledge management and staff retention.
- Review Section 4 (interpretation section) of the *Valuation of Land Act 1978* in relation to the definition of unimproved value of rural land for a more consistent approach in the basis of valuations.
- Develop an agreement with land acquisition and development agencies across Government to affirm the Valuer General's role in support of the acquisition or disposal of government land.

Service 3: Access to Government Geographic Information

Land or geographic information from WALIS community members is managed in a coordinated way so that data held by WALIS community members can be integrated and readily accessed to meet government, business and community needs.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	1,715	1,630	1,722	1,651	
Less Income	74	80	80	130	
Net Cost of Service	1,641	1,550	1,642	1,521	
Adjustments ^(a)	(20)	(57)	(16)	(75)	
Appropriation for delivery of Service	1,621	1,493	1,626	1,446	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per Key Result Area	\$285,833	\$271,667	\$287,000	\$275,167	
Full Time Equivalents (FTEs)	10	10	10	10	

Major Achievements For 2005-06

- New land information custodianship policy finalised.
- Data workshops held in Perth, Kununurra, York and Mandurah with local government involvement to raise awareness of the accessibility of data. Local government Geographical Information Systems focus group gaining significantly in strength.
- Review of four key datasets to improve data quality for whole-of-government outcomes namely:
 - Road Centreline;
 - Drainage (plus other utilities information);
 - Boundary Information; and
 - Points of Interest (strategic buildings and infrastructure).
- Continued fostering the strong relationship with the Spatial Sciences Institute and Australian Spatial Industry Business Association, including participation in a successful joint imagery workshop.

Major Initiatives For 2006-07

- Facilitate a successful WALIS Forum for key land information stakeholders and interest groups as part of a multi-organisational 'spatial week'.
- Complete data quality reviews on seven key datasets maintained by WALIS member agencies including:
 - Road Centreline;
 - Drainage (plus other utilities information);
 - Boundary Information;
 - Points of Interest (strategic buildings and infrastructure);
 - Coastline, Contours;
 - Ecological Information; and
 - Vegetation Information.
- Ensure smooth transition from WALIS Interragator and WALIS Atlas to new catalogue and mapviewer systems.

CAPITAL WORKS PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Shared Land Information Platform.....	6,209	5,087	4,864	1,122
COMPLETED WORKS				
Access to Land and Property Improvements				
2004-05 Program	1,055	1,055	288	-
2005-06 Program	740	740	740	-
Business Infrastructure				
2004-05 Program	5,137	5,137	322	-
2005-06 Program	2,995	2,995	2,995	-
Data Quality Improvement				
2005-06 Program	1,606	1,606	1,606	-
Land Market Services				
2005-06 Program	3,195	3,195	3,195	-
NEW WORKS				
Access to Land and Property Improvements				
2006-07 Program	1,037	-	-	1,037
Business Infrastructure				
2006-07 Program	4,957	-	-	4,957
Data Quality Improvement				
2006-07 Program	1,700	-	-	1,700
Land Market Services				
2006-07 Program	2,365	-	-	2,365
	30,996	19,815	14,010	11,181

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	13,347	13,281	14,010	11,181	2,457	2,457	2,457
	13,347	13,281	14,010	11,181	2,457	2,457	2,457
LESS							
Drawdowns from the Holding Account	1,573	1,481	1,481	1,481	1,481	1,481	1,481
Funding Included in Service Appropriations ^(a)	-	1,161	1,661	1,062	-	-	-
Internal Funds and Balances	8,160	9,084	10,735	8,638	-	-	-
Other.....	3,430	922	-	-	-	-	-
Capital Contribution	184	633	133	-	976	976	976

(a) Capital works expensed through the Income Statement.

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	43,033	45,153	46,978	47,633	49,621	51,087	53,597
Superannuation	6,353	5,545	6,764	6,935	7,143	7,357	7,578
Cost of goods sold.....	228	270	270	270	270	270	270
Supplies and services	17,781	21,014	24,314	24,988	24,593	25,831	26,972
Accommodation.....	9,075	9,284	9,361	9,627	9,916	10,213	10,520
Capital user charge.....	4,675	4,193	4,693	4,212	4,232	4,293	4,293
Depreciation and amortisation	6,506	6,667	6,167	6,664	7,379	7,561	7,561
Loss on disposal of non-current assets	33	-	-	-	-	-	-
Other expenses	4,862	4,098	5,992	6,206	6,778	7,641	7,641
TOTAL COST OF SERVICES.....	92,546	96,224	104,539	106,535	109,932	114,253	118,432
Income							
User charges and fees.....	73,368	60,592	69,194	71,060	76,390	77,318	80,478
Proceeds from disposal of non-current assets ..	7	-	-	-	-	-	-
Other revenue	1,362	3,185	3,185	2,175	2,325	2,425	2,575
Total Income.....	74,737	63,777	72,379	73,235	78,715	79,743	83,053
NET COST OF SERVICES.....	17,809	32,447	32,160	33,300	31,217	34,510	35,379
INCOME FROM STATE GOVERNMENT							
Service appropriations	22,877	31,235	31,845	31,663	28,542	31,530	31,941
Resources received free of charge	392	79	429	429	429	429	429
Liabilities assumed by the Treasurer	2,199	1,201	2,351	2,351	2,351	2,351	2,351
Change in equity arising from transfer of assets/liabilities	(915)	922	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT.....	24,553	33,437	34,625	34,443	31,322	34,310	34,721
SURPLUS (DEFICIENCY) FOR THE PERIOD	6,744	990	2,465	1,143	105	(200)	(658)

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

(b) The Full Time Equivalents (FTEs) for 2004-05 Actual, 2005-06 Estimated Actual and 2006-07 Estimate are 802, 807 and 809 respectively.

BALANCE SHEET
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CURRENT ASSETS							
Cash and cash equivalents	14,054	5,836	15,761	8,047	4,702	6,549	5,706
Restricted cash	14	565	199	384	569	754	939
Receivables	15,011	7,997	5,372	5,327	9,327	5,327	5,327
Inventories	188	221	221	221	221	221	221
Amounts receivable for services	1,481	1,481	1,481	1,481	1,481	1,481	1,481
Prepayments	761	856	697	697	697	697	697
Other	1,816	2,903	800	800	800	800	800
Total current assets	33,325	19,859	24,531	16,957	17,797	15,829	15,171
NON-CURRENT ASSETS							
Amounts receivable for services	13,229	18,415	17,915	23,098	28,996	35,076	41,156
Plant and equipment	28,850	8,542	12,481	12,154	7,868	6,209	4,105
Intangibles	-	28,473	22,551	26,033	25,397	21,952	18,952
Other	-	800	1,698	1,296	-	1,768	1,768
Total non-current assets	42,079	56,230	54,645	62,581	62,261	65,005	65,981
TOTAL ASSETS	75,404	76,089	79,176	79,538	80,058	80,834	81,152
CURRENT LIABILITIES							
Payables	718	344	718	718	718	718	718
Provision for employee entitlements	7,412	6,178	7,087	7,087	7,087	7,087	7,087
Accrued salaries	-	170	170	261	537	661	825
Other	5,156	13,999	6,655	5,931	5,139	5,060	4,896
Total current liabilities	13,286	20,691	14,630	13,997	13,481	13,526	13,526
NON-CURRENT LIABILITIES							
Provision for employee entitlements	5,110	4,420	5,035	5,035	5,035	5,035	5,035
Other	333	-	238	90	45	-	-
Total non-current liabilities	5,443	4,420	5,273	5,125	5,080	5,035	5,035
TOTAL LIABILITIES	18,729	25,111	19,903	19,122	18,561	18,561	18,561
EQUITY							
Contributed equity	184	817	317	317	1,293	2,269	3,245
Accumulated surplus / (deficit)	40,303	33,973	58,956	60,099	59,074	60,004	59,346
Reserves	16,188	16,188	-	-	-	-	-
Total equity	56,675	50,978	59,273	60,416	60,204	62,273	62,591
TOTAL LIABILITIES AND EQUITY	75,404	76,089	79,176	79,538	80,058	80,834	81,152

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

CASHFLOW STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	17,691	24,568	25,678	24,999	21,163	23,969	24,380
Capital contribution	184	633	133	-	976	976	976
Holding account drawdowns	1,573	1,481	1,481	1,481	1,481	1,481	1,481
Net cash provided by State government	19,448	26,682	27,292	26,480	23,620	26,426	26,837
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(43,407)	(45,383)	(47,208)	(47,542)	(49,345)	(50,963)	(53,433)
Superannuation	(4,149)	(4,344)	(4,413)	(4,584)	(4,752)	(4,966)	(5,115)
Supplies and services	(17,022)	(18,733)	(22,033)	(24,404)	(25,659)	(27,975)	(28,748)
Accommodation	(9,031)	(9,426)	(8,503)	(9,879)	(10,006)	(10,293)	(10,499)
Capital user charge.....	(4,675)	(4,193)	(4,693)	(4,212)	(4,232)	(4,293)	(4,293)
Goods and Services Tax	(4,460)	(3,739)	(3,739)	(3,694)	(3,694)	(3,694)	(3,694)
Other.....	(7,137)	(5,256)	(4,299)	(4,568)	(5,510)	(4,224)	(8,495)
Receipts							
User charges and fees.....	62,858	56,885	71,487	66,348	67,576	73,068	77,836
Goods and Services Tax	3,917	3,744	3,744	3,739	3,694	3,694	3,694
Other receipts	6,064	4,709	6,709	4,709	7,709	7,709	7,709
Net cash from operating activities.....	(17,042)	(25,736)	(12,948)	(24,087)	(24,219)	(21,937)	(25,038)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(13,347)	(12,120)	(12,349)	(9,819)	(2,457)	(2,457)	(2,457)
Proceeds from sale of non-current assets	7	-	-	-	-	-	-
Net cash from investing activities.....	(13,340)	(12,120)	(12,349)	(9,819)	(2,457)	(2,457)	(2,457)
CASH FLOWS FROM FINANCING ACTIVITIES							
Other payments for financing activities.....	(103)	(103)	(103)	(103)	(104)	-	-
Other proceeds from financing activities.....	172	-	-	-	-	-	-
Net cash from financing activities	69	(103)	(103)	(103)	(104)	-	-
NET INCREASE / (DECREASE) IN CASH HELD	(10,865)	(11,277)	1,892	(7,529)	(3,160)	2,032	(658)
Cash assets at the beginning of the reporting period	25,848	16,756	14,068	15,960	8,431	5,271	7,303
Net cash transferred to / from other agencies.....	(915)	922	-	-	-	-	-
Cash assets at the end of the reporting period.....	14,068	6,401	15,960	8,431	5,271	7,303	6,645

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

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:

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
Government Vehicle Scheme	40	45	45	46
GST Input Credits	631	448	448	433
GST on Sales of Goods and Services	3,286	3,296	3,296	3,306
Land Claims Mapping Unit	389	500	485	485
Land Titles Management Services	57,060	50,504	55,636	55,902
Other Proceeds and Recoups	1,695	1,000	2,998	2,175
Remote Sensing Satellite Imagery Services	541	587	738	722
Sales of Maps and Plans	3,399	3,339	4,267	5,376
Valuation and Property Information Services	5,798	5,619	14,027	6,351
TOTAL	72,839	65,338	81,940	74,796

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

Part 9

Minister for Planning and Infrastructure

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
655	Planning and Infrastructure			
	– Delivery of Services	161,820	175,128	182,312
	– Administered Grants, Subsidies and Other Transfer Payments	4,201	4,201	4,190
	– Capital Contribution	11,542	9,842	16,367
	– Administered Capital	-	1,700	-
	Total	177,563	190,871	202,869
684	Commissioner of Main Roads			
	– Delivery of Services	508,961	484,464	489,998
	– Capital Contribution	149,522	205,245	249,503
	Total	658,483	689,709	739,501
708	Public Transport Authority of Western Australia			
	– Delivery of Services	545,177	574,924	675,051
	– Capital Contribution	422,040	428,747	1,347,273
	Total	967,217	1,003,671	2,022,324
725	Armadale Redevelopment Authority.....	-	-	-
726	East Perth Redevelopment Authority	-	-	-
727	Midland Redevelopment Authority.....	-	-	-
728	Subiaco Redevelopment Authority	-	-	-
729	Albany Port Authority	-	-	-
730	Broome Port Authority.....	-	-	-
731	Bunbury Port Authority.....	-	-	-

Page	Agency	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
732	Dampier Port Authority.....	-	-	-
733	Esperance Port Authority	-	-	-
734	Fremantle Port Authority	-	-	-
737	Geraldton Port Authority.....	-	-	-
738	Port Hedland Port Authority	-	-	-
739	Western Australian Land Authority	-	-	-
741	The Eastern Goldfields Transport Board.....	-	-	-
742	Western Australian Planning Commission			
	– Delivery of Services	58,511	58,620	62,446
	– Capital Contribution	5,100	7,600	2,900
	Total	63,611	66,220	65,346
	GRAND TOTAL			
	– Delivery of Services	1,274,469	1,293,136	1,409,807
	– Administered Grants, Subsidies and Other Transfer Payments	4,201	4,201	4,190
	– Capital Contribution	588,204	651,434	1,616,043
	– Administered Capital	-	1,700	-
	Total	1,866,874	1,950,471	3,030,040

PLANNING AND INFRASTRUCTURE

PART 9 - MINISTER FOR PLANNING AND INFRASTRUCTURE

DIVISION 39

APPROPRIATION AND FORWARD ESTIMATES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 81 Net amount appropriated to deliver services	149,064	161,603	174,865	182,094	163,019	154,360	160,395
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 ^(a)	221	217	263	218	218	218	218
Total appropriations provided to deliver services	149,285	161,820	175,128	182,312	163,237	154,578	160,613
ADMINISTERED							
Item 82 Western Australian Coastal Shipping Commission	4,054	4,201	4,201	4,190	4,128	4,128	4,128
CAPITAL							
Item 157 Capital Contribution	15,951	11,542	9,842	16,367	11,060	4,984	1,472
ADMINISTERED CAPITAL							
Amount Authorised by Other Statutes - Perry Lakes Redevelopment Act 2005	-	-	1,700	-	-	-	-
GRAND TOTAL	169,290	177,563	190,871	202,869	178,425	163,690	166,213

- (a) The recommendation by the *Salaries and Allowance Tribunal* on 7 April 2006 regarding senior public servants salaries was received after the deadline for finalising agencies' individual financial projections. Accordingly, a provision for the total cost (estimated at around \$1.5 million per year from 2006-07) is reflected in the 'Authorised by Other Statutes' appropriations and financial statements of the administered activities of the Department of Treasury and Finance (Budget Paper 2, Volume 1). This provision will be reflected in agencies' estimates following the release of the 2006-07 Budget.

MISSION

Enriching the quality of life for all Western Australians by connecting and delivering economic and social networks.

SIGNIFICANT ISSUES AND TRENDS

- Western Australia's population and economic growth continues to be one of the highest in Australia. Perth's population is forecast to be 1.6 million by 2011 and 2.0 million by 2031.
- Indicators of housing activity in Western Australia point to continued strong demand for dwellings in both the construction and established markets. This highlights the importance of planning for growth and meeting the increasing demand for statutory approvals, as demand for development continues. The integration of land use and transport infrastructure planning is essential to ensure that metropolitan and regional growth is managed while quality of life is maintained.

- Over the last decade there has been a 17 per cent population increase in the South West. This has been driven by tourism, homebuyers enticed by connective infrastructure like the Southern Suburbs Railway and the Perth-Bunbury Highway, and lifestyle choices. Rapid population change, especially in coastal settlements, can be traced to the demographic shift as baby boomers approach retirement and seek alternative lifestyle options. Additional pressures on growth in the Peel and the South West are also coming from mining developments in the hinterland making places like Bunbury a location growing in demand from homemakers.
- In the north of the State, the demand for land planning is being driven by the resources boom which is placing unprecedented demand on infrastructure, services, developable land and housing stocks. It has resulted in a 33 per cent increase in population in the Kimberley over the last decade and a 9 per cent increase in the Pilbara, in addition to fly in / fly out activities. The Kimberley population growth rate is expected to outstrip the general State growth rate at nearly 3 per cent per year. The Mid-West is also enjoying a boom brought about by mining related developments and Geraldton is growing at a fast rate.
- The bulk of the State's natural resources are located in regional areas. If the Department is to partner successfully with industry and the community to anticipate and resolve capacity constraints, it must understand industry requirements and coordinate highly complex infrastructure delivery in natural environments that are often fragile and sometimes invested with particular significance for Indigenous people.
- The management of pastoral land operates in an increasingly complex environment, with significant challenges including a shift to multiple land use, the move to purchase pastoral leases for non-pastoral purposes such as for private conservation interests and as lifestyle blocks, and issues with pastoral leases, such as inappropriate form of land tenure and non-compliance with lease conditions.
- There has been a sudden and unprecedented increase in demand for Western Australian mineral and petroleum resources, driven by the expansion of China's economy. This in turn is putting pressure on the Government to expand existing ports, consider the development of new ports, encourage the development and use of rail, and make substantial investments in roads and other transport infrastructure so that projects can proceed and Western Australia can realise its economic potential.
- The freight task is expected to increase at about 3.5 per cent per annum resulting in a doubling of freight over the next 20 years. This will put pressure on businesses to continue to operate efficiently in increasingly competitive local and international markets.
- In a climate of privatisation, deregulation and competition policy, there is an expectation that rail freight should be competitive. The grain industry is working to reduce supply chain costs and building capacity to double the current freight task. The Department needs to play an active role in ensuring the growth and sustainability of the rail freight network, while minimising the impact on the community of an increasing road freight volume.
- In freight logistics the emphasis is now on the total demand-supply chain between producer and consumer rather than the individual linkages. Public and private sectors need to work cooperatively to develop solutions to freight logistics issues, taking into account economic, social and environmental considerations.
- Western Australia's intrastate air service policies must achieve a balance between promoting sustainable competition and ensuring that services to regional and remote communities are maintained.
- National developments will grow in importance and shape Western Australia's transport system. The Australian Transport Council and its related bodies, particularly the National Transport Commission and the Commonwealth Government's AusLink initiatives, all have significant strategic implications for the State. The recent decision by the Council of Australian Governments (COAG) to include urban congestion as a significant national transport reform area will also provide direction on this important issue.
- Transport energy is flagged globally as one of the critical issues facing society today. Driven by the need to reduce vulnerability to rising petrol prices, improve security of supply and reduce the greenhouse gas emissions that are driving climate change, other countries are setting targets, setting policies and investing in renewable fuels such as biofuels and hydrogen, often using natural gas as a bridging fuel. With Western Australia's vast renewable energy and natural gas reserves, this State is in the ideal position to lead the charge and reap the economic, environmental and social benefits.
- Increases in petrol prices have highlighted the importance of integrating transport and land use planning. Efficient transport systems that are well placed will help to minimise transport costs and maximise modal choice in the major urban areas. The Transit Oriented Development program requires a greater degree of land use and transport integration in future planning processes to limit car dependence.

- Transport security remains a major issue world-wide as efforts to counter the threat of terrorism continue. Security issues are being addressed for urban passenger transit precincts and the movement of dangerous goods. New regulations are being put in place requiring that aircraft, airports, seaports, shipping and railway operators introduce new security measures. Also, the security focus will shift increasingly towards the complex task of ensuring the integrity of the overall supply chain.
- In light of recent events around the world it has become crucial to maintain strong, secure procedures for identity management and the issue of identification documentation. The driver's licence, as one of the key identity documents in use in Australia, requires improved enrolment and proof of identity procedures to address fraud.
- Given the regulated nature of the taxi industry, Government must ensure the supply and quality of the services matches the community's expectations. There is a need to revise coordination arrangements for Multi-Purpose Taxi (MPT) services with the aim of improving the level of service received by MPT customers. Changes are also required to address unmet demand in outer suburbs and during peak periods.
- Population growth, with more people seeking occupational licences, and an ageing population, are contributing to an increase in demand for licence holders requiring medical assessments on their fitness to hold a driver's licence.
- There is a continual demand for the improvement of licensing information systems, data storage, business processes and staff training programs. This is required to address the changing nature of the licensing business and increased customer demands for flexible, efficient and convenient services including self-service online solutions, and credit card payments at licensing centres.
- A combination of increasing affluence and the attraction of water based activities has the potential to cause greater congestion on our waterways as people pursue maritime centred leisure activities in the metropolitan area as well as in regional centres. A sustained 3 per cent to 4 per cent growth in private vessel registration reflects this trend. The waterways need to be regulated to ensure that interactions between recreational and commercial vessels are managed for safety reasons.
- Marine technology is advancing rapidly in a range of areas including new construction materials, navigation, training and safety equipment, and the Maritime Bill and other legislation must be sufficiently robust and flexible to accommodate this trend.
- Geographic data such as oceanographic, bathymetric, cartographic and Geographic Information Systems support are becoming increasingly important in the development of coastal protection strategies and the planning of sites for future boating infrastructure facilities.
- Customers and stakeholders are rapidly improving their technological skills and expect to access the information they want quickly and easily. From statutory approvals to land asset management, e-solutions must be sought to meet customers' and stakeholders' information and service needs.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2005-06 Budget to Parliament on 26 May 2005 are outlined below.

	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
AusLink – Eastern Goldfields Railway project.....	25,100	12,000	-	-
AusLink – Daddow Road project.....	1,500	1,500	7,500	4,000
Licensing Business Unit	12,015	3,350	3,550	3,650
Multi-Purpose Taxi Diesel Subsidy / Lifting fee	772	-	-	-
Ord River Project – Stage 2 (Native Title).....	565	-	100	-
Reform of the Project Approvals System.....	55	-	-	-
Road Safety Initiatives.....	1,530	896	896	896
South West Plantation Timber Rail and Intermodal Terminal at North Greenbushes	5,750	-	-	-
Strategic Tourism Sites Committee	112	116	119	119

SERVICE AND APPROPRIATION SUMMARY

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Transport System Planning and Regulation	91,020	103,276	110,686	112,955			
<i>Service 2:</i>							
Motor Vehicle Registration and Driver Licensing Services	76,957	69,764	85,928	91,525			
<i>Service 3:</i>							
Land Accessibility Planning, Tenure and Policy Development.....	44,120	41,571	44,020	50,010			
<i>Service 4:</i>							
Integrated Land and Transport Policy Development	33,254	32,934	41,715	63,863			
Total Cost of Services	245,351	247,545	282,349	318,353	278,192	276,607	278,847
<i>Less Income.....</i>	<i>93,089</i>	<i>84,472</i>	<i>94,104</i>	<i>126,831</i>	<i>108,774</i>	<i>115,759</i>	<i>112,833</i>
Net Cost of Services	152,262	163,073	188,245	191,522	169,418	160,848	166,014
 Adjustments ^(a)	 (2,977)	 (1,253)	 (13,117)	 (9,210)	 (6,181)	 (6,270)	 (5,401)
Appropriation provided to deliver Services.	149,285	161,820	175,128	182,312	163,237	154,578	160,613
 ADMINISTERED TRANSACTIONS							
Appropriation for Administered Grants, Subsidies and Transfer Payments	4,054	4,201	4,201	4,190	4,128	4,128	4,128
Amount Authorised by Other Statutes Perry Lakes Redevelopment Act 2005.....	-	-	1,700	-	-	-	-
 CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	15,951	11,542	9,842	16,367	11,060	4,984	1,472
TOTAL CONSOLIDATED FUND APPROPRIATIONS.....	169,290	177,563	190,871	202,869	178,425	163,690	166,213

(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, service and financial information is the subject of a Resource Agreement signed by the Minister, the Director General and the Treasurer.

OUTCOMES, SERVICES AND PERFORMANCE INFORMATION**Relationship to Government Goals**

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

Government Goals	Desired Outcomes	Services
To enhance the quality of life and wellbeing of all people throughout Western Australia.	An accessible and safe transport system.	1. Transport system planning and regulation
	Road users that meet established vehicle standards and driver competencies.	2. Motor vehicle registration and driver licensing services
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.	Accessibility to serviced land and infrastructure.	3. Land accessibility planning, tenure and policy development
	Integration of land and transport systems that facilitates economic development.	4. Integrated land and transport policy development

Outcomes and Key Effectiveness Indicators ^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Outcome: An accessible and safe transport system.					
Number of public transport journeys per capita per year.....	45	45.2	45.2	45.2	
People in the Metropolitan Region that live within ten minutes of a major public transport route:					
- within a 10 minute walk to a bus stop.....	80%	80%	80%	80%	
- within a 10 minute ride to a railway station.....	31%	31%	31%	31%	
- within a 10 minute car travel to a railway station.....	66%	66%	66%	66%	
Sample audited Taxi User Subsidy Scheme (TUSS) applications rejected contrary to the entitlement guidelines.....	0%	0%	0%	0%	
Number of serious rail accidents per million train kilometres ^(c)	2.89	0	5.10	0	The number of train kilometres in 2005-06 is estimated to increase by 9 per cent from 2004-05. Category A ^(c) occurrences are estimated to increase by 100 per cent. This could be partly due to better compliance with reporting requirements by rail operators.
Registered recreational vessels involved in an incident (accident) on the water.....	0.05%	0%	0.11%	0%	
Commercial vessels surveyed under the Act involved in an incident (accident) on the water	3.9%	0%	5.7%	0%	
Outcome: Road users that meet established vehicle standards and driver competencies.					
Vehicle examinations completed in accordance with the Australian Design Rules assessed by independent audit ^(b)	n/a	100%	100%	100%	
Driver licences issued that comply with the Graduated Driver Training and Licensing system assessed by independent audit ^(b)	n/a	100%	100%	100%	

Outcome: Accessibility to serviced land and infrastructure.

Number of lots given preliminary and final approval:

- residential ^(a)	57,042	57,000	60,931	60,000
- non-residential ^(a)	9,649	9,650	11,019	10,000

Median land price as a percentage of median residential property sales price

49%	55%	55%	55%
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Relative affordability of property and land prices

Lowest quintile	Second lowest quintile	Second lowest quintile	Second lowest quintile
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Average lot size in the Perth Metropolitan Region

562m ²	565m ²	565m ²	565m ²
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Avoided land consumption costs

\$130 million	\$130 million	\$134 million	\$130 million
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Determination appeals that are unsuccessful ^(a)

99%	98%	99%	99%
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Outcome: Integration of land and transport systems that facilitates economic development.

Proportion of zoned land in the metropolitan area that is 400 metres / 1 km from major transport systems:

- Less than R20 : 400 metres	80.52%	79%	79%	79%
- Less than R20 : 1 km	88.98%	89%	88%	88%
- R20 : 400 metres	89.52%	92%	90%	90%
- R20 : 1 km	97.31%	98%	98%	98%
- Greater than R20 : 400 metres	96.73%	97%	96%	96%
- Greater than R20 : 1 km	99.40%	99%	99%	99%

Freight via rail to and from Fremantle Port ^(a) ..

5.9%	15%	4%	15%
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Rail activity fell away sharply during 2005-06 due to two major unforeseen commercial developments

Area of commercial and industrial land per capita per corridor:

- Eastern Sector - Commercial per capita ^(a)	18.10m ²	18.10m ²	18.10m ²	18.10m ²
- Eastern Sector - Industrial per capita ^(a)	87.9m ²	87.9m ²	87.9m ²	87.9m ²
- Inner Sector - Commercial per capita ^(a)	35.4m ²	35.4m ²	35.4m ²	35.4m ²
- Inner Sector - Industrial per capita ^(a)	17.1m ²	17.1m ²	17.1m ²	17.1m ²
- Middle Sector - Commercial per capita ^(a)	28.8m ²	28.8m ²	28.8m ²	28.8m ²
- Middle Sector - Industrial per capita ^(a)	61.7m ²	61.7m ²	61.7m ²	61.7m ²
- North West Sector - Commercial per capita ^(a)	63.8m ²	63.8m ²	63.8m ²	63.8m ²
- North West Sector - Industrial per capita ^(a)	79.7m ²	79.7m ²	79.7m ²	79.7m ²
- South East Sector - Commercial per capita ^(a)	15.6m ²	15.6m ²	15.6m ²	15.6m ²
- South East Sector - Industrial per capita ^(a)	71.8m ²	71.8m ²	71.8m ²	71.8m ²
- South West Sector - Commercial per capita ^(a)	42.5m ²	42.5m ²	42.5m ²	42.5m ²
- South West Sector - Industrial per capita ^(a)	210.9m ²	210.9m ²	210.9m ²	210.9m ²
- Perth Metropolitan Region - Commercial per capita ^(a)	34.8m ²	34.8m ²	34.8m ²	34.8m ²
- Perth Metropolitan Region - Industrial per capita ^(a)	79.1m ²	79.1m ²	79.1m ²	79.1m ²

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

(b) These are new measures introduced in 2005-06. Comparable information for 2004-05 and 2005-06 has been provided where practicable.

(c) A 'serious' rail accident is one consistent with Category 'A' 'notifiable occurrence' as set out in the *Rail Safety Regulations 1999*.

Service 1: Transport System Planning and Regulation

Transport system planning and regulation is designed to improve accessibility and safety of the transport system for all Western Australians.

This service contributes to the Government's State Strategic Planning Framework goal - 'People and Communities' through:

- Transport planning:
 - integration between and within transport modes;
 - managing heavy vehicle freight movement to major industrial and intermodal sites;
 - increasing accessibility to a reasonable level of transport services for all individuals, businesses and communities; and
 - encouraging sustainable choices through programs such as TravelSmart and Cycling promotions.
- Transport regulation:
 - provision and management of infrastructure, including small craft facilities and marine navigation aids, to maintain safe and accessible transport operations;
 - setting competencies / standards and monitoring compliance for operators, vehicles and vessels in the taxi, omnibus and maritime industries;
 - developing policies, standards and guidelines for rail safety regulation, accrediting rail owners and rail operators in accordance with relevant standards, and ensuring rail owners and operators comply with the terms of their accreditation;
 - developing and implementing policies and strategies to facilitate safe navigation and safe use of the waters of the State;
 - maintaining effective contingency response strategies and mechanisms to combat marine transport emergencies and marine environmental pollution incidents;
 - regulation of jetties through licensing;
 - marine and transport related data collection, analysis and dissemination; and
 - provision of cartographic information services.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	91,020	103,276	110,686	112,955	
Less Income	27,727	27,591	23,788	24,711	
Net Cost of Service	63,293	75,685	86,898	88,244	
Adjustments ^(a)	(1,224)	(1,706)	(2,000)	(1,650)	
Appropriation for delivery of Service	62,069	77,391	84,898	86,594	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Cost per registered vessel of maritime disaster response.....	\$40.20	\$56.23	\$40.48	\$45.99	
Average survey cost per commercial vessel.....	\$1500.80	\$2,678.69	\$1,502.64	\$1,592.21	
Average cost per private recreational vessel registration	\$17.97	\$88.40	\$95.14	\$83.45	
Average cost per household contacted under TravelSmart scheme.....	\$93.36	\$163.11	\$77.95	\$88.55	
Average administrative cost per Taxi User Subsidy processed.....	\$0.55	\$1.24	\$0.41	\$0.37	
Average cost per vessel accommodated.....	\$31,569	\$32,727	\$27,735	\$40,449	
Cycling grant administration cost as a percentage of the total value of grants.....	19.76%	24.68%	18.03%	20%	
Average tonnage per North West shipping trip	n/a	70,000	75,000	75,000	
Full Time Equivalents (FTEs)	282	314	330	339	

Major Achievements For 2005-06

- To continue to reduce solo car journeys and promote travel alternatives such as cycling, walking and public transport, the Department has:
 - developed and is implementing a strategy to integrate TravelSmart with the Transit Orientated Development program and New MetroRail, including delivery of the TravelSmart Household Program in Thornlie, Clarkson, Bullcreek, Bateman, Rockingham and Mandurah;
 - negotiated a funding agreement with the Commonwealth for \$3 million over three years, through the Greenhouse Gas Abatement Program, for an expanded TravelSmart Household program, and commenced projects in Victoria Park, Canning and Gosnells;
 - finished the Banks Reserve to Bardon Park shared path, providing a continuous path from Bayswater to the City of Perth; and
 - provided local government authorities in regional Western Australia with funding totalling \$750,000 through the Country Pathways Grant Scheme, contributing to 28 projects to plan, develop and promote shared-use paths and cycling facilities in their regions, including 18.7 kilometres of shared paths, bicycle racks and planning for a town's path network.
- Planned a new intermodal terminal adjacent to the port facilities in Kwinana to assist Fremantle Port Authority to handle excess throughput when the Fremantle Inner Harbour reaches capacity in about 2015. Work to date has confirmed a general location for the terminal and established operating parameters.
- Prepared background information and completed a number of studies into specific rail freight traffics. This will assist in defining the key principles on which the State Rail Freight Policy will be developed to ensure the sustainable use of Western Australia's rail network.
- A major consultancy was undertaken and recommended the establishment of a peak reference consultative group to provide freight policy advice to Government (through consolidating rail and road freight councils into a single land council), to address intermodal freight issues.
- Continued to participate in the ongoing nationally-driven transport reform agenda being managed through the National Transport Commission, in particular:
 - progressed implementation of the National Heavy Vehicle Registration and Driver Licensing Schemes;
 - chaired, led or participated in the Remote Areas Consultative Group and other specialist advisory and working groups; and
 - participated in the development of the Heavy Vehicle Performance-Based Standards, Heavy Vehicle Safety and Fatigue Management Program, Heavy Vehicle Compliance and Enforcement Legislation, Rail Safety Legislation, Intelligent Access Program, and others.

- In August 2005 the Minister announced that Skywest Airlines and Skippers Aviation were the preferred applicants for exclusive licences to operate on regulated non-jet regional airline networks in Western Australia. The decision to regulate the non-jet airports was necessary to ensure economical and sustainable air services for regional communities, tourism and businesses. The new services formally commenced in January 2006 for a three year term with a possible further two years following a review of performance.
- Planned and committed to the establishment of an intermodal freight facility at North Greenbushes to ensure the continued use of rail by the timber industry in the South West.
- A study into rail infrastructure requirements for a number of potential users at the Mirrambeena Industrial estate has been undertaken and will form the first of a number of planning activities that will ultimately be incorporated into a long term plan for the Albany region.
- The North West Shipping Service contract has been renewed as a result of a competitive tender held during 2005. The four year contract (with an optional fifth year) will maintain a competitive alternative service to remote communities and industry, and reduce the negative impact of heavy vehicles by taking freight off the roads.
- A draft seven year plan for public transport in Perth has been prepared by the Department and the Public Transport Authority, and is expected to be finalised prior to the end of the financial year. The plan identifies:
 - planning priorities for the extension of the network;
 - measures to improve the efficiency of services;
 - major infrastructure investment priorities; and
 - the funding needed to sustain the system.
- Through implementing the program of national reform to achieve national consistency, the Department has:
 - ensured that all accredited railway organisations in Western Australia have implemented and become compliant with the new National Standard for the Health Assessment of Rail Safety Workers; and
 - provided a leading contribution to the development of regulations and a National Code of Practice for Fatigue Management by Railway Operators.
- The Recreational Boating Facilities Scheme (RBFS) provided funding to improve boating facilities at locations around the State. The Department received and assessed 34 applications and provided \$735,000 for completed projects, which include the upgrade or development of jetties, wharfs, boat ramps and boat landings.
- Significant improvements to Hillarys Boat Harbour were progressed under the Hillarys Boat Harbour Enhancement Program including:
 - completion of the western breakwater extension, with the 75 metre extension providing greater protection for vessels using the facility;
 - commencement of work on the replacement of the damaged E Jetty, with the replacement expected to be complete by late 2006;
 - commencement of the Precinct Upgrade Project;
 - completion of Stage I construction of an access path in the Northern Precinct; and
 - development of Stages II and III concept plans, with Stage II detailed design complete and the tender documentation finalised, and construction to be completed by December 2006 (Stage II works include the refurbishments to public toilets and the new ablution block for penholders).
- In 2005, Black and White Taxis and Swan Taxis were appointed to coordinate Multi-Purpose Taxis (MPTs). The decision to increase the number of dispatch services from one to two was aimed at:
 - improving performance standards;
 - improving the level of service for passengers; and
 - providing MPT operators with the choice of working with a taxi dispatch service that meets their operating requirements.

- Drafted a policy to introduce a regulated regime for marine pilotage and port marine safety at Department managed ports. This policy will ensure that ports meet national standards. The draft policy was submitted to Parliamentary Counsel in February 2006.
- To determine the level of compliance by Registered Training Organisations (RTOs) with respect to marine safety standards, resources, systems and examinations, an audit tool has been developed. This tool will gather and record documentary evidence of compliance to the set curriculum. Selected staff attended training to become "Lead Auditors" which will consolidate the audit process of RTOs.
- Introduced the Recreational Skipper's Ticket as part of amendments to the *Navigable Waters Regulations 1958* on 10 February 2006. This meets national commitment to mandatory training.
- Chaired the national review and development of the *Australian Standards AS4292 Railway Safety Management, Part 1 General Requirements and Part 7 Railway Safety Investigation*. These standards were published in January 2006. Conditions of accreditation were imposed on all accredited railways in requiring railways to be compliant with AS4292.1 by 31 December 2006.
- The construction of the new \$4.25 million land-backed wharf in Carnarvon was completed on time and on budget. The wharf was officially opened by the Minister for Planning and Infrastructure in September 2005.
- In conjunction with the Western Australia company Polyline Industries, the Department developed improved oil spill equipment to protect the State's harbours. The 800 litre polyethylene bucket, based on a European model, will be used in response to large oil spills in Western Australian waters.
- The Government will buy back up to 56 Multi-Purpose Taxi (MPT) plates under a proposal to drive down the costs for MPT operator drivers and improve the viability of the industry. The Taxi Amendment Bill 2005 was introduced to Parliament to enable the MPT plate buy back scheme to proceed.
- Cabinet approved a \$5 subsidy to MPT operators for each wheelchair job undertaken under the Taxi Users Subsidy Scheme. This subsidy was implemented in December 2005.
- Consistent with the Minister's direction, a second round of MPT driver cadetships was advertised, which will train taxi drivers to provide the additional and specialised services required when delivering this important customer focused service. Cadetships will result in a higher number of drivers available to operate MPTs.
- Undertook a site inspection of Burns Beach and a range of alternative public swimming options were identified. The Department needs to undertake further site investigations to assess the impact of removing the potentially dangerous pinnacle rocks from the Burns Beach swimming precinct.

Major Initiatives For 2006-07

- Progress the upgrade of Hillarys Boat Harbour including:
 - replacement of the damaged E Jetty; and
 - detailed design and commencement of construction for the Precinct Upgrade Project.
- Develop a formal Structure Plan for Fremantle Fishing Boat Harbour and Challenger and Success Harbours.
- Replace assets at Fremantle Fishing Boat Harbour that includes:
 - capital works project to extend Jetty 1; and
 - planning for the asset replacement / redevelopment of remaining jetties.
- Complete the third stage of the redevelopment of the Department's former Depot site at 17 Mews Road, Fremantle Fishing Boat Harbour.
- Revise the Coral Bay Boating Facility concept at Monck Head to function as a public boat ramp for smaller recreational craft and a service jetty for commercial boats.
- Upgrade the public boat ramps at Tantabiddi and Bundegi to provide improved trailer boat access to the waters of Exmouth.

- Undertake a study to examine the growth in the number of recreational boats in the Perth Metropolitan Area, and propose a strategy for public comment to meet the future facility needs.
- Develop a master plan for the future development of the Carnarvon Boat Harbour incorporating the provision for the harbour to be a model for sustainability for all boat harbours throughout the State.
- Provide a marine communication system for domestic non-Safety of Life at Sea (SOLAS) vessels in Western Australia that complies with the standards specified by the national marine distress and safety communications system.
- Undertake a review of the *Shipping and Pilotage Act 1967*, which will ensure that the Department meets Commonwealth and State legislative requirements for the security and safety of maritime facilities.
- Review the Western Australian omnibus industry as a result of proposed changes to the Transport Co-ordination Act (TCA) 1966 Amendment Bill to license commercial passenger transport on an exception basis.
- Provide an improved Multi Purpose Taxi (MPT) service by restructuring the MPT sector of the taxi industry to reduce costs to operators and make operating an MPT vehicle a more attractive proposition for current and potential drivers.
- Undertake a number of initiatives in regard to the charter and taxi industry to improve transport services at times of peak demand, particularly Friday and Saturday nights.
- Implement the recommendations of the Country Taxi Review to provide fair returns to drivers and owner / drivers while offering the public an efficient, economical and safe service and address the requirements of the National Competition Council.
- Continue to participate in the development and implementation of the ongoing nationally-driven transport reform agenda being managed through the National Transport Commission.
- Undertake the Co-operative Bulk Handling Limited Metro Grain Centre Export Grain Container Rail Trial to identify improved transport arrangements for export containers.
- Develop a sustainable Grain Freight Network Strategy to identify the storage, handling and transport infrastructure investments required to meet the predicted growth in grain freight, and the needs of the industry and the stakeholders for the next 25 years.
- Undertake studies on ports and related infrastructure, including rail, in the Pilbara and Mid West regions to identify the infrastructure requirements to meet the expected increase in iron ore exports from these regions.
- Complete the review of the *Port Authorities Act 1999* and arrange any amendments to improve its effectiveness.
- Develop a policy to determine the rationale for government involvement in subsidising passenger services (both air and land) in regional areas of Western Australia.
- Complete the strategic assessment of options for the Fremantle Ports Outer Harbour to identify a preferred port location and road-rail connections.
- Expand the TravelSmart Household Program along rail and activity corridors, to encourage more households to change their travel behaviour from car to more environmentally friendly modes.

Service 2: Motor Vehicle Registration and Driver Licensing Services

The *Road Traffic Act 1974* confers on DPI responsibility for licensing the State's drivers and registering vehicles. Drivers must demonstrate that they are competent to drive a vehicle by passing theoretical and practical tests and completing an incident free probationary period. Vehicles must be registered before they may lawfully be used on the road. Registration is conferred only where a vehicle is deemed roadworthy.

This service contributes to the Government's State Strategic Planning Framework goal - 'People and Communities' through:

- setting motor vehicle standards in accordance with national and state government requirements, examining motor vehicles for compliance with those standards and registering and transferring compliant motor vehicles;
- setting standards and requirements within government policies for the issue of a licence to drive on roads;
- assessing driver competency, issuing and renewing driver licences in accordance with national and state government requirements and driver competency standards;
- maintaining a database of registered vehicles and drivers, and managing vehicle identification numbers, to support the enforcement of road traffic and other relevant laws;
- collecting revenue for vehicle and driver licensing on behalf of other government agencies; and
- informing and educating road users about driver licensing, vehicle registration and related requirements.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	76,957	69,764	85,928	91,525	
Less Income	41,792	38,868	39,191	42,117	
Net Cost of Service	35,165	30,896	46,737	49,408	
Adjustments ^(a)	(953)	(2,686)	(2,169)	(1,690)	
Appropriation for delivery of Service	34,212	28,210	44,568	47,718	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per vehicle and driver transaction.	\$18.70	\$11.89	\$15.22	\$14.47	
Average cost per vehicle inspection	\$85.22	\$76.94	\$71.03	\$55.48	
Average cost per driver assessment	n/a	\$57.25	\$45.83	\$50.97	
Driver licence cards issued within 21 days of completed application	99%	95%	95%	95%	
Vehicle registrations issued within 7 days of completed applications and payment of appropriate fees	100%	100%	100%	100%	
Full Time Equivalents (FTEs)	479	533	575	575	

Major Achievements For 2005-06

- Established Governance arrangements for Transport Executive Licensing Information System (TRELIS) which will ensure that all Government stakeholders' needs are incorporated in future development plans for TRELIS. As part of this process the Department commenced work on TRELIS changes to support the implementation of a range of Government legislative and policy initiatives including:
 - Road Traffic Vehicle Licensing Bill (2001);
 - Road Traffic Bill 2005;
 - Repeat Drink Driving Policy;
 - Novice Driver Review;
 - work to support the decommissioning of the Western Australian Police Mainframe and the releases of Western Australian Police Systems (IMS and CAP speed) planned for 2006;
 - agreement to support the initiative to transfer demerit point processing from Western Australian Police to the Department, which is due for completion in 2006-07;
 - implementation of the changes required to support the integrated Courts Management system, which is due for completion late 2005-06; and
 - completion of some of the work required to address the Insurance Commission's GST issues and scoping of the remaining work to be completed.
- In July 2005, four temporary driver assessor positions were converted to permanent. The continuing increase in driver assessor demand led to the creation of an additional 10 temporary assessor positions to reduce the waiting times for practical driver assessments.
- A 12 to 18 month communication plan was developed to educate retirees and seniors regarding licensing issues associated with ageing, including concession licences, aged / medical retests and towing caravans and boats. This initiative:
 - promoted the Road Safety Council 'Older Road Users Handbook' by way of a website link from the Licensing website. This publication was replaced by fact sheets;
 - developed awareness packages on vehicle towing and to be distributed to seniors groups; and
 - developed a 'Seniors Section' on the Licensing website that will allow the Department to continue to prepare older drivers for their changing needs and expectations.
- A 12 to 18 month communication plan was developed targeted at 15-16 year old school students. The plan aims to raise awareness of vehicle safety, driver training and licensing issues to support the Office of Road Safety and the Department of Education and Training's Keys for Life Program. The program specifically seeks to promote quality and extensive supervised driving practice and positive road user attitudes. Students who participate receive an added bonus in that they can sit the Learners Theory Test at school.
- A review of the licensing and vehicle inspection facilities was completed and a revised strategy document developed to ensure that the Department is able to meet current and future demands of licensing services.
- Participated in the Road Safety Council's Drink Driver Strategy Working Group to facilitate the implementation of the Revised Strategy to Counter Repeat Drink Driving. The strategy is aimed at reducing the numbers of repeat drink driving offenders.
- A review of the current functionality for the Department to assume responsibility for administering demerit point functions was completed. An agreement was reached between the Department and the Western Australian Police and negotiations are progressing for the transfer of resources identified in the review.
- Principles were developed to guide the review of motor vehicle and driver licence concessions, and were submitted to the Minister Assisting the Minister for Planning and Infrastructure for approval.

Major Initiatives For 2006-07

- Recruit additional driver assessors and medical staff to:
 - reduce wait times for practical driver assessments;
 - address overseas licensing provisions; and
 - reduce wait times associated with the processing of medical assessment applications.
- Co-location of head office accommodation for the Licensing Business Unit to the Public Transport Centre. This co-location will address deficiencies with current levels of accommodation and improve the delivery of licensing services.
- Develop the infrastructure for the implementation of credit card facilities for over-the-counter licensing transactions to improve customer service.
- Further improve customer service standards by implementing recommendations from the review of the Customer Contact Centre.
- Meet the Government's obligation to introduce the National Driver Licensing Scheme through the implementation of the *Road Traffic Amendment Act 2005*.
- Facilitate the transfer of the Demerit Point Suspension function from the Western Australian Police to the Department for Planning and Infrastructure.
- Develop a comprehensive costing model specific to the Licensing Business Unit.

Service 3: Land Accessibility Planning, Tenure and Policy Development

This service contributes to the Government's State Strategic Planning Framework goal - 'The Economy' through:

- ensuring that sufficient land is available for purchase for both residential and commercial purposes;
- controlling lot sizes and therefore the costs of infrastructure required to service each lot;
- minimising delays and their attendant costs by making accurate, timely decisions on redevelopment and subdivision proposals; and
- providing resources to the Western Australian Planning Commission to enable:
 - the acquisition and management of properties reserved under Perth's Metropolitan Region Scheme for important urban roads, controlled access highways, parks and recreational reserves, special uses and major land redevelopment projects;
 - the disposal of surplus properties;
 - the management of rental properties;
 - other special planning projects undertaken within the Perth metropolitan area; and
 - administration of Crown Land tenure, pastoral leases and Native Title.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	44,120	41,571	44,020	50,010	
Less Income	10,454	7,930	19,425	21,746	
Net Cost of Service	33,666	33,641	24,595	28,264	
Adjustments ^(a)	(250)	(173)	(1,531)	(2,435)	
Appropriation for delivery of Service	33,416	33,468	23,064	25,829	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Cost per subdivision and development application processed	\$2,068	\$2,333	\$1,700	\$2,011	
Average cost per policy and planning hour	\$50.48	\$58.48	\$73.62	\$83.35	
Statutory planning applications processed within statutory timeframes	n/a	80%	80%	80%	
Town Planning Scheme amendments (for final approval) processed within non-statutory timeframes	n/a	80%	80%	80%	
Deposited and Strata Plans endorsed within non-statutory timeframes	n/a	80%	80%	80%	
Cost per Crown Land action	\$2,717	\$2,198	\$2,107	\$2,593	
Full Time Equivalents (FTEs)	337	375	400	404	

Major Achievements For 2005-06

- The feasibility study of the Shared Land Information Platform - Electronic Land Development Process (SLIP - eLDP) was completed with a detailed implementation plan for an end-to-end whole-of-government system land development process. This included the prototype 'Short Track Referral System', introduced in November 2005 and already demonstrating significant time savings in the processing of specific types of applications.
- As part of the State Infrastructure Study, the Department digitised and mapped the State Government's capital works program, showing the location and extent of capital works. This work was published in part in the 2005 Metropolitan Development Program. In addition, the Department mapped major infrastructure projects that are under way, committed and proposed by both private and government bodies. Further analysis and development of an online database will be progressed during 2006-07.
- The 2005 Country Land Development Program was completed. This program will assist the Western Australian Planning Commission in advising Government on land use planning and the coordination of services and infrastructure provision throughout the State.
- Under a Service Level Agreement with the Western Australian Planning Commission, the Department managed Whiteman Park, including the following notable achievements:
 - launched the 'Revolutions' Western Australia's Land Transport Exhibition in October 2005 at Whiteman Park, designed to challenge people's thinking about transport solutions for the future;
 - attracted more than 650,000 visitors to the Park during the year, making it one of the most visited icons in the State; and
 - established a new Strategic Plan 2005-2015 for Whiteman Park, which focuses on showcasing Western Australia's lifestyle and challenging people's thinking about sustainability and biodiversity.
- Acquired and dispersed land in accordance with the approved Western Australian Planning Commission schedule.
- Undertook a cautious approach to acquiring land for the expansion of the existing Dampier to Bunbury Natural Gas Pipeline (DBNGP) Corridor. Consultation with 60 per cent of landowners has been completed and 10 compensation outcomes have been reached. June 2007 is the new expected completion date.
- Provided substantial land management support for major looping of the DBNGP to enable the project to meet the requirements of Alinta, Alcoa and Diversified Utilities and Energy Trust (DUET). An essential element for the project was the constructive interaction by the Department with landowners and other agencies to resolve access disputes and resolution of damage claims.
- Funds were secured to establish and run the Rangelands Council. Legislative amendments to establish the Council were progressed. The Council will develop and oversee a broad contemporary, multiple use land management framework for Western Australia's rangelands to encourage and support innovation, investment and growth in the rangelands in an ecologically sustainable way.

- Following dissolution of the Property Asset Rationalisation Committee on 1 July 2005, the Property Asset Clearing House (PACH) was established to coordinate and facilitate the disposal of surplus land and building assets for all government agencies. As part of this initiative the Department has:
 - established a web-based Clearing House, accessible by all government agencies, listing government property assets for disposal. This facility is now active;
 - appointed an inter-agency Property Asset Clearing House Steering Committee to oversee PACH to ensure the achievement of the asset disposal objectives of the Government's Strategic Asset Management policy; and
 - recorded approximately \$7 million of property sales as occurring through PACH to the second quarter of 2005-06.

Major Initiatives For 2006-07

- Progress the development of the mixed-use office tower above the new William Street underground railway station.
- Develop a framework for updating the State Planning Strategy.
- Implement Network City aspects as they relate to Perth metropolitan centres.
- Facilitate the financial administration of the Perry Lakes Trust Fund in accordance with the *Perry Lakes Redevelopment Act 2005*.

Service 4: Integrated Land and Transport Policy Development

By shaping the pattern of development and influencing the location, scale, density, design and mix of land uses, integrated land use and transport systems contributes to the Government's State Strategic Planning Framework goal - 'The Economy' by:

- creating a more efficient urban form, which reduces trip times, numbers and costs;
- improving freight access to key terminals, improving freight flows and increasing competitiveness through reduced costs;
- reducing the costs associated with road trauma by enhancing the accessibility and safety of public transport systems;
- providing for the efficient distribution of goods and services to business and the community;
- ensuring flexibility to meet the demands of a changing economy and market environments;
- maximising the use of existing infrastructure rather than incurring the costs of green fields infrastructure with its resulting impact on home affordability; and
- enabling commuter access to industrial centres and to the services and goods they require.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	33,254	32,934	41,715	63,863	\$25.1 million additional Commonwealth funding for the Eastern Goldfields Railway project.
Less Income	13,116	10,083	11,700	38,257	
Net Cost of Service	20,138	22,851	30,015	25,606	
Adjustments ^(a)	(550)	(100)	(7,417)	(3,435)	
Appropriation for delivery of Service	19,588	22,751	22,598	22,171	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per policy hour for integrated land and transport policy development.....	\$52.00	\$56.79	\$53.03	\$57.02	
Full Time Equivalents (FTEs)	182	206	222	222	

Major Achievements For 2005-06

- The 'Network City: Community Planning Strategy for Perth and Peel' was finalised, with the production of a milestone document and the Network City Statement of Planning Policy, giving Network City practical effect as the new metropolitan planning strategy for Perth and Peel.
- Work was undertaken towards enabling transport corridors to function effectively and influencing travel patterns and behaviour consistent with the Network City model. This included development of a methodology for assessing traffic congestion in the context of travel demand management, undertaken by the Local Impacts Committee chaired by Tony McRae MLA, commencement of a seven year Public Transport Plan and preparation of a draft State Walking Strategy.
- A strategic framework was completed, integrating the strategic initiatives of all key stakeholders, and the parties agreed on governance arrangements to guide the implementation of the Capital City Perth Strategy Framework.
- To improve the delivery of planning and development projects and community services, partnerships between State and local governments are in place for regeneration projects in Maddington-Kenwick, Swan and Wanneroo. Rejuvenation projects in development include Roleystone, Mirrabooka and Koondoola.
- The North West Corridor structure plan was reviewed and a draft development plan prepared. Commercial centre locations were identified and the location of the Alkimos-Eglinton wastewater treatment plant was chosen.
- Completed a significant community consultation program for the Perth Coastal Planning Strategy. The findings of this consultation will form the basis of the draft Perth Coastal Planning Strategy, to guide decision making on possible future land use, conservation and the development of the Perth metropolitan coastline.
- A general review of the approach to regional planning was undertaken and will inform the way the State Planning Strategy will be reviewed. Government initiatives such as the State Infrastructure Study, which was commenced, will also provide input into the State Planning Strategy.
- The draft Lower Great Southern Strategy was advertised for public comment and a submissions report was prepared for consideration by the Strategy Committee.
- Following a re-evaluation of the priorities in the State's regional planning program, and with the agreement of the relevant local government authorities, development of the Central Midlands sub-region strategy was deferred.
- Finalised the local planning strategy to guide future planning and development in the Shire of Wyndham-East Kimberley for the next 10-15 years.
- The Broome Planning Steering Committee was convened by the Minister in November 2003 to assist the Shire with managing growth and development over the next 10-15 years. The Department assisted the Committee and the Western Australian Planning Commission in developing a land use framework to provide an effective forum for communication between key community interests. The final report of the Committee was endorsed at a joint meeting of the Committee, the Shire of Broome and the Western Australian Planning Commission in December 2005. The Shire is preparing a local planning strategy, which will build on the work of the Committee.
- In light of major strategic industrial proposals for Onslow, the Department undertook considerable work to provide a strategic framework for the future expansion and redevelopment of the town, including the preparation of a land development plan outlining infrastructure requirements.

- The outcomes of the Port Hedland 'Enquiry by Design' process were progressed through work with LandCorp, the Department of Industry and Resources and the Town of Port Hedland, including investigations for the development of a new industrial area and the resolution of issues in the West End precinct.
- A preliminary program was developed for a coastal strategy for the Pilbara region, and progress is awaiting the finalisation of work related to whole-of-state coastal planning.
- A draft strategy to guide land use, land zoning, subdivision and water management strategies in the east Wanneroo area was prepared and underwent a public review period. Submissions are being reviewed and a final strategy will subsequently be prepared.
- In implementing the State Government's 'Better Beaches Policy' committed at the last election, the Department has distributed \$250,000 to communities and local governments in the metropolitan area and regional centres for coastal rehabilitation work. Administered through the Coastwest program, the grants will also help to increase community participation in coastal zone management. Nineteen projects were funded, including the Coral Bay Community Manta Ray Monitoring and Education program.

Major Initiatives For 2006-07

- Allocate Commonwealth Auslink funds to the Public Transport Authority to construct crossing loops on the Eastern Goldfields Railway and resleeper the Koolyanobbing to Kalgoorlie section.
- Progress the Network City Strategy for Perth and Peel, focussing on a spatial framework for key centres and the transport network, targets for population and jobs, and policies for activity centres and corridors.
- Undertake the final survey of a four year series of household surveys measuring travel behaviour in the Perth Metropolitan Area, Mandurah and Murray local government areas. The survey results will be incorporated into a model to advise the need for new, or changes to, major transport infrastructure.
- Complete an online infrastructure database to assist planning and decision making across the State.
- In conjunction with Bunbury Port Authority and Australian Railroad Group, explore rail infrastructure options at the Bunbury Port to plan for the development of potential coal exports.
- Develop policy options for the development of infrastructure for a deep-water port facility at Oakajee and a railway corridor from the Yilgarn minerals province to the north east of Geraldton to export iron ore.
- Coordinate the implementation of the Metropolitan Freight Network Strategy through initiatives including:
 - investigate the identified potential sites for an intermodal terminal at Kwinana;
 - implement the Congestion Management Strategy to improve roads in the South West Metropolitan corridor by managing traffic and protecting local communities from the impacts of freight and general traffic;
 - confirm the route alignment and identify land requirements for a future rail reserve for the Midland freight railway realignment; and
 - progress planning for the Fremantle Ports' Outer Harbour at Kwinana.
- Complete the establishment of an intermodal facility at North Greenbushes, including a significant upgrade of the railway line and construction of an intermodal terminal to increase overall mode efficiency.
- Develop a State Rail Freight Policy to ensure sustainable use of Western Australia's freight transport network.
- Develop the State Transport Plan and Western Australia Transport Corridor Strategies, including AusLink, and continue implementation of the State Transport Infrastructure Plan.
- Facilitate or assist with the preparation of plans, the formation of necessary partnerships and the undertaking of appropriate actions, to foster the establishment of intensive residential and mixed use development in proximity to the Southern Suburbs Railway stations and integration of the development with transit facilities.
- Upgrade High Street (between Stirling Highway and Carrington Street) in Fremantle to improve road freight efficiency and ameliorate the effect of high traffic noise levels on adjacent residential properties.

CAPITAL WORKS PROGRAM

The Department of Planning and Infrastructure's planned capital works for 2006-07 is \$45.0 million comprising \$41.5 million for works in progress and \$4.0 million for new works.

Major metropolitan projects include:

- **Information and Communications Technology Upgrade**
The funds are to implement a suite of 10 interrelated Information Management Infrastructure projects. At the most basic level, part of this project is to provide sufficient capital to replace ageing infrastructure elements such as PABXs and smaller regional telephone systems, which may impair the Department's ability to continue operations.
- **Continuation of Hillary's Boat Harbour refurbishment**
The precinct upgrade will improve public amenities for visitors to the harbour and will include:
 - improved access with better pedestrian paths and cycleway;
 - landscaping upgrades with improved seating, lighting, barbeques, shade structures, terraced grassed areas etc;
 - upgraded beach toilet facilities; and
 - improved beach access.
- **Perry Lakes Redevelopment project**
The Perry Lakes Redevelopment project is for the redevelopment of the existing site for housing, and develop new facilities for basketball, athletics and rugby on the site referred to as the AK Reserve.
- **Wanneroo Revitalisation project**
The project is a whole-of-government partnership between the City of Wanneroo and the State Government. Its purpose is to create a vibrant centre that enhances the liveability, social wellbeing and economic development of Wanneroo.
- **Licensing Business Unit (complete the transfer of the Demerit Point System from the Western Australian Police)**
The project is to facilitate the transfer of the Demerit Point Suspension activity from the Western Australian Police to the Licensing Business Unit and the uptake of the Motor Drivers Licence suspension function as an ongoing licensing activity. The transfer is triggered by the Western Australian Police decommissioning existing computer systems and by the introduction of the Road Traffic Amendment Bill 2005, presently before Parliament.

Major non-metropolitan projects include:

- **Albany Waterfront and Convention Centre**
The project will extend the Albany CBD to the waterfront, creating a mixed use waterfront that will be a focal point for visitors and residents. The development will emphasise and compliment the historic and maritime features of Albany through a high standard of urban design and will provide opportunities for local economic development.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Albany Waterfront and Convention Centre.....	12,800	5,400	5,400	3,600
Asset Replacement – Land Administration Services	696	398	314	149
Information and Communications Technology Infrastructure.....	6,735	1,095	1,095	1,550
Koondoola Revitalisation Project.....	1,000	500	500	500
Marine Oil Pollution Response Equipment Enhancement / Replacement Program.....	495	86	86	92
Maritime				
Access and Infrastructure - Commercial				
Hillarys Boat Harbour - Asset Replacement Program.....	1,063	903	370	160
Hillarys Boat Harbour - Modify Breakwater	1,095	55	-	1,040
Access and Infrastructure - Recreation				
Casuarina Harbour Pens Stage 1	976	26	-	950
Hillarys Boat Harbour - Facility Refurbishment	6,232	3,656	3,656	1,988
Upgrades to Boat Launching Facilities.....	1,500	1,000	1,000	500
Minor Works program	1,688	703	589	445
Perry Lakes Redevelopment project.....	79,579	3,791	3,791	26,525
Shared Land Information Platform Infrastructure	1,888	1,622	1,406	266
Wanneroo Revitalisation Project.....	8,000	300	300	3,700

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
COMPLETED WORKS				
Maritime				
Access and Infrastructure - Commercial				
Wyndham Port Deferred Maintenance - unfunded works to complete original scope	2,100	2,100	2,069	-
Access and Infrastructure - Recreation				
Batavia Coast Marina Boardwalk	271	271	271	-
Coral Bay Access Road and Boat Launching Facility	5,220	5,220	4,487	-
Carnarvon Land Backed Wharf	4,249	4,249	1,915	-
Fremantle Fishing Boat Harbour - Memorial Jetty	100	100	100	-
Mews Road Commercial Centre	1,495	1,495	263	-
Mews Road Site Redevelopment - Stage 3	706	706	662	-
Navigation Aids				
2004-05 program	1,367	1,367	1,340	-
2005-06 program	610	610	610	-
Patrol Vessel Replacement	256	256	256	-
Metropolitan				
Transport Executive Licensing System (TRELIS) Stage 2	6,030	6,030	1,069	-
Minor Works - LAS	14	14	14	-
NEW WORKS				
Bremer Bay - Additional Groyne	400	-	-	120
Geraldton Batavia Coast Marina - Refurbish Floating Pens	500	-	-	500
Licensing Business Unit				
Complete the transfer of the Demerit Point Suspension function from the Western Australian Police	1,020	-	-	1,020
National Driver Licensing Scheme	365	-	-	365
Maritime				
Access and Infrastructure - Recreation				
Casuarina Boat Harbour - Service Jetty Extension	200	-	-	200
Fremantle Fishing Boat Harbour Jetty 1 Extension	500	-	-	500
Navigation Aids				
2006-07 program	600	-	-	600
Vessel Replacement	1,175	-	-	250
	150,925	41,953	31,563	45,020

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	10,319	14,700	31,563	45,020	47,656	9,967	7,185
Working capital requirement							
Loan and Other Repayments	2,676	2,037	2,037	1,906	1,451	1,077	263
	12,995	16,737	33,600	46,926	49,107	11,044	7,448
LESS							
Borrowings	6,318	730	-	-	-	-	-
Drawdowns from the Holding Account	127	119	119	119	-	-	-
Perry Lakes Trust Fund	-	-	2,091	26,525	37,867	5,600	5,796
Internal Funds and Balances	(10,417)	4,346	18,348	3,915	180	460	180
Other	1,016	-	1,500	-	-	-	-
Capital Contribution	15,951	11,542	11,542	16,367	11,060	4,984	1,472

FINANCIAL STATEMENTS**INCOME STATEMENT
(Controlled)**

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	81,898	81,487	86,689	91,908	89,647	92,365	95,115
Superannuation	7,857	7,411	8,726	8,325	9,168	9,433	9,706
Grants and subsidies ^(c)	36,982	49,290	56,896	77,680	52,426	46,511	44,803
Supplies and services	49,452	47,295	59,678	67,536	63,604	64,321	65,250
Accommodation	11,641	10,086	10,906	10,913	10,950	11,040	11,120
Finance costs	927	1,296	1,296	1,296	1,296	1,296	1,296
Capital user charge	22,191	23,754	25,551	26,297	27,153	27,671	27,837
Depreciation and amortisation	10,503	14,286	11,456	11,324	11,292	11,264	11,264
Costs of disposal of non-current assets	61	-	-	-	-	-	-
Other expenses	23,839	12,640	21,151	23,074	12,656	12,706	12,456
TOTAL COST OF SERVICES	245,351	247,545	282,349	318,353	278,192	276,607	278,847
Income							
User charges and fees	8,611	8,673	8,361	9,368	9,456	9,543	9,632
Regulatory fees and fines	56,429	54,208	58,170	62,311	64,970	67,744	70,640
Grants and subsidies	2,827	9,042	3,441	29,216	6,925	9,631	3,131
Interest revenue	472	429	428	383	383	383	383
Rent	7,736	7,033	7,033	8,177	8,177	8,177	8,177
Service delivery agreement	7,700	-	10,408	11,972	13,142	14,398	14,980
Proceeds from disposal of non-current assets ..	72	-	-	-	-	-	-
Other revenue	9,242	5,087	6,263	5,404	5,721	5,883	5,890
Total Income	93,089	84,472	94,104	126,831	108,774	115,759	112,833
NET COST OF SERVICES	152,262	163,073	188,245	191,522	169,418	160,848	166,014
INCOME FROM STATE GOVERNMENT							
Service appropriations	149,285	161,820	175,128	182,312	163,237	154,578	160,613
Resources received free of charge	4,363	4,343	4,363	4,363	4,363	4,363	4,363
Liabilities assumed by the Treasurer	319	-	319	319	319	319	319
Change in equity arising from transfer of assets / liabilities	57	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	154,024	166,163	179,810	186,994	167,919	159,260	165,295
SURPLUS (DEFICIENCY) FOR THE PERIOD	1,762	3,090	(8,435)	(4,528)	(1,499)	(1,588)	(719)
Extraordinary items	(943)	-	-	-	-	-	-
CHANGE IN SURPLUS (DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	819	3,090	(8,435)	(4,528)	(1,499)	(1,588)	(719)

- (a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.
- (b) The Full Time Equivalents (FTEs) for 2004-05 Actual, 2005-06 Estimated Actual and 2006-07 Estimate are 1,280; 1,527 and 1,540 respectively.
- (c) Refer Details of Controlled Grants and Subsidies table for further information.

BALANCE SHEET
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CURRENT ASSETS							
Cash and cash equivalents	20,060	6,145	7,385	4,678	5,781	6,080	5,042
Restricted cash	8,092	8,619	1,992	2,141	2,340	2,344	2,354
Receivables	6,274	5,450	4,774	4,774	4,774	4,774	4,774
Inventories	445	171	445	445	445	445	445
Interest receivable	40	25	40	40	40	40	40
Amounts receivable for services	119	119	119	-	-	-	-
Prepayments	39	259	39	39	39	39	39
Total current assets	35,069	20,788	14,794	12,117	13,419	13,722	12,694
NON-CURRENT ASSETS							
Amounts receivable for services	60,737	76,326	73,496	87,115	100,702	114,261	127,820
Land and buildings	104,456	91,238	103,173	102,382	101,591	100,800	100,009
Plant and equipment	3,566	10,088	5,830	7,367	7,110	6,817	6,316
Infrastructure	115,359	132,143	126,486	127,197	135,338	129,771	123,924
Intangibles	27,757	-	24,166	21,080	17,994	14,908	11,822
Other	11,460	33,497	16,860	20,460	11,460	11,460	11,460
Total non-current assets	323,335	343,292	350,011	365,601	374,195	378,017	381,351
TOTAL ASSETS	358,404	364,080	364,805	377,718	387,614	391,739	394,045
CURRENT LIABILITIES							
Superannuation	102	-	102	102	102	102	102
Payables	2,200	4,615	2,201	2,201	2,201	2,201	2,201
Provision for employee entitlements	13,456	11,894	13,456	13,456	13,456	13,456	13,456
Borrowings	2,616	2,800	2,616	2,616	2,616	2,616	2,616
Interest payable	205	165	205	205	205	205	205
Accrued salaries	-	213	217	469	699	949	1,209
Other	2,018	3,087	2,018	2,018	2,018	2,018	2,018
Total current liabilities	20,597	22,774	20,815	21,067	21,297	21,547	21,807
NON-CURRENT LIABILITIES							
Provision for employee entitlements	8,464	10,048	9,886	12,181	14,476	16,771	19,066
Borrowings	13,358	11,900	11,312	9,839	7,649	5,833	4,831
Total non-current liabilities	21,822	21,948	21,198	22,020	22,125	22,604	23,897
TOTAL LIABILITIES	42,419	44,722	42,013	43,087	43,422	44,151	45,704
EQUITY							
Contributed equity	103,735	117,050	118,977	135,344	146,404	151,388	152,860
Accumulated surplus / (deficit)	184,822	187,188	176,387	171,859	170,360	168,772	168,053
Reserves	27,428	15,120	27,428	27,428	27,428	27,428	27,428
Total equity	315,985	319,358	322,792	334,631	344,192	347,588	348,341
TOTAL LIABILITIES AND EQUITY	358,404	364,080	364,805	377,718	387,614	391,739	394,045

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

CASHFLOW STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	137,214	146,112	162,250	168,693	149,650	141,019	147,054
Capital contribution	15,951	11,542	9,842	16,367	11,060	4,984	1,472
Holding account drawdowns	127	119	119	119	-	-	-
Net cash provided by State government	153,292	157,773	172,211	185,179	160,710	146,003	148,526
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(81,798)	(79,753)	(85,050)	(89,362)	(87,122)	(89,820)	(92,560)
Superannuation	(7,435)	(7,510)	(8,407)	(8,006)	(8,849)	(9,114)	(9,387)
Grants and subsidies	(37,459)	(49,290)	(56,896)	(77,679)	(52,426)	(46,511)	(44,803)
Supplies and services	(49,612)	(42,952)	(55,314)	(63,173)	(59,241)	(59,958)	(60,887)
Accommodation	(11,946)	(10,086)	(10,906)	(10,913)	(10,950)	(11,040)	(11,120)
Finance costs	(887)	(1,296)	(1,296)	(1,296)	(1,296)	(1,296)	(1,296)
Capital user charge	(22,191)	(23,754)	(25,551)	(26,297)	(27,153)	(27,671)	(27,837)
Goods and Services Tax	(15,591)	(15,088)	(13,299)	(13,299)	(13,299)	(13,299)	(13,299)
Other	(18,418)	(12,639)	(21,151)	(23,074)	(12,656)	(12,706)	(12,456)
Receipts							
User charges and fees	7,712	8,673	8,361	9,368	9,456	9,543	9,632
Regulatory fees and fines	54,744	54,208	58,170	62,311	64,970	67,744	70,640
Grants and subsidies	2,575	9,042	3,441	29,216	6,925	9,631	3,131
Interest received	457	428	428	383	383	383	383
Rent receipts	7,773	7,033	7,033	8,177	8,177	8,177	8,177
Goods and Services Tax	16,755	15,088	13,299	13,299	13,299	13,299	13,299
Service delivery agreement	7,700	-	10,408	11,972	13,142	14,398	14,980
Other receipts	7,057	5,087	7,763	5,404	5,721	5,883	5,890
Net cash from operating activities	(140,564)	(142,809)	(168,967)	(172,969)	(150,919)	(142,357)	(147,513)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(8,915)	(14,700)	(25,373)	(13,295)	(6,299)	(1,527)	(1,039)
Proceeds from sale of non-current assets	72	-	-	-	-	-	-
Net cash from investing activities	(8,843)	(14,700)	(25,373)	(13,295)	(6,299)	(1,527)	(1,039)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings	(2,676)	(2,776)	(2,776)	(2,645)	(2,190)	(1,816)	(1,002)
Proceeds from borrowings	6,318	730	730	1,172	-	-	-
Net cash from financing activities	3,642	(2,046)	(2,046)	(1,473)	(2,190)	(1,816)	(1,002)
NET INCREASE / (DECREASE) IN CASH HELD	7,527	(1,782)	(24,175)	(2,558)	1,302	303	(1,028)
Cash assets at the beginning of the reporting period	21,263	16,546	28,152	9,377	6,819	8,121	8,424
Net cash transferred to / from other agencies	(638)	-	5,400	-	-	-	-
Cash assets at the end of the reporting period	28,152	14,764	9,377	6,819	8,121	8,424	7,396

- (a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

SCHEDULE OF ADMINISTERED EXPENSES AND INCOME

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
EXPENSES							
Grants and subsidies	4,054	4,201	4,201	4,190	4,128	4,128	4,128
Supplies and services	1,516	800	1,050	1,550	1,533	3,877	4,127
Accommodation	175	-	-	-	-	5,000	-
Finance costs	-	-	300	2,000	3,500	2,000	-
Depreciation and amortisation	4	4	4	3	3	2	2
Loss on disposal of non-current assets	883	-	-	-	-	5,745	-
Other expenses	1,081	1,000	1,000	1,000	1,000	2,000	1,000
Receipts paid into the Consolidated Fund	590,812	473,663	531,719	561,620	559,035	558,339	582,832
TOTAL ADMINISTERED EXPENSES ^(b) ..	598,525	479,668	538,274	570,363	569,199	581,091	592,089
INCOME							
User charges and fees	-	1,596	-	-	-	-	-
Regulatory fees and fines	442,278	427,138	456,679	495,211	522,130	541,673	563,265
Gain on disposal of non-current assets	-	26,865	28,461	31,565	3,291	-	31,792
Grants and subsidies	-	-	-	6,700	3,402	-	-
Interest revenue	598	-	-	-	-	-	-
Other revenue	6,375	5,240	5,440	5,435	5,430	5,420	5,400
Administered appropriations	4,054	4,201	4,201	4,190	4,128	4,128	4,128
Initial recognition of assets not previously recognised	41,517	5,300	32,415	20,035	20,860	9,667	9,667
Change in equity arising from transfer of assets / liabilities	57,727	-	56,000	-	-	-	-
TOTAL ADMINISTERED INCOME ^(c)	552,549	470,340	583,196	563,136	559,241	560,888	614,252

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

(b) Further information is provided in the table 'Details of the Administered Transactions Expenses'.

(c) Further information is provided in the table 'Details of the Administered Transactions Income'.

SCHEDULE OF ADMINISTERED ASSETS AND LIABILITIES

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
ADMINISTERED CURRENT ASSETS							
Cash and cash equivalents	35,212	28,135	34,712	37,562	42,462	47,362	46,862
Restricted cash	862	-	862	862	862	862	862
Receivables	13,704	23,174	12,180	12,180	12,180	12,180	12,180
Interest receivable	3	3	3	3	3	3	3
Other.....	1,123	1,153	1,123	1,123	1,123	1,123	1,123
Total Administered Current Assets	50,904	52,465	48,880	51,730	56,630	61,530	61,030
ADMINISTERED NON-CURRENT ASSETS							
Land and buildings.....	1,990,765	2,006,220	2,039,545	2,025,521	2,001,967	1,949,473	1,933,973
Receivables	745	5,638	745	745	745	745	745
Plant and equipment.....	34	11	30	27	24	22	20
Other.....	732	8,729	2,823	29,348	67,215	72,815	78,611
Total Administered Non-Current Assets	1,992,276	2,020,598	2,043,143	2,055,641	2,069,951	2,023,055	2,013,349
TOTAL ADMINISTERED ASSETS.....	2,043,180	2,073,063	2,092,023	2,107,371	2,126,581	2,084,585	2,074,379
ADMINISTERED CURRENT LIABILITIES							
Payables	846	4	426	426	426	426	426
Interest payable	12	3	12	12	12	12	12
Amounts due to the Treasurer.....	2,000	-	4,641	2,000	2,000	2,000	2,000
Other.....	2,100	6,013	2,100	2,100	2,100	2,100	2,100
Total Administered Current Liabilities.....	4,958	6,020	7,179	4,538	4,538	4,538	4,538
ADMINISTERED NON-CURRENT LIABILITIES							
Borrowings.....	-	-	-	25,216	54,384	32,591	222
Total Administered Non-Current Liabilities	-	-	-	25,216	54,384	32,591	222
TOTAL ADMINISTERED LIABILITIES..	4,958	6,020	7,179	29,754	58,922	37,129	4,760

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SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Grants and subsidies	(4,054)	(4,201)	(4,201)	(4,190)	(4,128)	(4,128)	(4,128)
Supplies and services	(1,639)	(800)	(1,050)	(1,550)	(1,533)	(3,877)	(4,127)
Accommodation	(175)	-	-	-	-	(5,000)	-
Finance costs	-	-	(300)	(2,000)	(3,500)	(2,000)	-
Other	(7,417)	(1,000)	(1,000)	(1,000)	(1,000)	(2,000)	(1,000)
Receipts paid into the Consolidated Fund	(588,182)	(473,684)	(531,740)	(561,641)	(559,056)	(558,360)	(582,832)
Financing Activities							
Repayment of Treasurer's Advances	-	-	-	(2,641)	-	-	-
Repayment of Borrowings - Perry Lakes Trust Account	-	-	-	-	(9,530)	(38,470)	(41,492)
Investing Activities							
Purchase of non-current assets	-	(4,000)	(3,791)	(26,525)	(37,867)	(5,600)	(5,796)
TOTAL ADMINISTERED CASH OUTFLOWS	(601,467)	(483,685)	(542,082)	(599,547)	(616,614)	(619,435)	(639,375)
CASH INFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
User charges and fees	144,703	42,606	70,921	65,645	38,196	17,967	15,467
Taxation	351,709	344,131	373,212	390,807	408,925	427,883	447,719
Regulatory fees and fines	91,490	83,007	83,467	104,404	113,205	113,790	115,546
Grants and subsidies	-	-	-	6,700	3,402	-	-
Interest received	9	-	-	-	-	-	-
Other receipts	6,441	5,240	5,440	5,435	5,430	5,420	5,400
Administered appropriations	4,054	4,201	4,201	4,190	4,128	4,128	4,128
Financing Activities							
Receipt of Treasurer's Advance	-	-	2,641	-	-	-	-
Proceeds from borrowings	2,000	-	-	25,216	38,698	16,677	9,123
Investing Activities							
Proceeds from sale of non-current assets	-	-	-	-	9,530	38,470	41,492
Capital contribution receipts	-	-	1,700	-	-	-	-
TOTAL ADMINISTERED CASH INFLOWS	600,406	479,185	541,582	602,397	621,514	624,335	638,875
NET CASH INFLOWS / (OUTFLOWS) FROM ADMINISTERED TRANSACTIONS	(1,061)	(4,500)	(500)	2,850	4,900	4,900	(500)

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DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
Aviation (Public Air) Subsidies.....	801	852	852	852	852	852	852
Better Beaches Policy	-	250	250	250	250	250	250
Coastal Projects and Zone Management	426	1,270	2,220	1,199	1,100	1,100	1,100
Community Police	579	695	695	695	695	695	695
Concession To Probationary Drivers.....	-	635	635	654	674	694	694
Daddow Road Project.....	-	-	-	1,500	1,500	7,500	4,000
Department of Land Information.....	74	130	461	211	211	130	130
Eastern Goldfields Railway Project.....	-	-	-	25,100	12,000	-	-
Emergency Vehicle Insurance	9	120	120	120	120	120	120
Fare Subsidies	1,280	2,219	2,043	2,120	2,120	2,120	2,120
LPG Subsidy Scheme	1,121	1,200	1,200	1,200	-	-	-
Maddington Kenwick Sustainability	-	2,000	-	4,000	-	-	-
Marine Safety.....	104	123	208	721	647	662	677
Mirrabooka Shopping Centre	-	3,000	2,987	-	-	-	-
North West Shipping	3,367	3,456	4,989	8,573	8,573	8,573	10,073
Other Grants & Subsidies	1,067	274	329	387	-	-	-
Perth Bicycle Network / Country Pathways.....	6,929	5,616	2,923	1,479	1,479	1,302	1,237
Port of Wyndham Management.....	1,602	1,100	1,100	1,800	1,800	1,800	1,800
Public Transport Authority - CAT Bus Replacement, CAT Depot and Yellow CAT Service Extension.....	-	-	7,592	992	992	992	992
Public Transport Authority - Perth Parking Fees	6,959	6,845	7,428	7,770	8,031	8,304	8,586
Public Transport Authority - Other Grants.....	2,999	-	-	-	-	-	-
Recreational Boating Facilities.....	241	650	870	1,064	870	870	870
Regional Airport Development Scheme.....	1,178	1,940	2,454	1,940	1,940	1,940	1,940
Rockingham Redevelopment Office	391	250	250	-	-	-	-
Southwest Plantation Timber Rail at North Greenbushes	-	8,700	8,700	5,750	-	-	-
Student Fare Concessions.....	1,099	1,571	1,227	1,472	1,472	1,472	1,472
Taxi User Subsidy Scheme.....	6,182	6,058	6,844	7,318	6,739	6,799	6,859
TravelSmart, Pedestrian Projects.....	212	136	216	211	161	136	136
Urban Design Projects	362	200	303	302	200	200	200
TOTAL.....	36,982	49,290	56,896	77,680	52,426	46,511	44,803

DETAILS OF THE ADMINISTERED TRANSACTIONS EXPENSES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
STATUTORY AUTHORITIES							
Western Australian Coastal Shipping Commission	4,054	4,201	4,201	4,190	4,128	4,128	4,128
TOTAL.....	4,054	4,201	4,201	4,190	4,128	4,128	4,128

DETAILS OF THE ADMINISTERED TRANSACTIONS INCOME

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
TAXATION							
Conservancy Fees	299	283	282	282	295	309	323
Motor Vehicle Licence Fees	318,311	311,816	338,000	354,000	370,411	387,584	405,552
Motor Vehicle Recording Fees	37,184	29,586	29,903	31,289	32,740	34,258	35,846
FINES							
Speed and Red Light Fines	48,633	44,000	44,000	62,901	70,100	69,000	69,000
Final Demand Fees	1,129	1,082	1,000	1,000	1,000	1,000	1,000
Other Fines	1,611	5,800	5,583	6,134	6,185	6,237	6,289
OTHER							
Sale of Land	144,703	42,606	70,921	65,645	38,196	17,967	15,467
Motor Drivers Licences	32,481	32,315	35,212	36,807	38,514	40,299	42,167
Third Party Insurance Premiums	412,650	355,000	437,000	450,000	463,500	477,000	491,000
Firearm Licence Fees	2,630	2,256	2,699	2,798	2,885	2,986	3,088
TOTAL	999,631	824,744	964,600	1,010,856	1,023,826	1,036,640	1,069,732

TRUST ACCOUNT DETAILS**Dampier to Bunbury Natural Gas Pipeline Corridor Trust Account**

The Dampier to Bunbury Natural Gas Pipeline Corridor Trust Account provides funds for the widening of the original corridor through the purchase of land and easements over land.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
Opening Balance	31,841	31,337	31,160	30,660
Receipts:				
Other	1,619	1,300	1,300	1,300
	33,460	32,637	32,460	31,960
Payments	2,300	1,804	1,800	3,850
CLOSING BALANCE	31,160	30,833	30,660	28,110

Perry Lakes Trust Fund

The Perry Lakes Trust Fund is established under Section 41 of the *Perry Lakes Redevelopment Act 2005* and constituted under Section 9 of the *Financial Administration and Audit Act 1985*. The purpose of this trust fund is to fund the redevelopment of Perry Lakes and the development of sporting facilities on the AK Reserve land.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
Opening Balance	-	-	-	-
Receipts:				
Other	-	-	2,641	25,216
	-	-	2,641	25,216
Payments	-	-	2,641	25,216
CLOSING BALANCE	-	-	-	-

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23A of the *Financial Administration and Audit Act 1985*, provides for the retention of the following cash receipts by the Department:

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
Services Provided to Western Australia Planning Commission	7,700	6,395	10,408	11,972
Indian Ocean Territories	40	81	81	161
Boat Registration Fees	6,531	6,300	6,700	7,011
Jetty Licences	385	331	331	441
Marine Examinations	119	162	162	173
Motor Vehicles	13,718	12,233	11,269	12,107
Motor Drivers	6,034	5,752	6,681	8,651
Proof of Age Card	155	126	201	195
Plate Fees	8,181	8,827	10,735	10,591
Recoups for Services Provided	7,893	7,700	7,700	8,707
Temporary Permits	393	391	564	457
Other Revenue	554	1,038	610	547
Proceeds from Rental Properties	1,763	859	859	1,826
Pastoral Leases	1,410	1,464	1,464	1,464
GST Input Credits	5,773	8,953	2,317	2,317
GST Receipts on Sales	10,982	6,135	10,982	10,982
TOTAL	71,631	66,747	71,064	77,602

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

COMMISSIONER OF MAIN ROADS

PART 9 - MINISTER FOR PLANNING AND INFRASTRUCTURE

DIVISION 40

APPROPRIATION AND FORWARD ESTIMATES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 83 Net amount appropriated to deliver services	206,192	247,313	224,987	188,902	245,972	226,231	219,406
Amount Authorised by Other Statutes - Road Traffic Act 1974	280,015	261,648	259,477	301,096	246,572	322,747	353,972
Total appropriations provided to deliver services	486,207	508,961	484,464	489,998	492,544	548,978	573,378
CAPITAL							
Item 158 Capital Contribution	141,591	97,354	123,872	196,824	240,701	177,417	143,105
Amount Authorised by Other Statutes - Road Traffic Act 1974	41,265	52,168	81,373	52,679	118,437	53,936	34,760
GRAND TOTAL	669,063	658,483	689,709	739,501	851,682	780,331	751,243

MISSION

To provide safe and efficient road access that will enhance community lifestyles and ensure economic prosperity.

SIGNIFICANT ISSUES AND TRENDS

- The role and focus of Main Roads, as with other road agencies the world over, was to build, expand and maintain their road networks. However, there is a major shift occurring to that of a network operator. The need for this new focus is driven by increasing traffic volumes, community concerns and expectations for the environment and access issues. Main Roads' aim in meeting the new challenge is to provide a pro-active focus on services to all of our customers aimed at improving and facilitating the use of the existing road network as part of an integrated transport system.
- In response to ensuring the most effective operation of the entire network Main Roads has developed a Road Network Operations Strategy called Smarter Roads - Better Journeys, which complements the Customer Service Strategy - Excellent Inroads, where the focus is to provide a service to our customers aimed at improving and facilitating the use of the existing road network. This move is driven by the understanding that our customers are mainly concerned about the service the network provides to facilitate their journey rather than the physical make-up of the network itself. Smarter Roads - Better Journeys looks for other than capital solutions to increase efficiency on the network. These solutions include activities associated with network monitoring, maintaining road safety standards, providing efficient traffic and freight management, delivering traveller information services and implementing demand management initiatives.
- The strong economy throughout Australia, particularly given resource development projects and significant infrastructure projects in Western Australia, combined with a national skills shortage, has meant that there are a number of significant projects available for civil construction contractors to tender for. This has reduced the competitiveness of tender prices for roadworks coupled with increasing commodity prices, particularly oil, resulting in unprecedented cost escalation in the civil construction industry and significant project cost increases. Main Roads utilises various contracting strategies to address these problems together with ongoing improvements to internal management processes including Program Management, Project Management and other Organisational Development Strategies.

- Road user expectations that roads will enhance the quality of life and wellbeing of Western Australians continue to increase through better access to the road network along with safer and more efficient roads. There is a requirement for Main Roads to continue to build relationships with its customers, stakeholders and the community through gaining a deeper understanding of their needs and expectations. The impact of the growth in the road freight task, which is expected to double, is compounded by the increasing age of the road network. In addition, the heavy vehicle industry is seeking to gain greater economies through innovative larger vehicles amidst continuing community concern. Recent COAG (Council of Australian Government) commitments place a greater requirement upon Main Roads to facilitate improvements in the productivity of heavy vehicles. The national Performance Based Standards (PBS) initiative will require Main Road to invest in people and systems for the State to take advantage of this reform. Main Roads will work closely with the National Transport Commission (NTC) and the Department for Planning and Infrastructure on this and other transport improvement initiatives.
- The State Road Funds to Local Government Agreement 2005-06 - 2009-10 was signed during the year. Local Government is now guaranteed 27 per cent of Vehicle Licence Fee collections, which is a two per cent increase on the previous two agreements.
- Main Roads and the Department for Planning and Infrastructure are working closely with the Commonwealth to secure greater AusLink funding in the future under the AusLink program. The AusLink Corridor Strategies presently being developed should provide a strong basis for improved Commonwealth road funding to Western Australia in future AusLink programs.
- There are heightened requirements for Main Roads to positively contribute towards long term environmental protection and to develop a sustainable road network. Main Roads is committed to meeting the requirements of the State Sustainability Strategy and continues to emphasise value for money, achievement of social benefits, environmental protection / ecological sustainability and even stronger community involvement and consultation in providing a fully integrated approach to sustainability. Main Roads' performance as a responsible environmental manager has been enhanced by the development and implementation of a third party certified Environmental Management System based on ISO 14001. Recently Main Roads released its second Public Environmental Report.
- Maintaining and building capability throughout the organisation is an area of strategic focus as Main Roads positions itself to develop and maintain a highly motivated, skilled and sustainable workforce and respond to key skill shortages being experienced in the construction and road industry throughout Australia.
- A significant trend that is occurring World-wide is the use of new technologies to optimise the benefits that can be obtained from the existing network. Within the broader context of the Network Operator role, Main Roads will continue to implement the Intelligent Transport Systems (ITS) Strategy. These systems apply information, communications and control technologies to improve the operation and safety of transport networks and also increase the capacity of existing networks enabling the deferment of capital works.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2005-06 Budget to Parliament on 26 May 2005 are outlined below.

	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
High-Wide Load Corridor	3,000	-	-	-
Heavy Vehicle Operations	500	525	550	575
Planning Study for the Great Eastern Highway	150	-	-	-

SERVICE AND APPROPRIATION SUMMARY

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Road Network Operations Management	64,087	77,898	78,417	83,875			
<i>Service 2:</i>							
Road-Use Efficiency Improvements	53,718	54,605	102,038	109,441			
<i>Service 3:</i>							
Road Infrastructure for Community Access.....	121,576	29,789	102,848	108,354			
<i>Service 4:</i>							
Road-Use Safety Improvements	43,542	60,682	75,313	80,900			
<i>Service 5:</i>							
Road Network Maintenance	368,775	389,231	413,274	417,879			
<i>Service 6:</i>							
Road Infrastructure for State Development.....	230,329	94,271	146,876	147,525			
Total Cost of Services ^(a)	882,027	706,476	918,766	947,974	1,048,406	1,009,103	924,916
<i>Less Income ^(b)</i>	<i>234,008</i>	<i>109,466</i>	<i>218,381</i>	<i>153,888</i>	<i>148,706</i>	<i>164,473</i>	<i>87,401</i>
Net Cost of Services	648,019	597,010	700,385	794,086	899,700	844,630	837,515
 Expenditure Capitalised	 (303,674)	 (215,735)	 (349,738)	 (384,564)	 (488,699)	 (407,428)	 (263,865)
	344,345	381,275	350,647	409,522	411,001	437,202	573,650
 Adjustments ^(c)	 141,862	 127,686	 133,817	 80,476	 81,543	 111,776	 (272)
Appropriation provided to deliver Services.	486,207	508,961	484,464	489,998	492,544	548,978	573,378
 CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(d)	182,856	149,522	205,245	249,503	359,138	231,353	177,865
 TOTAL CONSOLIDATED FUND APPROPRIATIONS.....	669,063	658,483	689,709	739,501	851,682	780,331	751,243

- (a) Excludes retired non-current fixed assets expense, which has not been allocated to any service. The 2005-06 budget figure also excludes non-roadworks expense, interest and written-down value of assets sold.
- (b) Excludes change in equity arising from transfer of assets. The 2005-06 budget figure also excludes income from non-roadworks (\$49.5 million).
- (c) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (d) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

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

OUTCOMES, SERVICES AND PERFORMANCE INFORMATION**Relationship to Government Goals**

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

Government Goals	Desired Outcomes	Services
To enhance the quality of life and wellbeing of all people throughout Western Australia.	Efficient road access for road users.	1. Road network operations management 2. Road-use efficiency improvements 3. Road infrastructure for community access
	Safe road access for road users.	4. Road-use safety improvements
	A well maintained road network.	5. Road network maintenance
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.	Road infrastructure that supports economic and regional development.	6. Road infrastructure for State development

Outcomes and Key Effectiveness Indicators ^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Outcome: Efficient Road Access for Road Users.					
Community Satisfaction	92%	90%	90%	90%	
Road Network Permitted for Use by Heavy Freight Vehicles:					
B-Doubles	98.2%	98.2%	97.1%	97.1%	
Double Road Trains	96.6%	96.6%	96.5%	96.6%	
Triple Road Trains	41.2%	41.2%	40%	40%	
Road Standards	52.6%	48.3%	52.0%	52.0%	
Bridge Standards	93.6%	93.7%	95.3%	96%	
Outcome: Safe Road Access for Road Users.					
Road Fatality Rate	0.83	0.63	0.76	0.49	The 2005-06 Estimated is based on trend figures. The 2006-07 target is based on the Western Australian Road Safety Strategy 2003-2007, which aims to reduce the rate of fatalities per population to a level that is equal to the best in Australia.
Community Perception of Road Safety:					
Overall Safety of Freeways - Metro	93%	90%	90%	90%	
Overall Safety of Highways - Metro	93%	90%	90%	90%	
Overall Safety of Highways - Rural	89%	90%	90%	90%	
Outcome: A Well-Maintained Road Network.					
Smooth Travel Exposure	98.2%	97.8%	98.0%	98.0%	
Community Perception of Ride Quality:					
Metro Freeways	96%	97%	96%	95%	
Metro Highways	92%	93%	92%	90%	
Rural Highways	89%	82%	89%	85%	
Outcome: Road Infrastructure that Supports Economic and Regional Development.					
Return on Construction Expenditure		3.04	2.36	1.4	As this is an average return, it is influenced significantly by the return attributed to major construction projects in 2006-07.

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

Service 1: Road Network Operations Management

Works associated with the management of the road network to ensure the safe and efficient movement of people and goods throughout the State, which includes activities of the traffic operation centre, heavy vehicle operation activities, metropolitan and regional road asset management, road user and customer services, emergency telephones and street lighting, Intelligent Transport Systems and traffic signals, and road advisory services to the community.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	64,087	77,898	78,417	83,875	
Less Income	518	772	2,381	3,682	
Net Cost of Service	63,569	77,126	76,036	80,193	
Adjustments ^(a)	14,302	16,495	14,765	8,362	
Appropriation for delivery of Service	77,355	93,621	90,501	88,257	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average Cost Per Lane Kilometre of Network Managed	\$1,598	\$1,700	\$2,038	\$2,064	
Full Time Equivalents (FTEs)	548	563	635	641	

Major Achievements For 2005-06

- Customer Consultative Committee - this committee was established to provide advice and feedback on the services provided by Main Roads.
- Heavy Vehicle Operations:
 - three new period permits have been developed to provide the Heavy Vehicle industry with greater flexibility and reduce administration costs as an ongoing process to streamline the management of heavy vehicles whilst providing the community with safeguards; and
 - the Accreditation scheme has been reviewed and modified in conjunction with stakeholders.
- Incident Management System - this system, which includes contingency plans for key Main Roads infrastructure, has been implemented. The protocols between Main Roads and Police have been improved and new protocols established with other Hazard Agencies.
- Network Operations Strategy: Smarter Roads, Better Journeys - this strategy, developed to optimise safety and efficiency of the existing road network for all road users, was completed in 2005.
- River Monitoring Station - installation at the Shaw River on Marble Bar Road through the Department of Environment.
- Regional Road Condition Map - electronic maps have been installed on Main Roads website to enable real time reporting of the condition of the road network to assist travellers and other road users. This initiative won the State Government Pre-Disaster Category of the 2005 Australian Safer Communities Awards from the Fire and Emergency Services Authority.
- Railway Crossings - Main Roads has implemented the nationally adopted ALCAM risk assessment model. A four year program to assess all of the 1200 public rail crossings has commenced. The risk assessment will ensure that risks are identified and managed effectively.

- Traffic Management Developments - the traffic impacts during construction of projects such as Roe Highway, Tonkin Highway and the New MetroRail project have been considered and managed to ensure minimal disruption to road users.
- Traffic Operations Management System (RIPPLE) – the system software has been upgraded to improve the integration of elements of Main Roads Intelligent Transport System (ITS). The software upgrade will allow Main Roads to detect and respond more quickly to incidents on the freeway and highway network and improve management of the network.

Major Initiatives For 2006-07

- Community Engagement – policies and guidelines will be developed along with a database of stakeholders and consultation tool kit to further strengthen Main Roads community consultation processes and practices.
- Fatigue Management – develop a strategy for fatigue counter measures by locating and developing parking and rest areas for the various types of traffic in Wheatbelt North Region.
- Highway Emergency Response Operations (HERO) – following a review of HERO in 2005-06 the service will be further strengthened resulting in an increased capability and a reduction in response times to incidents on the freeway and highway network.
- Intelligent Transport System (ITS) - investment in the ITS strategy to improve the efficiency and safety of the road network via innovative use of emerging technologies will be continued. Initiatives to be delivered include installation of traffic monitoring devices to enable real time monitoring of traffic, enhanced incident detection systems and advice to travellers of incidents using variable message signage.
- Marble Bar Road - improve road closure warning signage.
- National Road Transport Reform (Compliance and Enforcement) Bill – the new bill will ensure the adoption of a nationally agreed legislative framework for management of heavy vehicles. The Bill includes enforcement powers, risk based classification offences, sanctions and penalties.
- Network Operations Strategy: Smarter Roads, Better Journeys – this strategy to guide Main Roads in the new role of network operator was completed in 2005. Implementation of the strategy will commence with a focus on providing user driven services that will deliver reliable, safe and sustainable road access to the community.

Service 2: Road-Use Efficiency Improvements

Works aimed at optimising utilisation, by improving the capacity of the existing network. This is achieved through works such as those that improve the efficiency of traffic flow and those that incorporate geometric improvements. Road improvements facilitate more efficient movement of people and goods to meet the requirements of a growing and diversified economy. Improvements include providing a road of improved standard with geometric improvements; road widening; bridge strengthening and intersection improvements including roundabouts and interchanges.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	53,718	54,605	102,038	109,441	
Less Income.....	8,461	25,455	30,265	55,008	
Net Cost of Service	45,257	29,150	71,773	54,433	
Adjustments ^(a)	10,240	6,234	13,944	5,719	
Appropriation for delivery of Service	54,981	35,384	85,417	59,852	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average Road Improvement Cost per lane kilometre	\$279,172	\$342,000	\$431,990	\$353,169	No works planned to be undertaken in 2006-07
Average Cost per Intersection Improvement....	\$188,970	\$200,000	\$175,458	\$147,143	
Average Cost for Bridge Strengthening per m ²	\$737	\$0	\$209	\$0	
Full Time Equivalents (FTEs)	21	21	34	34	

Major Achievements For 2005-06

- Derby Highway (Great Northern Highway to Derby Airport) - completed the widening to eight metres width and sealing of 6.2 kilometres, removed dangerous crests and realigned curves in November 2005. This road is the only sealed road that links Derby with Great Northern Highway to form part of the inter-town route between Broome and Derby. It provides access to the Derby Export Facility, Derby Airport and serves as the access road to Curtin Air Base, an important defence installation in the North West.
- Goldfields Highway (Kalgoorlie to Kambalda) - the remaining 5.1 kilometres of eight metre seal at Jubilee was widened to nine metres completing the widening program for this important regional link.
- Great Northern Highway:
 - completion of five kilometres of road widening works in conjunction with the Maintenance Contractor's rehabilitation works at Walebing.
 - widening of the Brockman River Bridge south of Bindoon;
 - completion of a southbound passing lane near Blue Plains Road;
 - construct passing lanes, improve intersections, realign, reconstruct and widen 12.5 kilometres of various sections of the Highway between Muchea and Wubin;
 - relocation of the Muchea East Road intersection for the proposed Muchea Sale Yards south of Brand Highway intersection;
 - replacement of the bridge over Kiit Brook due to it's age and the deterioration of the existing structural elements; and
 - widened four kilometres of pavement on the national highway just north of Port Hedland.
- High Wide Loads - the corridor linking Kewdale to Kwinana is being progressively opened up to high wide load vehicles. This significant initiative enables Western Australia's heavy fabrication industry to transport large modules to support the booming resource sector and be internationally competitive.
- Leach Highway / Orrong Road Interchange - construction has commenced on a first stage diamond interchange with Leach Highway bridged over Orrong Road. Both Leach Highway and Orrong Road to remain as four-lane divided carriageways through the interchange. Traffic signals will be installed on Orrong Road at both sets of ramps. Timing is important to coincide with the implementation of a truck ban on Leach Highway. The works at the interchange will reduce congestion, reduce crashes at the intersection, improve travel times, reduce freight costs and improve traffic flow in the area.
- Marble Bar Road - Widened culverts along 40 kilometres of road north of the Shaw River in preparation for future pavement widening.
- South Western Highway (Hesters Hill) - completed 1.6 kilometres of reconstruction works including the construction of a southbound climbing lane and the extension of the northbound descending lane immediately north of Bridgetown providing an important passing opportunity especially with the recent increase in heavy truck traffic.
- Toodyay Road - construction of two passing lanes, which will significantly improve passing opportunities on this section of road giving improved road safety.

Major Initiatives For 2006-07

- Dampier Highway - commence construction of the Stage One upgrading to provide new intersections and additional lanes through the urban area of Karratha.
- Derby Highway (Great Northern Highway to Derby Airport) - works to seal 6.0 kilometres and widen to eight metres width are scheduled to commence in June 2006 with completion anticipated in October 2007. The widening works, which includes removal of dangerous crests and realigning curves will improve traffic efficiency and increase road safety. This road is used by various types of vehicles including road trains carting lead/zinc ore to the Derby Port. The works will also reduce maintenance costs caused by excessive edge wear.
- Goldfields Highway Jeedamya Floodway - raise floodway and install additional culverts to improve the safety of the crossing and increase the serviceability of this link between Kalgoorlie and Leonora.
- Great Eastern Highway:
 - Alliance Contract awarded to reconstruct and widen 55 kilometres of failing and sub-standard pavement on various sections of the highway between Kellerberrin and Merredin. Construction work commenced in January 2006 with an anticipated completion date of April 2007; and
 - install culverts and improve off road drainage to increase the serviceability of the Southern Cross to Coolgardie link.
- Great Northern Highway:
 - construct passing lanes, improve intersections, realign, reconstruct and widen various sections of the Highway between Muchea and Wubin; and
 - undertake road widening works in conjunction with the Maintenance Contractor's rehabilitation works on various sections of failing and sub-standard pavement on the section of the Highway between Muchea and Wubin.
- High Wide Loads - completion of the corridor between Kewdale and Kwinana.
- Intelligent Transport Systems (ITS) - as part of the ITS strategy seven variable message signs will be installed along Perth's freeway system. They will enable real time information on road condition and incidents to be relayed to travellers.
- South Western Highway (Yarloop to Brunswick Junction) - construct two overtaking lanes north of Harvey and two overtaking lanes south of Harvey to provide much needed overtaking opportunity thereby improving the efficiency and safety of this section of South Western Highway.
- Toodyay Road - construct a further passing lane to improve passing opportunities to improve road safety.

Service 3: Road Infrastructure for Community Access

Initiatives aimed at improving community access (especially for remote communities), personal mobility and road user amenities.

These works include providing access improvement infrastructure, pedestrian facilities, cyclist facilities, vulnerable road users facilities, road user amenities, public transport integration and floodways.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	121,576	29,789	102,848	108,354	
Less Income	85,629	4,295	60,412	20,945	
Net Cost of Service	35,947	25,494	42,436	87,409	
Adjustments ^(a)	8,175	5,453	8,294	9,102	
Appropriation for delivery of Service	43,606	30,947	50,430	96,211	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average Cost of Treatment Undertaken.....	\$88,555	\$0	\$0	\$94,444	Estimated actual includes West Dalyup and New MetroRail bridges moved from Service 6 to Service 3. No works planned to be undertaken in 2006-07.
Average Cost for Bridge Deck Constructed per square kilometre	\$8,890	\$0	\$9,802	\$0	
Average Cost of Road Construction per lane kilometre:					
- Rural Highways	\$265,274	\$0	\$326,087	\$341,000	Increase in average cost in 2006-07 is due to the high cost of construction associated with the Karratha Tom Price Project over difficult terrain.
- Rural Main Roads	\$581,443	\$503,000	\$395,174	\$636,810	
Full Time Equivalents (FTEs)	52	52	44	44	

Major Achievements For 2005-06

- Bibbawarra Road - completed the construction of a new low-level bridge over the Gascoyne River at Bibbawarra Crossing in August 2005. This new bridge provides improved community access across the river for commercial vehicles involved with plantations, local and tourist traffic. It replaces a low-level gravel floodway which was washed out each time the Gascoyne River flowed resulting in it being closed for long periods and significant reinstatement costs.
- Broome Cape Leveque Road (Lombadina / Djarindjin area) - completed the construction and sealing of 10.2 kilometres of Cape Leveque Road in September 2005. This project will improve access to aboriginal communities and allow both communities all weather access to the airstrip near Lombadina Community. Other benefits include a reduction in vehicle damage and travel time, improvement in freight efficiency and provision of opportunities for economic development of the Dampier Peninsula.
- Carnarvon – Mullewa Road - completion of 20 kilometres of road upgrade between Carnarvon and Gascoyne Junction. Part of an ongoing major project to upgrade and seal the road between these townsites.
- Gerard Street Bridge, Cannington - Main Roads delivered a new road bridge over the railway line at Gerard Street, Cannington on behalf of the City of Canning and the Public Transport Authority. Work commenced in June 2004 and was completed in April 2005. The new bridge will permit the closure of the nearby Crawford Street at grade crossing.
- Gibb River Road - this project is part of a strategy to improve the level of service, increase transport efficiency and provide improved access to remote communities. Works completed during the year include improved formation, drainage and gravel to 4.5 kilometres in the Mt Barnett area and sealing 2.0 kilometres on the Galvins Gorge jump up.
- Great Central Road - completed further improvement works in 2005-06 in both Laverton and Ngaanyatjaraku Shires. The Western Australia portion of the Outback Highway has now had \$6.75 million invested since 1998-99.
- Great Northern Highway - commenced construction of two truck bays approximately 40 kilometres north of Munjina. The bays will provide improved levels of service, safety and fatigue management opportunities.
- Great Northern Highway - construction of a new parking bay/rest area on Great Northern Highway approximately 22 kilometres north of Wubin. This will improve the level of service and provide assistance for fatigue management.
- Karratha - Tom Price Road Stage Two - an alliance contract to design and construct a 90 kilometres section of new road between Karratha and Roebourne - Wittenoom Road at Barowanna Hill has been awarded.
- Marble Bar Road - constructed three cement stabilised pavement floodways to improve the level of service, transport efficiency and access to remote communities.

- Principal Shared Path - completion of pathway from Kenwick Station to Maddington Station.
- New MetroRail (Narrows Bridge / Mount Henry Bridge) - a design and construct contract awarded in January 2004 to construct the South West Metropolitan Railway rail corridor in the central median of Kwinana Freeway from the Narrows Bridge to the Glen Iris railway tunnel was completed in April 2006. The works were managed by Main Roads on behalf of the Public Transport Authority and included construction of a new southbound railway bridge across the Narrows between the two existing bridges:
 - strengthening and modifying the existing northbound Narrows Bridge to accommodate the northbound railway;
 - relocating the Canning Highway northbound bus bridge;
 - strengthening and widening the Mount Henry Bridge; and
 - realigning the freeway and interchanges to accommodate the railway within a median transit corridor.
- South Coast Highway - completed the construction of the new, longer West Dalyup Bridge improving the serviceability of the Munglinup to Esperance section of the road. The approaches to this bridge have been damaged twice since 2000. This is the last of the bridge structures to be improved on this link.

Major Initiatives For 2006-07

- Gibb River Road - this project is a part of a strategy to improve the level of service, increase transport efficiency and provide improved access to remote communities. Works to improve the formation, drainage and gravel of four kilometres in the Iminji area and 19.0 kilometres of road in the Russ Creek area to be completed by August 2006.
- Great Northern Highway - Construction of bridge over the Dunham River plus 6.8 kilometres of roadworks to be completed by December 2006. The construction of this bridge will significantly reduce road closures in the East Kimberley.
- Karratha – Tom Price Road Stage Two – The construction of a 90 kilometre section of new road between Karratha and the Roebourne to Wittenoom Road at Barowanna Hill is to commence in mid 2006 with completion by 2008. This project will provide significant benefits to local communities, tourism and the mining industry.
- North West Coastal Highway - Improve two major floodways south of Carnarvon as part of the Carnarvon Floodplain Mitigation Strategy. This work will improve the level of service and community access during significant flood events associated with the Gascoyne River.
- Tanami Road - improve the formation, drainage and gravel of a 20 kilometre section in the Carranja area.

Service 4: Road-Use Safety Improvements

Main Roads aims to provide an accessible road system in a safe environment for all road users in a growing and diversifying economy.

Works undertaken are with safety as the foremost factor and include the State and National Black Spot programs and various projects that improve safety on the existing road network including passing, climbing, overtaking and auxiliary lanes.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	43,542	60,682	75,313	80,900	
Less Income	12,236	3,925	4,933	12,122	
Net Cost of Service	31,306	56,757	70,380	68,778	
Adjustments ^(a)	7,146	12,139	13,676	7,190	
Appropriation for delivery of Service	37,936	68,896	83,756	75,668	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average Cost of Improvements Undertaken	\$141,055	\$211,000	\$131,262	\$130,661	2005-06 includes additional works between Donnybrook and Bridgetown on the South West Highway. Passing lane on Lancelin Road re-scheduled from 2005-06 to 2006-07.
Average Cost Of Road Constructed Per Lane Kilometre (By Road Type):					
- Rural Highways	\$277,921	\$281,000	\$482,923	\$236,667	
- Rural Main Roads	\$88,103	\$377,000	\$0	\$396,000	
Full Time Equivalents (FTEs)	14	14	31	32	

Major Achievements For 2005-06

- Black Spot Program (State) - an evaluation of this Program has demonstrated it's effectiveness with a reduction of 15 per cent in all crashes. The findings support the State Government's ongoing commitment to this Program. During the year a further \$20 million was directed towards projects with high safety benefits. A total of 51 projects were undertaken on State Roads and 194 projects on local roads. Some significant projects undertaken include:
 - Gnangara Road and Alexander Driver install traffic control signals;
 - Onslow Road - reconstruction of a sub-standard curve near the Onslow Townsite;
 - Perth Bunbury Highway to install guardrail on high embankment sections;
 - Port Hedland Highway - upgraded the intersection of Cooke Point Drive to provide a designated right turn lane with a painted median. This has reduced the conflict between turning vehicles and the road trains on the through lane;
 - Shepperton Road / Oates street to modify traffic control signals and install turning lanes; and
 - Tonkin Highway and Welshpool Road to modify left turn pockets and slip lane and install cyclist lane.
- Black Spot Programme (National) - \$6.19 million of Commonwealth funding for this programme enabled nine projects on State roads and 45 projects on Local roads across the State to be undertaken.
- Brand Highway - construction of six passing lanes between Dongara and Geraldton to improve traffic flows and safety following freight increases due to oil and iron ore cartage.
- Bussell Highway (Vasse to Margaret River) - completed five kilometres of widening and the construction of two overtaking lanes immediately north of Metricup Road, which will provide much needed overtaking opportunity and improve safety on the highway.
- Great Northern Highway - reconstruction of a one kilometre section of the Highway to improve safety at Tee Tree and Spice Road intersections south of Bindoon.
- Lancelin Road - construction of the northbound passing lane south of King Drive (Woodridge Estate).
- North West Coastal Highway - completion of improvements to North West Coastal Highway and HMAS Sydney Memorial Drive Intersection involving widening and construction of a left turn slip lane to improve traffic efficiency and facilitate the construction of an entry statement by the Shire of Carnarvon in the future.
- Railway Crossings - renewal of old and outdated technology at 16 crossings to ensure continued safety and the upgrading of six crossings to provide an increased level of protection by the installation of either boom barriers or flashing lights.
- Safer Roads Program - this was the first year of the Western Australian funded Program, which amounts to \$103 million over four years. Projects completed to date include:
 - Wanneroo Road and Joondalup Drive to modify the intersection to allow right turn movements under traffic signal control and include extending the right turn pockets on Wanneroo Road for vehicles turning into Joondalup Drive West bound;
 - Brand Highway - sealing of 50 kilometres of shoulder within the Shire of Carnamah and installation of 100 kilometres of audible edge line within the Shire of Carnamah and between Dongara and Greenough; and
 - Albany Highway - sealing of shoulder within the Shire of Kojonup and the installation of audible edge line within the Shire of Kojonup and between Albany and Cranbrook.

- South Western Highway (Bendall Road to Donnybrook) - completed the widening and reconstruction of 1.3 kilometres north of Donnybrook. This will improve safety and comfort on a section considered a high priority by the transport industry for both width and roughness.
- South Western Highway (Donnybrook to Balingup) - completed the widening to eight metres for 2.3 kilometres north of Kirup and the widening to nine metres for 1.5 kilometres south of Kirup. This will improve safety and improves sections considered a high priority by the transport industry.

Major Initiatives For 2006-07

- Black Spot Program (State) - a further \$20 million will be allocated to this Program by the State Government. This will facilitate projects worth \$10 million at 180 locations on local roads and \$10 million at 50 locations on State roads. The projects have been selected for having high safety benefits at recognised crash locations or to treat locations that have the potential for crashes to occur. The works identified at the 230 locations will assist in reducing the impact of roads as a potential factor in road crashes.
- Black Spot Programme (National) - Commonwealth funding of \$5.2 million will fund 51 additional projects around the State.
- Railway Crossings - there will be a continued investment in rail crossings across the State to ensure the safety of road users. 16 crossings with outdated technology will be upgraded with the latest technology. In addition six crossings will be upgraded to provide an increased level of protection by the installation of either boom barriers or flashing lights.
- Safer Roads Program - the State Government's commitment to reducing road trauma continues with a further \$27 million to be invested in 2006-07 for road safety improvements on the State's highway and main roads network. Various projects will be undertaken to reduce the incidence of single vehicle run off road crashes mainly attributed to driver fatigue. Other significant projects include:
 - Brand Highway - the construction of passing lanes between Gingin and Badgingarra; and
 - South Western Highway - construct a heavy vehicle deviation through the Bridgetown townsite to improve safety within the Bridgetown main street (Hampton Street) by removing heavy vehicles from the business and shopping areas.
- South Coast Highway - construct passing, climbing, overtaking or auxiliary lanes to service the BHP Billiton nickel operation at Ravensthorpe.
- South Western Highway – construct two northbound and two southbound passing lanes between Waroona and Brunswick.

Service 5: Road Network Maintenance

Works undertaken on the existing road network to provide, improve and maintain the road / bridge surface and roadside environment to a specified standard. These works include routine maintenance (works undertaken on a sporadic basis and include crack patching, patch potholes, control of declared plants and weeds, graffiti removal and litter collections), periodic maintenance (works include repairs to pavements, culverts and bridge decks, sealing and resealing of road surfaces and replacing line markings), reconstruction works where the primary reason for the works is due to pavement failure and managing and administering various Term Network Contracts and the Traffic Control Infrastructure (Maintenance) Contract.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	368,775	389,231	413,274	417,879	
Less Income.....	43,403	58,955	84,174	42,197	
Net Cost of Service	325,372	330,276	329,100	375,682	
Adjustments ^(a)	72,380	70,638	63,504	38,678	
Appropriation for delivery of Service	397,236	400,914	392,304	414,060	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average Cost per lane kilometre of Road Network Maintained	\$4,463	\$5,000	\$4,412	\$4,260	
Average Cost per lane kilometre of Road Network Depreciated		\$3,956	\$30	\$28	
Full Time Equivalents (FTEs)	209	209	135	136	

Major Achievements For 2005-06

- Eyre Highway - Completed 17 kilometres of reconstruction and widening of Caiguna East Stage Three, finalising the Caiguna East improvement program.
- Great Eastern Highway - reconstruction and road widening works have been undertaken on 12 kilometres of failing pavement between Walgoolan and Southern Cross.
- Onslow Road - Upgrading of four low level causeways to mitigate the impact of flooding and the adjacent salt ponds (Onslow Salt). Existing road was in poor condition and works involve raising and widening of these road sections as part of the Preservation Program.
- Railway Level Crossings - continued maintenance in partnerships with Westnet Rail and the Public Transport Authority of the public rail crossings around the State.
- Term Network Contracts - for Great Southern, Wheatbelt South and South West Regions have been renegotiated with a varying forms of alliance style contracts. A business case has demonstrated that these contracts will result in better value for money.

Major Initiatives For 2006-07

- Causeway Bridges - replace expansion joints to avoid further deterioration. The repairs will overcome the drainage problem under the deck due to leakage through the existing expansion joints, which if left in the current state could become a safety issue.
- Eyre Highway - complete reconstruction and widening works for the section west of Balladonia.
- Great Eastern Highway - reconstruct and widen in conjunction with Term Network Contractor's rehabilitation works various remaining sections of the Highway between Walgoolan and Southern Cross.
- Old Coast Road - reconstruct 2.2 kilometres of rough pavement and provide sealed shoulders on the southbound carriageway 20 kilometres north of Bunbury between Treasure Road and Buffalo Road. This will improve safety and the comfort on this section of highway, allow the installation of audible edge line, and match the standard of the surrounding sections of highway.
- South Street Peak Hour Bus Lane – the completion of Roe Highway to Kwinana Freeway will enable one lane in each direction on South Street between Roe Hwy and Kwinana Fwy to be converted to a peak hour bus lane. This initiative will provide a fast bus connection to the new Perth Mandurah railway.
- South Western Highway - repair and concrete overlay the bridge over the Denmark River.

Service 6: Road Infrastructure for State Development

Works aimed at increasing the capacity of the road network through the addition of new links and additional continuous lanes, to facilitate the economic and regional development of the State. These works include some State initiated major projects on local roads. Accessibility is the key component in the development of a growing and diversifying economy. By increasing the capacity of the road network, new roads/bridges support economic growth and regional development.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	230,329	94,271	146,876	147,525	
Less Income	83,761	16,064	36,216	19,934	
Net Cost of Service	146,568	78,207	110,660	127,591	
Adjustments ^(a)	32,715	16,727	21,434	13,224	
Appropriation for delivery of Service	178,767	94,934	131,794	140,514	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average Cost of Road Construction per lane kilometre:					
- Freeways	\$0	\$2,192,000	\$2,370,787	\$2,614,000	No works planned on urban highways in 2006-07.
- Urban Highways	\$1,595,403	\$1,381,000	\$1,586,277	\$0	
- Rural Highways	\$868,185	\$513,000	\$716,086	\$961,054	
Average Cost per square metre of Bridge Constructed (Concrete)	\$23,262	3,000	\$2,507	\$0	West Dalyup and New MetroRail bridges moved from Service 6 to Service 3.
Full Time Equivalents (FTEs)	70	68	62	62	

Major Achievements For 2005-06

- Armadale Road Duplication - works to duplicate Armadale Road from Wungong Brook to Anstey Road were completed in December 2005, which now provides a dual carriageway along Armadale Road from South Western Highway in Armadale to Anstey Road, Forrestdale over six kilometres in length. Landscaping works will be carried out in winter 2006.
- Brookton Highway - upgrade of 2.3 kilometres between Corrigin and Hyden.
- Geraldton Southern Transport Corridor Stage One - completed the construction of 11 kilometres of new single track railway from Narngulu to the Geraldton Port, rail unloading arrangements within the Geraldton Port, 4.9 kilometres of Highway from the Geraldton Port to North West Coastal Highway and beach reclamation works for the foreshore redevelopment project.
- Goldfields Highway (Wiluna to Meekatharra) - construction in progress to primerseal stage of 15 kilometres of the 30 kilometre Wiluna to Magellan section of this unsealed road. This project will provide a safer and smoother ride for all road users, but particularly the fly in fly out employees at Magellan Lead Mine.

- Great Eastern Highway (Sawyers Valley to The Lakes) – upgrading of Great Eastern Highway to a four-lane dual carriageway from Old Sawyers Road to the Lakes Turn Off involves reconstruction, realignment and widening a 13 kilometre section of the Highway. The upgrade works commenced in April 2004 with 3.3 kilometres of dual carriageway at the eastern end of the Project including upgrading of The Lakes Turn Off intersection planned for completion by mid 2006. The upgrade will significantly enhance safety and reduce travel times for commuter and freight traffic. Landscaping work is planned for completion by the end of August 2006.
- Lancelin Cervantes – completed design and land acquisition in early 2005 for this last section of the coastal road link from Perth to Dongara. The project is a new construction on a green field site and includes a realignment of Mimegarra Road (unsealed) and connections to Wedge Island, Grey and Ocean Farm Estate. Funding has been allocated to commence these construction works in 2007-08.
- Mitchell Freeway (Hodges Drive to Burns Beach Road) – the outcomes of the extended public consultation process have now received Government approval. Additional funding has also been allocated to the project. The Freeway will be extended to Burns Beach Road as a single stage Design and Construct contract. Expressions of Interest for the Design and Construct contract were called in January 2006 with the award of the contract in November 2006. Construction of Hodges Drive detour commenced in December 2005 with completion in April 2006. The detour is required to allow for a road bridge to be constructed as part of the Freeway extension contract.
- New Perth Bunbury Highway Project - this project is to be delivered by an Alliance Contract with construction to commence in late 2006. During 2005-06 planning activities and community and stakeholder consultation has progressed, land acquisition is substantially complete, and selection of an Alliance Partner to undertake design and construction of the works commenced.
- Roe Highway (Stage Seven - South Street to Kwinana Freeway) – an Alliance Contract for the design and construction of 4.5 kilometres of dual carriageway at freeway standard with grade separations at South Street, Karel Avenue and Kwinana Freeway. A principal shared path was built on the north side of the highway interconnecting with the adjacent local network and the principal shared path on the west side of Kwinana Freeway. The project, which also includes the construction of socio-environmental infrastructure such as noise barriers, screen walls and fauna underpasses will improve road safety, reduce freight transport costs and enhance community amenities and access from Midland/Kenwick to Kwinana and beyond. Construction commenced in December 2004. The Karel Avenue bridge over Roe Highway was opened to traffic in December 2005 and Roe Highway Stage Seven was opened to traffic in March 2006. A bridge over the freight railway line near Hope Road was added to the project to provide improved access to Jandakot Airport. The new date for Practical Completion is June 2006. Landscaping will continue during the 2006 winter.
- South Western Highway / Thomas Road intersection - the intersection upgrading which included a short section of dual carriageway on both roads with the installation of traffic signals was completed on 16 December 2005 to cater for the additional traffic expected to use Thomas Road due to the Tonkin Highway extension.
- Tonkin Highway (Mills Road West – Thomas Road) - a design and construct contract was awarded in January 2003 for the construction of 18 kilometres of four lane controlled access highway with grade separated interchanges at Albany Highway and Corfield Street and signalised intersections at Mills Road, Champion Drive, Armadale Road, Ranford Road, Rowley Road and Thomas Road. The first stage to Armadale Road was completed on 2 April 2005. The second stage to Thomas Road was completed and opened to traffic on 16 December 2005, some 12 months earlier than the State Government's committed date of December 2006. Landscaping works will be ongoing over the next three years.

Major Initiatives For 2006-07

- Albany Ring Road - construction of Stage One of this project from Chester Pass Road to Albany Highway is in progress and will be completed in April 2007.
- Broome Highway - commence the realignment in Broome townsite from south of Tanami Road to connect directly to Port Drive via the existing alignment of Gubinge Road.
- Goldfields Highway (Wiluna to Meekatharra) - complete reconstruction of the 15 kilometres section between Wiluna and Magellan and apply final seal to the works.
- Mitchell Freeway (Hodges Drive to Burns Beach Road) – construction is anticipated to commence early 2007.
- Mowen Road – ongoing construction and sealing of this local road between Margaret River and Nannup will improve access for tourism and reduce transport costs for the cartage of bluegum plantation timber. Sealing was completed from the west to Sues Road in February 2005 with work now proceeding east of Sues Road toward Nannup.
- New Perth Bunbury Highway Project - This project is to be delivered by an alliance contract with construction to commence in late 2006. During 2006-07 it is planned to complete land acquisition, finalise environmental approvals, continue community and stakeholder involvement, select the Alliance Partner and commence construction.
- Reid Highway - West Swan Road to Great Northern Highway. Finalise design for construction of four lane dual carriageway, construct new road bridge over Swan River, widen existing bridges and construct service road. Traffic volume on Middle Swan Road has more than doubled and is expected to continue to rise with further population growth in the area. An alternative crossing to the deteriorating Middle Swan Bridge is also required. The upgrade will remove significant volumes of heavy through traffic from other metropolitan roads and accommodate larger vehicles to promote transport efficiencies, supporting economic growth and regional development.

CAPITAL WORKS PROGRAM

The capital expenditure for Main Roads in 2006-07 total \$475.5 million comprising the purchase of operating assets (\$5.7 million) and roadworks (\$469.8 million) that include improvements to and expansion of the road networks in the State.

Road improvements are aimed at increasing the efficiency of the existing road network as part of an integrated transportation system (including cyclist and pedestrian facilities) through the implementation of improvement works aimed at:

- safety, minimising crashes and injuries associated with road use;
- travel demand management, ensuring efficient freight and commuter traffic movement;
- level of service management, ensuring the service level provided by the road network consistently conforms to the needs of all road users, the community and government;
- integration of modes, integrating road use with public and other transport modes; and - road environment, ensuring that road use is environmentally sensitive.

The expansion of the road network focuses on meeting the road transportation needs of future generations that cannot be met by improving the existing network. This involves planning and construction of new roads to extend the existing road network and major widening of existing roads.

The operating assets provision includes funds directed towards the construction of a new office at Albany, which will provide for changes in operational activities, and where appropriate, the requirements of other agencies within the Planning and Infrastructure portfolio. Funds have also been provided for the refurbishment of offices in Geraldton and Port Hedland and to replace some staff housing in regional areas.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Albany Ring Road -				
Chester Pass Rd to Albany Hwy - Construct and Seal.....	14,442	12,343	11,538	2,099
Brookton Highway -				
Corrigin to Hyden - Widen	22,390	14,477	1,760	682
Broome Highway -				
Broome Bypass - Construct Stages 1 to 3	9,632	4,421	4,413	5,211
Broome-Cape Leveque Road -				
Various Improvements.....	17,641	11,146	1,975	332
Buildings and Equipment	71,764	32,754	10,005	5,714
Carnarvon-Mullewa Road -				
NW Coastal Hwy to Gascoyne Junction - Construct and Seal	24,070	16,832	2,828	3,390
Dampier Road -				
Extend Dual Carriageway and Construct Passing Lanes	8,106	761	550	5,996
Derby Highway -				
Derby Spur - Widen and Seal	18,969	9,857	1,888	3,218
Eyre Highway -				
Caiguna East/Balladonia - Reconstruct	44,646	22,749	21,765	19,721
Freight Network Review -				
Various Highways.....	516	308	308	208
Geraldton-Mt Magnet Road -				
Geraldton Southern Transport Corridor Stage 2 - Construct NWCH to Geraldton airport	31,815	115	115	33
Gibb River Road -				
Derby - Gibb River - Wyndham - Improve formation, and gravel	27,295	11,521	1,303	280
Goldfields Highway -				
Lake Raeside Section - reconstruct.....	13,337	622	440	583
Wiluna to Meekatharra - Construct and Seal (Magellan).....	101,902	6,004	5,110	2,915
Great Central Road (Outback Highway) -				
Laverton to Docker River - Improve Formation and Gravel	19,461	7,196	551	545
Great Eastern Highway -				
Clackline Bypass - Construct.....	3,400	500	307	2,900
Kellerberrin to Merredin - Reconstruct	34,514	16,018	12,270	12,196
Roe Hwy - Construct Interchange	24,100	1,700	-	1,000
Sawyers Valley to The Lakes - Reconstruct and Duplicate	49,191	47,748	21,124	1,443
Wooroloo to Northam - Construct passing lanes	4,838	2,870	2,119	630
Great Northern Highway -				
Dunham Deviation - Construct	26,405	5,691	5,070	11,220
Muchea to Wubin.....	91,059	9,354	8,478	15,700
Roe Highway to Muchea - Reconstruct and Widen	47,193	13,572	9,093	2,000

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
Karratha-Tom Price Link Road - Stage 2 - Construct and Seal	125,891	15,091	13,006	62,000
Leach Highway - Orrong Rd - Construct interchange.....	26,645	17,588	17,588	9,057
Milyeannup Coast Road - Improve formation and gravel	1,177	400	200	250
Minor Works (includes Black Spot and urgent minor works)	1,414,418	217,595	41,288	78,399
Mitchell Freeway - Hodges Drive to Burns Beach Rd - Construct.....	171,500	33,565	7,684	27,000
Mowen Road - Rosa Brook Rd to Nannup - Construct and Seal	13,785	4,704	1,300	2,500
Muir's Road - Mt Barker Northern Bypass - Construct.....	6,836	1,589	500	4,500
Nyamup to Strachan - Reconstruct	9,504	2,752	543	583
New Perth-Bunbury Highway - Construct	497,775	26,100	24,071	69,975
North West Coastal Highway - Carnarvon Flood Mitigation Works	3,000	750	750	2,250
Old Coast Road - Australind to Eaton - construct and seal including bridge	9,452	1,152	1,053	2,000
Operational Costs.....	792,410	193,789	52,750	65,429
Perth-Bunbury Highway - Bunbury Port Access - construct and seal including bridges	26,286	895	560	1,830
Queen Victoria Street - Fremantle Traffic Bridge - Reconfigure Navigation Span.....	55,563	877	308	1,947
Roe Highway - South Street to Kwinana Freeway - Construct and Seal including bridges	69,953	65,953	33,371	4,000
Safer Roads Program - Reid Highway - West Swan Road to Great Northern Highway.....	31,616	1,650	1,650	5,830
South Street - Pinetree Gully Rd - Construct pedestrian overpass.....	1,133	550	550	583
South Western Highway - Hester Hill to Bridgetown - Reconstruct and construct passing lanes	2,753	2,695	2,695	58
Warooka to Harvey - Widen and provide passing lanes	5,542	3,035	3,035	2,507
Wokalup to Roelands - Widen and construct passing lanes.....	2,902	220	220	2,682
Tanami Road - Improve Formation and Drainage.....	10,399	6,099	1,000	1,100
Toodyay Road - Construct passing lanes.....	3,027	2,828	2,750	199
Various Local Roads - Railway Crossings - Improvements.....	50,725	21,925	2,400	2,400
Various National Highways Planning Studies.....	403	113	113	290
Various Roads - Perth Bicycle Plan Stage 2 Safety and Network Improvements	13,557	10,557	1,000	1,000
Yabulu Ravensthorpe Nickel Project - Ravensthorpe to Hopetoun Rd - Reconstruct and widen	1,419	1,017	799	99
South Coast Hwy - Various improvement works.....	11,093	3,789	3,521	3,982
COMPLETED WORKS				
Albany Ring Road - Stage 2 South West Hwy to Port (Land Acquisition)	2,700	2,700	2,700	-
Stage 3 Albany Hwy to South Western Hwy (Land Acquisition)	1,600	1,600	1,600	-
East-West Heavy Haulage Route - Lime Sands Route Stage 1- Construct	25,923	25,923	21	-
Geraldton-Mt Magnet Road - Bringo to Mullewa Shires - Widen and Primerseal.....	6,677	6,677	350	-
Geraldton Southern Transport Corridor Stage 1- Construct.....	84,176	84,176	17,906	-
Graham Farmer Freeway - Design and Construct.....	387,214	387,214	114	-
Great Eastern Highway - Tammin to Doodlakine - Reconstruct and widen.....	889	889	650	-
Great Northern Highway - Elvire River and Palm Creek - Construct Bridges.....	7,514	7,514	479	-
Upper Pantan, Roses Yard and Fletcher's Creeks - Construct Bridges.....	7,319	7,319	472	-
Kwinana Freeway - Interchanges and Extension - Design and Construct.....	158,700	158,700	152	-
Mt Magnet-Agnew-Youanmi Road - Youanmi turnoff to Agnew - Design, Construct and Seal	63,594	63,594	127	-
Port Beach Road - North Fremantle - Realign and Construct.....	5,547	5,547	3,925	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
Roe Highway -				
Nicholson Rd to South St - Construct and Seal.....	32,897	32,897	683	-
Welshpool Rd to Nicholson Rd - Construct and Seal	77,311	77,311	420	-
Safer Roads Program -				
Albany Hwy, Cranbrook to Albany - Install audible edgelines	540	540	540	-
Albany Hwy, Kojonup Shire - Various improvements	2,700	2,700	2,700	-
Brand Hwy, Various sections - Various improvements	1,944	1,944	1,944	-
Bussell Hwy, Vasse to Margaret River - Construct passing lanes and improve intersections.....	3,422	3,422	3,230	-
Bussell Hwy/Caves Rd - Upgrade intersection	216	216	216	-
Canning Hwy, Palmyra - Install pedestrian access	270	270	270	-
Cockburn Rd, Coogee - Install pedestrian access	162	162	162	-
Fremantle Rd/Mandurah Bypass - Install pedestrian access	270	270	270	-
Guildford Rd, Maylands - Install pedestrian access	350	350	350	-
Pinjarra-Williams Rd, Collie turnoff to Quindanning - Widen and realign.....	540	540	540	-
Various Rural State Rds - Install wire rope barriers	3,240	3,240	3,240	-
Various Urban State Rds - Improve pedestrian facilities	5,013	5,013	4,813	-
Victoria St, Midland - Improve pedestrian access.....	540	540	540	-
Wanneroo Road	2,376	2,376	2,376	-
South Western Highway -				
Thomas Rd intersection - Upgrade.....	1,100	1,100	1,100	-
Tonkin Highway -				
Mills Rd West to Thomas Rd - Design and Construct.....	147,936	147,936	8,234	-
NEW WORKS				
Perth-Bunbury Highway -				
Gordon Rd bridge - Construct	3,518	-	-	2,915
Safer Roads Program -				
Bridgetown Inner Bypass.....	11,660	-	-	11,660
Various road safety initiatives	51,411	-	-	10,430
	5,164,719	1,918,517	397,839	475,471

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	399,349	301,717	397,839	475,471	589,118	518,035	372,101
Working capital requirement							
Loan and Other Repayments	35,730	35,730	35,730	35,730	32,580	6,594	5,000
	435,079	337,447	433,569	511,201	621,698	524,629	377,101
LESS							
Asset Sales	8,399	4,000	40,517	24,064	13,000	17,000	14,300
Commonwealth Grants	52,391	63,674	99,807	92,363	109,988	124,463	38,851
Drawdowns from the Holding Account	19,489	23,153	23,327	27,917	32,470	37,269	42,274
Funding Included in Service Appropriations ^(a)	98,455	90,723	38,096	85,193	96,195	106,236	103,711
Internal Funds and Balances	32,340	-	5,521	18,376	-	-	-
Other.....	41,149	6,375	21,056	13,785	10,907	8,308	100
Capital Contribution	182,856	149,522	205,245	249,503	359,138	231,353	177,865

(a) Capital works expensed through the Income Statement.

FINANCIAL STATEMENTS**INCOME STATEMENT
(Controlled)**

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	67,610	66,700	66,700	68,855	70,475	72,295	74,314
Superannuation	6,381	6,000	6,900	7,041	7,243	7,395	7,396
Grants and subsidies ^(c)	86,500	55,640	58,693	64,945	69,262	63,064	57,626
Supplies and services	508,828	409,448	539,430	552,380	630,943	577,005	477,612
Accommodation	8,617	10,500	10,500	10,765	11,015	11,055	11,455
Finance costs	10,427	9,827	8,400	7,085	4,485	3,156	2,719
Capital user charge	33,716	52,205	55,300	64,774	73,406	82,450	90,790
Depreciation and amortisation	141,199	152,208	145,536	155,725	167,010	177,853	187,645
Costs of disposal of non-current assets	-	2,000	-	-	-	-	-
Retired non-current assets	10,965	25,039	25,039	26,291	27,605	28,986	30,360
Change in equity arising from transfer of assets - expense	-	-	10,200	2,100	-	-	-
Other expenses	18,749	15,280	17,107	14,304	14,567	14,830	15,359
TOTAL COST OF SERVICES	892,992	804,847	943,805	974,265	1,076,011	1,038,089	955,276
Income							
User charges and fees	107,117	49,490	75,448	5,524	1,051	381	875
Gain on disposal of non-current assets	3,564	-	2,001	1,800	1,800	800	800
Grants and subsidies	118,873	103,366	138,832	144,464	144,555	162,292	84,726
Proceeds from disposal of non-current assets ..	-	4,000	-	-	-	-	-
Change in equity arising from transfer of assets - income	-	-	109,200	62,100	81,900	-	-
Other revenue	4,454	2,100	2,100	2,100	1,300	1,000	1,000
Total Income	234,008	158,956	327,581	215,988	230,606	164,473	87,401
NET COST OF SERVICES	658,984	645,891	616,224	758,277	845,405	873,616	867,875
INCOME FROM STATE GOVERNMENT							
Service appropriations	486,207	508,961	484,464	489,998	492,544	548,978	573,378
Resources received free of charge	642	-	-	-	-	-	-
Initial recognition of assets not previously recognised	27,470	-	-	-	-	-	-
Liabilities assumed by the Treasurer	906	-	900	900	900	900	900
TOTAL INCOME FROM STATE GOVERNMENT	515,225	508,961	485,364	490,898	493,444	549,878	574,278
SURPLUS (DEFICIENCY) FOR THE PERIOD	(143,759)	(136,930)	(130,860)	(267,379)	(351,961)	(323,738)	(293,597)
Extraordinary items	303,674	215,735	349,738	384,564	488,699	407,428	263,865
CHANGE IN SURPLUS (DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	159,915	78,805	218,878	117,185	136,738	83,690	(29,732)

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

(b) The Full Time Equivalents (FTEs) for 2004-05 Actual, 2005-06 Estimated Actual and 2006-07 Estimate are 914, 941 and 949 respectively.

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

**BALANCE SHEET
(Controlled)**

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CURRENT ASSETS							
Cash and cash equivalents	35,931	43,476	30,630	30,143	40,574	70,166	75,853
Restricted cash	854	889	854	854	854	854	854
Receivables	22,298	16,768	21,510	13,110	10,083	9,363	8,464
Inventories.....	1,134	25,980	1,134	1,134	1,134	1,134	1,134
Amounts receivable for services.....	23,153	27,665	27,917	32,470	37,269	42,274	47,274
Prepayments.....	4,729	669	4,729	4,729	4,729	4,729	4,729
Non current assets held for sale.....	20,694	-	22,264	11,200	16,200	1,200	1,200
Total current assets	108,793	115,447	109,038	93,640	110,843	129,720	139,508
NON-CURRENT ASSETS							
Amounts receivable for services.....	546,549	671,089	663,994	748,319	836,308	927,424	1,020,884
Land and buildings.....	10,355,378	8,344,606	10,443,617	10,456,007	10,534,217	10,539,577	10,527,692
Receivables	186	316	186	-	-	-	-
Plant and equipment.....	7,631	6,404	6,242	5,946	5,740	5,631	5,621
Roads network	9,118,660	9,169,208	9,688,277	10,515,490	11,301,049	12,013,254	12,063,234
Inventories.....	73,487	30,017	44,517	33,317	17,117	15,918	14,718
Intangibles.....	-	719	719	719	719	719	719
Total non-current assets	20,101,891	18,222,359	20,847,552	21,759,798	22,695,150	23,502,523	23,632,868
TOTAL ASSETS.....	20,210,684	18,337,806	20,956,590	21,853,438	22,805,993	23,632,243	23,772,376
CURRENT LIABILITIES							
Superannuation	124	134	124	124	124	124	124
Payables	22,781	25,955	14,471	12,433	16,458	20,483	18,483
Provision for employee entitlements	19,663	14,908	19,063	19,063	19,063	19,063	19,063
Borrowings.....	35,730	35,730	35,730	32,580	6,594	5,000	5,000
Monies in trust	854	890	854	854	854	854	854
Interest payable	2,528	3,150	2,528	2,528	2,528	2,528	2,528
Accrued salaries	166	1,762	166	166	166	166	166
Other.....	74,547	44,827	60,836	57,719	59,598	61,476	60,476
Total current liabilities.....	156,393	127,356	133,772	125,467	105,385	109,694	106,694
NON-CURRENT LIABILITIES							
Payables	80	2,503	80	80	80	80	80
Provision for employee entitlements	3,613	2,907	3,613	3,613	3,613	3,013	3,013
Borrowings.....	111,102	75,372	75,372	42,792	36,198	31,198	26,198
Total non-current liabilities	114,795	80,782	79,065	46,485	39,891	34,291	29,291
TOTAL LIABILITIES.....	271,188	208,138	212,837	171,952	145,276	143,985	135,985
EQUITY							
Contributed equity	824,211	1,071,533	1,054,685	1,419,640	1,778,778	2,010,131	2,187,996
Accumulated surplus / (deficit)	9,388,009	9,382,276	9,606,887	9,724,072	9,860,810	9,944,500	9,914,768
Reserves	9,727,276	7,675,859	10,082,181	10,537,774	11,021,129	11,533,627	11,533,627
Total equity.....	19,939,496	18,129,668	20,743,753	21,681,486	22,660,717	23,488,258	23,636,391
TOTAL LIABILITIES AND EQUITY	20,210,684	18,337,806	20,956,590	21,853,438	22,805,993	23,632,243	23,772,376

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

CASHFLOW STATEMENT (Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	342,431	356,753	338,928	373,203	367,286	415,588	432,644
Capital contribution	182,856	149,522	205,245	249,503	359,138	231,353	177,865
Holding account drawdowns	19,489	23,153	23,327	27,917	32,470	37,269	42,274
Net cash provided by State government	544,776	529,428	567,500	650,623	758,894	684,210	652,783
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(63,359)	(67,300)	(67,300)	(68,855)	(70,475)	(72,295)	(74,314)
Superannuation	(5,475)	(6,000)	(6,000)	(6,141)	(6,343)	(6,495)	(6,496)
Grants and subsidies	(86,500)	(55,640)	(58,693)	(64,945)	(69,262)	(63,064)	(57,626)
Supplies and services	(198,299)	(215,734)	(211,722)	(172,970)	(136,340)	(164,274)	(216,729)
Accommodation	(8,617)	(10,500)	(10,500)	(10,765)	(11,015)	(11,055)	(11,455)
Finance costs	(10,427)	(9,827)	(8,400)	(7,085)	(4,485)	(3,156)	(2,719)
Capital user charge	(33,716)	(52,205)	(55,300)	(64,774)	(73,406)	(82,450)	(90,790)
Goods and Services Tax	(59,738)	(39,005)	(70,980)	(70,449)	(76,609)	(67,896)	(57,158)
Other	(18,749)	(15,280)	(17,107)	(14,304)	(14,567)	(14,830)	(15,359)
Receipts							
User charges and fees	104,557	50,289	76,247	14,647	4,621	381	875
Grants and subsidies	113,511	103,366	138,832	144,464	144,555	162,292	84,726
Goods and Services Tax	58,927	39,871	70,978	69,911	76,066	68,617	58,039
Other receipts	3,613	2,100	2,100	2,100	1,300	1,000	1,000
Net cash from operating activities	(204,272)	(275,865)	(217,845)	(249,166)	(235,960)	(253,225)	(388,006)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(313,105)	(220,735)	(359,743)	(390,278)	(492,923)	(411,799)	(268,390)
Proceeds from sale of non-current assets	8,526	4,000	40,517	24,064	13,000	17,000	14,300
Net cash from investing activities	(304,579)	(216,735)	(319,226)	(366,214)	(479,923)	(394,799)	(254,090)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings	(35,730)	(35,730)	(35,730)	(35,730)	(32,580)	(6,594)	(5,000)
Net cash from financing activities	(35,730)	(35,730)	(35,730)	(35,730)	(32,580)	(6,594)	(5,000)
NET INCREASE / (DECREASE) IN CASH HELD	195	1,098	(5,301)	(487)	10,431	29,592	5,687
Cash assets at the beginning of the reporting period	36,590	43,267	36,785	31,484	30,997	41,428	71,020
Cash assets at the end of the reporting period	36,785	44,365	31,484	30,997	41,428	71,020	76,707

- (a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

SCHEDULE OF ADMINISTERED EXPENSES AND INCOME

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
EXPENSES							
Receipts Paid into Consolidated Fund.....	2,969	2,450	2,850	2,775	2,700	2,700	2,700
TOTAL ADMINISTERED EXPENSES ^(b)..	2,969	2,450	2,850	2,775	2,700	2,700	2,700
INCOME							
Regulatory Fees and Fines.....	2,969	2,450	2,850	2,775	2,700	2,700	2,700
TOTAL ADMINISTERED INCOME ^(c)	2,969	2,450	2,850	2,775	2,700	2,700	2,700

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

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

(c) Further information is provided in the table "Details of the Administered Transactions Income".

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Receipts Paid into Consolidated Fund.....	(2,969)	(2,450)	(2,850)	(2,775)	(2,700)	(2,700)	(2,700)
TOTAL ADMINISTERED CASH OUTFLOWS	(2,969)	(2,450)	(2,850)	(2,775)	(2,700)	(2,700)	(2,700)
CASH INFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Regulatory Fees and Fines.....	2,969	2,450	2,850	2,775	2,700	2,700	2,700
TOTAL ADMINISTERED CASH INFLOWS.....	2,969	2,450	2,850	2,775	2,700	2,700	2,700
NET CASH INFLOWS / (OUTFLOWS) FROM ADMINISTERED TRANSACTIONS.....	-	-	-	-	-	-	-

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
State Road funds applied to roadworks on the Local Government road network - Capital	65,931	36,373	57,078	57,778	57,401	65,121	62,163
State Road funds applied to roadworks on the Local Government road network - Recurrent	54,573	48,595	50,684	39,325	41,044	37,779	35,192
TOTAL ^(a)	120,504	84,968	107,762	97,103	98,445	102,900	97,355

(a) This table reflects the total funding applied to the local authority network. Accordingly, the table includes funding directly expended on local authority roadworks by Main Roads and to this extent will not correspond with the amounts disclosed in the Grants and Subsidies in the Income Statement.

DETAILS OF THE ADMINISTERED TRANSACTIONS EXPENSES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
GRANTS TO CHARITABLE AND OTHER PUBLIC BODIES							
Receipts Paid into Consolidated Fund.....	2,969	2,450	2,850	2,775	2,700	2,700	2,700
TOTAL.....	2,969	2,450	2,850	2,775	2,700	2,700	2,700

DETAILS OF THE ADMINISTERED TRANSACTIONS INCOME

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
TAXATION							
Permits - Oversize Vehicles and Loads.....	2,969	2,450	2,850	2,775	2,700	2,700	2,700
TOTAL.....	2,969	2,450	2,850	2,775	2,700	2,700	2,700

PUBLIC TRANSPORT AUTHORITY OF WESTERN AUSTRALIA

PART 9 - MINISTER FOR PLANNING AND INFRASTRUCTURE

DIVISION 41

APPROPRIATION AND FORWARD ESTIMATES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 84 Net amount appropriated to deliver services	475,370	545,177	574,924	675,051	748,326	767,814	792,964
Total appropriations provided to deliver services	475,370	545,177	574,924	675,051	748,326	767,814	792,964
CAPITAL							
Item 159 Capital Contribution	71,515	422,040	428,747	1,347,273	42,624	47,243	46,753
GRAND TOTAL	546,885	967,217	1,003,671	2,022,324	790,950	815,057	839,717

MISSION

To increase the use of public transport through the provision of customer focused, safe and cost effective passenger transport services with the aim of making public transport an attractive and sustainable choice for connecting people and places.

SIGNIFICANT ISSUES AND TRENDS

- Accessible and reliable public transport is important in enhancing the quality of life and wellbeing for Western Australia's growing population.
- The population is ageing and the trend towards urbanisation and concentration in the coastal strip continues. Promotion of the benefits of public transport will motivate increased use of public transport.
- Improved regional infrastructure and services are essential to ensure regional strength and vibrancy. Access to fairly priced public transport services that link communities and provide access to health services and employment opportunities including transport to schools, is essential.
- The community is showing increased awareness of the adverse environmental, social and health impacts of high car usage. Engaging and involving the community in future development will optimise the use of public transport infrastructure.
- Perth has one of the world's highest levels of car ownership. This inevitably places heavy demands on limited road infrastructure causing congestion at peak times. An integrated bus and train network with high frequency and optimal travel time from origin to destination will reduce this congestion.
- Improvements in technology provide opportunities to make the transport system safer, more reliable, attractive and easier to use, which should increase patronage.
- The rail corridor provides opportunities to improve access to ports and inter-modal facilities contributing to increases rail haulage of freight. In areas such as Geraldton, Fremantle, Kwinana and Kewdale, the Public Transport Authority is working with the private sector and other Government agencies to increase rail corridor utilisation.
- The Government is committed to making a positive difference to the lives of people with disabilities, their families and carers. The public transport system is being enhanced and all future development is designed to meet this goal.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2005-06 Budget to Parliament on 26 May 2005 are outlined below.

	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
Railcar refurbishment	1,910	-	-	-
Regional bus services - implementation of successful trials	432	432	432	432
Seatbelts on designated school buses	14,328	20,792	21,019	17,683

SERVICE AND APPROPRIATION SUMMARY

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Metropolitan and regional passenger services..	428,150	490,330	509,690	609,394			
<i>Service 2:</i>							
Country passenger rail and road coach services	41,109	42,016	42,091	41,803			
<i>Service 3:</i>							
Regional school bus services	68,988	74,067	84,216	92,724			
<i>Service 4:</i>							
Rail corridor and residual freight issues management	60,078	51,543	56,280	53,505			
Total Cost of Services	598,325	657,956	692,277	797,426	880,728	900,690	927,038
<i>Less Income</i>	<i>158,475</i>	<i>123,419</i>	<i>131,454</i>	<i>125,647</i>	<i>144,495</i>	<i>145,113</i>	<i>145,849</i>
Net Cost of Services	439,850	534,537	560,823	671,779	736,233	755,577	781,189
Adjustments ^(a)	35,520	10,640	14,101	3,272	12,093	12,237	11,775
Appropriation provided to deliver Services.	475,370	545,177	574,924	675,051	748,326	767,814	792,964
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	71,515	422,040	428,747	1,347,273	42,624	47,243	46,753
TOTAL CONSOLIDATED FUND APPROPRIATIONS	546,885	967,217	1,003,671	2,022,324	790,950	815,057	839,717

(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, SERVICES AND PERFORMANCE INFORMATION

Relationship to Government Goals

Broad, high level government goals are supported at agency level by more specific desired outcomes. Agencies deliver services to achieve these desired outcomes, which ultimately contribute to meeting the higher level government goals. The following table illustrates the relationship between agency level desired outcomes and the most appropriate government goal.

Government Goal	Desired Outcomes	Services
To enhance the quality of life and wellbeing of all people throughout Western Australia.	Accessible, reliable and safe public transport system.	1. Metropolitan and regional passenger services 2. Country passenger rail and road coach services 3. Regional school bus services
	Protection of the long term functionality of the rail corridor and railway infrastructure.	4. Rail corridor and residual freight issues management

Outcomes and Key Effectiveness Indicators ^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Outcome: Accessible, reliable and safe public transport system ^(b)					
Use of public transport – passengers per service kilometre					
Metropolitan Bus Services	1.27	1.29	1.29	1.30	Ferry patronage has recorded an increase of over 9per cent year-to-date to March. It is anticipated that patronage would continue to increase, but at a reduced rate.
Metropolitan Train Services	4.56	4.07	4.08	4.11	
Metropolitan Ferry Services	13.06	12.49	15.59	16.38	
Regional Bus Services	0.85	0.90	0.82	0.82	
Country Passenger Rail Services	0.265	0.266	0.271	0.274	
Country Passenger Road Coach Services.....	0.074	0.078	0.078	0.078	
Accessible Public Transport					
The proportion of street addresses within the Perth Public Transport Area which are within 500 metres of a Transperth stop providing an acceptable level of service	70.6%	70.0%	70.0%	70.0%	
Metropolitan and regional passenger services reliability					
Bus Services within four minutes of scheduled time.....	91.5%	85.0%	90.0%	90.0%	
Trains arriving within three minutes of scheduled time.....	94.38%	95.00%	95.00%	95.00%	
Ferries arriving within three minutes of scheduled time.....	98%	98%	98%	98%	
Country passenger rail and road coach services reliability					
Prospector arriving within 15 minutes of scheduled time.....	44%	90%	71%	90%	Service disruptions due to mechanical problems with the new Prospector railcars. These are expected to be rectified in 2006-07.
Australind arriving within 10 minutes of scheduled time.....	65%	90%	85%	90%	
Merredin arriving within 10 minutes of scheduled time ^(c)	n/a	n/a	91%	95%	
Avon Link arriving within 10 minutes of scheduled time.....	81%	95%	98%	95%	
Road Coaches arriving within 10 minutes of scheduled time.....	95%	95%	96%	95%	

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Regional school bus services reliability					
Drop off no less than 10 minutes before school starts and pick up within 10 minutes of school ending.....	82%	90%	90%	90%	
Level of overall customer satisfaction – customer satisfaction index:					
Metropolitan Bus Services	82%	82%	82%	82%	
Metropolitan Train Services	92%	92%	90%	92%	
Metropolitan Ferry Services	96%	95%	96%	96%	
Country Passenger Rail and Road Coach Services	87%	90%	90%	90%	
Customer perception of safety – independent external surveys:					
Train station – Daytime	95%	96%	94%	97%	
On-board train – Daytime	97%	96%	94%	97%	
Train station – Night-time.....	62%	70%	65%	65%	
On-board train – Night-time	75%	80%	78%	80%	
Bus station – Daytime.....	95%	97%	95%	95%	
On-board bus – Daytime	99%	99%	99%	99%	
Bus station – Night-time	67%	68%	67%	67%	
On-board bus – Night-time	85%	86%	85%	85%	
Level of notifiable safety occurrences – notifiable occurrences:					
Category A Occurrences per million passenger boardings ^(d)	0.24	5.00	0.36	0.30	The reduction in 2005-06 estimate and 2006-07 target reflects risk management initiatives and controls.
Category A Occurrences per million train kilometres ^(d)	0.98	14.00	1.40	1.21	As above.
Category B Occurrences per million passenger boardings ^(e)	12.76	14.00	20.00	14.00	In 2005-06 there was an unusual high number of minor incidents which has been attributed to the expansion of the rail network.
Category B Occurrences per million train kilometres ^(e)	52.12	60.00	77.50	60.00	As above.
Regional school bus services: notifiable occurrences (accidents) reported each school year	12	6	10	7	
Outcome: Protection of the long term functionality of the rail corridor and railway infrastructure.					
Number of lease breaches	Nil	Nil	Nil	Nil	

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

(b) Metropolitan services are provided by Transperth, and country passenger and road coach services are delivered by Transwa.

(c) New key effectiveness indicator reflecting a new service. Comparable data for 2004-05 is not available.

(d) 'Category A' incidence represents serious injury, death or significant damage.

(e) 'Category B' incidence represents an incidence that has a potential to cause a serious accident.

Service 1: Metropolitan and Regional Passenger Services

Provision of customer focussed, safe and cost effective passenger transport to the Metropolitan area and regional towns.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	428,150	490,330	509,690	609,394	(a) Increase in net cost of capital (capital user charge compared to debt) funding for the New MetroRail project (\$37 million); (b) Operating cost increases particularly fuel and additional train and bus service kilometres (\$52 million); and (c) Higher depreciation due to the New MetroRail assets being commissioned (Thornlie, railcars) (\$14 million).
Less Income	91,432	88,514	96,791	90,642	Decrease due to lower grants funding.
Net Cost of Service	336,718	401,816	412,899	518,752	
Adjustments ^(a)	(5,691)	-	3,453	(8,036)	
Appropriation for delivery of Service	331,027	401,816	416,352	510,716	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per passenger kilometre					
Transperth Bus Operations	\$0.63	\$0.67	\$0.64	\$0.65	Reflects the budgeted operating and capital costs of the expanded network.
Transperth Train Operations	\$0.91	\$1.09	\$1.03	\$1.25	
Transperth Ferry Operations	\$1.62	\$1.48	\$1.56	\$1.38	Reflects the increase in patronage.
Average cost per 1,000 place kilometres					
Transperth Bus Operations	\$63.12	\$68.93	\$67.34	\$68.91	Reflects the budgeted operating and capital costs of the expanded network.
Transperth Train Operations	\$82.92	\$96.78	\$94.86	\$129.94	
Transperth Ferry Operations	\$138.96	\$131.19	\$159.48	\$153.15	Reflects the reduction in place kilometres following the withdrawal of the Coode Street service.
Regional Bus Services	\$54.91	\$57.56	\$57.90	\$60.45	Cost increase due to fleet replacement program in Bunbury.
Total passenger place kilometres (millions)					
Transperth Bus Operations	3,545.0	3,558.8	3,560.0	3,574.7	
Transperth Train Operations	2,294.0	2,542.7	2,620.0	2,646.0	
Transperth Ferry Operations	4.96	5.10	4.55	4.51	
Regional Bus Operations	177.8	169.7	177.9	178.0	
Full Time Equivalents (FTEs)	876	985	940	1213	

Major Achievements For 2005-06

- New MetroRail Project:
 - Thornlie line services commenced in August 2005;
 - Delivery of the last 13 three car sets;
 - Completion of construction of the Kwinana Freeway Rail Corridor; and
 - Continued construction of the Southern Suburbs Railway.
- For the seventh year in succession Transperth recorded an increase in patronage.
- Customer satisfaction with Transperth services overall continued to remain high – 82 per cent for bus, 92 per cent for train, and 96 per cent for ferry.
- Opened the new Thornlie station and rail services in August 2005 and developed feeder bus services to support the new rail services.
- Completed reviews for bus services in Albany, Esperance and Kalgoorlie resulting in the routes and trip timings being re-designed to better meet community needs as well as adding services to improve the public transport service.
- Implementation of the Joondalup Central Area Transit (CAT) bus service.
- Completed construction of the CAT bus depot at Claisebrook.
- Added 65 new gas buses to the Transperth bus fleet including the replacement of the Perth CAT bus fleet.
- Commenced concrete re-sleepering on the Armadale line.
- Constructed special events siding at West Leederville.
- Extended Claremont showgrounds platform for special events.
- Commenced the introduction of the new smartcard-based 'SmartRider' ticketing system to a controlled group of passengers.
- Installation of compressed natural gas refuelling infrastructure at Southern River, Fremantle and Claisebrook Depots.
- Implementation of the Government commitment to 50 cent student fares.
- Upgraded the Transperth website to include web-based functionality that allows passengers to identify their nearest bus stop and the services operating from that stop.
- Completed the upgrade of Perth station involving installation of new lifts and stairs.
- Commenced installation of the Recording and Passenger Information Dissemination (RAPID) upgrade to 'A' series railcars.
- Commenced restoration of Fremantle train station.
- Continued to introduce the new 'A' series 3 and 6 railcar sets on the Northern Suburbs Railway to provide a high level of quality passenger transport.
- Substantially completed the new train control centre at the Public Transport Centre.

Major Initiatives For 2006-07

- New MetroRail:
 - retire the New MetroRail debt and progress this project without further new borrowings;
 - completion of construction of nine stations between Canning Bridge and Mandurah;
 - completion of City Project works including two stations; and
 - completion of construction of the Southern Suburbs Railway.
- Commence upgrades of Kelmscott and East Perth train stations, and disability access works at Loch and Grant Street stations.
- Complete the implementation of the new smartcard-based 'SmartRider' ticketing system.
- Commence the implementation of magnetic-strip ticketing on regional town bus services.
- Install compressed natural gas refuelling infrastructure at Rockingham and Welshpool Depots.
- Commence the public consultation process and planning of bus feeder network to service the Southern Suburbs Railway.
- Plan the Rockingham City Centre Transit System (RCCTS) including the Transit Mall to coincide with the implementation of the Southern Suburbs Railway.
- Comprehensive review of bus services in the Busselton area.
- Planning for the redevelopment of the Wellington Street Bus Station in conjunction with the Northbridge Link Project.
- Open the Cockburn Central Bus Station.
- Purchase of new cash Ticket Vending Machines for rail and ferry services.
- Completion of the RAPID system upgrade to 'A' series railcars.
- Introduction of new Customer Information System at bus/rail interchanges and train stations.
- Design and implement red light surveillance cameras at six high risk level crossings.

Service 2: Country Passenger Rail and Road Coach Services

Provision of customer focussed, safe and cost effective passenger transport to regional communities.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	41,109	42,016	42,091	41,803	Reduction attributable to allocation of capital user charge within the Authority offset by an operating cost indexation.
Less Income	8,421	9,550	9,550	9,550	
Net Cost of Service	32,688	32,466	32,541	32,253	
Adjustments ^(a)	(924)	-	-	-	
Appropriation for delivery of Service	31,764	32,466	32,541	32,253	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per passenger kilometre					
Transwa Rail	\$0.32	\$0.31	\$0.32	\$0.33	
Transwa Road Coaches.....	\$0.22	\$0.20	\$0.22	\$0.20	
Average cost per 1,000 place kilometres					
Transwa Rail	\$214.01	\$183.23	\$189.96	\$188.84	
Transwa Road Coaches.....	\$93.43	\$95.65	\$90.42	\$89.65	
Total passenger place kilometres (millions)					
Transwa Rail	113.1	141.7	124.6	141.7	Service disruptions due to mechanical problems with new Prospector railcars. These are expected to be resolved in 2006-07.
Transwa Road Coaches.....	173.3	167.9	174.0	167.9	
Full Time Equivalents (FTEs)	118	124	125	126	

Major Achievements For 2005-06

- Introduction of an integrated voice response automated telephone system to enhance the levels of customer service in the reservations area.
- Construction of additional rail servicing infrastructure at the Kewdale depot, used for housing and servicing the Prospector railcars.
- Introduced the new AvonLink train service.

Major Initiatives For 2006-07

- Review and upgrade of station facilities on the Perth to Kalgoorlie line.

Service 3: Regional School Bus Services

Provision of regional school bus transport to Western Australian school students.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	68,988	74,067	84,216	92,724	The budgeted expenses in 2006-07 are higher compared to 2005-06 as a result of additional budget allocations for the seatbelt programme (\$5 million).
Less Income.....	716	330	330	330	
Net Cost of Service	68,272	73,737	83,886	92,394	
Adjustments ^(a)	1,019	-	-	-	
Appropriation for delivery of Service	69,291	73,737	83,886	92,394	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per 1,000 place kilometres: student bus services.....	\$78.55	\$79.12	\$78.55	\$89.44	2006-07 target reflects the progressive implementation of seatbelts on all Government funded school buses in accordance with new Government Policy.
Total passenger place kilometres: student bus services (millions)	843.0	861.0	840.8	863.7	
Full Time Equivalents (FTEs)	32	32	30	30	

Major Achievements For 2005-06

- Reviewed school bus routes to maximise service delivery and efficiencies in Metropolitan Perth.
- Reviewed and modified English Second Language School Bus Services to provide more capacity on some services.
- Reviewed school bus routes to maximise service delivery and efficiencies in rural Western Australia (including Mukinbudin, Dumbleyung, Jerramungup, Hyden, Ravensthorpe and Bunbury).
- Implementation of school bus routes to the Esperance Town Public Transport Area and expansion of the 11 mile Beach/Helms Drive Service.
- Completed major surveys into school bus route average speed, fuel consumption and tyre replacement. Survey results to be used as part of Composite Rate Model contract component review.
- Completed review and update of Student Transport Assistance Operations Manual.

Major Initiatives For 2006-07

- Commence the project to implement seatbelts on all Government funded school buses in accordance with Government Policy.
- Continued review of school bus routes to maximise service delivery and efficiencies in rural Western Australia and Metropolitan Perth.
- Continued liaison with the Department of Education and Training to review student transport assistance policy (including integration of students with special needs into mainstream schools, compulsory school attendance to Year 12 (2008) and the integration of vocational studies).

Service 4: Rail Corridor and Residual Freight Issues Management

Managing the rail freight corridor and infrastructure leased to the private sector and associated freight transport issues.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	60,078	51,543	56,280	53,505	The reduction in expenditures is due to reduced land rationalisation expenditure \$2.8 million.
Less Income	57,906	25,025	24,783	25,125	
Net Cost of Service	2,172	26,518	31,497	28,380	
Adjustments ^(a)	41,116	10,640	10,648	11,308	
Appropriation for delivery of Service	43,288	37,158	42,145	39,688	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Total cost of managing the rail freight corridor and residual freight issues ^(a)	\$60,078,000	\$51,543,000	\$56,280,000	\$53,505,000	The reduction in expenditures is due to reduced land rationalisation expenditure \$2.8 million
Full Time Equivalents (FTEs)	19	20	19	20	

(a) Under the terms and conditions of the Railway Infrastructure Lease, an independent inspection of the Railway Infrastructure is carried out every five years.

Major Achievements For 2005-06

- The first independent inspection was completed in June 2005. The results of this inspection found that the rail corridor and infrastructure is being satisfactorily maintained.
- Commenced the redevelopment of the Kewdale freight terminal.
- Continuing ongoing development of Land and Transport Information System (LATIS) with respect to workflow control and incident reporting system.

Major Initiatives For 2006-07

- Ongoing redevelopment of the Kewdale freight terminal.
- Ongoing development of LATIS with respect to the asbestos register and 'as constructed' plans.
- Refurbishment of the Boulder Railway as a Heritage structure.

CAPITAL WORKS PROGRAM

The Public Transport Authority of Western Australia's planned capital works program for 2006-07 is \$491.0 million, comprising \$474.2 million for works in progress and \$16.8 million for new works.

Included in the 2006-07 program is expenditure of \$390.7 million for the New MetroRail Project. The major expenditure includes completion of:

- construction of nine stations between Canning Bridge and Mandurah \$62.3 million;
- City Project tunnel works including two stations \$111.9 million;
- construction on the Southern Suburbs Railway Infrastructure \$168.0 million; and
- remaining project works \$48.5 million

Other key expenditure projects contained within the capital works program aim at maintaining, improving and expanding the public transport infrastructure. These works include:

- construction of the Rockingham City Centre Transit System (RCCTS) in line with the New MetroRail project's timeline, including the acquisition of four new gas buses for the RCCTS;
- construction of an interim station at Herne Hill in the Swan Valley as part of the Regional Rail Station Program;
- continuation of the bus acquisition program;
- continuation of the Accessible Public Transport Upgrade program to provide access for people with disabilities and meet legislative requirements at rail and bus stations in line with a prioritised program;
- the 'Building Better Stations' program, including the upgrade at Kelmscott, and planning and design work at Maddington station. The commencement of construction of a new Joondalup Special Event station and commence the upgrade to East Perth Railway Station. Continuation with works to enhance the bus-rail interchange facilities at Armadale rail station;
- continuation of the concrete re-sleeper program for the metropolitan rail system;
- Upgrades to railway stations (communications systems, improvements to secure parking and end of trip facilities);
- restoration of the façade at Fremantle Railway Station; and
- replacement of the Cash Ticket Vending Machines at Railway Stations.

Significant projects due for completion in 2006-07, include:

- the New MetroRail Project;
- the Claisebrook Depot redevelopment; and
- the SmartRider Ticketing System.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Buildings, Stations, Depots and Associated Works				
Accessible Public Transport Upgrade Program	8,577	3,607	2,800	1,800
Bus Priority Projects	26,330	250	250	1,000
Claisebrook Depot - upgrade	6,100	4,100	2,549	2,000
Minor Works - Country Passenger	1,561	550	473	150
Minor Works - Urban	3,375	3,175	781	200
Replacement of maintenance vehicle, borer and cherry picker	870	420	420	450
Rockingham City Centre Transit System	10,800	6,000	6,000	4,800
Station Facilities Improvements ^(a)	49,168	7,897	7,767	15,294
Bus and Railcar Acquisition				
Bus Acquisition Program	398,309	219,931	32,286	36,624
Customer and Security Initiatives				
Smartcard Ticketing System	29,152	22,290	6,605	6,862
Information and Telecommunication Systems				
Computing Hardware and Software	6,781	4,687	1,456	1,350
PABX Replacement	789	724	419	65
Split and replace radio system	12,215	864	602	220
Train Control Upgrade	9,628	8,000	3,130	1,628
New MetroRail Project				
Railcars	286,367	280,805	41,994	5,562
Infrastructure	1,326,806	941,665	389,695	385,141
Track and Associated Works				
Concrete Resleeper Projects	60,060	14,561	9,419	8,500
Pedestrian Gates - East St, Moore St and Philmore St	696	352	128	344
Perway Track and Associated Works	23,049	18,723	5,383	2,200

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
COMPLETED WORKS				
Buildings, Stations, Depots and Associated Works				
Disability Access for other Minor Stations - Stage 1	4,352	4,352	1,593	-
Electrical and signals accommodation - Claisebrook	295	295	295	-
Fremantle Bike Barn	240	240	240	-
Greenwood Station - final costs	8,951	8,951	802	-
IT Data Room	155	155	155	-
Joondalup Special Event - planning	250	250	196	-
Joondalup Station Car Park	705	705	56	-
Lifts Upgrade	1,380	1,380	1	-
Lockable Pit Lids	250	250	250	-
Minor capital works - Transwa	200	200	200	-
Minor works - Transperth	300	300	300	-
Parking for security guards	510	510	510	-
Perth Station accommodation Stage three	699	699	35	-
Perth station barriers and associated works	7,488	7,488	2,869	-
Perth Station Plaza and Associated Works - planning	150	150	150	-
Public Transport Centre Security upgrade	390	390	80	-
Refurbish and fit-out 2nd Floor - Public Transport Centre	715	715	678	-
Regional Rail Station Program	2,330	2,330	2,330	-
Road rail cherry picker	390	390	39	-
Signage Corporate standards	1,603	1,603	663	-
Stage 2A - Innovative Bus Services	3,435	3,435	14	-
Bus and Railcar Acquisition				
EMU Railcar Modifications - 2001-02 Program	17,718	17,718	7,940	-
EMU System	330	330	330	-
School Buses	4,000	4,000	4,000	-
Simulator	2,161	2,161	23	-
Upgrade of Australind Railcars	850	850	176	-
Customer and Security Initiatives				
Safer Rail initiative	25,963	25,963	402	-
Track and Associated Works				
Albany Spur Line	675	675	675	-
Claisebrook wash down plant	1,300	1,300	1,300	-
Cyclic Maintenance	9,529	9,529	277	-
Defective Rail Replacement Program	3,000	3,000	1,090	-
Foreshore Track Structure	1,270	1,270	1,270	-
Geraldton Southern Transport Corridor	52,114	52,114	13,491	-
Network and Infrastructure maintenance depots - planning	100	100	100	-
North Quay Rail Loop	14,910	14,910	7,952	-
Perway Track and Associated Works	4,477	4,477	525	-
NEW WORKS				
Buildings, Stations, Depots and Associated Works				
Disability Access for Intermediate Stations and Track Works - Stage 2	27,642	-	-	560
Minor Capital Works - Corporate	13,400	-	-	200
Northbridge Link - Bus Station - planning	500	-	-	500
Perth Station Skylights	605	-	-	605
Portable radio replacement	500	-	-	500
Refurbish 4th Floor PTC	1,500	-	-	1,500
Replacement Cash Ticket Machines at Railway Stations	15,400	-	-	6,098
Station Facilities Improvements ^(b)	4,260	-	-	745
Station Facilities Security - Rationalisation	1,120	-	-	900
Upgrade existing SCADA	300	-	-	300
Bus and Railcar Acquisition				
Bus Acquisition Program - Gas Buses for Rockingham City Centre Transit System ..	2,020	-	-	2,020
Track and Associated Works				
CCTV Systems at level crossings - Stage 1	500	-	-	500
Midland pedestrian crossing relocation	500	-	-	500
Upgrade auxiliary power supply	725	-	-	725
Upgrade pedestrian gates - Armadale to Mundijong stations	600	-	-	600
Upgrade pedestrian gates - Fremantle to Robbs Jetty	600	-	-	600
	2,503,990	1,711,786	563,164	491,043

- (a) The 'Building Better Stations' Program works in progress include the commencement of upgrades at Kelmscott and East Perth Stations, the new Joondalup Special Event Station and planning for upgrades at Armadale Station. Also includes works relating to general station improvements, including improving security and communication at stations.
- (b) The 'Building Better Stations' Program works commencing in 2006-07 include planning and design work at Maddington Station, and minor improvements to Kalgoorlie Railway Station.

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	535,861	529,549	563,164	491,043	75,339	104,347	186,693
Working capital requirement							
Loan and Other Repayments	77,614	55,461	55,648	947,615	38,951	44,539	46,365
	613,475	585,010	618,812	1,438,658	114,290	148,886	233,058
LESS							
Asset Sales	1,015	-	-	-	-	-	-
Borrowings	553,524	504,039	525,656	97,707	74,347	102,135	185,701
Commonwealth Grants	-	-	406	-	-	-	-
Drawdowns from the Holding Account	-	-	-	-	-	1,000	-
Internal Funds and Balances	4,736	(1,486)	-	-	-	220	-
Other	-	-	7,592	992	992	992	992
Capital Contribution ^(b)	54,200	82,457	85,158	1,339,959	38,951	44,539	46,365

(a) The 2005-06 Budget included loans and other repayments that did not relate the working capital requirements. This column has been amended for comparability purposes.

(b) Capital contribution provided for the capital works program differs from the total capital contribution provided to the Public Transport Authority due to equity funds provided for non-capital works related expenditure, such as land rationalisation and non-capital works debt repayment.

FINANCIAL STATEMENTS**INCOME STATEMENT
(Controlled)**

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	55,778	63,194	64,600	83,632	90,602	94,167	96,242
Superannuation	5,131	4,666	4,734	6,432	7,112	7,473	7,660
Grants and subsidies ^(c)	220,274	236,188	250,924	270,337	285,965	295,552	301,666
Consultancies expense	527	-	-	-	-	-	-
Supplies and services	96,727	84,790	102,766	108,106	113,603	112,386	112,561
Accommodation ^(d)	8,759	9,920	9,276	13,370	15,854	16,287	16,601
Finance costs ^(e)	85,417	119,498	113,835	84,380	72,063	73,928	84,562
Capital user charge ^(e)	44,010	60,013	60,013	130,340	181,932	186,500	191,221
Depreciation and amortisation	69,484	75,466	79,483	93,039	105,362	105,926	107,940
State taxes	3,744	4,095	3,471	4,592	5,039	5,275	5,389
Costs of disposal of non-current assets	3,111	-	-	-	-	-	-
Other expenses	5,363	126	3,175	3,198	3,196	3,196	3,196
TOTAL COST OF SERVICES	598,325	657,956	692,277	797,426	880,728	900,690	927,038
Income							
User charges and fees	85,175	84,740	84,740	86,254	104,388	104,288	104,288
Regulatory fees and fines	1,407	-	-	-	-	-	-
Grants and subsidies	10,639	7,478	15,755	9,092	9,353	9,626	9,908
Interest revenue	1,342	750	750	750	750	750	750
Rent	6,778	5,800	5,550	5,495	5,541	5,541	5,541
Proceeds from disposal of non-current assets ..	25,888	-	-	-	-	-	-
Other revenue	27,246	24,651	24,659	24,056	24,463	24,908	25,362
Total Income	158,475	123,419	131,454	125,647	144,495	145,113	145,849
NET COST OF SERVICES	439,850	534,537	560,823	671,779	736,233	755,577	781,189
INCOME FROM STATE GOVERNMENT							
Service appropriations	475,370	545,177	574,924	675,051	748,326	767,814	792,964
Resources received free of charge	1,618	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	476,988	545,177	574,924	675,051	748,326	767,814	792,964
SURPLUS (DEFICIENCY) FOR THE PERIOD	37,138	10,640	14,101	3,272	12,093	12,237	11,775
CHANGE IN SURPLUS (DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	37,138	10,640	14,101	3,272	12,093	12,237	11,775

- (a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.
- (b) The Full Time Equivalents (FTEs) for 2004-05 Actual, 2005-06 Estimated Actual and 2006-07 Estimate are 1045, 1114 and 1389 respectively. The increase to 2006-07 reflects FTEs required for the operation of the Southern Suburbs Railway.
- (c) Refer Details of Controlled Grants and Subsidies table for further information.
- (d) Accommodation costs include electricity expenditure relating to the operation of the rail network. This cost is projected to increase from 2006-07 as the New MetroRail Project becomes operational.
- (e) Movement between 2005-06 and 2006-07 reflects the impact of repaying debt relating to the New MetroRail Project.

BALANCE SHEET
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CURRENT ASSETS							
Cash and cash equivalents	4,693	20,606	18,703	21,193	23,479	25,617	25,617
Receivables	40,797	24,761	24,954	11,864	11,864	11,864	11,864
Inventories	7,468	7,439	7,468	7,468	7,468	7,468	7,468
Interest receivable	31	41	31	31	31	31	31
Amounts receivable for services	-	-	-	-	1,000	1,000	1,000
Prepayments	8,530	952	8,530	430	430	430	430
Total current assets	61,519	53,799	59,686	40,986	44,272	46,410	46,410
NON-CURRENT ASSETS							
Amounts receivable for services	144,557	220,023	224,039	317,078	421,441	526,367	634,307
Land and buildings	207,600	214,812	210,715	208,900	207,085	206,731	209,382
Plant and equipment	495,743	520,859	540,623	549,332	551,376	559,869	622,927
Infrastructure	912,456	1,496,871	1,318,003	1,553,047	1,522,869	1,512,985	1,526,029
Intangibles	-	1,328	366	129	54	-	-
Other	744,133	480,767	744,133	744,133	744,133	744,133	744,133
Total non-current assets	2,504,489	2,934,660	3,037,879	3,372,619	3,446,958	3,550,085	3,736,778
TOTAL ASSETS	2,566,008	2,988,459	3,097,565	3,413,605	3,491,230	3,596,495	3,783,188
CURRENT LIABILITIES							
Superannuation	190	236	190	190	190	190	190
Payables	112,386	40,841	75,805	22,788	22,788	22,786	22,785
Provision for employee entitlements	13,744	11,509	12,800	12,800	12,800	12,800	12,800
Borrowings	381	383	383	382	384	386	388
Interest payable	22,547	17,715	22,547	22,547	22,547	22,547	22,547
Workers compensation	3,318	1,591	3,318	3,318	3,318	3,318	3,318
Finance leases	7,729	2,918	2,918	-	-	-	-
Other	15,158	14,808	15,481	14,759	14,079	13,437	12,831
Total current liabilities	175,453	90,001	133,442	76,784	76,106	75,464	74,859
NON-CURRENT LIABILITIES							
Provision for employee entitlements	3,124	2,405	3,307	3,307	3,307	3,307	3,307
Borrowings	1,575,386	1,770,218	1,746,484	896,194	931,205	988,415	1,127,362
Finance leases	2,918	-	-	-	-	-	-
Other	215,193	202,366	202,629	190,524	179,099	168,316	158,139
Total non-current liabilities	1,796,621	1,974,989	1,952,420	1,090,025	1,113,611	1,160,038	1,288,808
TOTAL LIABILITIES	1,972,074	2,064,990	2,085,862	1,166,809	1,189,717	1,235,502	1,363,667
EQUITY							
Contributed equity	530,427	879,513	933,945	2,165,766	2,208,390	2,255,633	2,302,386
Accumulated surplus/(deficit)	63,507	43,956	77,758	81,030	93,123	105,360	117,135
Total equity	593,934	923,469	1,011,703	2,246,796	2,301,513	2,360,993	2,419,521
TOTAL LIABILITIES AND EQUITY	2,566,008	2,988,459	3,097,565	3,413,605	3,491,230	3,596,495	3,783,188

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

CASHFLOW STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	406,388	469,711	495,442	582,012	642,963	661,888	685,024
Capital contribution	71,515	422,040	428,747	1,347,273	42,624	47,243	46,753
Holding account drawdowns	-	-	-	-	-	1,000	-
Net cash provided by State government	477,903	891,751	924,189	1,929,285	685,587	710,131	731,777
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(55,751)	(62,196)	(63,602)	(82,623)	(89,604)	(93,169)	(95,244)
Superannuation	(5,366)	(5,664)	(5,732)	(7,441)	(8,110)	(8,471)	(8,658)
Grants and subsidies	(219,008)	(236,188)	(246,379)	(261,309)	(285,965)	(295,552)	(301,666)
Consultancies payments	(536)	-	-	-	-	-	-
Supplies and services	(98,790)	(84,758)	(122,734)	(108,101)	(113,604)	(112,387)	(112,563)
Accommodation	(8,750)	(9,920)	(9,277)	(13,372)	(15,852)	(16,287)	(16,600)
Finance costs	(76,781)	(113,642)	(107,979)	(77,334)	(63,859)	(64,599)	(74,137)
Capital user charge	(44,010)	(60,013)	(60,013)	(130,340)	(181,932)	(186,500)	(191,221)
State taxes	(3,708)	(4,095)	(4,116)	(5,244)	(5,683)	(5,919)	(6,033)
Goods and services tax	(84,905)	(78,293)	(89,590)	(83,038)	(47,036)	(50,637)	(59,859)
Other	(3,141)	(126)	(2,530)	(2,546)	(2,551)	(2,551)	(2,551)
Receipts							
User charges and fees	83,848	84,740	84,740	86,254	104,388	104,288	104,288
Regulatory fees and fines	1,335	-	-	-	-	-	-
Grants and subsidies	12,062	7,478	15,755	9,092	9,353	9,626	9,908
Interest received	1,367	750	750	750	750	750	750
Rent receipts	8,174	5,800	5,550	5,495	5,541	5,541	5,541
Goods and services tax	82,586	78,293	89,590	83,037	47,036	50,637	59,859
Other receipts	7,183	5,212	5,212	4,183	4,154	4,154	4,154
Net cash from operating activities	(404,191)	(472,622)	(510,355)	(582,537)	(642,974)	(661,076)	(684,032)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(536,679)	(529,549)	(563,164)	(491,043)	(75,339)	(104,127)	(186,693)
Proceeds from sale of non-current assets	1,015	-	-	-	-	-	-
Net cash from investing activities	(535,664)	(529,549)	(563,164)	(491,043)	(75,339)	(104,127)	(186,693)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings	(88,830)	(384,369)	(384,556)	(947,999)	(39,335)	(44,925)	(46,753)
Other payments for financing activities	(8,867)	(7,760)	(7,760)	(2,923)	-	-	-
Proceeds from borrowings	553,524	504,039	555,656	97,707	74,347	102,135	185,701
Net cash from financing activities	455,827	111,910	163,340	(853,215)	35,012	57,210	138,948
NET INCREASE/(DECREASE) IN CASH HELD	(6,125)	1,490	14,010	2,490	2,286	2,138	-
Cash assets at the beginning of the reporting period	10,818	19,116	4,693	18,703	21,193	23,479	25,617
Cash assets at the end of the reporting period	4,693	20,606	18,703	21,193	23,479	25,617	25,617

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
Albany Spur line	-	660	660	-	-	-	-
Local Government	-	-	4,545	9,028	-	-	-
Metropolitan Services:							
Bus Operators.....	143,241	156,277	159,186	170,611	186,008	192,311	199,451
Ferry Services	514	500	500	515	530	546	566
Regional Bus Services	10,762	8,787	9,219	9,393	10,045	10,163	10,524
Regional School Bus Services:							
School Bus Services.....	61,855	65,550	72,400	76,307	84,678	87,659	86,071
Student Fare Concessions	3,902	4,414	4,414	4,483	4,704	4,873	5,054
TOTAL.....	220,274	236,188	250,924	270,337	285,965	295,552	301,666

ARMADALE REDEVELOPMENT AUTHORITY

CAPITAL WORKS PROGRAM

The Armadale Redevelopment Authority has responsibility under the *Armadale Redevelopment Act 2001* for planning the urban renewal of Armadale and implementing a number of key projects within the Authority's redevelopment area.

The Capital Works Program for 2006-07 is budgeted at \$20.9 million, with expenditure on the following key projects:

- \$15.1 million for land acquisition, land development, and recreation and environmental works at Champion Lakes;
- \$2.4 million to facilitate the development of the Forrestdale Business Park. The Authority is partnering with the Western Australian Land Authority to provide the core infrastructure facilitating the development of the Forrestdale Business Park;
- \$1.9 million for improvements to the city centre of Armadale as part of the implementation of the Armadale Redevelopment Scheme; and
- \$1.5 million for road works and the delivery of new civic facilities in Kelmscott.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Champion Lakes - land development	21,800	4,230	4,230	13,286
Forrestdale Business Park	10,000	1,659	1,208	2,428
Implementation of Armadale Redevelopment Scheme	13,267	4,655	2,053	1,851
Kelmscott District Centre Works	4,233	2,733	1,102	1,500
NEW WORKS				
Champion Lakes - Access works	1,800	-	-	1,800
	51,100	13,277	8,593	20,865

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	4,319	7,250	8,593	20,865	6,609	8,349	2,000
	4,319	7,250	8,593	20,865	6,609	8,349	2,000
LESS							
Internal Funds and Balances	-	-	(1,407)	2,265	4,609	6,349	-
Other	1,319	4,250	7,000	8,000	-	-	-
Capital Contribution	3,000	3,000	3,000	10,600	2,000	2,000	2,000

EAST PERTH REDEVELOPMENT AUTHORITY

CAPITAL WORKS PROGRAM

The East Perth Redevelopment Authority is funded by land sales revenue and will continue to work in the redevelopment areas of East Perth, the East Perth Power Station, New Northbridge and Riverside to deliver social, environmental and economic returns to government by spending:

- \$6.8 million to assemble land in East Perth;
- \$3.8 million on additional acquisitions and works in the New Northbridge;
- \$16.4 million to assemble land and redevelop the Riverside area; and
- \$13.4 million on the Northbridge Link project.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
East Perth Land Acquisition	36,226	28,426	-	6,800
East Perth Redevelopment Works	135,342	96,891	9,639	-
Northbridge Land Acquisition	32,099	31,607	5,187	492
Northbridge Link	82,650	2,500	2,500	13,400
Northbridge Redevelopment Works	41,191	33,251	4,121	3,340
Project Management	114,100	52,138	6,738	6,379
Riverside Land Acquisition	19,250	7,250	4,500	10,000
Riverside Redevelopment Works	89,920	11,455	1,399	6,400
	550,778	263,518	34,084	46,811

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	21,486	57,143	34,084	46,811	52,812	38,981	37,214
	21,486	57,143	34,084	46,811	52,812	38,981	37,214
LESS							
Borrowings	-	5,360	-	-	-	-	-
Internal Funds and Balances	13,606	51,783	34,084	46,811	52,812	38,981	37,214
Other	7,880	-	-	-	-	-	-
Capital Contribution	-	-	-	-	-	-	-

MIDLAND REDEVELOPMENT AUTHORITY

CAPITAL WORKS PROGRAM

The Midland Redevelopment Authority's aim is to revitalise Midland as a vibrant strategic regional centre by improving existing vacant and under-utilised public land and buildings. The Authority's land development activities are funded by a combination of land sales revenues and approved borrowings. The Authority will continue its successful land sales program in 2006-07 with residential and commercial land releases.

In 2006-07, the Authority will continue to deliver social, economic and environmental returns to the Government by spending \$10.0 million in the Helena Precinct for the remediation of Sector 10E in preparation for development to be undertaken during the following year. This expenditure will contribute towards the establishment of a major education precinct, cultural and mixed use residential centre. In addition, \$4.4 million has been set aside for the continued environmental remediation, landscaping and subdivisional works within the redevelopment area. The Authority will spend a further \$1.1 million towards land marketing and project services including the procurement of specialist consultancies on project management, environmental, landscaping and engineering issues.

A Heritage Conservation Project, costing \$14.2 million will continue on the former Midland Railway Workshops site. This project will include major works on the preservation of heritage buildings, machinery and equipment and conservation works to provide for their interpretation and display. In 2006-07 the Authority will spend a further \$9.1 million to undertake major works in relation to the Heritage Conservation Project. Sector 5 within the Midland Redevelopment Area has been earmarked for the Swan Health Service's new hospital and the Authority will spend \$1.2 million on remediating and preparing the site ready for construction to commence in 2008.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Midland Railway Workshop Site				
Heritage Conservation Project	32,870	12,894	5,724	10,105
Helena Precinct	3,393	3,546	1,482	1,170
City Centre Precinct.....	16,919	7,066	2,218	2,798
Clayton Precinct.....	4,155	1,058	399	721
COMPLETED WORKS				
Eastern Enterprise Precinct.....	1,256	1,256	530	-
Land Acquisition Program.....	2,010	2,010	1,550	-
Helena Precinct	8,230	8,230	2,826	-
NEW WORKS				
Clayton Precinct.....	2,469	-	-	1,173
Helena Precinct Remediation	26,351	-	-	10,773
Eastern Enterprises Precinct	6,684	-	-	3,152
	104,337	36,060	14,729	29,892

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	15,379	10,236	14,729	29,892	21,617	11,866	6,407
Working capital requirement							
Loan and Other Repayments	4,000	-	-	3,733	-	-	-
	19,379	10,236	14,729	33,625	21,617	11,866	6,407
LESS							
Asset Sales	12,481	4,404	8,897	14,177	15,401	11,866	6,407
Borrowings.....	6,898	2,392	2,392	3,000	-	-	-
Capital Contribution	-	3,440	3,440	16,448	6,216	-	-

SUBIACO REDEVELOPMENT AUTHORITY

CAPITAL WORKS PROGRAM

The Subiaco Redevelopment Authority is funded by land sales revenue and will continue the redevelopment of Subi Centro to deliver social, environmental and economic returns to government by spending:

- \$10.4 million on the acquisition and redevelopment of TAFE Station Street;
- \$3.0 million to commence the redevelopment of the Australian Fine China site's industrial land for urban uses, including the provision of infrastructure and site remediation; and
- \$0.3 million on minor works and upgrades.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Development Works	35,935	23,744	1,745	6,228
Land Acquisition.....	61,088	53,588	11,965	7,500
Project Management and Marketing.....	25,195	20,024	618	551
	122,218	97,356	14,328	14,279

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	4,124	10,981	14,328	14,279	8,063	2,520	-
	4,124	10,981	14,328	14,279	8,063	2,520	-
LESS							
Internal Funds and Balances	4,124	10,981	14,328	14,279	8,063	2,520	-
Capital Contribution	-	-	-	-	-	-	-

ALBANY PORT AUTHORITY

CAPITAL WORKS PROGRAM

In order for the Albany Port Authority to continue to service its increasing number of customers, such as woodchip exporters and cruise ships, the Albany Port Authority's 2006-07 capital works program of \$750,000 includes \$500,000 for various minor works and \$250,000 for motor vehicle replacement.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
COMPLETED WORKS				
Freehold Land				
Acquisition of Freehold Land	2,000	2,000	2,000	-
Minor Works				
2005-06 Program	500	500	500	-
Motor Vehicle Replacement				
2005-06 Program	250	250	250	-
Rail Enhancement				
Rail Access	3,785	3,785	3,785	-
NEW WORKS				
Minor Works				
2006-07 Program	500	-	-	500
Motor Vehicle Replacement				
2006-07 Program	250	-	-	250
	7,285	6,535	6,535	750

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	320	5,350	6,535	750	750	750	750
	320	5,350	6,535	750	750	750	750
LESS							
Borrowings	-	2,000	2,000	-	-	-	-
Internal Funds and Balances	320	750	750	750	750	750	750
Capital Contribution	-	2,600	3,785	-	-	-	-

BROOME PORT AUTHORITY

CAPITAL WORKS PROGRAM

Broome Port Authority's planned capital works expenditure for 2006-07 totals \$1.5 million. The major project for the year is the completion of the inner berth fender and deck upgrade. Other minor capital expenditure for 2006-07 includes upgrade of the utility plant for offshore oil and gas drilling muds, fuel bowsers for the new jetty extension, water lines upgrades and general maintenance and upgrade of infrastructure.

The extension of the jetty, (148 metres southerly extension) along the existing axis of the wharf head is to be completed in May 2006 at a total cost of \$17.8 million, including a \$1.0 million capital contribution from the State to meet the increase in the cost of steel.

In 2005-06, minor capital works included a complete re-work of jetty handrails (700 metres), repairs to fender and rails in the outer berth, upgrade to the workshop and maintenance to the public boardwalk.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Inner Harbour				
Fender and deck upgrade	2,200	1,100	1,100	1,100
COMPLETED WORKS				
Major Port Infrastructure				
Jetty Extension	17,820	17,820	14,645	-
Minor Works				
Other.....	472	472	387	-
Vehicle Replacement 2005/06 Program	40	40	40	-
NEW WORKS				
Minor Works - Other	500	-	-	400
	21,032	19,432	16,172	1,500

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	3,548	5,320	16,172	1,500	500	400	400
	3,548	5,320	16,172	1,500	500	400	400
LESS							
Borrowings.....	7,320	4,000	4,000	-	-	-	-
Commonwealth Grants	-	-	1,100	-	-	-	-
Administered Funds.....	-	-	600	900	-	-	-
Internal Funds and Balances	(3,772)	1,320	8,972	400	500	400	400
Capital Contribution	-	-	1,500	200	-	-	-

BUNBURY PORT AUTHORITY

CAPITAL WORKS PROGRAM

The Bunbury Port Authority's capital works program for 2006-07 is \$8 million. The program includes \$4.5 million for works in progress and \$3.5 million for new works. Capital expenditure will be met in full from the Authority's internal funds and balances.

The capitalised dredging project continues with important ongoing work required to maintain the port's channels, harbour and berthing pockets at required depths to allow the safe passage of vessels to and from the port. The purchase of freehold land from the South West Development Commission will provide the potential for the Authority to expand the Inner Harbour and divert the Preston River. The land will also provide sufficient buffer between residential areas and port activities.

The minor works allocation will allow the Authority to replace assets such as mobile plant and office equipment and make minor upgrades to port infrastructure such as shiploaders, buildings and civil works. The second stage of the road alignment for port access is required for the upgrade of internal roads in the Inner Harbour to improve safety and efficiency for heavy haulage transport.

The planning for the Bunbury Port Enhancement, including berth upgrades for coal exports, is being finalised.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Capitalised Dredging	8,194	4,194	-	4,000
Purchase Freehold Land (ex SWDC)	1,690	1,165	525	525
COMPLETED WORKS				
Minor Works – 2005-06	2,000	2,000	2,000	-
Bund Wall Inner Harbour (Noise Management)	500	500	500	-
Container Facilities (Hardstand)	5,003	5,003	2,300	-
Conveyor for New Products	2,000	2,000	2,000	-
Investigation into Harbour Deepening	1,500	1,500	1,300	-
Pilot Boat Replacement	1,000	1,000	1,000	-
Road Alignment (Port Access Road)	1,500	1,500	1,500	-
NEW WORKS				
Minor Works – 2006-07	2,000	-	-	2,000
Road Alignment (Port Access Road)	1,500	-	-	1,500
	26,887	18,862	11,125	8,025

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	7,900	6,325	11,125	8,025	8,450	2,000	6,500
LESS	7,900	6,325	11,125	8,025	8,450	2,000	6,500
Internal Funds and Balances	7,900	6,325	11,125	8,025	8,450	2,000	6,500
Capital Contribution	-	-	-	-	-	-	-

DAMPIER PORT AUTHORITY

CAPITAL WORKS PROGRAM

Dampier Port Authority is one of Australia's largest tonnage ports, with export-based commodities consisting primarily of iron ore, salt, liquid natural gas, liquid petroleum gas and condensate.

The Authority's capital works program in 2006-07 will consist of the construction of a shed, installation of additional navigational aids, upgrade to the Dampier Cargo Wharf and various minor works.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
COMPLETED WORKS				
Improvements to Port Facilities - Burrup Infrastructure				
Channel Dredging	17,966	17,966	2,062	-
Multi-User Jetty	66,369	66,369	31,537	-
Navigational Aids	2,400	2,400	1,976	-
Minor Works 2005-06	600	600	600	-
Port Security	2,600	2,600	1,752	-
NEW WORKS				
Cyclone Rated Shed	950	-	-	950
Dampier Cargo Wharf	1,722	-	-	1,722
Housing - Dampier/Karratha	1,400	-	-	700
Minor Works 2006-07	7,350	-	-	2,400
Navigational Aids	1,800	-	-	1,800
	103,157	89,935	37,927	7,572

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	30,565	600	37,927	7,572	2,800	3,800	1,750
	30,565	600	37,927	7,572	2,800	3,800	1,750
LESS							
Borrowings	33,773	-	35,162	3,522	-	-	-
Internal Funds and Balances	(3,208)	600	2,765	4,050	2,800	3,800	1,750
Capital Contribution	-	-	-	-	-	-	-

ESPERANCE PORT AUTHORITY

CAPITAL WORKS PROGRAM

The Esperance Port Authority's Capital Works Program for 2006-07 is projected at \$3.2 million.

Projects undertaken within this program include expenditure of \$2 million to acquire container-handling equipment, including forklifts and container lifters, and \$1.2 million on core maintenance of the port. These projects compliment investment in 2005-06 of \$41.2 million, which saw the completion of a bulk sulphur storage facility and shore based gantry crane.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
COMPLETED WORKS				
Minor Works				
2005-06 Program	1,200	1,200	1,200	-
PFPS - Bulk Storage Facility and Shore Based Crane	21,600	21,600	20,958	-
Sulphur storage	19,000	19,000	19,000	-
NEW WORKS				
Container Handling Equipment	2,000	-	-	2,000
Minor Works				
2006-07 Program	1,200	-	-	1,200
	45,000	41,800	41,158	3,200

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	2,842	36,800	41,158	3,200	2,700	2,200	1,300
	2,842	36,800	41,158	3,200	2,700	2,200	1,300
LESS							
Asset Sales	189	50	-	-	-	-	-
Borrowings	-	35,600	31,000	-	-	-	-
Internal Funds and Balances	2,653	1,150	10,158	3,200	2,700	2,200	1,300
Capital Contribution	-	-	-	-	-	-	-

FREMANTLE PORT AUTHORITY

CAPITAL WORKS PROGRAM

Fremantle Port Authority's Capital Works Program for 2006-07 of \$36.7 million has been formulated on the basis of analysis of future trade levels, asset evaluation and monitoring and customer needs. The investment is required to:

- meet specific identified customer needs to facilitate trade;
- meet statutory requirements (eg. environmental, occupational health and safety);
- meet growth in new services and demand for services;
- improve the level of service provision consistent with identified needs;
- replace existing assets or upgrade assets to improve operating efficiency and productivity; and
- provide support facilities to improve efficiency.

The Capital Works Program includes major capital projects planned or underway as follows:

- Kwinana Bulk Terminal Infrastructure and Equipment Replacement and Upgrade including planning for further expansion:
 - a major project to upgrade bulk handling infrastructure to service Stage 1 of HIs melt's commercial pig iron plant and cater for other customers is currently nearing completion at Fremantle Ports' Kwinana Bulk Terminal. As well as meeting customer needs, environmental improvements have been given a high priority. The upgrade includes substantial infrastructure to speed the unloading process including a new generation unloader, upgrading of conveyors and provision of export infrastructure comprising a heavy duty concrete pad and equipment to handle the pig iron exports. In addition, planning is underway for HIs melt Stage 2 and for other bulk trade initiatives, based on commercial outcomes.
- Upgrade of Inner Harbour Berths:
 - Much of the Inner Harbour at Fremantle is currently dredged to 13 metres and a project is currently underway to examine the need for further deepening to accommodate the larger ships now coming and expected to come in the future to the Inner Harbour. In advance of this program is work to ensure strengthening of berths to accommodate the larger container cranes required to handle the increased size ships expected to visit Fremantle. Also, various berths and facilities in the Inner Harbour, including North Quay Berths and Berth H on Victoria Quay are to be upgraded to enable the Port to continue to meet trade requirements and increased use of these berths.
- Cathodic Protection Installation:
 - Fremantle Ports plans to extend its program of cathodic protection of steel tubular piles supporting the Inner and Outer Harbour berth structures. This will reduce the rate of corrosion in piles that currently do not have this form of protection.
- Fremantle Waterfront Implementation Plan:
 - The objective of this project is to implement the capital works associated with the developments and land uses identified in the Fremantle Waterfront Masterplan and the Fremantle Waterfront Implementation Plan for the western end of Victoria Quay, including the Commercial Precinct. The aim is to create a vibrant, attractive and world class waterfront that is consistent with the needs of a growing and dynamic working port and complies with port buffer zone requirements. Additional lease rental revenue is expected as a result of this project.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Cathodic Protection Installation	1,847	649	649	668
Fremantle Port - Inner & Outer Harbour				
Security Upgrades	980	180	180	-
Fremantle Waterfront Project				
Commercial Precinct Access and Services	3,332	2,332	2,305	1,000
Inner Harbour				
Berth H Upgrade	2,060	60	60	-
Berths 4 to 9 and 11/12 - Wharf strengthening	1,270	103	103	1,167
HIsmelt				
HIsmelt - Infrastructure for HIsmelt - Stage 2	110,330	571	571	6,977
North Quay				
Berth Upgrades - Western Stage	49,373	3,405	3,405	10,218
Environmental Improvement Program	2,887	455	206	212
Replacement of Medium Voltage Cabling	1,800	845	845	670
Outer Harbour				
Kwinana Bulk Terminal (KBT) - Dust Control & Roadworks	1,550	673	251	-
KBT - Infrastructure & Equipment Replacement & Upgrade	51,523	3,878	3,197	955
Kwinana Bulk Jetty (KBJ)				
Control Systems Upgrade	375	93	93	117
Plant and Equipment				
Replacement of 22 AGA Navigational Aids	3,268	647	320	-
Special Purpose Trucks	965	268	268	-
Victoria Quay				
Administration Building				
Administration Building – New Plant Room	950	500	500	450
Maritime Assets - Risk Amelioration	270	70	70	200
Victoria Quay Replacement Workshop & Firestation	2,372	111	111	367
COMPLETED WORKS				
Fremantle Waterfront Project				
VQ Street Lighting	160	160	66	-
HIsmelt				
Infrastructure for HIsmelt - Stage 1 and Other Bulk Users	31,757	31,757	3,672	-
Minor Works				
2005-06 Program	500	500	500	-
North Quay				
Land Acquisitions	4,087	4,087	1,115	-
Rail Loop and the New Rail Terminal	31,010	31,010	15,418	-
Outer Harbour				
KBT - New Wheeled Loader/Front End Loader	650	650	650	-
Kwinana Bulk Jetty				
Fire Fighting Foam System	1,200	1,200	1,200	-
KBB3 New Tanker Discharge System	950	950	950	-
KBT - Replacement of Trucks	74	74	74	-
Truck Loading Bay and Weighbridge	200	200	200	-
Plant and Equipment				
Mobile Truck Mounted Capstans	200	200	200	-
Water Tanker	110	110	110	-
Port Security Works	2,246	2,246	758	-
Rous Head				
Purchase of Seabed	200	200	200	-
Victoria Quay				
Security & Cargo Lighting for VQ Cargo Area	330	330	330	-
Victoria Quay Power Mains & Infrastructure including Substation A				
Refurbishment	2,475	2,475	2,475	-
NEW WORKS				
Container Double stacking on Rail	2,725	-	-	212
Minor Works				
2006-07 Program	500	-	-	500
North Quay				
Berth Upgrades - Eastern Stage	42,536	-	-	5,101
Sewerage Upgrades	1,060	-	-	520

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
Outer Harbour				
Kwinana Bulk Jetty				
Bulk Handling Equipment	2,000	-	-	500
Kwinana Bulk Terminal and Jetty – Upgrade Sewerage	500	-	-	500
Plant and Equipment				
Replace Specialised Plant	988	-	-	690
PV Parmelia – Upgrade & Install “Seagyro” Stabilisers	80	-	-	80
Rous Head				
Seawall Construction - 2nd Stage.....	20,838	-	-	612
Victoria Quay				
D Berth - Upgrade Fendering	310	-	-	310
Fremantle Waterfront Implementation Plan	15,000	-	-	4,000
Inner Harbour: Fremantle Waterfront Ferry Terminal Offices, Visitor Amenities and Signage.....	2,457	-	-	428
Upgrade Public Amenities	431	-	-	212
	400,726	90,989	41,052	36,666

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	46,795	39,958	41,052	36,666	62,161	123,748	158,589
	46,795	39,958	41,052	36,666	62,161	123,748	158,589
LESS							
Asset Sales	22	285	285	50	50	50	50
Borrowings.....	25,343	28,865	29,347	28,535	53,729	116,903	153,458
Internal Funds and Balances (including 3 rd party contributions)	16,111	9,275	9,893	7,867	8,170	6,586	4,875
Capital Contribution	5,319	1,533	1,527	214	212	209	206

GERALDTON PORT AUTHORITY

CAPITAL WORKS PROGRAM

In 2005-06 the Geraldton Port Authority (the Authority) continued to consolidate the new opportunities for the Mid-West region provided by the Port Enhancement Project. The upgraded facilities, coupled with a rapidly expanding resource sector as evidenced by the exponential growth in iron ore export volumes from a number of 'start-up companies', has presented the Authority with many new opportunities and challenges. The Authority has recognised these opportunities through continued commitment to provide ongoing and future port capacity in the most profitable, cost effective and efficient manner possible.

In 2006-07, haematite iron ore exports are expected to exceed the capacity of the Authority existing iron ore berth, Berth 4. The Authority will upgrade Berth 5 and relocate haematite iron ore shipping operations to that berth and expand its iron ore ship loading equipment to handle the increased capacity, in order to facilitate the growing iron ore trade in the Mid-West. The total project cost is estimated at \$35 million, with expenditure of \$10.5 million in 2005-06 and \$24.5 million in 2006-07, all funded through borrowings.

As part of the ongoing enhancement of capacity within the Authority and maintaining the existing capability of the infrastructure, a series of minor works are also planned in 2006-07, which are to be funded from internal cash flows.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Berth 5 – Iron Ore Expansion.....	35,000	10,500	10,500	24,500
COMPLETED WORKS				
Miscellaneous Works.....	1,334	1,334	1,334	-
Roads / Rail.....	2,600	2,600	1,300	-
NEW WORKS				
Miscellaneous Works.....	1,374	-	-	1,374
	40,308	14,434	13,134	25,874

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	9,935	2,634	13,134	25,874	1,415	1,500	1,500
	9,935	2,634	13,134	25,874	1,415	1,500	1,500
LESS							
Borrowings.....	7,929	1,300	11,800	24,500	-	-	-
Internal Funds and Balances	2,006	1,334	1,334	1,374	1,415	1,500	1,500
Capital Contribution	-	-	-	-	-	-	-

PORT HEDLAND PORT AUTHORITY

CAPITAL WORKS PROGRAM

The Port Hedland Port Authority's 2006-07 capital works program involves planned expenditure of \$4.0 million to continue providing a range of improvements for the operational needs of the Port, including the ongoing staff housing strategy, additional tug pens, security upgrades, improvements to plant and equipment and infrastructure, which is required to meet specific customer needs, and statutory requirements.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
COMPLETED WORKS				
Connect to Deep Sewage	500	500	400	-
Fire Water Mains	215	215	215	-
Infrastructure				
2005-06 Program	970	970	970	-
Minor Works				
2004-05 Program	1,061	1,061	300	-
2005-06 Program	1,189	1,189	1,189	-
Motor Vehicle Replacement				
2004-05 Program	409	409	300	-
Navalids				
2005-06 Program	510	510	510	-
No 1 Wharf Extension	9,580	9,580	1,100	-
Plant and Equipment				
2005-06 Program	1,625	1,625	1,625	-
NEW WORKS				
Additional Tug Pens 9 and 10	800	-	-	800
Buildings				
2006-07 Program	505	-	-	505
Housing Upgrades				
Staff Housing Strategy	1,120	-	-	520
Infrastructure				
Extend Common User Pad	150	-	-	150
Relocate Helipad to Airport	300	-	-	300
Utilities Upgrade 2006-07	200	-	-	200
Minor Works				
2006-07 Program	644	-	-	644
Navalids				
2006-07 Program	400	-	-	400
Office Equipment				
Establish Crisis Room	90	-	-	90
Plant and Equipment				
2006-07 Program	320	-	-	320
Wharves				
Small Boat Cyclone Moorings	120	-	-	120
	20,708	16,059	6,609	4,049

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	12,851	4,509	6,609	4,049	3,400	9,500	2,800
	12,851	4,509	6,609	4,049	3,400	9,500	2,800
LESS							
Asset Sales	-	36	36	144	47	104	51
Internal Funds and Balances	12,851	4,473	6,573	3,905	3,353	9,396	2,749
Capital Contribution	-	-	-	-	-	-	-

WESTERN AUSTRALIAN LAND AUTHORITY

CAPITAL WORKS PROGRAM

The Western Australian Land Authority (LandCorp) is the State Government's commercially focused land development agency. LandCorp is responsible for ensuring that the following outcomes are delivered:

- provision of sufficient heavy, special and general industrial land to support continued economic development;
- provision of sufficient urban land through renewal projects, new town centres and revitalisation development projects for Western Australian communities;
- provision of sufficient land to support regional towns' development; and
- facilitate the development and disposal of surplus government land and property assets.

The planned Capital Works Program for 2006-07 is \$262.4 million. The program will be funded by land sales, lease revenue, Community Service Obligations payments and equity contributions by Government. Key projects include:

- the Australian Marine Complex Common User Facility at a total cost of \$90.1 million. Commencing in 2005-06, the upgrade includes a floating docking facility and services to accommodate naval shipbuilding and repair and maintenance activities, plus major oil and gas and resource projects;
- development of the Albany Waterfront Development, including a small boat harbour, boat launching facilities and land acquisition and development for commercial and tourist opportunities. Responsibility for the project has been transferred to LandCorp from the Great Southern Development Commission, and the project is undertaken in partnership with the Department for Planning and Infrastructure;
- the extension of the Townsite Development Program, which ensures the acquisition, development and release of industrial, commercial and residential land in regional Western Australia. Key projects within this program to be progressed in 2006-07 include the development of land in Halls Creek, Port Hedland, Karratha, Kalbarri, Carnarvon, Greenhead, Hopetoun, Collie and Pinjarra; and
- significant projects within Development of Land for 2006-07 including the acquisition of land at Baldvis Eighty Road, Champion Lakes, Fremantle Knutsford Green, Gracetown and Hope Valley Wattleup and the development of Clarkson Ocean Keys, Joondalup Business Park South, and the Kalgoorlie Northwest Sector.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Albany Waterfront Development	26,734	3,682	3,682	7,958
Australian Marine Complex Upgrade	90,100	20,000	20,000	50,200
Development of Land				
Government Asset Management				
Acquisition Program	457,119	136,653	44,477	46,967
Development Program	344,328	53,378	29,887	34,691
Industrial				
Acquisition Program	156,988	43,888	29,960	14,000
Development Program	234,501	37,086	16,366	34,690
Urban				
Acquisition Program	59,336	14,607	9,188	6,321
Development Program	371,445	60,605	40,653	67,072
Office equipment replacements	2,500	500	500	500
	1,743,051	370,399	194,713	262,399

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	175,686	130,350	194,713	262,399	204,726	172,303	152,505
	175,686	130,350	194,713	262,399	204,726	172,303	152,505
LESS							
Asset Sales	-	-	2	-	-	-	-
Borrowings	-	7,500	-	-	-	-	-
Industry Grants	-	-	4,000	5,000	-	-	-
Internal Funds and Balances	175,686	122,850	170,711	215,299	185,726	172,303	152,505
Capital Contribution	-	-	20,000	42,100	19,000	-	-

EASTERN GOLDFIELDS TRANSPORT BOARD

CAPITAL WORKS PROGRAM

The Eastern Goldfields Transport Board's capital works program provides for the staged replacement of its aging bus fleet. The 2006-07 expenditure is projected to be \$700,000.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Bus Replacement Program	4,549	2,149	600	700
	4,549	2,149	600	700

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	949	600	600	700	800	900	-
Working capital requirement							
Loan and Other Repayments	359	-	-	-	-	-	-
	1,308	600	600	700	800	900	-
LESS							
Borrowings	990	600	600	700	800	900	-
Internal Funds and Balances	318	-	-	-	-	-	-
Capital Contribution	-	-	-	-	-	-	-

WESTERN AUSTRALIAN PLANNING COMMISSION

PART 9 - MINISTER FOR PLANNING AND INFRASTRUCTURE

DIVISION 42

APPROPRIATION AND FORWARD ESTIMATES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 85 Net amount appropriated to deliver services	3,566	4,511	4,620	4,446	4,520	4,592	4,576
Amount Authorised by Other Statutes							
- Metropolitan Region Improvement Tax Act 1959.....	47,128	54,000	54,000	58,000	61,000	66,000	70,000
- State Administrative Tribunal Act 2004..	350	-	-	-	-	-	-
Total appropriations provided to deliver services.....	51,044	58,511	58,620	62,446	65,520	70,592	74,576
CAPITAL							
Item 160 Capital Contribution	7,500	5,100	7,600	2,900	5,400	5,400	5,400
GRAND TOTAL	58,544	63,611	66,220	65,346	70,920	75,992	79,976

MISSION

To formulate and coordinate land use strategies for Western Australia, to facilitate its growth while continuously enhancing its unique quality of life and environment.

SIGNIFICANT ISSUES AND TRENDS

The Western Australian Planning Commission (the Commission) is committed to preparing and implementing the strategic and statutory land use development and planning framework for Western Australia. The key goals of this strategy are:

People and Communities

To enhance the quality of life and wellbeing of all people throughout Western Australia.

- There is increasing demand from the community for integrated development that recognises good design, employment, transport and a quality environment as keys to successful development. Suburbanisation is now being replaced with the creation of communities.
- The Commission works with clients across the State to manage issues involving population and economic growth, environmental management and infrastructure, and in doing so creates strong linkages with other programs including the State Sustainability Strategy.
- Strategic and statutory initiatives are being undertaken to work with people to develop vibrant communities through good design, building relationships and the integration of social, economic and environmental factors.

The Economy

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.

- There is significant commitment to planning for improved public transport. The growth of Perth and the State's population is causing increased pressure on the State's transport systems. There is an increasing realisation that creating more road space will not necessarily solve road capacity problems and there is a need to promote travel demand management based on the better integration of transport and land use.
- The coordination of activities of State and local governments, developers and servicing authorities is increasingly important to ensure cost effective and adequate future land supply for the State. Quality development depends on the timely and efficient provision of infrastructure. There is increasing demand for new communities to have a high level of servicing at the beginning of the development cycle.
- The creation of local and regional employment is part of the ongoing development cycle to ensure that the State's growth is managed successfully.

The Commission is committed to:

- Developing solutions to stimulate a healthy economy and greater employment opportunities.
- Coordinating activities with State and local governments and developers to ensure the timely provision of infrastructure and services to secure a cost effective and adequate land supply for future growth.
- Ensuring that land use and transport planning is fully integrated to improve the quality of our communities, accessibility, and efficiencies in all transport modes.

The Environment

To ensure that Western Australia has an environment in which resources are managed, developed and used sustainably, biological diversity is preserved and habitats protected.

- The quality of urban and rural life has a high dependence on the quality of the natural environment and the sustainability of natural resources. The Commission plays a key role in the protection of the State's environmental and natural resource assets. This includes acquiring land to protect bushland, coastal areas, wetlands, river foreshores and other environmental areas. The protection of the State's key natural resource assets such as agricultural land, mineral resources and flood plains is being achieved through the application of planning policies and initiatives.
- Innovative policies and plans are developed and implemented to encourage and reward developments that achieve sustainable outcomes. These and other similar initiatives support the development of vibrant communities through good design and integrated social, economic and environmental factors.

The Regions

To ensure that regional Western Australia is strong and vibrant.

- The Commission's regional planning program promotes sustainable development through regional and sub-regional growth. The State's diverse regions require initiatives tailored to suit their individual need.
- To encourage and promote development in the regions, the Commission works closely with government agencies and regional communities to coordinate the development of land and the provision of utility and social services, and to stimulate investment in value-adding enterprise.

Governance

To govern for all Western Australians in an open, effective and efficient manner that also ensures a sustainable future.

- The Western Australian planning system is based on a unique combination of stable institutional arrangements enjoying bipartisan support: strong and simple legislation; statutory regional planning, centralised subdivision control and supervision of local planning; dependable funding for metropolitan improvement; a statutory authority to exercise powers, allocate resources and provide advice based on the expert professional support of a department of state.
- The Commission is also committed to continuing community involvement in the planning processes, and to the exploration and introduction of new and innovative techniques through which the community can participate and make creative and effective contributions.

Network City

- Network City supersedes Metroplan. It is the metropolitan planning strategy for Perth and Peel. It embodies the metropolitan land use strategy, the metropolitan transport strategy, a whole-of-government approach, a commitment to partnerships with local government and a commitment to plan with communities.
- In July 2004 the Commission adopted Network City. In August 2004 the government endorsed the *Network City Framework* and *Network City Action Plan* and approved the publication of *Network City: Community Planning Strategy for Perth and Peel* as the strategy framework and the basis for local dialogue in planning for the metropolitan and Peel regions.
- In the period to February 2005, 246 individuals, groups and organisations made submissions to the Commission. The 246 submissions demonstrate a significant interest in guiding Perth and Peel to a sustainable future and a desire to contribute to creating the city we want. An unusually high proportion, over 75% of comments, support the new directions outlined in Network City and/or specific proposals. Half of all summary comments contain constructive suggestions relating to research, policymaking and participation. Comments that disagree or find fault in one or other aspect of Network City will continue to be considered as the more detailed planning continues.
- The Commission published a response to the submissions in the statement *Network City – A Milestone in Metropolitan Planning (November 2005)*. The statement included summary comments from all submissions, presented an analysis of the comments and explained the next steps that the Commission intends to take, with its partners, in implementing the direction set by Network City.
- The principles, objectives and strategies of Network City are captured in the following eight headline statements, which are included in the spatial plan endorsed by the Government:
 - manage growth by sharing responsibility between industry, communities and government;
 - plan with communities;
 - nurture the environment;
 - make fuller use of urban land;
 - encourage public transport over private transport;
 - strengthen local sense of place;
 - develop strategies which deliver local jobs; and
 - provide affordable housing.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2005-06 Budget to Parliament on 26 May 2005 are outlined below.

	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
Strategic Tourism Sites Committee	30	31	32	-

SERVICE AND APPROPRIATION SUMMARY

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Statutory Planning.....	5,879	7,444	5,485	6,244			
<i>Service 2:</i>							
Strategic Planning.....	7,027	11,078	16,510	12,585			
<i>Service 3:</i>							
Asset Management.....	21,053	13,838	19,518	19,711			
Total Cost of Services	33,959	32,360	41,513	38,540	40,394	42,358	43,561
<i>Less Income.....</i>	<i>26,736</i>	<i>7,532</i>	<i>18,392</i>	<i>30,220</i>	<i>20,829</i>	<i>21,769</i>	<i>19,553</i>
Net Cost of Services	7,223	24,828	23,121	8,320	19,565	20,589	24,008
 Adjustments ^(a)	 43,821	 33,683	 35,499	 54,126	 45,955	 50,003	 50,568
Appropriation provided to deliver Services.	51,044	58,511	58,620	62,446	65,520	70,592	74,576
 CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	7,500	5,100	7,600	2,900	5,400	5,400	5,400
TOTAL CONSOLIDATED FUND APPROPRIATIONS.....	58,544	63,611	66,220	65,346	70,920	75,992	79,976

(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, service and financial information is the subject of a Resource Agreement signed by the Minister, the Chairperson and the Treasurer.

OUTCOMES, SERVICES AND PERFORMANCE INFORMATION**Relationship to Government Goals**

Broad, high level government goals are supported at agency level by more specific desired outcomes. Agencies deliver services to achieve these desired outcomes, which ultimately contribute to meeting the higher level government goals. The following table illustrates the relationship between agency level desired outcomes and the most appropriate government goal.

Government Goal	Desired Outcome	Services
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.	Land Use Planning and Land Use Implementation strategies to guide the State's long term urban settlement and economic development.	<ol style="list-style-type: none"> 1. Statutory Planning 2. Strategic Planning 3. Asset Management

Outcomes and Key Effectiveness Indicators ^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Outcome: Land Use Planning and Land Use Implementation strategies to guide the State's long term urban settlement and economic development.					
The number of planning applications determined within set statutory parameters:					
- Metropolitan Perth.....	3,842	4,000	3,300	3,500	The reduction is due to a market shift from 1-5 lot applications to larger more complex applications that yield more lots.
- Country Western Australia.....	1,551	1,500	1,600	1,500	

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

Service 1: Statutory Planning

Utilisation of statutory, consultative, legislative, regulatory reform and coordination processes that facilitate the implementation of creative and innovative strategic regional and local plans and policies.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	5,879	7,444	5,485	6,244	Increase in cost of administering and implementing region schemes. Increase in fees and charges revenue to achieve full cost recovery.
Less Income.....	2,864	2,254	2,650	3,223	
Net Cost of Service.....	3,015	5,190	2,835	3,021	
Adjustments ^(a)	-	-	-	-	
Appropriation for delivery of Service	3,015	5,190	2,835	3,021	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Determinations which were processed without a successful appeal	99%	99%	99%	99%	Increase in cost of administering and implementing region schemes.
Applications processed within the statutory timeframes.....	72%	80%	70%	80%	
Average cost per application determined	\$1,090.12	\$1,353.45	\$1,119.39	\$1,248.80	

Major Achievements For 2005-06

- A review of R-Codes has been undertaken and a draft State Planning Policy was approved in February 2006 for public comment.
- Promulgation of the new *Planning and Development Act 2005* (scheduled for 9 April 2006).
- Liveable Neighbourhoods version 3 was advertised for comment in 2004-05. The submissions received are being analysed and a final version of the document is scheduled for June 2006.
- Continued implementation of the Planning for Aboriginal Communities program, the Commission endorsed 11 Community Layout Plans, and 39 plans are currently being prepared. A number of Sub Regional planning initiatives were also achieved, including Fitzroy Futures Town Plan, Karungul Council Inc. Strategic Initiative, Moola Bulla Pastoral Initiatives and Shire of Ngaanyatjaraku local planning strategy.
- Western Australian Planning Commission statutory policies for land use were reviewed, including:
 - Statement of Planning Policy No. 1: State Planning Framework (gazetted in February 2006);
 - Statement of Planning Policy No. 3: Urban Growth and Settlement (approved by the Minister in February 2006); and
 - Statement of Planning Policy for Cultural Heritage and Conservation (endorsed February 2006).
- A preliminary draft land use plan was prepared for the Peel Regional Park, and associated guidelines are currently under development. These will provide the basis for the establishment plan for the park.

Major Initiatives For 2006-07

- Develop a sustainability assessment technique and compliance tool for energy and water demand management for residential building development.
- Implementation of the *Planning and Development Act 2005*, including the preparation of consequential planning policies and bulletins.
- Conduct a strategic assessment of Fremantle Ports Outer Harbour project to incorporate the vision and principles of the Western Australian State Sustainability Strategy.
- Continuing implementation of the Aboriginal Communities Program.
- Finalisation of Liveable Neighbourhoods version 3 and integration into development control policies.
- Finalisation of the review of the R-Codes and associated training program for stakeholders.
- Review the Model Scheme Text.

Service 2: Strategic Planning

The development and advancement of planning strategies, policies and information systems that guide the State's long term urban settlement, industrial and economic development, and the management of the environment in such a way that reflects the aspirations of the Western Australian Community for a high quality of life.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	7,027	11,078	16,510	12,585	Realignment of Budget Statements to reflect the Commission's current operating activities and anticipated completion of the Leighton Marshalling Yards and Beach Rehabilitation project in 2005-06. Increase in fees and charges revenue to achieve full cost recovery.
Less Income	2,886	2,333	2,520	3,033	
Net Cost of Service	4,141	8,745	13,990	9,552	
Adjustments ^(a)	-	-	-	-	
Appropriation for delivery of Service	4,141	8,745	13,990	9,552	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Planning Decisions - Strategic, Environment, Industry, Infrastructure and Transport	254	250	250	260	Realignment of Budget Statements to reflect the Commission's current operating activities and anticipated completion of the Leighton Marshalling Yards and Beach Rehabilitation project in 2005-06.
Client satisfaction with Strategic Planning activities (via survey)	79%	77%	77%	77%	
Client satisfaction with the timeliness of Strategic Planning activities (via survey)	69%	65%	65%	65%	
Average cost per Planning Decision - Strategic, Environment, Industry, Infrastructure and Transport	\$27,665.35	\$44,312.00	\$66,040.00	\$48,403.85	

Major Achievements For 2005-06

- Initiated a review of the State Planning Strategy to ensure it reflects contemporary planning practice and Government priorities.
- Issued a major statement on submissions on Network City and defined nine priority policy tasks and prepared the Network City Statement of Planning Policy.
- Following consultation with key stakeholders, endorsed a draft Capital City Perth strategy and developed a governance structure for the strategy's implementation.

- A significant community consultation program has been completed, which will form the basis of a draft Perth coastal planning strategy.
- The Greater Bunbury Region Scheme was completed and endorsed by the Commission in October 2005.
- Achievements within the regional planning program included:
 - jointly with the Shire of Broome, endorsed the final report of the Broome Planning Steering Committee, which developed a land use framework focussing on action and implementation;
 - adopted a draft Lower Great Southern Strategy on which public comment was obtained; and
 - adopted a final structure plan for the coastal portion of the Shire of Gingin.
- The Kewdale Hazelmere Master Plan was completed and adopted by the Commission.
- Strategic plans and a comprehensive methodology for the strategic assessment of the Fremantle Outer Harbour was completed.
- A structure plan for the Binningup-Myalup area was initiated and progressed jointly with the Shire of Harvey and the South West Region Planning Committee.

Major Initiatives For 2006-07

- The Commission will explore, scope and implement the following nine priority tasks for policy making as guided by the responses to Network City:
 - detail the metropolitan structure by expanding and explaining the overall metropolitan structure of activity centres, activity corridors and transport corridors (including the principles that will govern their local planning and management) and the long term structure of the metropolitan regional parks system;
 - determine local population, housing and job targets by determining and applying methodologies for setting these (and other) targets collaboratively;
 - manage growth by locating, stating and managing greenfield and infill development;
 - develop the activity centre concept by determining the character, location and management of activity centres;
 - develop the activity corridor concept by determining accessibility principles as well as the character, location and management of activity corridors;
 - develop the transport corridor concept by determining the character, location and management of transport corridors;
 - enhance institutional structures and decision-making by enhancing and improving the way all levels of government and civil society work together;
 - relate sustainability to decision-making by planning and managing growth according to sustainability principles; and
 - access time, money and skills by ensuring that all stakeholders have access to the skills and funds needed to deliver planning through participatory mechanisms.
- Prepare Statements of Planning Policy for the following:
 - Water Resources Statement of Planning Policy to provide guidance on the protection and management of surface and groundwater catchments, including consideration of the availability of water and waterways management; wetlands, waterways, and estuaries and their buffers; and implementation of total water cycle management principles in the land use planning system;
 - Transport and Infrastructure Statement of Planning Policy that will bring together existing state and regional policies, strategies and guidelines within a central framework for decision-making on land use and development in Western Australia;
 - Statement of Planning Policy to provide guidance on land use planning in the vicinity of general aviation airports; and
 - Statement of Planning Policy to provide guidance on land use planning for tourism developments, as recommended in the Report of the Ministerial Taskforce on Tourism Accommodation.

- Further strengthen the excellent data resources for planning through the following surveys:
 - undertake the final survey of a four-year series of household surveys in the Perth Metropolitan Area and Mandurah and Murray local government areas measuring travel behaviour, and incorporate the results in a model which advises the impacts of major new infrastructure and changes to roads, and includes a public transport component;
 - a survey of employment, floor space and land-use of all land that supports a business or activity which gives rise to employment in the Metropolitan Region and the Mandurah and Murray local government areas;
 - undertake surveys of recent and planned residential development and urban infrastructure provision throughout the Perth metropolitan and Peel regions and regional areas throughout the state; and
 - undertake a cumulative risk assessment for the Kwinana Industrial Area to update 1994 data, taking into account new industries and risk generating activities.
- Continue assistance with the development of regional areas, for example:
 - implementation of the Kununurra-Wyndham regional strategy;
 - development of a strategy for long-term land use and development in the Central Midlands;
 - provision of a mechanism for implementing the Goldfields-Esperance Regional Strategy;
 - facilitation of urban design in regional areas, including Kalbarri Town Centre and Geraldton;
 - undertake new topographic survey to assist planning for the regions; and
 - provide mapping support to aboriginal communities.
- Produce a strategy to guide major land use changes in southern east Wanneroo from rural to urban and the establishment of a new agricultural and horticultural area in northern east Wanneroo to replace those areas lost to future urban development.
- Implementation of the Port Hedland Enquiry by Design forum held on 30 October 2004.

Service 3: Asset Management

The acquisition, management and disposal of properties reserved under the Metropolitan and Peel Region Schemes and Greater Bunbury Region Scheme (Provisional) for primary and other regional roads, parks and recreation and regional open space areas, special uses including planning control area and improvement plans and major land development projects.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	21,053	13,838	19,518	19,711	
Less Income	20,986	2,945	13,222	23,964	Income received in advance for sale of land in 2005-06, land not disposed of until 2006-07. Increase in fees and charges revenue to achieve full cost recovery.
Net Cost of Service	67	10,893	6,296	(4,253)	
Adjustments ^(a)	43,821	33,683	35,499	54,126	Increase in carrying value of land and buildings, bringing to account income received in advance, decrease in contributed equity.
Appropriation for delivery of Service	43,888	44,576	41,795	49,873	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Hectares Managed - Improvement plans, regional roads and other uses (includes rental properties)	4,746	4,800	4,825	4,875	
Hectares Managed - Parks and recreational reserves.....	7,873	8,500	7,875	8,000	
Management - progress on formulation and implementation of management plans	3 completed 3 draft final 1 in progress	4 completed 2 draft	4 completed 2 draft	6 completed	
Acquisitions - acceptances within approved range.....	96%	80%	97%	85%	
Disposals - realised at in excess of reserved price.....	100%	80%	100%	85%	
Acquisitions - approved schedule acquired within period	105%	92%	101%	100%	
Disposals - approved schedule acquired within period.....	82%	86%	110%	100%	
Available days tenanted.....	95%	93%	93%	95%	
Approved management program achieved.....	70%	75%	80%	85%	
Approved management plan activities achieved.....	65%	75%	75%	80%	
Average cost per hectare managed	\$1,460.81	\$1,040.45	\$1,536.85	\$1,530.95	

Major Achievements For 2005-06

- Expressions of Interest were invited for the sale and redevelopment of the 140 William Street site in September 2005. The preferred developer is to be determined in 2006-07.
- The Commission completed planning for the Thomsons Lake town centre and agreed to transfer the project to the Western Australian Land Authority (LandCorp) for development.
- The Transport Heritage Centre at Whiteman Park was completed and opened in October 2005.
- Upon confirmation of funding by the State and Federal Governments, responsibility for completing the acquisition of land for the Peel Deviation transferred to Main Roads Western Australia. All properties purchased by Commission for the project will be transferred to Main Roads Western Australia for construction.
- The Commission purchased the significant 12 hectares recreation node at Ward Point for the Peel Regional Park.
- Pursuant to its key role in protecting the State's environment and natural resources, the Commission purchased two lots for the Canning River and one lot for the Swan River foreshores.
- Management plans for the Canning River and Herdsman Lake regional parks were completed.

Major Initiatives For 2006-07

- Undertake measures to further improve fire management and suppression equipment and infrastructure at Whiteman Park to ensure compliance with the Fire and Emergency Services Authority of Western Australia and Australian Standards.
- Complete the sale of the land above the new William Street underground railway station.
- Continuation of the implementation of the 'Bush Forever' policy initiative (a 10 year project commenced in 2000).
- Continue investigations into the provision of appropriate public access to the Bassendean Foreshore.

CAPITAL WORKS PROGRAM

The Commission's 2006-07 capital expenditure reflects provision for the acquisition of land under the Metropolitan Region Scheme, continuation of the Bush Forever Project and development of public facilities on reserved land.

The capital works program also includes Consolidated Fund allocations for the purchase of land under the Peel Region Scheme and the provisional Greater Bunbury Region Scheme.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Buildings/Infrastructure	5,985	3,085	1,000	500
Other Minor Equipment	1,312	239	106	108
COMPLETED WORKS				
Acquisition of Land -				
2005-06 Program	37,605	37,605	37,605	-
Leighton beach rehabilitation and landscaping	1,000	1,000	1,000	-
Leighton Marshalling yards and Foreshore rehabilitation	3,207	3,207	3,195	-
Perth's Bushplan -				
2005-06 Program	10,000	10,000	10,000	-
Recreation Reserves (Area Assistance Scheme)				
2004-05 Program	1,060	1,060	772	-
2005-06 Program	3,018	3,018	3,018	-
Regional Land Acquisitions -				
2004-05 Program	4,500	4,500	2,500	-
2005-06 Program	6,600	6,600	6,600	-
Swan/Helena Regional Park	500	500	500	-
NEW WORKS				
Acquisition of Land -				
2006-07 Program	36,600	-	-	36,600
Perth's Bushplan -				
2006-07 Program	10,000	-	-	10,000
Recreation Reserves (Area Assistance Scheme)				
2006-07 Program	2,000	-	-	2,000
Regional Land Acquisitions -				
2006-07 Program	4,500	-	-	4,500
	127,887	70,814	66,296	53,708

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	70,809	62,105	66,296	53,708	50,310	57,414	60,881
	70,809	62,105	66,296	53,708	50,310	57,414	60,881
LESS							
Asset Sales	26,574	12,500	13,805	13,400	11,700	10,900	5,000
Funding Included in Service Appropriations ^(a)	-	1,600	1,600	1,600	1,600	1,600	1,600
Internal Funds and Balances	36,735	42,905	43,291	35,808	31,610	39,514	48,881
Capital Contribution	7,500	5,100	7,600	2,900	5,400	5,400	5,400

(a) Capital works expensed through the Income Statement.

FINANCIAL STATEMENTS**INCOME STATEMENT
(Controlled)**

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	379	90	107	110	112	115	118
Superannuation	26	8	10	10	11	11	11
Grants and subsidies ^(c)	2,854	7,500	8,314	7,000	7,175	7,354	7,538
Consultancies expense	4,764	6,564	9,886	6,641	6,807	6,977	7,152
Supplies and services	6,797	12,800	6,408	6,329	6,486	6,650	6,817
Accommodation	1,171	1,134	1,282	1,314	1,347	1,380	1,415
Capital user charge	2,704	1,583	1,251	1,344	1,408	1,479	1,479
Depreciation and amortisation	319	260	369	380	380	380	380
Costs of disposal of non-current assets	2,621	-	-	-	-	-	-
Service delivery agreement	7,811	-	10,408	11,972	13,142	14,398	14,980
Other expenses	216,299	2,421	3,478	3,440	3,526	3,614	3,671
TOTAL COST OF SERVICES	245,745	32,360	41,513	38,540	40,394	42,358	43,561
Income							
User charges and fees	3,118	2,809	3,357	5,478	6,976	8,599	9,163
Gain on disposal of non-current assets	-	-	8,805	18,400	7,700	6,900	4,000
Grants and subsidies	481	220	270	277	283	290	299
Interest revenue	1,642	200	1,800	1,800	1,500	1,500	1,500
Rent	3,065	2,932	2,874	2,946	3,019	3,095	3,172
Proceeds from disposal of non-current assets ..	16,716	-	-	-	-	-	-
Other revenue	1,714	1,371	1,286	1,319	1,351	1,385	1,419
Total Income	26,736	7,532	18,392	30,220	20,829	21,769	19,553
NET COST OF SERVICES	219,009	24,828	23,121	8,320	19,565	20,589	24,008
INCOME FROM STATE GOVERNMENT							
Service appropriations	51,044	58,511	58,620	62,446	65,520	70,592	74,576
TOTAL INCOME FROM STATE GOVERNMENT	51,044	58,511	58,620	62,446	65,520	70,592	74,576
SURPLUS (DEFICIENCY) FOR THE PERIOD	(167,965)	33,683	35,499	54,126	45,955	50,003	50,568
Extraordinary items	2	-	-	-	-	-	-
CHANGE IN SURPLUS (DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(167,963)	33,683	35,499	54,126	45,955	50,003	50,568

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

(b) The Commission had no Full Time Equivalents (FTEs) for 2004-05 Actual, 2005-06 Estimated Actual and 2006-07 Estimate respectively.

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

BALANCE SHEET
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CURRENT ASSETS							
Cash and cash equivalents	20,873	2,400	12,570	12,120	20,772	26,368	25,063
Restricted cash	4,802	1,500	3,500	2,000	2,000	2,000	2,000
Receivables	5,348	2,422	2,573	4,022	3,874	3,874	3,626
Interest receivable	127	190	200	200	200	200	200
Amounts receivable for services	570	830	939	1,319	1,699	2,079	2,459
Prepayments	37	2	39	38	40	41	42
Total current assets	31,757	7,344	19,821	19,699	28,585	34,562	33,390
NON-CURRENT ASSETS							
Land and buildings	359,280	816,933	415,747	437,447	484,647	529,847	585,512
Receivables	-	-	2,500	-	-	-	-
Plant and equipment	314	329	275	240	207	178	151
Other	3,165	1,118	1,566	2,659	3,064	3,319	3,539
Total non-current assets	362,759	818,380	420,088	440,346	487,918	533,344	589,202
TOTAL ASSETS	394,516	825,724	439,909	460,045	516,503	567,906	622,592
CURRENT LIABILITIES							
Payables	-	256	-	-	-	-	-
Provision for employee entitlements	55	31	70	85	85	85	85
Accrued salaries	97	2	4	7	7	7	8
Other	2,573	1,141	940	1,000	1,000	1,000	717
Total current liabilities	2,725	1,430	1,014	1,092	1,092	1,092	810
NON-CURRENT LIABILITIES							
Provision for employee entitlements	45	15	51	57	60	60	60
Other	10,000	-	10,000	-	-	-	-
Total non-current liabilities	10,045	15	10,051	57	60	60	60
TOTAL LIABILITIES	12,770	1,445	11,065	1,149	1,152	1,152	870
EQUITY							
Contributed equity	33,112	31,869	44,711	20,637	31,137	32,537	36,937
Accumulated surplus	341,799	570,212	377,298	431,424	477,379	527,382	577,950
Reserves	6,835	222,198	6,835	6,835	6,835	6,835	6,835
Total equity	381,746	824,279	428,844	458,896	515,351	566,754	621,722
TOTAL LIABILITIES AND EQUITY	394,516	825,724	439,909	460,045	516,503	567,906	622,592

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

CASHFLOW STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	50,904	58,251	58,251	62,066	65,140	70,212	74,196
Capital contribution	7,500	5,100	7,600	2,900	5,400	5,400	5,400
Net cash provided by State government	58,404	63,351	65,851	64,966	70,540	75,612	79,596
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(482)	(87)	(100)	(103)	(105)	(108)	(110)
Superannuation	(26)	(8)	(10)	(10)	(11)	(11)	(11)
Grants and subsidies	(3,055)	(7,500)	(8,314)	(7,000)	(7,175)	(7,354)	(7,538)
Consultancies payments	(4,528)	(6,596)	(9,886)	(6,641)	(6,807)	(6,977)	(7,152)
Supplies and services	(5,315)	(12,924)	(8,008)	(6,423)	(6,582)	(6,748)	(6,917)
Accommodation	(1,176)	(1,004)	(1,199)	(1,229)	(1,260)	(1,291)	(1,323)
Capital user charge	(2,704)	(1,583)	(1,251)	(1,344)	(1,408)	(1,479)	(1,479)
Goods and services tax	(5,525)	(3,325)	(3,325)	(3,330)	(3,330)	(3,330)	(3,330)
Service delivery agreement	(8,354)	-	(10,408)	(11,972)	(13,142)	(14,398)	(14,980)
Other	(4,768)	(2,062)	(3,461)	(3,431)	(3,517)	(3,606)	(3,663)
Receipts							
User charges and fees	55	76	58	59	61	62	64
Grants and subsidies	455	220	270	277	283	290	299
Interest received	1,794	200	1,800	1,800	1,500	1,500	1,500
Rent receipts	3,074	2,932	2,874	2,946	3,019	3,095	3,172
Goods and services tax	6,606	3,325	3,325	3,330	3,330	3,330	3,330
Other receipts	4,727	3,796	4,585	6,737	8,267	9,923	10,516
Net cash from operating activities	(19,222)	(24,540)	(33,050)	(26,334)	(26,877)	(27,102)	(27,622)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(68,633)	(55,806)	(56,211)	(50,108)	(46,711)	(53,814)	(58,279)
Equity contribution payments	-	(9,000)	-	(31,074)	-	-	-
Proceeds from sale of non-current assets	26,583	21,500	13,805	40,600	11,700	10,900	5,000
Net cash from investing activities	(42,050)	(43,306)	(42,406)	(40,582)	(35,011)	(42,914)	(53,279)
NET INCREASE/(DECREASE) IN CASH HELD	(2,868)	(4,495)	(9,605)	(1,950)	8,652	5,596	(1,305)
Cash assets at the beginning of the reporting period	28,543	8,395	25,675	16,070	14,120	22,772	28,368
Cash assets at the end of the reporting period	25,675	3,900	16,070	14,120	22,772	28,368	27,063

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
Coastal Zone Management	489	952	991	952	952	952	952
Araluen Botanic Park.....	250	400	550	550	600	650	700
Parks and Reserves - Regional Open Space.....	296	1,000	475	420	500	500	500
Leighton Marshalling Yards and Beach Rehabilitation	-	2,560	3,080	1,108	-	-	-
Dialogue with the City Communities Program	303	550	600	600	1,000	1,000	1,000
Larkhill - City of Rockingham	1,315	1,650	1,140	1,650	400	-	-
Yellagonga	-	-	750	-	-	-	-
Other.....	201	388	728	1,720	3,723	4,252	4,386
TOTAL.....	2,854	7,500	8,314	7,000	7,175	7,354	7,538

Part 10

Minister for Indigenous Affairs; Tourism; Culture and the Arts

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
759	Indigenous Affairs			
	– Delivery of Services	19,246	22,314	25,802
	– Capital Contribution	397	260	-
	Total	19,643	22,574	25,802
771	Western Australian Tourism Commission			
	– Delivery of Services	48,022	51,885	50,230
	– Capital Contribution	240	590	2,073
	Total	48,262	52,475	52,303
787	Rottneest Island Authority	-	-	-
788	Culture and the Arts			
	– Delivery of Services	125,269	120,392	127,968
	– Capital Contribution	7,392	7,392	12,347
	Total	132,661	127,784	140,315
	GRAND TOTAL			
	– Delivery of Services	192,537	194,591	204,000
	– Capital Contribution	8,029	8,242	14,420
	Total	200,566	202,833	218,420

INDIGENOUS AFFAIRS

PART 10 - MINISTER FOR INDIGENOUS AFFAIRS; TOURISM; CULTURE AND THE ARTS

DIVISION 43

APPROPRIATION AND FORWARD ESTIMATES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 86 Net amount appropriated to deliver services	18,301	19,086	22,154	25,642	23,138	23,283	23,462
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 ^(a)	160	160	160	160	160	160	165
Total appropriations provided to deliver services	18,461	19,246	22,314	25,802	23,298	23,443	23,627
CAPITAL							
Capital Contribution	137	397	260	-	12	-	170
GRAND TOTAL	18,598	19,643	22,574	25,802	23,310	23,443	23,797

- (a) The recommendation by the Salaries and Allowance Tribunal on 7 April 2006 regarding senior public servants salaries was received after the deadline for finalising agencies' individual financial projections. Accordingly, a provision for the total cost (estimated at around \$1.5 million per year from 2006-07) is reflected in the 'Authorised by Other Statutes' appropriations and financial statements of the administered activities of the Department of Treasury and Finance (Budget Paper 2, Volume 1). This provision will be reflected in agencies' estimates following the release of the 2006-07 Budget.

MISSION

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

SIGNIFICANT ISSUES AND TRENDS

- Nationally, significant reforms are re-shaping Indigenous programs and service delivery, as well as funding arrangements. As part of this process, the State and Commonwealth are working together on establishing bilateral arrangements that aim to put in place policy and structural reforms to help make engagement with government more streamlined, coordinated and with clearer lines of responsibility.
- Governments need to develop effective partnerships with Indigenous communities to achieve sustainable outcomes. The provision of housing and essential services, strengthening community governance and building the capacity of communities to achieve self-sustainability are key areas of focus.
- Education and employment are amongst the most significant quality of life improvements for Indigenous people.
- Land is central to the aspirations of Aboriginal people in improving cultural, social and economic independence. Opportunities to facilitate and advance these aspirations are through Native Title outcomes, land transfer by the Aboriginal Lands Trust, broader participation in management of land and other participative agreements. Working in partnership with Aboriginal people to manage Aboriginal sites is an ongoing priority for Government to ensure that the State's rich Indigenous heritage is protected for future generations, while considering the impact of land use in the economic development of Western Australia.

- Promoting reconciliation between Indigenous and non-Indigenous people continues to be a Government priority to foster better understanding and goodwill in the general community. To advance this priority there is a focus on initiatives that encourage all Western Australians to develop an appreciation of Indigenous heritage and culture, contribute to greater harmony and inclusiveness and help build a vision for a shared future.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2005-06 Budget to Parliament on 26 May 2005 are outlined below.

	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
Aboriginal Lands Trust Estate Management.....	500	-	-	-
Management of Dampier Archipelago	642	312	477	312
Provision for Indigenous Initiatives	3,382	3,453	3,246	3,311
Reform of the Project Approvals System.....	812	454	303	303

SERVICE AND APPROPRIATION SUMMARY

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Support to Partnerships, Partnering Initiatives.	14,027	14,032	16,354	16,553			
<i>Service 2:</i>							
Information and Advice.....	5,872	5,919	6,267	6,344			
Total Cost of Services	19,899	19,951	22,621	22,897	20,495	21,073	21,222
<i>Less Income.....</i>	<i>1,311</i>	<i>410</i>	<i>410</i>	<i>355</i>	<i>603</i>	<i>754</i>	<i>754</i>
Net Cost of Services	18,588	19,541	22,211	22,542	19,892	20,319	20,468
Adjustments ^{(a) (b)}	(127)	(295)	103	3,260	3,406	3,124	3,159
Appropriation provided to deliver Services.	18,461	19,246	22,314	25,802	23,298	23,443	23,627
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(c)	137	397	260	-	12	-	170
TOTAL CONSOLIDATED FUND APPROPRIATIONS.....	18,598	19,643	22,574	25,802	23,310	23,443	23,797

(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) Provision for Indigenous initiatives (refer to 'Major Policy Decisions') in 2006-07 to 2009-10 is yet to be allocated to specific initiatives.

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

RESOURCE AGREEMENT

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

OUTCOMES, SERVICES AND PERFORMANCE INFORMATION

Relationship to Government Goals

Broad, high level government goals are supported at agency level by more specific desired outcomes. Agencies deliver services to achieve these desired outcomes, which ultimately contribute to meeting the higher level government goals. The following table illustrates the relationship between agency level desired outcomes and the most appropriate government goal.

Government Goal	Desired Outcome	Services
To enhance the quality of life and wellbeing of all people throughout Western Australia.	Sustainable improvement in social, cultural and economic outcomes for Indigenous people.	1. Support to Partnerships, Partnering Initiatives 2. Information and Advice

Outcomes and Key Effectiveness Indicators ^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Outcome: Sustainable improvement in social, cultural and economic outcomes for Indigenous people.					
Extent to which parties in a sample of partnering arrangements indicate they have been assisted to achieve agreed outcomes, which contribute to government objectives.....	61.2%	65.0%	63.5%	65.0%	
Extent to which users indicated the policy and / or advice assisted their decision-making.	68.0%	65.0%	57.4%	65.0%	

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

Service 1: Support to Partnerships, Partnering Initiatives

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

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	14,027	14,032	16,354	16,553	Variation from 2005-06 Budget is due to additional funding provided including transfer of Gordon Implementation Unit and management of Dampier Archipelago.
Less Income.....	817	286	388	336	
Net Cost of Service	13,210	13,746	15,966	16,217	
Adjustments ^{(a) (b)}	(89)	(206)	74	3,294	
Appropriation for delivery of Service	13,121	13,540	16,040	19,511	

(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) Provision for Indigenous initiatives (refer to 'Major Policy Decisions') in 2006-07 is yet to be allocated to specific initiatives.

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per land partnership	178,396	114,337	92,200	93,325	
Average cost per heritage and culture partnership.....	56,496	62,650	97,015	98,199	
Average cost per coordination partnership.....	85,128	109,083	64,380	65,165	
Full Time Equivalents (FTEs)	82	83	83	83	

Major Achievements For 2005-06

- Continued to work with the Regional Managers' forums to coordinate the implementation of cross-agency initiatives in local areas.
- Continued to support implementation of recommendations from service mapping projects undertaken in Kalgoorlie, Port Hedland, Wiluna and Derby.
- Continued to lead the State's commitments to progress implementation of the Council of Australian Governments trial in the East Kimberley, in partnership with the communities, the Commonwealth and the Shire of Halls Creek, to improve social and economic outcomes.
- Maintained partnerships with local governments (Broome, Derby, Kalgoorlie-Boulder and Geraldton) to enhance local service provision, and participated in joint projects with the Indigenous community.
- Signed a Regional Partnership Agreement with Ngaanyatjarra Council and the Commonwealth recognising the Council as the formal representative body for the region on improving service delivery.
- Responsibility for the Place Management program (Gordon initiative) was transferred from the Department of the Premier and Cabinet in November 2005. Place Managers have been established in Halls Creek and Kulumburu.
- Progressed service level agreements with 18 Aboriginal community patrols operating in 20 locations.
- Continued to work with key government departments to progress Indigenous environmental health initiatives such as housing, infrastructure and essential services, a revised Code of Practice for Infrastructure Development in Aboriginal Communities and a major review of town-based communities. Published the Environmental Health Needs Survey Report (2004).
- Implemented a Memoranda of Understanding in relation to land transfer and leasing with most Native Title representative bodies.
- Completed the second round of Looking After Country grant applications that are aimed at encouraging Indigenous communities to become involved in landcare activities.
- Enhanced the quality and public availability of Aboriginal site and survey information through implementation of a new site assessment facility within the Aboriginal Heritage Management System.
- Participated in a pilot for the Register of Interest demonstration project to show land developers the heritage and other interests in land for future development proposals.
- Completed a review of all by-laws proclaimed pursuant to the *Aboriginal Communities Act 1979* and proclaimed three new sets of Aboriginal community by-laws.
- Completed consultation, planning and development phases of the ENRICH (ENCouraging Reconciliation through Indigenous Culture and Heritage) Noongar Walk Trail that runs along the Derbal Yerrigan (Swan River) from Heirisson Island to Kings Park.
- The PALS (Partnership, Acceptance, Learning and Sharing) project was recognised in the 2005 Premier's Award for Leadership. In 2005 PALS included the active participation of about 19,000 school children in projects to improve understanding and respect for Indigenous people, their heritage and culture.

Major Initiatives For 2006-07

- Continue to implement the Place Management Program (Gordon initiative) in targeted community areas across the State.
- Lead the development of a State Indigenous Strategy that will provide a policy framework and blueprint for action in improving Indigenous outcomes.
- Progress implementation of service mapping programs in Wyndham, Newman, Roebourne, and the Wheatbelt, and integrate these approaches in regional planning and place management processes.
- Participate in a national research project for the Ministerial Council for Aboriginal and Torres Strait Islander Affairs on examining the impacts of changing Indigenous demographics on future public policy directions.
- Lead and coordinate State Government responsibilities in relation to implementation of the Ngaanyatjarra Regional Partnership Agreement.
- Lead the State's participation in the Council of Australian Governments trial in the East Kimberley, and continue to collaborate with the communities and the Commonwealth on progressing key priorities outlined in the joint action plan.
- Lead and coordinate the State's negotiations with the Commonwealth Government and the Minerals Council of Australia to provide a framework for the participation of Indigenous people in employment in the mining and resources industry.
- Work collaboratively with regional organisations to address local Indigenous issues around governance, capacity building, employment, economic development opportunities and youth.
- Implement appropriate contract management processes and investigate options to enhance the effective operation of Aboriginal community patrols.
- Continue to support key cross-government forums and initiatives that target Indigenous environmental health needs in remote and town-based communities.
- Continue the Caring for Country program that engages Aboriginal people to participate in land management initiatives.
- Continue to meet the Aboriginal Lands Trust's commitments under Memoranda of Understanding with Native Title Representative Bodies, with regards to prioritised land transfers, leasing and land management initiatives.
- Assist Aboriginal communities to adopt or amend community by-laws, to ensure by-laws apply on community lands.
- Develop and implement regional heritage management strategies and address specific local priorities.
- Work with stakeholders to improve capacity to protect and manage Aboriginal heritage through regionally-based projects, including the Dampier Archipelago and the development of a rigorous framework for investigating site disturbances.
- Install signage and work with Indigenous community on development and funding for artworks for the Swan River Interpretive Trail.
- Increase PALS participation in schools and continue the partnership with BHP Billiton Iron Ore to develop new and creative facilities for the program.
- Implement the ENRICH (creating optimism, harmony, respect, understanding and social wellbeing for all Western Australians) brand strategy and examine opportunities for external funding support or possible partnership.

Service 2: Information and Advice

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

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	5,872	5,919	6,267	6,344	
Less Income	494	124	22	19	
Net Cost of Service	5,378	5,795	6,245	6,325	
Adjustments ^(a)	(38)	(89)	29	(34)	
Appropriation for delivery of Service	5,340	5,706	6,274	6,291	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per unit of advice offered	52,446	43,713	67,233	68,053	
Average cost per request answered / recommendation made	1,486	1,497	1,501	1,519	
Average cost per unit of information supplied.	100	104	76	77	
Full Time Equivalents (FTEs)	44	49	49	49	

Major Achievements For 2005-06

- An authoritative reporting framework is being progressed to monitor and evaluate the delivery of commitments and the achievement of outcomes of Government initiatives in response to the Gordon Inquiry.
- Management responsibilities for Reserve 43131, the former Swan Valley Noongar Community site, have been transferred to the Department for Planning and Infrastructure.
- The Western Australian Overcoming Indigenous Disadvantage report was released, and will now help provide the evidence base and accountability measures for the development of the State Indigenous Strategy.
- Through the Ministerial Council for Aboriginal and Torres Strait Islander Affairs, the Commonwealth, States and Territories have agreed to implement universal prevention approaches with a focus on early childhood development.
- Continued to lead the State's participation in a collaborative five year research project entitled 'Understanding and Developing Effective Governance in Indigenous Communities' as a joint initiative with Reconciliation Australia, and the Commonwealth and Northern Territory Governments.
- Implemented, consistent with Keating Review recommendations, monthly Aboriginal Cultural Materials Committee meetings and processing timelines, and established improved management controls.
- Completed the capture of heritage survey reports on the Burrup Maitland estate to significantly improve the sites register.

- Introduced new guidelines for heritage survey reports, applications under Section 18 of the *Aboriginal Heritage Act 1972*, and site recording, aimed at improving the quality of information available in evaluating development applications.
- Continued to investigate and monitor compliance with statutory responsibilities and work with local groups to develop and enhance local heritage and culture. Successfully prosecuted the Trotman's cave site disturbance.
- The inventory audit of infrastructure on Aboriginal Lands Trust land is substantially complete and the natural environment audit is progressing.
- Reviewed existing Indigenous engagement, consultation processes and structures across Government in order to inform future regional representation and engagement strategies.

Major Initiatives For 2006-07

- Provide strategic advice to the Minister on the State's position on the proposed bilateral with the Commonwealth on future policy, funding and service arrangements for Indigenous affairs.
- Lead the development of strategic partnerships with business and industry as part of the Ministerial Council for Aboriginal and Torres Strait Islander Affairs' economic development action plan.
- Participate in work being done cross-government to develop practical intervention strategies to guide government and community actions that improve headline indicators of Indigenous disadvantage.
- Implement authoritative monitoring and reporting against, and continue Phase One evaluation of, the Government's response to the Gordon inquiry.
- Continue consultation in partnership with the Commonwealth to determine Indigenous community views on representation, including further work on regional representative structures.
- Continue participation in the five year research project on Indigenous governance in partnership with Reconciliation Australia and the Commonwealth and Northern Territory Governments.
- Continue support for the existing community action groups and promote their further expansion in the South West.
- Investigate new processes for Section 18 approvals under the *Aboriginal Heritage Act 1972* and formulate a cost recovery model for tariffs, fees and charges to process development applications.
- Continue to meet and review the Aboriginal Lands Trust's statutory obligations as a significant landholder and respond to emergency repairs and maintenance of assets.
- The Department will provide strategic advice to the Minister on the allocation of the provision (\$13.4 million over four years) quarantined within its budget for priority Indigenous initiatives.

CAPITAL WORKS PROGRAM

The Aboriginal Lands Trust - Estate Management refers to the repair, maintenance and upgrading of the Aboriginal Lands Trust infrastructure. These works will be carried out on land and buildings belonging to the Trust to support the Indigenous Land Partnership Program.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
COMPLETED WORKS				
Aboriginal Lands Trust - Estate Management				
2005-06 Program	550	550	550	-
Asset Replacement - Information Technology				
2005-06 Program	300	300	300	-
Other Works				
Aboriginal Heritage System Upgrade - Government Interoperability	260	260	260	-
NEW WORKS				
Aboriginal Lands Trust - Estate Management				
2006-07 Program	500	-	-	500
Asset Replacement - Information Technology				
2006-07 Program	240	-	-	240
Asset Replacement - Office Equipment				
2006-07 Program	50	-	-	50
Regional Office Works				
2006-07 Program	200	-	-	200
	2,100	1,110	1,110	990

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	860	1,110	1,110	990	480	280	577
	860	1,110	1,110	990	480	280	577
LESS							
Drawdowns from the Holding Account	163	163	300	440	418	230	357
Funding Included in Service Appropriations ^(a)	550	550	550	500	-	-	-
Internal Funds and Balances	10	-	-	50	50	50	50
Capital Contribution	137	397	260	-	12	-	170

(a) Capital works expensed through the Income Statement.

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	9,031	8,787	9,673	10,130	9,894	10,187	10,506
Superannuation	893	793	865	924	926	951	977
Grants and subsidies ^(c)	2,440	2,810	4,527	4,195	2,293	2,325	2,325
Consultancies expense	18	35	25	25	25	25	25
Supplies and services	5,245	5,345	5,221	5,267	4,906	5,116	4,960
Accommodation	1,684	1,554	1,691	1,706	1,716	1,750	1,767
Capital user charge	13	69	69	92	105	105	105
Depreciation and amortisation	310	260	281	288	358	337	280
Costs of disposal of non-current assets	6	-	-	-	-	-	-
Other expenses	259	298	269	270	272	277	277
TOTAL COST OF SERVICES	19,899	19,951	22,621	22,897	20,495	21,073	21,222
Income							
User charges and fees	-	-	-	-	303	454	454
Grants and subsidies	7	-	-	55	-	-	-
Other revenue	1,304	410	410	300	300	300	300
Total Income	1,311	410	410	355	603	754	754
NET COST OF SERVICES	18,588	19,541	22,211	22,542	19,892	20,319	20,468
INCOME FROM STATE GOVERNMENT							
Service appropriations	18,461	19,246	22,314	25,802	23,298	23,443	23,627
Resources received free of charge	160	90	160	160	160	160	160
Liabilities assumed by the Treasurer	71	7	7	7	7	7	7
TOTAL INCOME FROM STATE GOVERNMENT	18,692	19,343	22,481	25,969	23,465	23,610	23,794
SURPLUS (DEFICIENCY) FOR THE PERIOD	104	(198)	270	3,427	3,573	3,291	3,326

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

(b) The Full Time Equivalents (FTEs) for 2004-05 Actual, 2005-06 Estimated Actual and 2006-07 Estimate are 126, 132 and 132 respectively.

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

**BALANCE SHEET
(Controlled)**

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CURRENT ASSETS							
Cash and cash equivalents	185	42	4	3,386	6,839	10,085	13,396
Restricted cash	891	110	1,367	1,402	1,502	1,537	1,542
Receivables	353	256	353	353	353	353	353
Amounts receivable for services	300	-	440	418	230	357	-
Prepayments	253	254	263	263	263	263	263
Total current assets	1,982	662	2,427	5,822	9,187	12,595	15,554
NON-CURRENT ASSETS							
Amounts receivable for services	289	696	140	20	158	148	438
Plant and equipment	510	473	579	851	843	916	1,213
Intangibles	-	-	210	140	270	140	140
Other	315	314	315	315	315	315	315
Total non-current assets	1,114	1,483	1,244	1,326	1,586	1,519	2,106
TOTAL ASSETS	3,096	2,145	3,671	7,148	10,773	14,114	17,660
CURRENT LIABILITIES							
Payables	570	287	570	570	560	560	560
Provision for employee entitlements	875	1,169	885	895	905	915	925
Accrued salaries	-	-	35	70	105	140	175
Other	161	6	161	166	171	176	181
Total current liabilities	1,606	1,462	1,651	1,701	1,741	1,791	1,841
NON-CURRENT LIABILITIES							
Provision for employee entitlements	1,017	898	1,017	1,017	1,017	1,017	1,017
Total non-current liabilities	1,017	898	1,017	1,017	1,017	1,017	1,017
TOTAL LIABILITIES	2,623	2,360	2,668	2,718	2,758	2,808	2,858
EQUITY							
Contributed equity	909	1,306	1,169	1,169	1,181	1,181	1,351
Accumulated surplus / (deficit)	(609)	(1,694)	(339)	3,088	6,661	9,952	13,278
Reserves	173	173	173	173	173	173	173
Total equity	473	(215)	1,003	4,430	8,015	11,306	14,802
TOTAL LIABILITIES AND EQUITY	3,096	2,145	3,671	7,148	10,773	14,114	17,660

- (a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

CASHFLOW STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	18,122	18,976	22,023	25,504	22,930	23,096	23,337
Capital contribution	137	397	260	-	12	-	170
Holding account drawdowns	163	163	300	440	418	230	357
Net cash provided by State government	18,422	19,536	22,583	25,944	23,360	23,326	23,864
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(9,499)	(8,777)	(9,628)	(10,129)	(9,892)	(10,174)	(10,461)
Superannuation	(808)	(807)	(858)	(917)	(919)	(944)	(970)
Grants and subsidies	(2,442)	(2,810)	(4,527)	(4,210)	(2,308)	(2,325)	(2,325)
Consultancies payments	(22)	(45)	(25)	(25)	(25)	(25)	(20)
Supplies and services	(4,955)	(5,204)	(5,222)	(5,027)	(4,683)	(4,940)	(5,034)
Accommodation	(1,671)	(1,545)	(1,718)	(1,750)	(1,750)	(1,760)	(1,660)
Capital user charge	(13)	(69)	(69)	(92)	(105)	(105)	(105)
Goods and Services Tax	(787)	(1,027)	(800)	(805)	(810)	(815)	(820)
Other	(260)	(319)	(271)	(272)	(278)	(276)	(280)
Receipts							
User charges and fees	-	-	-	-	303	454	454
Grants and subsidies	61	-	-	55	-	-	-
Goods and Services Tax	809	1,027	830	835	840	845	850
Other receipts	1,294	410	560	300	300	300	400
Net cash from operating activities	(18,293)	(19,166)	(21,728)	(22,037)	(19,327)	(19,765)	(19,971)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(165)	(340)	(560)	(490)	(480)	(280)	(577)
Net cash from investing activities	(165)	(340)	(560)	(490)	(480)	(280)	(577)
CASH FLOWS FROM FINANCING ACTIVITIES							
Net cash from financing activities	-	-	-	-	-	-	-
NET INCREASE / (DECREASE) IN CASH HELD	(36)	30	295	3,417	3,553	3,281	3,316
Cash assets at the beginning of the reporting period	1,112	122	1,076	1,371	4,788	8,341	11,622
Cash assets at the end of the reporting period	1,076	152	1,371	4,788	8,341	11,622	14,938

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
Aboriginal Community Patrols.....	1,239	1,831	1,831	1,846	1,864	1,885	1,885
Gordon Place Management Grants.....	-	-	1,677	1,420	-	-	-
Heritage Grants.....	92	100	140	100	100	100	100
Land Management Grants.....	551	550	550	500	-	-	-
Reconciliation Grants.....	69	100	100	100	100	100	100
Various Indigenous Community Grants.....	489	229	229	229	229	240	240
TOTAL.....	2,440	2,810	4,527	4,195	2,293	2,325	2,325

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:

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
Grants and subsidies	61	-	-	55
GST input credits	809	1,027	830	835
Other receipts	1,294	410	560	300
TOTAL.....	2,164	1,437	1,390	1,190

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

WESTERN AUSTRALIAN TOURISM COMMISSION

PART 10 - MINISTER FOR INDIGENOUS AFFAIRS; TOURISM; CULTURE AND THE ARTS

DIVISION 44

APPROPRIATION AND FORWARD ESTIMATES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 87 Net amount appropriated to deliver services	42,758	47,782	51,645	49,983	48,110	41,676	44,066
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975^(a)	233	240	240	247	254	262	270
Total appropriations provided to deliver services	42,991	48,022	51,885	50,230	48,364	41,938	44,336
CAPITAL							
Item 161 Capital Contribution	-	240	590	2,073	1,222	787	272
GRAND TOTAL	42,991	48,262	52,475	52,303	49,586	42,725	44,608

- (a) The recommendation by the Salaries and Allowance Tribunal on 7 April 2006 regarding senior public servants salaries was received after the deadline for finalising agencies' individual financial projections. Accordingly, a provision for the total cost (estimated at around \$1.5 million per year from 2006-07) is reflected in the 'Authorised by Other Statutes' appropriations and financial statements of the administered activities of the Department of Treasury and Finance (Budget Paper 2, Volume 1). This provision will be reflected in agencies' estimates following the release of the 2006-07 Budget.

MISSION

Grow Western Australian tourism faster than the national average for the long-term benefit of the State.

SIGNIFICANT ISSUES AND TRENDS

- In the last year, Western Australia attracted 6 million domestic visitors and 635,200 international visitors who spent \$2.8 billion and \$1.2 billion within the State respectively. Since 1998 international visitor numbers have risen by 25.6 per cent and interstate visitor numbers have risen by 23.3 per cent to 1,002,000 however, intrastate visitor numbers have declined by 8.8 per cent.
- On a global scale, the growth rate of tourism is expected to be around 4.2 per cent a year. By 2010, the World Bank predicts that the tourism industry will be second only to agriculture in size. Western Australia's current share of the global international travel market is just 0.08 per cent, indicating enormous potential for growth. Figures from Australia's Tourism Forecasting Council indicate that international visitor numbers to Western Australia will grow at an average rate of around 5.6 per cent per cent a year for the next 10 years.
- The cycle of global shocks or events directly impacting the tourism industry continues. Tourism and transport are always the first industries to be impacted by terrorism, war and natural disasters. Understanding these events and knowing what to do is critical for Tourism WA, whether this is through crisis management, responding to the impacts on different markets and consumers or the implications of security legislation. Western Australia's ability to refine and apply crisis management strategies developed and implemented following past events, will enable the tourism industry to meet these individual threats and challenges.

- With the introduction of new air carriers into Perth and the increase in frequency and capacity of services by other carriers, there is a need to build partnerships and relationships through investment to ensure these services remain viable. Historic trends have revealed that there is a strong correlation between non-stop air services and Western Australia's ability to capture a greater share of inbound tourism. Also, the proliferation of very low priced flights throughout Asia has resulted in re-direction of Asian tourists into short haul destinations. Likewise the recent growth of low cost carriers in eastern Australia and to New Zealand has diverted interstate tourists away from Western Australia.
- 'The Real Thing' brand positioning has been developed through extensive research and is now being strongly promoted in our key markets. This positions Western Australia as an authentic and un-commercialised Australian experience. Results and feedback from consumers and industry are very positive and this looks to be our strongest and most successful brand positioning for many years. However, there is a longer term risk that overcommercialisation, damage to the natural environment or too much or the wrong type of development could harm the credibility and relevance of that positioning. This would ultimately have a negative impact on tourism.
- Domestic tourism in Australia declined in 2005. On a national level, there was a 5.9 per cent decrease in domestic visitors and a six per cent decrease in total domestic expenditure. Western Australia experienced an 8.2 per cent decrease in domestic visitors and a 9.5 per cent decrease in domestic tourism expenditure, driven predominantly by the intrastate market. This can be attributed to a number of key factors, including the introduction of low cost airlines in the eastern states, rising petrol prices, the strong Australian dollar and increasing competition by other destinations.
- Tourism is an industry with high 'end user' take-up of the Internet and online product and destination information. There are currently estimated to be over 14 million Internet users in Australia and over one billion worldwide. Between 2000 and 2005, global Internet usage grew 182 per cent. Through the launch of westernaustralia.com, Western Australia now has a strong online tourism presence.
- Visitor centres, especially in regional areas of Western Australia, are increasingly seen by the tourism industry as a way of increasing yield from visitors. The provision of high quality, professional information and booking services at a destination can increase visitors' length of stay and spend.
- The global and national events industry continues to be fiercely competitive. Western Australia needs to continue its focus on attracting, securing and developing events that link closely to its core tourism icon experiences so that visitors are given a Western Australian event experience that cannot be easily replicated at any other destination.
- Many visitors to Western Australia want to experience Aboriginal culture, art and lifestyle. This desire provides opportunities for Aboriginal people to develop sustainable tourism ventures, create employment and promote and educate visitors on Aboriginal culture.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2005-06 Budget to Parliament on 26 May 2005 are outlined below.

	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
Aboriginal Tourism Strategy	220	220	220	220
Australian Tourism Exchange	500	2,000	-	-
Continuation of Marketing Momentum.....	5,000	5,250	-	-
Red Bull Air Race.....	2,800	-	-	-
Tourism e-Marketplace.....	1,022	1,704	2,009	1,715

SERVICE AND APPROPRIATION SUMMARY

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Destination Marketing	31,027	29,830	31,672	28,204			
<i>Service 2:</i>							
Event Tourism.....	16,666	19,233	22,696	21,158			
<i>Service 3:</i>							
Convention and Incentive Travel	2,010	1,010	1,010	1,010			
<i>Service 4:</i>							
Industry Development	4,605	5,438	5,431	6,118			
<i>Service 5:</i>							
Visitor Servicing	3,876	5,002	5,014	4,723			
Total Cost of Services	58,184	60,513	65,823	61,213	53,522	49,001	49,639
<i>Less Income.....</i>	<i>12,909</i>	<i>11,329</i>	<i>11,121</i>	<i>10,879</i>	<i>5,974</i>	<i>4,969</i>	<i>4,969</i>
Net Cost of Services	45,275	49,184	54,702	50,334	47,548	44,032	44,670
Adjustments ^(a)	(2,284)	(1,162)	(2,817)	(104)	816	(2,094)	(334)
Appropriation provided to deliver Services.	42,991	48,022	51,885	50,230	48,364	41,938	44,336
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	-	240	590	2,073	1,222	787	272
TOTAL CONSOLIDATED FUND APPROPRIATIONS.....	42,991	48,262	52,475	52,303	49,586	42,725	44,608

(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, service and financial information is the subject of a Resource Agreement signed by the Minister, Chairperson, Chief Executive Officer and the Treasurer.

OUTCOMES, SERVICES AND PERFORMANCE INFORMATION

Relationship to Government Goals

Broad, high level government goals are supported at agency level by more specific desired outcomes. Agencies deliver services to achieve these desired outcomes, which ultimately contribute to meeting the higher level government goals. The following table illustrates the relationship between agency level desired outcomes and the most appropriate government goal.

Government Goal	Desired Outcomes	Services
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.	Western Australia is promoted as an attractive destination.	1. Destination Marketing 2. Event Tourism 3. Convention and Incentive Travel
	An enhanced tourist industry, infrastructure and product base.	4. Industry Development 5. Visitor Servicing

Outcomes and Key Effectiveness Indicators ^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Outcome: Western Australia is promoted as an attractive destination.					
Awareness amongst potential visitors that Western Australia offers iconic tourism experiences that are actively promoted in our major markets.					
- Interstate	41%	50%	45%	45%	Five year target
- Short Haul.....	55%	20%	20%	20%	Five year target
- Long Haul.....	55% (Germany)	15% (Japan)	15% (Japan)	15% (UK)	Different market measured each year due to high cost of research.
Western Australia's increase in visitor expenditure as compared to the national average increase in visitor expenditure.	Growth 0.3% below national average	Growth > national average	Growth > national average	Growth > national average	Five year target
Outcome: An enhanced tourist industry, infrastructure and product base.					
Visitor satisfaction with the Western Australia experience.	53.1%	50%	50%	50%	Five year target
Percentage of targeted investors who consider that tourism investment attraction services improved their view of Western Australia as an investment location.	16.7%	30%	30%	30%	Five year target
Percentage of investors satisfied with the facilitation services provided.....	33.3%	50%	50%	50%	Five year target

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

Service 1: Destination Marketing

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

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	31,027	29,830	31,672	28,204	2005-06 included a \$6 million non-recurrent allocation to boost marketing
Less Income	6,318	4,295	4,437	4,428	
Net Cost of Service	24,709	25,535	27,235	23,776	
Adjustments ^(a)	(1,736)	(1,034)	(1,731)	(46)	
Appropriation for delivery of Service	22,973	24,501	25,504	23,730	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Ratio of Tourism WA spend to awareness level in our major markets					
- Interstate	\$380,258 per % point of aware respondents	\$379,462 per % point of aware respondents	\$379,462 per % point of aware respondents	\$365,000 per % point of aware respondents	
- International	\$23,354 per % point of aware respondents	\$51,786 per % point of aware respondents	\$51,786 per % point of aware respondents	\$45,000 per % point of aware respondents	
Full Time Equivalents (FTEs)	67	60	60	60	

Major Achievements For 2005-06

- In the 12 months to December 2005, there were 635,200 international visitors to Western Australia, an increase of 8.2 per cent on the previous year (compared to the national increase of 5.2 per cent). International visitors spent 15.7 million nights in Western Australia, an increase of 8.1 per cent (compared to the national increase of 3.1 per cent). In total, international visitors spent \$1.2 billion, an increase of 9.5 per cent from the previous year (compared to the national increase of 0.8 per cent).
- Achieved an increase in capacity of nearly eight per cent in international and domestic non-stop air services to Western Australia since 2004-05 and actively pursued the introduction of non-stop air services from Western Japan, China and Korea.
- Achieved significant growth on the major interstate routes of Sydney, Melbourne and Brisbane to Perth through a combination of additional frequency and larger aircraft. Intrastate routes also obtained significant capacity growth through the introduction of larger aircraft.
- Following negotiations with Jetstar, the low cost carrier commenced a daily service to Perth from Avalon in Victoria.

- Tourism in Western Australia is already seeing the benefits of the biggest ever injection of marketing funds from the Western Australian Government. In 2005-06 funding of \$6.9 million was used to boost the State's profile in key tourism markets around the world and build on 'The Real Thing' brand campaign resulting in the most comprehensive marketing campaigns ever being delivered to key markets of the United Kingdom, Japan, New Zealand and interstate.
- In new emerging markets such as China and Korea funds were directed towards working cooperatively with the travel trade to build awareness of Western Australia as a desirable holiday destination.
- Strengthened awareness of Western Australia as a desirable holiday destination with consumers in targeted domestic and international markets. In domestic markets and selected international markets, this was achieved via public relations and online marketing, as well as through traditional media expenditure.
- During the 2005 'The Real Thing' campaign, it is estimated an additional 33,000 interstate visitors stayed 771,000 nights in Western Australia and spent \$81 million over and above what would have been generated if the campaign had not occurred. Additional long term benefits are also expected (but not yet able to be measured). In two separate studies, it was also found that almost eight in ten people reported that brand television commercial made them 'more interested in taking a holiday in Western Australia'.
- Dramatically increased customer relationship marketing activities. Our customer database reached over 160,000 members by January 2006, growing from just 36,000 in January 2005. These potential tourists to Western Australia now receive monthly proactive and targeted online communications.
- Developed and promoted three foreign language versions of westernaustralia.com in the markets of China, Korea and Japan and produced and distributed brochures in English, Japanese, German, Korean and simplified Chinese.
- Increased visitation to westernaustralia.com, reaching a record one million unique visitors to the site in 2005. This represents a growth of 53 per cent on 2004. As of December 2005, westernaustralia.com ranked as the number one site in three of our key markets (United Kingdom, Singapore and New Zealand) when compared to other state tourism organisations.
- Progress was made with the rollout of websites to Tourism partners under the Tourism eMarketplace (TeM) project. The TeM project offers tourism partners in Western Australia websites with a consistent look and feel and branding which is closely related to westernaustralia.com. The sites share common infrastructure, data sources and software, resulting in economies of scale and low entry costs. Sites were rolled out to all five regional tourism authorities, six visitor centres, the Rottnest Island Authority and the Fremantle Chamber of Commerce. A number of campaign sites were also developed including Winter Breaks, Spring Breaks and Surf Life Saving.
- Continued an extensive and enhanced public relations and familiarisation program to bring journalists from around the world to Western Australia. The program delivered 1,100 high profile journalists who participated in 200 trips in and around Western Australia in the last 12 months. This program costs Tourism WA around \$700,000 to deliver while the local tourism industry contributes approximately \$2.3 million in cash or in-kind support.
- Launched the 'Country Pubs Campaign' in partnership with the Australian Hotels Association to encourage Western Australians to travel within their own state and whilst doing so, visit a country pub. This campaign is a response to the complete ban on smoking in enclosed places, which will be introduced from 31 July 2006. It fulfils the Government's commitment to support the sector with a three year tourism campaign promoting country hospitality experiences.
- Developed a comprehensive library of high quality film footage on Western Australia for promotional purposes and continued the improvement of our image library to ensure greater availability of stunning and highly motivational images.
- Due to broad tourism industry endorsement of 'The Real Thing' brand, Tourism WA was able to achieve a major shift in the use of advertising to further leverage the brand in key markets.

Major Initiatives For 2006-07

- Build on the success to date of 'The Real Thing' by using research results to guide brand campaign strategies in the key markets of Australia (interstate), New Zealand and the United Kingdom.
- Using the new images and footage acquired in the previous year, refresh some components of 'The Real Thing' advertising material such as new print executions.
- Leverage 'The Real Thing' brand campaigns in key markets with cooperative brand and tactical advertising with key industry trade partners to drive conversion – that is to take consumers from 'looking to booking'.
- By working with major international and domestic airlines, including low cost carriers, encourage airlines to increase air services and capacity on existing routes and pursue the introduction of non-stop air services from Western Japan, China and South Korea.
- With the continual rise of media costs, Tourism WA will increase its customer relationship marketing activities, by growing the consumer database and increasing the personalisation and relevance of our online communications as a means of marketing more effectively.
- Launch and distribute to relevant government agencies and key media and trade partners promotional DVDs on Western Australia using new footage that highlights Western Australia's iconic tourism experiences.
- Better target an enhanced public relations and familiarisation program to bring visiting journalists from around the world to Western Australia and include more wide reaching broadcast media and targeting opportunities.

Service 2: Event Tourism

Tourism WA develops, attracts, supports and, where appropriate, manages events that are capable of generating substantial economic benefit, visitor expenditure and cost-effective marketing of Western Australia nationally and internationally.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	16,666	19,233	22,696	21,158	The number and cost of events funded in the different years vary; some are non-recurrent while others are conducted biennially or triennially.
Less Income	5,386	4,822	5,124	5,121	
Net Cost of Service	11,280	14,411	17,572	16,037	
Adjustments ^(a)	(628)	(19)	(449)	(31)	
Appropriation for delivery of Service	10,652	14,392	17,123	16,006	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Ratio of Tourism WA spend to the value of projected direct expenditure generated by events (future years)	\$1:\$2.19	\$1:\$4.88	\$1:\$5.15	\$1:\$5.15	Five year target
Ratio of Tourism WA spend to the value of direct expenditure and media impact generated by events (current year)	\$1:\$3.81	\$1:\$4.13	\$1:\$4.88	\$1:\$4.88	Five year target
Full Time Equivalents (FTEs)	26	26	26	26	

Major Achievements For 2005-06

- The State Government increased the Regional Events Scheme by \$1 million over four years. In 2005-06 Tourism WA supported 26 events through this scheme including: Busselton Jetty Swim, Ord Valley Muster, Crabfest Mandurah, Leonara Gift and Geraldton Sunshine Festival.
- EventsCorp has won the right to host the elite, innovative and spectacular international Red Bull Air Race and Festival in Perth in 2006, 2007 and 2008. The event features extreme competitive aerial manoeuvres at low flying altitudes. This event is expected to attract approximately 100 million viewers worldwide and attract over 3,000 additional interstate and international visitors.
- A full and diverse event calendar branded as 'See it. Do it.' saw a wide range of successful events held in Western Australia including: 2005 Four Nations Basketball Tournament; ICF Canoe Marathon World Championships; Telstra Rally Australia 2005; Clipper International Round the World Yacht Race; The Hyundai Hopman Cup XVIII; and The Johnnie Walker Classic 2006 at The Vines Resort and Country Club.
- Perth secured the right to host the Third Ashes Cricket Test in December 2006. The anticipation of this event is already having an impact on our national and United Kingdom travel markets.
- A triple bottom line assessment model has been developed in conjunction with Tourism Australia and should be ready for use at the 2006 Red Bull Air Race and Festival.
- Tourism WA and EventsCorp secured the Wallabies versus Ireland match for June 2006.

Major Initiatives For 2006-07

- Establish a model to support the development of new events that can be owned by the State and that are aligned to Brand Western Australia.
- Develop and implement new event funding criteria to allow for a broader variety of events including development events and arts and cultural events. Communicate these new criteria to relevant parties.
- Test the social research model to be incorporated into future major event evaluation.
- Plan and stage Western Australia's new hallmark event – the Red Bull Air Race and Festival.
- Plan and stage the first of three National Surf Life Saving Championships.
- Renegotiate the Hopman Cup contract for 2008 and 2009.
- Launch a special event protocol initiative to encourage an all of government and industry approach to supporting major events.
- EventsCorp will work with the West Australian Cricket Association to develop a festival around the Third Ashes Cricket Test in December 2006.

Service 3: Convention and Incentive Travel

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

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	2,010	1,010	1,010	1,010	
Less Income	-	-	-	-	
Net Cost of Service	2,010	1,010	1,010	1,010	
Adjustments ^(a)	-	-	-	-	
Appropriation for delivery of Service	2,010	1,010	1,010	1,010	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Ratio of Tourism WA spend to the value of projected direct expenditure generated by conventions and incentive travel groups to Western Australia	\$1:\$30.20	\$1:\$80.38	\$1:\$80.38	\$1:\$80.00	Five year target has been increased to reflect the injection of an additional \$1 million in 2004-05

Major Achievements For 2005-06

- Implemented a new convention bidding fund - \$1 million over three years, with State and industry funding on a 2:1 ratio. Modelled on the previously successful Convention Attraction Support Team program, the new fund provides bid support packages of up to \$50,000 to approved Australian not-for-profit associations to specifically target up to 10 high yield conventions in disciplines that mirror the State's trade and investment priorities.
- Developed a new customised client database system to manage the Bureau's customer relationship management program, providing improved reporting options and communication.
- Secured the Asia Pacific Recognition Program 2007, which is a major 18 day convention with an estimated 3,500 participants.
- Implemented the Convention Bid Fund in July 2005 to provide assistance for national and international bids over 800 participants. The following conventions were won with the support of this fund: Mental Health conference (1,000 participants) with a direct delegate expenditure estimated at \$1.2 million; and the International Association for Impact Assessment (800 participants) with a direct delegate expenditure estimated at \$2.8 million.

Major Initiatives For 2006-07

- Increase focus on China to ascertain the opportunity for Western Australia to increase its market share of large conventions from this market.
- Development of referral service to corporate, private and industry sectors to improve overall levels of convention servicing and repeat business.
- Capitalise on the success of the corporate ambassador program by expanding the role of key industry representatives and leveraging their support and profile in the pursuit of business opportunities.
- Develop the following national and international bids under the Convention Bid Fund initiative: International Sailing Federation (800 participants), World Conference on Desalination (1,000 participants), International Society of Affective Disorders (1,000 participants), Asian Pacific Society of Respiriology (800 participants), Bakers Delight conference (1,500 participants), Neways National conference (2500 participants).

Service 4: Industry Development

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

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	4,605	5,438	5,431	6,118	Additional funding for new initiatives in 2005-06 and 2006-2007.
Less Income	406	87	165	161	
Net Cost of Service	4,199	5,351	5,266	5,957	
Adjustments ^(a)	(132)	(53)	(241)	(31)	
Appropriation for delivery of Service	4,067	5,298	5,025	5,926	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Ratio of Tourism WA spend to the value of tourism projects progressed	\$1:\$97.95	\$1:\$29.97	\$1:\$29.97	\$1:\$30.00	
Full Time Equivalents (FTEs)	30	28	28	28	

Major Achievements For 2005-06

- Extended the Better Business Blitz program to all regions of the State following further development of the program in response to the tourism industry's needs. Focusing on sophisticated business development such as yield management, Blitzes were held in each region attracting close to 450 tourism industry participants.
- Progressed projects identified in the Destination Development Strategies across the State through the activities of Tourism WA's 10 Regional Managers in partnership with relevant government agencies and other organisations. The strategies prioritise tourism infrastructure gaps and needs in the five tourism marketing regions of Western Australia.

- Completed the final consultation phase of the Aboriginal Tourism Strategy for Western Australia. The strategy brings together marketing and development needs for the Aboriginal tourism sector.
- Commenced the Landbank initiative, which is aimed at ensuring appropriate land is available for the future tourism needs of Western Australia. Landbank streamlines the approvals process enabling tourism sites to become investor ready.
- Developed investment attraction links with local, national and international investors. Tourism WA identified and communicated with potential investors, facilitated three outbound and six in-bound investment missions and communicated investment opportunities through actively engaging the Western Australian Trade Offices, Austrade and Invest Australia offices abroad.

Major Initiatives For 2006-07

- Conduct the first update of the five Destination Development Strategies to incorporate new initiatives and consult with stakeholders on the priorities set.
- Launch and commence implementation of the recommendations of the Aboriginal Tourism Strategy for Western Australia.
- Commence implementation of the recommendations of the Ministerial Taskforce on Strata Titling including planning policy development and identification of strategic sites. The recommendations aim to protect high value tourism land for tourism purposes and deal with potential conflicts between residential and tourism use of strata titled developments.
- Deliver a hotel specific Better Business Blitz program to regional hoteliers to assist with the adoption of new non-smoking regulations through business planning.

Service 5: Visitor Servicing

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

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

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	3,876	5,002	5,014	4,723	Contracted out retail booking function, decrease in total cost is offset by a compensating decrease in booking income.
Less Income	799	2,125	1,395	1,169	
Net Cost of Service	3,077	2,877	3,619	3,554	
Adjustments ^(a)	212	(56)	(396)	4	
Appropriation for delivery of Service	3,289	2,821	3,223	3,558	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Ratio of Tourism WA spend to the level of visitor satisfaction with visitor servicing.....	\$56,125 per % point	\$95,276 per % point	\$95,276 per % point	\$95,000 per % point	
Full Time Equivalents (FTEs)	32	31	31	31	

Major Achievements For 2005-06

- Continued implementation of the Visitor Servicing Study recommendations, including:
 - rollout of a new visitor centre accreditation process to 50 locations;
 - responding to issues raised in a facilities and services audit of major visitor centres;
 - completion of the inaugural Visitor Centre Indigenous Traineeship Scheme resulting in seven of the participants securing permanent employment in the tourism industry;
 - delivery of on-site training to over 200 visitor centre staff and managers in 26 locations;
 - commencement of a campaign promoting the use of accredited visitor centres;
 - introduction of a visitor centre extranet to facilitate knowledge sharing; and
 - introduction of a customer survey tool for visitor centres to assess effectiveness and yield.
- Administered grants schemes to visitor centres for introduction of online bookings systems; enhancement of premises; and new telephone systems.
- Enhanced the quality of information represented on the WA Tourism Network including PDF versions of operator brochures; links to online booking systems and improved visual images of tourism product.
- Introduction of a new business model at the Western Australian Visitor Centre with the successful sourcing of a retail sales partner, Best of Australia Travel Centres, to operate the retail activities at the Western Australian Visitor Centre.

Major Initiatives For 2006-07

- Continue to implement the recommendations of the Visitor Servicing Study including: a second intake of Indigenous trainees; continued improvement of the physical aspects of visitor centres; further collocation and business development opportunities; training; and a major focus on assisting local government to provide superior levels of visitor servicing.
- Continue to improve the State tourism product database in preparation for the relaunch of westernaustralia.com to obtain the best possible product distribution.
- Consolidate the relationship and procedures for the new business model at the Western Australian Visitor Centre with the new retail sales partner.
- Liaise with the Department of Housing and Works and confirm the future premises for the Western Australian Visitor Centre currently located in Forest Chase.

CAPITAL WORKS PROGRAM

The Capital Works program provides funding for:

- Work to make safe the Donnelly River Mill site prior to determining its future use.
- The Tourism eMarketplace (TeM) Program will develop and support the growth of a cohesive network of websites and associated capabilities, with a focus on national and international advertising spend to encourage tourists to purchase product online. Initiatives in 2006-07 include:
 - launch and promote an upgraded version of westernaustralia.com, with a new and more appealing look and feel, greater interactivity to engage and retain the user (including use of new images and footage) and with four market specific versions to enable better targeting and relevance;
 - rollout additional websites for visitor centres and commence development of a booking facility and an events module for westernaustralia.com;
 - provide the upgraded functionality available on westernaustralia.com to all partner websites; and
 - creation of a corporate and industry website which will be task-based and contain relevant two-way communication with operators, industry, government, media and the general public.
- Continuation of the asset replacement program, primarily computing equipment used to support the delivery of the Commission's outcomes.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
COMPLETED WORKS				
Donnelly River Remediation				
Donnelly River Remediation	240	240	240	-
Purchase of Computer Hardware				
2005-06 Program	424	424	424	-
Upgrade Microsoft Licences.....	350	350	350	-
NEW WORKS				
Donnelly River Remediation				
2006-07 Program	650	-	-	650
Purchase of Computer Hardware				
2006-07 Program	424	-	-	424
Tourism eMarketplace				
2006-07 Program	3,432	-	-	1,423
	5,520	1,014	1,014	2,497

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	2,047	664	1,014	2,497	1,646	1,211	747
	2,047	664	1,014	2,497	1,646	1,211	747
LESS							
Drawdowns from the Holding Account	424	424	424	424	424	424	475
Internal Funds and Balances	1,623	-	-	-	-	-	-
Capital Contribution	-	240	590	2,073	1,222	787	272

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	9,232	9,299	9,553	10,495	11,129	11,369	11,596
Superannuation	894	825	887	910	942	975	975
Grants and subsidies ^(c)	2,905	1,127	645	1,127	627	627	627
Supplies and services	41,606	45,927	51,682	45,156	37,185	32,098	32,945
Accommodation	2,251	1,952	1,595	1,651	1,707	1,767	1,811
Capital user charge	176	275	275	237	237	237	237
Depreciation and amortisation	996	1,015	1,093	1,542	1,598	1,831	1,351
State taxes	18	23	23	24	25	25	25
Costs of disposal of non-current assets	41	-	-	-	-	-	-
Other expenses	65	70	70	71	72	72	72
TOTAL COST OF SERVICES	58,184	60,513	65,823	61,213	53,522	49,001	49,639
Income							
User charges and fees	356	445	237	-	-	-	-
Grants and subsidies	-	1,000	1,000	1,000	1,000	-	-
Interest revenue	286	195	195	175	155	155	155
Proceeds from disposal of non-current assets ..	9	-	-	-	-	-	-
Other revenue	12,258	9,689	9,689	9,704	4,819	4,814	4,814
Total Income	12,909	11,329	11,121	10,879	5,974	4,969	4,969
NET COST OF SERVICES	45,275	49,184	54,702	50,334	47,548	44,032	44,670
INCOME FROM STATE GOVERNMENT							
Service appropriations	42,991	48,022	51,885	50,230	48,364	41,938	44,336
Resources received free of charge	229	-	229	229	229	229	229
Liabilities assumed by the Treasurer	84	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	43,304	48,022	52,114	50,459	48,593	42,167	44,565
SURPLUS (DEFICIENCY) FOR THE PERIOD	(1,971)	(1,162)	(2,588)	125	1,045	(1,865)	(105)
CHANGE IN SURPLUS (DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(1,971)	(1,162)	(2,588)	125	1,045	(1,865)	(105)

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

(b) The Full Time Equivalents (FTEs) for 2004-05 Actual, 2005-06 Estimated Actual and 2006-07 Estimate are 155, 145 and 145 respectively.

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

**BALANCE SHEET
(Controlled)**

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CURRENT ASSETS							
Cash and cash equivalents	3,282	319	1,719	1,644	319	219	219
Restricted cash	125	127	127	127	127	127	127
Investments	-	4,078	1,379	1,020	2,379	1,144	935
Receivables	2,446	301	515	515	515	663	663
Amounts receivable for services	424	424	424	424	424	475	-
Prepayments	1,835	635	610	584	302	315	366
Other	371	-	-	-	-	-	-
Total current assets	8,483	5,884	4,774	4,314	4,066	2,943	2,310
NON-CURRENT ASSETS							
Amounts receivable for services	-	566	669	1,787	2,961	4,317	5,668
Land and buildings	1,665	1,820	1,905	2,555	2,555	2,555	2,555
Investments	109	-	109	109	109	109	109
Plant and equipment	831	837	838	2,248	3,435	4,201	4,592
Other	2,453	1,812	2,127	1,022	(117)	(1,503)	(2,499)
Total non-current assets	5,058	5,035	5,648	7,721	8,943	9,679	10,425
TOTAL ASSETS	13,541	10,919	10,422	12,035	13,009	12,622	12,735
CURRENT LIABILITIES							
Payables	5,221	3,385	4,125	3,980	3,371	4,148	4,180
Provision for employee entitlements	1,529	1,140	1,529	1,529	1,341	1,369	1,440
Accrued salaries	-	36	36	74	115	158	158
Other	909	334	333	334	-	-	-
Total current liabilities	7,659	4,895	6,023	5,917	4,827	5,675	5,778
NON-CURRENT LIABILITIES							
Provision for employee entitlements	817	1,122	816	828	782	782	782
Other	1,208	1,221	1,712	1,221	1,064	907	750
Total non-current liabilities	2,025	2,343	2,528	2,049	1,846	1,689	1,532
TOTAL LIABILITIES	9,684	7,238	8,551	7,966	6,673	7,364	7,310
EQUITY							
Contributed equity	3,610	3,850	4,200	6,273	7,495	8,282	8,554
Accumulated surplus/(deficit)	(1,418)	(1,749)	(3,994)	(3,869)	(2,824)	(4,689)	(4,794)
Reserves	1,665	1,580	1,665	1,665	1,665	1,665	1,665
Total equity	3,857	3,681	1,871	4,069	6,336	5,258	5,425
TOTAL LIABILITIES AND EQUITY	13,541	10,919	10,422	12,035	13,009	12,622	12,735

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

CASHFLOW STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	42,567	47,032	50,792	48,688	46,766	40,107	42,985
Capital contribution	-	240	590	2,073	1,222	787	272
Holding account drawdowns	424	424	424	424	424	424	475
Net cash provided by State government	42,991	47,696	51,806	51,185	48,412	41,318	43,732
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(9,743)	(9,263)	(9,506)	(10,445)	(11,322)	(11,298)	(11,524)
Superannuation	(811)	(825)	(892)	(910)	(942)	(975)	(975)
Grants and subsidies	(1,509)	(1,460)	(2,189)	(1,460)	(961)	(627)	(627)
Supplies and services	(31,990)	(41,073)	(42,204)	(38,750)	(33,218)	(27,179)	(28,705)
Accommodation	(1,435)	(1,952)	(2,487)	(3,008)	(3,058)	(3,112)	(3,112)
Capital user charge	(468)	(275)	(275)	(237)	(237)	(237)	(237)
State taxes	(18)	(20)	(23)	(24)	(25)	(25)	(25)
Goods and services tax	(4,236)	(3,230)	(4,309)	(4,309)	(4,309)	(4,309)	(4,309)
Other	(62)	(66)	(70)	(71)	(72)	(72)	(72)
Receipts							
User charges and fees	275	440	237	-	-	-	-
Grants and subsidies	-	1,000	1,000	1,000	1,000	-	-
Interest received	307	195	215	195	175	155	155
Goods and services tax	3,580	3,230	4,961	4,309	4,309	4,309	4,309
Other receipts	4,163	4,588	4,568	4,588	1,928	1,928	1,928
Net cash from operating activities	(41,947)	(48,711)	(50,974)	(49,122)	(46,732)	(41,442)	(43,194)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(2,047)	(664)	(1,014)	(2,497)	(1,646)	(1,211)	(747)
Proceeds from sale of non-current assets	9	-	-	-	-	-	-
Net cash from investing activities	(2,038)	(664)	(1,014)	(2,497)	(1,646)	(1,211)	(747)
CASH FLOWS FROM FINANCING ACTIVITIES							
Net cash from financing activities	-	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(994)	(1,679)	(182)	(434)	34	(1,335)	(209)
Cash assets at the beginning of the reporting period	4,401	6,203	3,407	3,225	2,791	2,825	1,490
Cash assets at the end of the reporting period	3,407	4,524	3,225	2,791	2,825	1,490	1,281

- (a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

ROTTNEST ISLAND AUTHORITY

CAPITAL WORKS PROGRAM

In December 2003, the Government established the Rottnest Island Taskforce to deliver an infrastructure plan consistent with sound management and commercial principles, and that reflected the Island's unique eco-systems. In accordance with the Taskforce recommendations, capital funding totalling \$20.1 million over five years was approved to support economic, environmental and social sustainability.

As part of this package of funding, \$6.5 million has been provided in 2006-07 to continue the upgrade and improvement of accommodation, public facilities, utility services, heritage and environmental projects on the Island. An additional \$3.7 million will be spent by the Authority on its ongoing program to upgrade holiday and tourism facilities, infrastructure and operations.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Asbestos Management Program				
2004-05 Program	3,000	2,555	2,485	445
Rottnest Island Taskforce Program				
2005-06 Accommodation Refurbishment Program.....	4,955	2,013	2,013	2,942
Accommodation Refurbishment	5,501	2,150	2,150	1,301
Heritage Works	1,959	1,059	1,059	900
Infrastructure Power.....	1,662	1,602	1,602	60
Infrastructure Waste.....	2,049	1,940	1,940	43
Infrastructure Water.....	1,285	1,035	1,035	250
Infrastructure Water Medium Priority	550	175	175	375
COMPLETED WORKS				
Holiday and Tourism Facilities				
2005-06 Program	2,055	2,055	2,055	-
Infrastructure and Operation				
2005-06 Program	1,645	1,645	1,645	-
Rottnest Island Taskforce Program				
2005-06 Heritage Program.....	250	250	250	-
2005-06 Infrastructure Program	325	325	325	-
Infrastructure Power Medium Priority	10	10	10	-
NEW WORKS				
Holiday and Tourism Facilities				
2006-07 Program	1,550	-	-	1,550
Infrastructure and Operation				
2006-07 Program	2,150	-	-	2,150
Rottnest Island Taskforce Program				
Remove Bitumen Catchment	140	-	-	140
	29,086	16,814	16,744	10,156

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	13,928	9,230	16,744	10,156	5,772	3,722	3,722
	13,928	9,230	16,744	10,156	5,772	3,722	3,722
LESS							
Internal Funds and Balances	3,364	1,500	1,500	3,700	3,700	3,700	3,700
Capital Contribution	10,564	7,730	15,244	6,456	2,072	22	22

CULTURE AND THE ARTS

PART 10 - MINISTER FOR INDIGENOUS AFFAIRS; TOURISM; CULTURE AND THE ARTS

DIVISION 45

APPROPRIATION AND FORWARD ESTIMATES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 88 Net amount appropriated to deliver services	81,029	91,981	85,868	91,399	113,427	114,592	116,879
Item 89 Art Gallery of Western Australia ...	3,813	3,505	3,505	3,626	-	-	-
Item 90 Library Board of Western Australia	14,048	13,101	13,101	13,520	-	-	-
Item 91 Perth Theatre Trust	1,612	1,198	1,198	1,958	-	-	-
Item 92 Western Australian Museum	5,531	5,083	6,056	6,645	-	-	-
Amount Authorised by Other Statutes							
- Lotteries Commission Act 1990	9,764	9,833	10,096	10,252	10,413	10,578	10,745
- Salaries and Allowances Act 1975 ^(a)	558	568	568	568	568	568	568
Total appropriations provided to deliver services	116,355	125,269	120,392	127,968	124,408	125,738	128,192
CAPITAL							
Item 162 Capital Contribution	3,215	3,424	969	7,382	61,644	7,409	1,802
Item 163 Art Gallery of Western Australia .	6,386	421	421	295	-	-	-
Item 164 Library Board of Western Australia	4,389	2,757	4,032	4,515	-	-	-
Item 165 Perth Theatre Trust	487	571	1,751	85	-	-	-
Item 166 Western Australian Museum	3,884	219	219	70	-	-	-
GRAND TOTAL	134,716	132,661	127,784	140,315	186,052	133,147	129,994

- (a) The recommendation by the Salaries and Allowance Tribunal on 7 April 2006 regarding senior public servants' salaries was received after the deadline for finalising agencies' individual financial projections. Accordingly, a provision for the total cost (estimated at around \$1.5 million per year from 2006-07) is reflected in the 'Authorised by Other Statutes' appropriations and financial statements of the administered activities of the Department of Treasury and Finance (Budget Paper 2, Volume 1). This provision will be reflected in agencies' estimates following the release of the 2006-07 Budget.

APPROPRIATION BY SERVICE AGENCY

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
Art Gallery of Western Australia	19,517	19,952	19,912	20,121	20,906	21,407	21,887
ArtsWA	20,066	26,811	22,211	26,587	21,050	21,352	21,450
Cultural and Arts Policy	3,167	3,231	4,040	2,828	3,012	2,149	2,197
Library Board of Western Australia	36,831	37,642	38,352	38,999	40,277	41,695	42,470
State Records Office	1,636	1,870	1,980	2,014	2,175	2,287	2,331
Perth Theatre Trust	7,299	7,269	5,216	6,141	6,765	7,378	7,646
ScreenWest	3,189	3,215	4,438	5,360	3,377	3,484	3,522
Western Australian Museum	24,650	25,279	24,243	25,918	26,846	25,986	26,689
TOTAL	116,355	125,269	120,392	127,968	124,408	125,738	128,192

MISSION

To provide leadership, support and services to ensure that current and future Western Australians are informed and have access to a diverse range of innovative ideas, knowledge and cultural experiences.

SIGNIFICANT ISSUES AND TRENDS

- An ageing population is projected and this indicates the need to promote the development of a range of creative skills and attitudes towards future work and lifestyles – culture and the arts play a significant role in such developments.
- The creative industries especially fashion design, contemporary music, film and television, digital art and animation are of special interest in terms of creativity and economic potential.
- The screen industry is enjoying unprecedented growth which is creating some skill shortages and substantially increased demand for investment funding.
- The number of Western Australians accessing cultural venues and events continues to increase.
- An increasing number of Western Australian artists and cultural organisations are developing international reputations and markets which are being expanded further through the use of new technologies.
- Traditional and contemporary Indigenous cultural products are becoming increasingly more important in promoting Western Australia.
- As the State's cultural exhibitions and facilities age there is a need to maintain, refresh and update buildings, exhibitions and public programmes.
- Cultural infrastructure and products will be increasingly important to the success of the State in the very competitive global exhibitions, conventions and meetings industry.
- Western Australia has an enviable environment and its biodiversity has been recognised as significant on a global scale as a result of research activities of the Western Australian Museum.
- With increasing development in Western Australia, Museum scientists are allocating more of their time to providing expert advice on development applications.
- Community expectations of the Museum experience, including accessibility, are increasing.
- The Museum, with its breadth of natural and cultural history collections and research, is making a valuable contribution to discussion, understanding and debate about sustainability and future directions in the way we live.
- High priority is placed on the development and implementation of strategies and solutions for the long-term management and preservation of physical and digital records.
- New technologies are creating many opportunities for communication resulting in demand for services and challenges for the preservation of our documentary and digital heritage.
- Global terrorism has dramatically increased the costs for importing and exporting international travelling exhibitions and touring the performing arts.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2005-06 Budget to Parliament on 26 May 2005 are outlined below.

	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
West Australian Symphony Orchestra Funding	163	129	149	-
Western Australian Museum 2005-2010 Additional Funding	2,000	2,000	-	-
Maritime Museum - Welcome Wall Stage 2	150	-	-	-
Designer Fashion Grants Program Continuation.....	350	350	-	-
Swan Bells Air-conditioning	211	-	-	-

SERVICE AND APPROPRIATION SUMMARY

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Art Gallery Services.....	23,604	23,906	24,177	24,579			
<i>Service 2:</i>							
Library and Information Services.....	41,924	41,636	42,919	43,850			
<i>Service 3:</i>							
Museum Services	33,563	31,606	29,740	31,672			
<i>Service 4:</i>							
Arts Industry Support	21,739	27,498	23,273	26,700			
<i>Service 5:</i>							
Screen Production Industry Support.....	8,949	7,928	9,180	10,229			
<i>Service 6:</i>							
Venue Management Services	18,762	17,193	15,281	16,533			
<i>Service 7:</i>							
Recordkeeping and Archival Services.....	2,042	2,129	2,154	2,215			
Total Cost of Services	150,583	151,896	146,724	155,778	152,054	151,743	154,317
<i>Less Income.....</i>	<i>29,296</i>	<i>24,614</i>	<i>25,308</i>	<i>29,173</i>	<i>25,027</i>	<i>25,348</i>	<i>25,348</i>
Net Cost of Services	121,287	127,282	121,416	126,605	127,027	126,395	128,969
Adjustments ^(a)	(4,932)	(2,013)	(1,024)	1,363	(2,619)	(657)	(777)
Appropriation provided to deliver Services.	116,355	125,269	120,392	127,968	124,408	125,738	128,192
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	18,361	7,392	7,392	12,347	61,644	7,409	1,802
TOTAL CONSOLIDATED FUND APPROPRIATIONS.....	134,716	132,661	127,784	140,315	186,052	133,147	129,994

(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, service and financial information is the subject of a Resource Agreement signed by the Minister, Director General and the Treasurer.

OUTCOMES, SERVICES AND PERFORMANCE INFORMATION**Relationship to Government Goals**

Broad, high level government goals are supported at agency level by more specific desired outcomes. Agencies deliver services to achieve these desired outcomes, which ultimately contribute to meeting the higher level government goals. The following table illustrates the relationship between agency level desired outcomes and the most appropriate government goal.

Government Goal	Desired Outcome	Services
To enhance the quality of life and wellbeing of all people throughout Western Australia.	A community that is informed of, and has access to, a diverse range of innovative ideas, knowledge and cultural experiences.	1. Art Gallery Services 2. Library and Information Services 3. Museum Services 4. Arts Industry Support 5. Screen Production Industry Support 6. Venue Management Services 7. Recordkeeping and Archival Services

Outcomes and Key Effectiveness Indicators ^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Outcome: A community that is informed of, and has access to, a diverse range of innovative ideas, knowledge and cultural experiences.					
ART GALLERY SERVICES					
Visits improved knowledge and appreciation of visual arts:					
-Strongly agree.....	28%	27%	36%	35%	
-Agree.....	52%	60%	50%	50%	
-Neither agree nor disagree.....	14%	9%	9%	10%	
-Disagree.....	5%	3%	5%	4%	
-Strongly disagree.....	1%	1%	0%	1%	
Satisfied with variety of exhibitions:					
-Very satisfied.....	44%	35%	43%	41%	
-Satisfied.....	41%	49%	41%	39%	
-Neutral.....	1%	9%	10%	12%	
-Not satisfied.....	14%	7%	6%	8%	
Information available about artworks on display:					
-About right.....	71%	70%	68%	67%	
-Not enough.....	28%	25%	31%	32%	
-Too much.....	1%	5%	1%	1%	
LIBRARY AND INFORMATION SERVICES					
Customer satisfaction with Library service:					
-Satisfied or Very Satisfied.....	91%	91%	91%	91%	
-Neutral.....	8%	8%	8%	8%	
-Dissatisfied.....	1%	1%	1%	1%	

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Number of items per capita.....	1.16	1.18	1.18	1.20	New Indicator for 2006-07. Figures for 2004-05 and 2005-06 have been provided for comparability.
New book input rate.....	16.80%	14.75%	14.75%	14.69%	New Indicator for 2006-07. Figures for 2004-05 and 2005-06 have been provided for comparability.
MUSEUM SERVICES					
Satisfaction rate - Interactions	97%	97%	97%	97%	
Satisfaction rate - Products	95%	95%	95%	95%	
ARTS INDUSTRY SUPPORT					
Client satisfaction with services	90%	90%	90%	90%	
SCREEN PRODUCTION INDUSTRY SUPPORT					
Hours of Production.....	48	45	61	45	Production fluctuates according to demand for different program formats.
Production value of projects supported	\$20,668,000	\$21,000,000	\$32,785,000	\$21,000,000	Production fluctuates according to demand for different program formats.
VENUE MANAGEMENT SERVICES					
Hirer satisfaction with services.....	80%	80%	80%	80%	
RECORDKEEPING AND ARCHIVAL SERVICES					
Client satisfaction with services	96%	95%	95%	95%	
Proportion of the State Archives Collection that is catalogued.....	98%	98%	98%	100%	

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

Service 1: Art Gallery Services

Delivery of the State Art Collection and access to art gallery services and programs through visual arts advocacy, collection development, facilities and services. Services ensure that primary access to art, heritage and ideas locally, regionally and internationally are preserved and displayed for future generations.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	23,604	23,906	24,177	24,579	
Less Income	3,214	3,099	3,512	3,590	
Net Cost of Service	20,390	20,807	20,665	20,989	
Adjustments ^(a)	(400)	(360)	(211)	(348)	
Appropriation for delivery of Service	19,990	20,447	20,454	20,641	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per item in the collection	\$290.51	\$291.89	\$294.86	\$296.87	
Average cost per interaction	\$46.47	\$47.81	\$54.35	\$57.68	
Full Time Equivalents (FTEs)	72	66	66	64	

Major Achievements For 2005-06

- The Art Gallery of Western Australia presented 'St Petersburg 1900' as the central feature of the inaugural City of Perth Winter Festival. The exhibition attracted 74,000 visitors, featured artists active during the most dynamic period in Russian history and was developed as a major international exhibition in partnership with the State Russian Museum and the St Petersburg State Museum of Theatre and Music. The Art Gallery was the driving force in a Russian themed arts festival to engage the community, involving the Western Australian Museum, University of Western Australia, University of Western Australia School of Music, State Library of Western Australia, Black Swan Theatre, His Majesty's Theatre, West Australian Opera, Western Australian Academy of Performing Arts, West Australian Ballet Company and the West Australian Symphony Orchestra.
- The Art Gallery's ongoing commitment to showcasing significant Western Australian artists was achieved through the continuing national tour of the exhibition 'Howard Taylor: PHENOMENA'. The exhibition, developed by the Gallery to support the 175th anniversary of the settlement of the State, was presented this year in Hobart, Orange, Bunbury and Geraldton to complete the ten-venue tour that began in Sydney in 2003.
- The Art Gallery's disability access and inclusion programs, and facilities upgrade received State recognition with the achievement of two Accessible Community Awards – the Dr Louisa Alessandri Award for Excellence, and recognition for Improvements for Access and Inclusion by a State Government Agency. The Gallery also won 'Best Media Partner' with Marketforce in the State Art Sponsorship Scheme Awards and was 'highly commended' for the same partnership in the Australian Business Arts Foundation Awards.
- The Art Gallery, in association with the Asia Society of New York, presented 'Edge of Desire: Recent Art in India' at the Tamayo Museum in Mexico City, Museo de Arte Contemporaneo (MARCO) in Monterrey, Mexico and at the Berkeley Art Museum in California. This exhibition, featuring over 35 artists, highlighted the State's commitment to the Indian Ocean Rim region with the first major exhibition of Indian contemporary art in the world.
- The Art Gallery supported the State's commitment to Indigenous culture by initiating a strategy to support Indigenous people wishing to work in the arts industry. The Indigenous Curatorial Graduate Program was established in partnership with AngloGold Ashanti Australia Limited, Carey Mining, Roche Mining and Curtin University of Technology and provides a young Indigenous graduate with a three year internship combining practical Gallery training with postgraduate study. On completion of the program the participant will be eligible for employment in galleries and museums.
- The Art Gallery featured Western Australian Indigenous art as a major component of its exhibition program in a recent major survey of Western Australian artists from the Western Desert and in 'Identity and Place', which features Nyoongar artists.
- The Art Gallery has commenced the upgrade of the Gallery Fire Detection and Early Warning Indicator System to current Australian Standards. The upgrading of front of house services is being continued with improvements to facilities in the Art Gallery Shop as part of its ongoing program of capital works.
- As part of a program to improve business outcomes the Art Gallery has developed a new strategic plan 2007-11 which articulates the public value created by the Art Gallery and links outcomes to the Goals and Priorities of the State Strategic Plan 'Better Planning: Better Services'.

- The Art Gallery of Western Australia Foundation was the recipient this year of two major bequests to support the State Art Collection: The Linton Currie Trust to support research, acquisitions and presentation of Western Australian Art and Craft from the period 1900 to 1950 and the Leah Jane Cohen Bequest to support the acquisition of works for the State Art Collection in the areas of Indigenous Australian Art and works made primarily from glass.

Major Initiatives For 2006-07

- Development and presentation of 'The Gates of Heaven: Egyptian Antiquities from the Musée du Louvre' as the central feature of the 2007 City of Perth Winter Festival. The exhibition will be developed in partnership with the Musée du Louvre and Art Exhibitions Australia as part of the Gallery's program of Major International Exhibitions. The Gallery anticipates partnering with the arts organisations who participated in the 2005 Russian winter festival to present a community wide arts festival with a theme of 'Gods and Heroes'.
- Partner with the Perth International Arts Festival to present 'Raised by Wolves' as the focal exhibition in the 2007 Festival.
- The Art Gallery, in association with the Asia Society of New York, will present 'Edge of Desire: Recent Art in India' at the National Gallery of Modern Art, New Delhi, India, after the successful presentation of the exhibition in Australia, North America and Mexico.
- The Art Gallery has increased its visibility locally, nationally and internationally, enabling it to provide a more extensive range of programs and services to the Western Australian community.
- The Art Gallery will be supporting the State's commitment to Indigenous culture by presenting the solo exhibition of Western Australian Indigenous artist Paddy Bedford, ongoing displays of Indigenous art and offering a unique Indigenous Curatorial traineeship in partnership with Curtin University.
- Collaboration between the Art Gallery and the Department of Education and Training resulted in the exhibition 'Year 12 Perspectives'. This exhibition, supported by the International Foundation for Arts and Culture, Woodside Energy Ltd, the Department of Education and Training and the Curriculum Council continues to attract large audiences. Since 2001 in excess of 400,000 people have visited the Gallery to participate in this exhibition and the public programs surrounding it.
- A program to improve conservation and storage of the most significant works in the State Art will continue to be implemented to enhance community access and cultural heritage preservation.
- The Art Gallery will continue to focus on key government and private sector partnerships which provide opportunities to promote the State, its artists and Western Australian visual art, to support cultural tourism and the development of the State as a destination for tourism.
- The Art Gallery will complete the upgrade of the Gallery Fire Detection and Early Warning Indicator System.
- The State Art Collection will be developed through purchases of major works and donations that build upon the strengths of the collection.
- The Art Gallery will continue to implement a program to improve business outcomes by enhancing project, resource, records and asset management skills.

Service 2: Library and Information Services

Delivery of library and information services through the Internet, the State Library and the public library system. Partnering with local governments and associated bodies to provide leadership, resources, information and other public library services. Provision of programs to ensure that Western Australia's documentary and digital heritage is collected, organised and preserved for access by future generations.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	41,924	41,636	42,919	43,850	
Less Income	2,017	2,451	3,211	3,283	
Net Cost of Service	39,907	39,185	39,708	40,567	
Adjustments ^(a)	(2,167)	(594)	(310)	(573)	
Appropriation for delivery of Service	37,740	38,591	39,398	39,994	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per new item added to the collection	\$36.87	\$43.83	\$38.15	\$38.98	
Average cost per interaction	\$3.86	\$3.97	\$3.80	\$3.87	
Full Time Equivalents (FTEs)	255	256	267	263	

Major Achievements For 2005-06

- Work has commenced on identifying future space requirements in the Alexander Library Building to ensure it continues to meet the future needs of walk-in customers, and the long-term collection storage requirements for the Library.
- The first phase of the State-wide expansion of the 'Better Beginnings' family literacy program was achieved with the program extended to an additional 51 communities. This unique and long-term outreach program to meet the early literacy needs of pre-school children and their families was provided to 15,000 families, or 60 per cent of babies born in Western Australia this year.
- Projects to identify, select and digitise significant heritage collections continued with 15,000 images now available through the State Library's online catalogue.
- The capital works program for additional public library resources continued with more than 30,000 additional items provided to public libraries. This program will progress the achievement of the standards articulated in the 'Framework Agreement Between State and Local Government for the Provision of Public Library Services in Western Australia' for the delivery of public library services.

Major Initiatives For 2006-07

- State-wide expansion of the 'Better Beginnings' family literacy program continues with anticipated delivery through 68 local government communities. This unique and long-term outreach program to meet the early literacy needs of pre-school children and their families will be provided to over 20,000 families, or 83 per cent of babies expected to be born.
- The capital works program for additional public library resources continues and more than 70,000 additional items will be provided to public libraries. This program moves toward the standards articulated in the Framework Agreement for the delivery of public library services.
- Under the Framework Agreement, the Joint Advisory Committee, established agreed priorities to help achieve the shared vision articulated in this Agreement.
- Projects to identify, select and digitise significant heritage collections will be continued and a variety of archival and published materials will be made available through the State Library's website and national services such as PictureAustralia and MusicAustralia.

Service 3: Museum Services

Delivery and promotion of museum services through collection development and management, research, education and visitor services.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	33,563	31,606	29,740	31,672	Income in 2006-07 includes \$3.3million for the sale of the Blinco Street premises.
Less Income	7,563	5,149	4,453	7,853	
Net Cost of Service	26,000	26,457	25,287	23,819	
Adjustments ^(a)	(720)	(517)	(319)	2,798	
Appropriation for delivery of Service	25,280	25,940	24,968	26,617	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per item in the collection	\$5.92	\$5.49	\$5.18	\$5.46	
Average cost per interaction	\$11.59	\$10.86	\$10.88	\$11.04	
Full Time Equivalents (FTEs)	226	229	220	217	

Major Achievements For 2005-06

- Commenced a restructure and reorganisation of the Museum's operations.
- Prepared a proposal for a new Museum in Western Australia.
- Commenced master planning for a major upgrade and refurbishment of the Kalgoorlie Boulder Museum.
- The Museum's seven public sites managed travelling exhibitions including 'Brunei, Solid Families - Solid Communities' and 'How to Make a Monster - the art and technology of animatronics'.
- Public programs and education staff across all seven sites collaborated to produce engaging public programs and quality education programs linked to Department of Education curriculum outcomes.
- Museum scientists undertook 14 field trips, which has led to the discovery and identification of 28 new species, including significant discoveries on megafauna from the Nullabor.
- Museum scientific research provided authoritative advice to government agencies and industry, particularly the resources sector, on biodiversity and culturally significant areas.
- Acknowledged the contribution of migration into Western Australia by completing Stage 2 of the Welcome Wall project.
- Commenced the valuation of the Museum's collection.
- Reports have been commissioned from consultants to determine the optimum hardware, software and support systems for a Collection Management System. An expression of interest will be developed for testing the market for appropriate product development.

Major Initiatives For 2006-07

- Planning for a new Museum in Western Australia will continue to be progressed.
- Develop engaging public programs across all sites and commence master planning to refresh and enhance exhibitions and site maintenance in Albany, Kalgoorlie and Fremantle.
- Develop a major cricket exhibition, complete with activities and public programmes to complement the display of the Ashes Urn.
- Develop a whole-of-Museum retail strategy for the Museum's seven shops.
- Develop the strategic plan for 2006-11.
- Develop a whole-of-Museum brand (corporate identity) that promotes and supports the new direction of the Museum.
- Identify new venue hire opportunities at the Museum's seven sites for corporate and social events.
- Develop an audience research strategy to identify and evaluate visitor experiences.
- Partner with external public and private organisations to integrate more than a century of natural environment research data into a common portal.
- Undertake a review of the existing collections policy.
- Undertake a collaborative research project into the study of native Kimberley frogs that are at risk from the predatory cane toad.

Service 4: Arts Industry Support

Development, funding and promotion of the arts industry.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	21,739	27,498	23,273	26,700	
Less Income	161	62	50	51	
Net Cost of Service	21,578	27,436	23,223	26,649	
Adjustments ^(a)	(952)	(130)	19	(118)	
Appropriation for delivery of Service	20,626	27,306	23,242	26,531	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per grant application processed ..	\$287.93	\$323.51	\$282.10	\$314.12	
Average cost per project and organisation supported	\$46,508.92	\$54,384.93	\$41,508.96	\$47,526.00	
Average cost per industry development initiative.....	\$14,025.16	\$18,332.00	\$11,934.87	\$13,692.31	
Average cost per industry interaction.....	\$22.39	\$55.00	\$23.87	\$27.38	
Full Time Equivalents (FTEs)	41	34	41	39	

Major Achievements For 2005-06

- Completion of the Interim Evaluation for the Contemporary Music Strategy.
- Support for the inaugural Western Australian Living Artists Week.
- Established the Visual Arts and Crafts Strategy Mid-Career Fellowships Program.
- Reviewed and extended the Melbourne Art Fair strategy.
- Established an annual Youth Scholarship Program.
- Established a Music Skills Development Program for Indigenous Communities in Regional and Remote Areas as part of the Indigenous Contemporary Music Strategy.
- Supported the successful bid to host the Australian National Playwrights Conference in Perth in July 2006.
- Established the RAMMPAAGE program, which seeks to develop event management skills and quality contemporary music opportunities for young people in Western Australia for All Ages Music Events.
- Finalised the introduction of nationally agreed harmonised reporting procedures with the Australia Council for the Arts for funded arts organisations.

- Implementation of Stage One of the Theatre Funding Strategy.
- Completed the Review of Devolved Funding and established a new framework for the future funding of devolved programs.
- Established a partnership with the Department of Local Government and Regional Development to provide \$1million over four years for regional touring by the West Australian Ballet, West Australian Opera, West Australian Symphony Orchestra and Black Swan Theatre Company.
- Provided support for funded arts organisations and delegates to attend and showcase performances at the 7th Australian Performing Arts Market in Adelaide in February 2006.
- Provided support for the Western Australian Music Showcase at South by SouthWest in Austin, Texas.
- Supported the development of the East Pilbara Arts Enterprise Program for Indigenous artists.
- Established, in partnership with the Australia Council for the Arts, the Multicultural Arts Marketing and Audience Development Program.
- Established Indigenous Arts Officer positions with West Australian Music Industry Association, ArtSource and Community Arts Network Western Australia.
- Established an Indigenous Arts Officers Support network.

Major Initiatives For 2006-07

- Introduce indexation for funded arts organisations from July 2006.
- Final consultation and development of the Indigenous Contemporary Music Business Unit.
- Implement the recommendations of the National Orchestras Review.
- Develop a Business Arts speakers program in partnership with the Australian Business Arts Foundations.
- Develop a Business Arts Development Portal to support funded arts organisations.
- Review Creative Development and Youth Fellowships Programs.
- Evaluate the Visual Arts and Crafts Strategy.
- Develop a Children and Arts Seminar Series.
- Extension of the Designer Fashion Grants Program for a further two years.
- Finalise a Poetry Strategy.
- Implement the first pilot year of the Multicultural Arts Marketing Ambassadors Strategy.

Service 5: Screen Production Industry Support

Delivery of strategic support and funding to advance the development of the screen production industry in Western Australia.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	8,949	7,928	9,180	10,229	
Less Income	5,066	4,582	4,632	4,735	
Net Cost of Service	3,883	3,346	4,548	5,494	
Adjustments ^(a)	(596)	(26)	4	(24)	
Appropriation for delivery of Service	3,287	3,320	4,552	5,470	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per application received.....	\$1,960.66	\$1,999.86	\$2,424.91	\$2,753.96	Increased funds targeted to fewer projects
Average cost per project funded.....	\$26,622.47	\$25,308.62	\$34,633.64	\$41,414.98	
Average cost per visit/advice.....	\$860.48	\$857.08	\$992.43	\$1,105.84	
Average cost per website interaction.....	\$0.46	\$0.32	\$0.26	\$0.34	
Full Time Equivalents (FTEs)	15	14	16	15	

Major Achievements For 2005-06

- Production activity in Western Australia continued to grow, with more than 61 hours of production commencing filming with a total production budget exceeding \$32 million.
- The Film and Television Production Fund continued to prosper. Four new projects were funded during the year (one documentary series and three single documentaries) as well as a new exciting co-production between local independent production company 'Circling Shark Productions' and ABC Television. This magazine-format production will produce 14 hours of television which will screen nationally on ABC Television (at 6.30pm on Friday evening) for 28 weeks. In partnership with ABC TV, this \$3.2 million fund for screen industry development is administered by ScreenWest.
- WA On Screen, a major series of initiatives aimed at developing the Western Australian screen industry, entered its second year of funding. Funding programs under this initiative include West Coast Visions, a low budget feature film initiative; the Screen Industry Partnership Fund (SIPF) continuation and Indigenous Dramas. The first low budget feature 'Last Train To Freo' (written by accomplished writer Reg Cribb, produced by Sue Taylor, Lisa Duff and Greg Duffy and directed by Jeremy Sims) was completed and another feature 'Dirty Girls' was selected for additional development funding.
- The SIPF supported a third series of the successful children's drama program 'Streetsmartz'.

- The 'Making Movies Roadshow' again toured to remote regional Indigenous Western Australian communities, conducting filmmaking workshops and outdoor cinema screenings.
- Two half hour dramas entered production as part of the 'Stepping Stone' scheme, designed to develop and promote drama production in Western Australia by providing opportunities for filmmakers to produce longer form drama and enable them to make the transition to feature films. ScreenWest invested \$300,000 in each production.
- ScreenWest's investment in children's drama television contributed to the production of 32.5 hours of quality children's drama television, with total production budgets in excess of \$16 million.
- Production initiatives targeted at Indigenous filmmakers continued, including:
 - Five short films by Western Australian Indigenous filmmakers were shot, completed and screened on ABC TV in 2006 as part of the second series of 'Deadly Yarns', a joint initiative of ScreenWest, the Film and Television Institute and the ABC.
 - Two short films were shot and completed under 'Index' – a joint initiative between ScreenWest and the Australian Film Commission.
- Small Screen Big Picture Television Conference, ScreenWest's major industry development initiative, successfully returned to Fremantle in November 2005, attracting around 250 Western Australian, interstate and international delegates.
- ScreenWest successfully won a bid to host the Australian International Documentary Conference in 2008 which will see industry luminaries and powerbrokers from around the globe visiting Perth. With around 500 delegates, this Conference will not only increase business opportunities to local production companies, but also attract significant dollars to the State.
- The Asian Australian Television Executive Leadership Program, a new executive development program sponsored by ScreenWest and the Media Development Authority, Singapore, was launched in Western Australia in 2005. The program is aimed at high level management development for media companies. Representatives from five local companies attended the inaugural program.

Major Initiatives For 2006-07

- WA On Screen, a major series of initiatives aimed at developing the Western Australian screen industry via a low budget feature initiative, Indigenous dramas and documentaries, will enter its third year.
- The 'Marx & Venus' joint initiative with SBS Independent will see local production company Taylor Media produce 25 shows of five-minute short interstitial studio based dramas. Three local mid-career producers will be mentored, and up to five early to mid-career local directors will direct up to five shorts each. This project will be another opportunity to fast-track the development of local filmmaking talent as well as strengthening the relationship between ScreenWest, the local filmmaking community and SBS Independent.
- Investment in 'The Circuit', a co-production between Media World Pictures and Broome based Goolarri Media which will employ a large number of local Western Australian Indigenous and non-Indigenous filmmakers. The project includes six shows of one-hour production and will screen on SBS Independent.
- Investment in a number of mentoring opportunities (known as attachments) for Indigenous filmmakers through the landmark documentary series 'First Australians' and 'The Circuit'.

Service 6: Venue Management Services

Management and promotion of performing arts venues.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	18,762	17,193	15,281	16,533	
Less Income	11,009	9,069	9,312	9,520	
Net Cost of Service	7,753	8,124	5,969	7,013	
Adjustments ^(a)	19	(360)	(211)	(348)	
Appropriation for delivery of Service	7,772	7,764	5,758	6,665	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per performance	\$23,689.39	\$30,484.04	\$26,761.82	\$18,049.13	In 2005-06 the Subiaco Theatre Centre was closed for redevelopment for 12 months. In 2006-07 an increase in the number of events is planned at His Majesty's Theatre.
Full Time Equivalents (FTEs)	59	64	54	48	

Major Achievements For 2005-06

- Capital works and strategic building maintenance of the venues were undertaken during the year, including:
 - Completion of the electrical and lighting upgrade at His Majesty's Theatre, bringing the theatre up to international standards for professional theatre lighting;
 - Replacement and upgrade of equipment in venues, and;
 - Completion of the redevelopment of the Subiaco Arts Centre, formerly known as the Subiaco Theatre Centre.
- Community Services Programmes at His Majesty's Theatre have all shown growth over the year.
- The successful launch of The Brainbox Project, a new wide-ranging programme of theatrical events 'DownStairs at the Maj,' with the potential to engage local talent and variety for audiences.
- Very successful Mozart Festival was held at the Perth Concert Hall in January 2006.
- A successful 2005 theatre Subscription Season at the Playhouse Theatre, offering a series of productions programmed by the Perth Theatre Trust.
- The Perth Theatre Trust venues were utilised during the Perth International Arts Festival 2006 season, with the Perth Concert Hall once again transformed into the Festival Village.
- The popular City of Subiaco's Community Concert programmes continued to be held at Subiaco Theatre Centre.

Major Initiatives For 2006-07

- Continue the Playhouse Theatre Subscription Season concept to bring popular theatre to patrons.
- Continue quality music programming at the Perth Concert Hall in association with Asian and Australian touring circuits, following the success of the 2006 Mozart Festival.
- Creation and continuation of the new Brainbox Project 'Down Stairs at the Maj,' to give wider artist entertainment experiences to local audiences and offer more employment to local professional artists and companies.
- Review of software options for BOCS Ticketing for delivery of improved ticketing services.

Service 7: Recordkeeping and Archival Services

Delivery of recordkeeping services to State and Local Government agencies, improving the quality of current record management systems and provision of access to State Archives Collections by government agencies and the community.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	2,042	2,129	2,154	2,215	
Less Income	266	202	138	141	
Net Cost of Service	1,776	1,927	2,016	2,074	
Adjustments ^(a)	(116)	(26)	4	(24)	
Appropriation for delivery of Service	1,660	1,901	2,020	2,050	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per recordkeeping plan submitted	\$2,722.67	\$3,115.61	\$3,401.05	\$5,116.15	
Average cost per recordkeeping plan monitoring	\$10,210.00	\$212.90	\$2,154.00	\$1,108.50	
Average cost per policy, standard or guideline produced	\$51,050.00	\$35,483.33	\$53,850.00	\$36,950.00	
Average cost of training and consultancies provided	\$15.36	\$266.13	\$359.00	\$221.70	
Average cost per hour of access provided to State Archives	\$32.17	\$24.56	\$26.08	\$27.71	
Full Time Equivalents (FTEs)	24	22	24	24	

Major Achievements For 2005-06

- By the end of this financial year, approximately 98 per cent of records held in the State archives collection will have been listed in the State Records Office (SRO) automated archives management system which enables the listings to be searchable via Archives Explored Online (AEON) through its website (www.sro.wa.gov.au/aeon). Most of the data entry was carried out by participants in the SRO Work Experience Project.
- The SRO, in partnership with Fujitsu and Microsoft, and with funding from the Microsoft.Net Solutions Fund, conducted a proof-of-concept project for the development of an online management system for Recordkeeping Plans and Retention and Disposal Authorities.
- The SRO organised the second annual Geoffrey Bolton Lecture, delivered by Professor Henry Reynolds on 'The Whole World is Watching: International themes in the history of Aboriginal policy in Western Australia in the 19th and 20th Centuries'.
- Approximately 190 Retention and Disposal Authorities, revised Recordkeeping Plans, and Interim documentation were progressed.
- The General Disposal Authority for Financial and Accounting Records was revised in consultation with the SRO stakeholders and released for use by State Government organisations.

Major Initiatives For 2006-07

- Adding the previously unlisted material from the State archives collection to the automated archives management system. This will complete the listing of all 2.5 million records from the collection. At the completion of this project, Western Australia will have the only government archive authority in Australia to have such a comprehensive online listing of State archives.
- Finalising an agreement with the National Archives of Australia for sharing search room and archives storage facilities.
- Finalising the review of the access status of all restricted access archives held in the State archives collection.
- Exploring facilities to enable digital images of archives to be accessible through AEON.
- Developing and taking to full production the Online System for the Management of Recordkeeping Plans/Disposal Authorities, subject to the success of the proof of concept project, and funding being made available.
- Developing State Records Commission Standards, Principles and Guidelines for digital recordkeeping.
- Conducting a further analysis of Recordkeeping Plans to guide the development of a compliance monitoring regime.
- Continued processing of revised Recordkeeping Plans, Retention and Disposal Authorities and 'interim documentation' required by the State Records Act.

CAPITAL WORKS PROGRAM

The planned capital works expenditure for 2006-07 is \$31.9 million and includes funding for asset upgrades and replacement, strategic building maintenance, minor works and one-off capital projects.

An amount of \$10.4 million has been provided in 2006-07 towards the construction of a new theatre in Northbridge.

The program also includes funding for the ongoing works of art and book acquisition programs.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Art Gallery				
Works of Art - Acquisition Program	1,840	1,150	281	230
Department				
Broome Performing Arts and Cultural Centre.....	5,000	2,225	2,104	25
Community Cultural Facilities Fund	2,750	1,100	1,100	750
New Theatre - Construction.....	66,200	675	503	10,480
Western Australian Symphony Orchestra - Contribution towards Relocation.....	8,000	1,020	1,020	6,580
Library				
Additional Public Library Resources	10,300	4,975	2,596	2,575
Book Purchase Program.....	65,776	42,610	7,810	7,722
COMPLETED WORKS				
Department				
Blue Room Theatre	950	950	782	-
Bunbury Heritage Museum.....	1,000	1,000	1,000	-
Capital Maintenance and Minor Works 2003-04	3,000	3,000	152	-
Capital Maintenance and Minor Works 2004-05	2,870	2,870	1,885	-
Capital Maintenance and Minor Works 2005-06	2,870	2,870	2,870	-
Cultural Centre Development	1,250	1,250	781	-
His Majesty's Electrical Upgrade.....	1,500	1,500	1,500	-
Subiaco Theatre Centre.....	2,350	2,350	1,050	-
Museum				
Western Australian Museum Perth Site Redevelopment (Planning)	1,000	1,000	106	-
NEW WORKS				
Art Gallery				
Upgrade of Early Warning Indicator (EWIS) and Fire Detection	750	-	-	750
Department				
Capital Maintenance and Minor Works 2006-07	2,870	-	-	2,870
	180,276	70,545	25,540	31,982

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	24,218	23,292	25,540	31,982	71,412	16,607	11,183
Working capital requirement							
Loan and Other Repayments	7,185	1,391	1,391	1,434	1,478	1,524	1,572
	31,403	24,683	26,931	33,416	72,890	18,131	12,755
LESS							
Asset Sales	-	-	-	3,300	-	-	-
Drawdowns from the Holding Account	9,491	9,341	9,341	10,439	9,946	10,722	10,953
Funding Included in Service Appropriations ^(a)	1,000	7,950	3,170	7,330	1,300	-	-
Internal Funds and Balances	913	-	7,028	-	-	-	-
Other.....	1,638	-	-	-	-	-	-
Capital Contribution	18,361	7,392	7,392	12,347	61,644	7,409	1,802

(a) Capital works expensed through the Income Statement.

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	40,350	38,669	41,624	40,064	39,832	41,675	42,423
Superannuation	4,611	4,106	4,321	4,278	4,212	4,324	4,389
Cost of goods sold.....	2,136	1,790	2,124	2,039	2,054	2,070	2,070
Grants and subsidies ^(c)	27,363	31,253	26,405	32,954	24,740	23,275	23,293
Consultancies expense	1,721	1,096	976	1,056	976	976	976
Supplies and services	18,792	18,271	20,695	20,508	20,831	17,318	17,698
Accommodation.....	5,781	5,275	5,471	5,511	6,235	4,985	5,109
Finance costs	1,760	1,401	1,222	1,181	1,139	1,522	1,522
Capital user charge.....	33,578	35,791	29,562	32,963	36,576	40,135	41,374
Depreciation and amortisation	14,012	13,849	13,849	14,756	14,986	14,986	14,986
State taxes	250	205	214	206	207	211	211
Costs of disposal of non-current assets.....	18	-	-	-	-	-	-
Other expenses	211	190	261	262	266	266	266
TOTAL COST OF SERVICES.....	150,583	151,896	146,724	155,778	152,054	151,743	154,317
Income							
User charges and fees.....	6,819	8,923	12,952	11,678	11,730	11,783	11,783
Gain on disposal of non-current assets	-	5	-	3,300	-	-	-
Grants and subsidies	5,464	6,147	5,936	7,677	6,651	6,187	6,187
Interest revenue	1,133	745	866	834	834	834	834
Donations	-	-	396	400	400	400	400
Proceeds from disposal of non-current assets ..	11	-	-	-	-	-	-
Other revenue	15,869	8,794	5,158	5,284	5,412	6,144	6,144
Total Income.....	29,296	24,614	25,308	29,173	25,027	25,348	25,348
NET COST OF SERVICES.....	121,287	127,282	121,416	126,605	127,027	126,395	128,969
INCOME FROM STATE GOVERNMENT							
Service appropriations	116,355	125,269	120,392	127,968	124,408	125,738	128,192
Liabilities assumed by the Treasurer	841	600	600	600	600	600	600
Change in equity arising from transfer of assets/liabilities	1,584	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT.....	118,780	125,869	120,992	128,568	125,008	126,338	128,792
SURPLUS (DEFICIENCY) FOR THE PERIOD	(2,507)	(1,413)	(424)	1,963	(2,019)	(57)	(177)
Extraordinary items.....	(269)	(500)	(944)	(500)	(500)	(500)	(500)
CHANGE IN SURPLUS (DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(2,776)	(1,913)	(1,368)	1,463	(2,519)	(557)	(677)

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

(b) The Full Time Equivalents (FTEs) for 2004-05 Actual, 2005-06 Estimated Actual and 2006-07 Estimate are 692, 688 and 670 respectively.

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

BALANCE SHEET
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CURRENT ASSETS							
Cash and cash equivalents	30,396	18,204	11,659	11,486	11,116	10,939	10,762
Restricted cash	-	-	11,080	11,200	11,320	11,440	11,560
Receivables	3,481	3,131	3,416	3,416	3,416	3,416	3,416
Inventories	1,121	1,273	1,121	1,121	1,121	1,121	1,121
Interest receivable	87	66	47	47	47	47	47
Amounts receivable for services	9,341	9,689	10,439	9,946	10,722	10,953	10,953
Prepayments	777	922	707	707	707	707	707
Other	2	86	1	1	1	1	1
Total current assets	45,205	33,371	38,470	37,924	38,450	38,624	38,567
NON-CURRENT ASSETS							
Amounts receivable for services	18,834	23,273	22,523	27,623	32,189	36,524	40,859
Land and buildings	205,071	223,435	212,399	229,111	287,265	297,857	303,394
Investments	-	-	7	7	7	7	7
Plant and equipment	13,473	10,911	12,419	11,242	12,249	12,171	11,493
Intangibles	-	420	966	786	806	926	1,046
Other	222,268	226,161	227,798	232,216	237,303	239,290	241,508
Total non-current assets	459,646	484,200	476,112	500,985	569,819	586,775	598,307
TOTAL ASSETS	504,851	517,571	514,582	538,909	608,269	625,399	636,874
CURRENT LIABILITIES							
Payables	3,953	1,703	2,963	2,963	2,963	2,963	2,963
Provision for employee entitlements	4,582	4,437	4,744	4,912	5,087	5,262	5,437
Borrowings	1,391	1,434	1,434	1,478	1,524	1,572	1,622
Monies in trust	2,300	1,206	2,300	2,300	2,300	2,300	2,300
Interest payable	11	306	299	299	299	299	299
Accrued salaries	2	150	151	301	451	601	721
Other	25,585	20,806	24,610	24,621	24,382	24,232	24,232
Total current liabilities	37,824	30,042	36,501	36,874	37,006	37,229	37,574
NON-CURRENT LIABILITIES							
Provision for employee entitlements	3,603	3,092	3,720	3,842	3,969	4,096	4,223
Borrowings	18,643	17,209	17,209	15,731	14,207	12,635	11,013
Other	-	-	7	7	7	7	7
Total non-current liabilities	22,246	20,301	20,936	19,580	18,183	16,738	15,243
TOTAL LIABILITIES	60,070	50,343	57,437	56,454	55,189	53,967	52,817
EQUITY							
Contributed equity	59,169	66,561	66,561	78,908	140,552	147,961	149,763
Accumulated surplus/(deficit)	160,640	157,555	159,272	160,735	158,216	157,659	156,982
Reserves	224,972	243,112	231,312	242,812	254,312	265,812	277,312
Total equity	444,781	467,228	457,145	482,455	553,080	571,432	584,057
TOTAL LIABILITIES AND EQUITY	504,851	517,571	514,582	538,909	608,269	625,399	636,874

- (a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

CASHFLOW STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	101,953	111,141	106,264	112,922	109,120	110,450	112,904
Capital contribution	18,361	7,392	7,392	12,347	61,644	7,409	1,802
Holding account drawdowns	9,491	9,341	9,341	10,439	9,946	10,722	10,953
Net cash provided by State government	129,805	127,874	122,997	135,708	180,710	128,581	125,659
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(40,530)	(38,240)	(41,230)	(39,624)	(39,380)	(41,223)	(41,851)
Superannuation	(3,730)	(3,506)	(3,720)	(3,678)	(3,612)	(3,724)	(3,789)
Grants and subsidies	(25,842)	(31,205)	(23,703)	(32,906)	(24,692)	(23,227)	(23,245)
Consultancies payments.....	(1,370)	(1,096)	(975)	(1,056)	(976)	(1,034)	(1,034)
Supplies and services	(19,252)	(20,098)	(21,493)	(22,584)	(23,172)	(19,528)	(19,908)
Accommodation.....	(5,781)	(5,275)	(5,952)	(5,511)	(6,235)	(4,985)	(5,109)
Finance costs	(1,863)	(1,401)	(936)	(1,181)	(1,139)	(1,522)	(1,522)
Capital user charge.....	(33,578)	(35,791)	(29,562)	(32,963)	(36,576)	(40,135)	(41,374)
State taxes	(250)	(205)	(214)	(206)	(207)	(211)	(211)
Goods and services tax	(6,967)	(6,026)	(6,388)	(6,388)	(6,388)	(6,388)	(6,388)
Other.....	961	(190)	(4,379)	(262)	(266)	(266)	(266)
Receipts							
User charges and fees.....	6,966	8,923	12,420	11,678	11,730	11,783	11,783
Grants and subsidies	5,378	6,147	5,976	7,677	6,651	6,187	6,187
Interest received.....	1,151	745	867	834	834	834	834
Donations receipts.....	-	-	396	400	400	400	400
Goods and services tax	7,000	6,026	6,388	6,388	6,388	6,388	6,388
Other receipts	13,010	8,794	4,471	5,284	5,412	6,144	6,144
Net cash from operating activities.....	(104,697)	(112,398)	(108,034)	(114,098)	(111,228)	(110,507)	(112,961)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(22,885)	(14,194)	(21,222)	(23,529)	(68,254)	(16,607)	(11,183)
Proceeds from sale of non-current assets	11	5	-	3,300	-	-	-
Net cash from investing activities.....	(22,874)	(14,189)	(21,222)	(20,229)	(68,254)	(16,607)	(11,183)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(7,185)	(1,391)	(1,391)	(1,434)	(1,478)	(1,524)	(1,572)
Net cash from financing activities	(7,185)	(1,391)	(1,391)	(1,434)	(1,478)	(1,524)	(1,572)
NET INCREASE/(DECREASE) IN CASH HELD	(4,951)	(104)	(7,650)	(53)	(250)	(57)	(57)
Cash assets at the beginning of the reporting period	35,347	18,308	30,396	22,746	22,693	22,443	22,386
Cash assets at the end of the reporting period.....	30,396	18,204	22,746	22,693	22,443	22,386	22,329

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
Arts projects and organisations.....	19,402	17,636	16,546	16,893	16,959	15,894	15,912
Film projects and screen organisations.....	7,192	6,313	7,781	8,781	6,681	6,681	6,681
Other.....	769	904	1,058	700	700	700	700
Public non-financial corporations.....	-	6,400	1,020	6,580	400	-	-
TOTAL.....	27,363	31,253	26,405	32,954	24,740	23,275	23,293

TRUST ACCOUNT DETAILS**Arts Lotteries Trust Fund**

The Consolidated Fund Estimates for the Department provide for payments to the Arts Lotteries Account.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
Opening Balance.....	-	-	-	-
Receipts:				
Appropriations	9,764	9,833	10,096	10,252
Other.....	-	-	-	-
	9,764	9,833	10,096	10,252
Payments	9,764	9,833	10,096	10,252
CLOSING BALANCE	-	-	-	-

NET APPROPRIATION DETERMINATION

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

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
Rental income from the Kings Street Arts Centre.....	54	50	50	50
GST input credits	6,570	5,626	6,088	5,988
GST Receipts on sales	1,483	1,263	1,424	1,424
TOTAL.....	8,107	6,939	7,562	7,462

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

Part 11

Minister for the Environment; Racing and Gaming

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
813	Conservation and Land Management			
	– Delivery of Services	138,562	140,613	160,436
	– Capital Contribution	11,700	10,500	11,110
	Total	150,262	151,113	171,546
834	Botanic Gardens and Parks Authority			
	– Delivery of Services	12,027	14,758	14,641
	– Capital Contribution	550	593	500
	Total	12,577	15,351	15,141
845	Environment			
	– Delivery of Services	29,962	27,539	36,819
	– Capital Contribution	358	358	850
	Total	30,320	27,897	37,669
863	Swan River Trust			
	– Delivery of Services	8,904	8,870	9,873
	– Capital Contribution	8	8	1,008
	Total	8,912	8,878	10,881
875	Zoological Parks Authority			
	– Delivery of Services	8,990	8,990	10,206
	– Capital Contribution	715	17,602	730
	Total	9,705	26,592	10,936
886	Racing, Gaming and Liquor			
	– Delivery of Services	3,272	3,272	3,125
	– Administered Grants, Subsidies and Other Transfer Payments	91,040	95,140	98,190
	Total	94,312	98,412	101,315

Page	Agency	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
897	Racing and Wagering Western Australia	-	-	-
898	Western Australian Greyhound Racing Authority	-	-	-
GRAND TOTAL				
	– Delivery of Services	201,717	204,042	235,100
	– Administered Grants, Subsidies and Other Transfer Payments	91,040	95,140	98,190
	– Capital Contribution	13,331	29,061	14,198
	– Administered Capital Contribution.....	-	-	-
	Total	306,088	328,243	347,488

CONSERVATION AND LAND MANAGEMENT

PART 11 - MINISTER FOR THE ENVIRONMENT; RACING AND GAMING

DIVISION 46

APPROPRIATION AND FORWARD ESTIMATES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 93 Net amount appropriated to deliver services	141,370	138,329	140,380	160,196	161,441	161,362	164,768
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 ^(a)	226	233	233	240	247	254	254
Total appropriations provided to deliver services	141,596	138,562	140,613	160,436	161,688	161,616	165,022
CAPITAL							
Item 167 Capital Contribution	13,660	11,700	10,500	11,110	19,272	8,167	-
GRAND TOTAL	155,256	150,262	151,113	171,546	180,960	169,783	165,022

- (a) The recommendation by the Salaries and Allowance Tribunal on 7 April 2006 regarding senior public servants' salaries was received after the deadline for finalising agencies' individual financial projections. Accordingly, a provision for the total cost (estimated at around \$1.5 million per year from 2006-07) is reflected in the 'Authorised by Other Statutes' appropriations and financial statements of the administered activities of the Department of Treasury and Finance (Budget Paper 2, Volume 1). This provision will be reflected in agencies' estimates following the release of the 2006-07 Budget.

MISSION

In partnership with the community, we conserve Western Australia's biodiversity, and manage the lands and waters entrusted to us, for their intrinsic values and for the appreciation and benefit of present and future generations.

SIGNIFICANT ISSUES AND TRENDS

- Increasing public interest in protection of biodiversity (native flora, fauna and ecosystems) and the environment, including the further development of the proposed *Biodiversity Conservation Act* and biodiversity conservation strategy.
- Growing threats to the State's biodiversity from pest animals and weeds, dieback, salinity, altered fire regimes, habitat loss and climate change.
- The need to establish a comprehensive, adequate and representative conservation reserve system, both terrestrial and marine, throughout the State, including the South West, the State's vast rangelands and the marine environment, to conserve biodiversity and provide for nature-based recreation and tourism.
- Increasing interaction with private industry, individuals and other government agencies to conserve flora and fauna on private and public lands that are not part of the formal conservation reserve system.
- Increased interstate and international recognition of Western Australia's natural attractions, resulting in continued growth of nature-based tourism.
- Continued expectation from recreational and community groups, including people with disabilities, to maintain and upgrade facilities, park infrastructure and services.

- Continued need to improve the involvement of the non-government sector in providing tourism and recreation services and facilities.
- Working with Indigenous communities for joint management and employment in conservation and land management.
- The management of State forest for timber production and biodiversity conservation has increased in complexity as a result of the new requirements of the Forest Management Plan 2004-2013.
- Management of fire for biodiversity and protection of public and private assets and the community from fire risks on Departmental land is an increasing focus of the community and the Department. Wildfire risks and costs vary unpredictably from year to year, dependent on seasonal weather conditions.
- The State Cane Toad Initiative was bolstered in 2005-06 with a further \$1.9 million, including \$500,000 for community engagement through the not for profit 'Stop the Toad Foundation' and a \$500,000 community awareness campaign, and \$900,000 for direct efforts against toads in the Northern Territory and Western Australia.
- The Department has responsibility for the on-ground management of unallocated Crown Land and unmanaged reserves outside the metropolitan area and town sites.
- Increasing expectation that the Department will be a good neighbour to pastoralists, farmers and others, particularly in terms of improved management of pest animals, weeds and fire.
- Strong economic activity is placing increasing demands on the Department's role in providing input into environmental and planning approvals processes for resources industry, infrastructure and housing developments.
- Rising costs associated with the availability of both material and labour are impacting on the capacity to deliver projects.
- Perth Observatory is supporting efforts to have a major scientific investment (\$1.0 billion) and the world's largest telescope, the Square Kilometre Array, sited in Western Australia.
- The isolated location on the globe of the Perth Observatory results in continued demands for its services and for use of its facilities by international astronomical institutions as well as continued public demand for astronomical education and information services.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2005-06 Budget to Parliament on 26 May 2005 are outlined below.

	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
Biodiversity Conservation	8,250	4,500	750	750
Burrup Heritage	120	120	120	120
Keating Review Environmental Approvals Process Stage 2	989	901	901	901
Ord Stage 2 Native Title	1,600	1,200	1,000	1,000

SERVICE AND APPROPRIATION SUMMARY

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Nature Conservation	78,299	75,969	84,066	87,363			
<i>Service 2:</i>							
Sustainable Forest Management	40,905	36,928	37,862	39,074			
<i>Service 3:</i>							
Performance of statutory functions by the Conservation Commission of Western Australia	757	800	806	827			
<i>Service 4:</i>							
Parks and Visitor Services	65,951	59,704	61,959	66,546			
<i>Service 5:</i>							
Astronomical Services	1,295	1,245	1,222	1,238			
Total Cost of Services	187,207	174,646	185,915	195,048	195,734	195,585	198,319
<i>Less Income.....</i>	<i>45,956</i>	<i>39,319</i>	<i>44,419</i>	<i>38,021</i>	<i>37,767</i>	<i>37,813</i>	<i>37,953</i>
Net Cost of Services	141,251	135,327	141,496	157,027	157,967	157,772	160,366
Adjustments ^(a)	345	3,235	(883)	3,409	3,721	3,844	4,656
Appropriation provided to deliver Services.	141,596	138,562	140,613	160,436	161,688	161,616	165,022
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	13,660	11,700	10,500	11,110	19,272	8,167	-
TOTAL CONSOLIDATED FUND APPROPRIATIONS.....	155,256	150,262	151,113	171,546	180,960	169,783	165,022

(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, service and financial information is the subject of a Resource Agreement signed by the Minister, the Executive Director and the Treasurer.

OUTCOMES, SERVICES AND PERFORMANCE INFORMATION

Relationship to Government Goals

Broad, high level government goals are supported at agency level by more specific desired outcomes. Agencies deliver services to achieve these desired outcomes, which ultimately contribute to meeting the higher level government goals. The following table illustrates the relationship between agency level desired outcomes and the most appropriate government goal.

Government Goal	Desired Outcomes	Services
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 of biodiversity (the variety of life forms: the different plants, animals and microorganisms, the genes they contain, and the ecosystems they form).	1. Nature Conservation 2. Sustainable Forest Management 3. Performance of statutory functions by the Conservation Commission of Western Australia
	Community understanding, enjoyment and appreciation of parks, wildlife and the natural environment and involvement in their management.	4. Parks and Visitor Services 5. Astronomical Services

Outcomes and Key Effectiveness Indicators ^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Outcome: Conservation of biodiversity (the variety of life forms: the different plants, animals and microorganisms, the genes they contain, and the ecosystems they form).					
Threatened Species Management ^(b)					
Number of flora and fauna that are:					
- threatened.....	561	573	571	580	
- presumed extinct.....	32	32	32	32	
- otherwise specially protected	11	11	11	11	
- priority listed.....	2,333	2,370	2,460	2,500	
Wildlife Utilisation ^(c)					
Proportion of the most recent estimate of kangaroo populations commercially harvested:					
- Red kangaroo	13.3%	15.4%	12.2%	16.1%	
- Western Grey kangaroo	15.8%	10.5%	11.0%	13.2%	
Compliance with forest management standards..	95%	>95%	95%	95%	
Outcome: Community understanding, enjoyment and appreciation of parks, wildlife and the natural environment and involvement in their management.					
Average level of visitor satisfaction with their visit.....	86.5%	85%	85%	85%	
Level of customer satisfaction with the services provided by the Observatory:					
- very satisfied or satisfied	97.8%	95%	95%	95%	
- dissatisfied or very dissatisfied.....	0%	0%	0%	0%	

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

(b) A management system is in place to identify, protect and recover threatened species and other flora and fauna in need of conservation. The identification and listing of wildlife taxa in different categories allows their appropriate protection and management.

(c) Wildlife, such as kangaroos and a number of flora species, that are commercially harvested must be managed to ensure sustainability.

Service 1: Nature Conservation

The development and implementation of programs for flora and fauna conservation, for threatened species and ecological communities and for commercially exploited species according to the principles of ecological sustainability; the acquisition, conservation and protection of representative ecosystems; and encouraging public awareness, understanding and support for nature conservation.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	78,299	75,969	84,066	87,363	
Less Income	14,349	10,844	13,649	13,705	
Net Cost of Service	63,950	65,125	70,417	73,658	
Adjustments ^(a)	(473)	234	(5,599)	(297)	
Appropriation for delivery of Service	63,477	65,359	64,818	73,361	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Wildlife habitat management - cost per hectare managed	\$3.08	\$2.83	\$3.26	\$3.31	
Full Time Equivalents (FTEs)	619	645	646	679	

Major Achievements For 2005-06

- Work progressed on development of new biodiversity conservation legislation to replace the *Wildlife Conservation Act 1950*, with approval given for the drafting of a Biodiversity Conservation Bill.
- Development of a State Biodiversity Conservation Strategy continued, with the publication of a summary and analysis of the 173 submissions received on the December 2004 discussion paper, and stakeholder consultations held leading towards a draft Strategy to be released for public comment.
- The independent review of the Western Shield program was published. The review panel found Western Shield to be a leading edge program of international significance. An extra \$3.0 million was allocated over four years to address research questions raised by the review, and the program budget was increased by \$325,000 a year to cover rising bait and aircraft costs.
- The State Cane Toad initiative was bolstered in 2005-06 with a further \$1.9 million, including \$500,000 for community engagement through the not for profit 'Stop the Toad Foundation' and a \$500,000 community awareness campaign, and \$900,000 for direct efforts against toads in the Northern Territory and Western Australia. This brought the State's total commitment to fighting the threat of cane toads to \$2.5 million since December 2004.
- The draft CALM Good Neighbour Policy, developed in partnership with peak primary producer groups and local government, was released.

- Recovery of threatened flora and fauna species and ecological communities continued with successful initial establishment of a new population of the Gilbert's Potoroo, Australia's most endangered mammal, on Bald Island, with a highlight being the first generation born on the island.
- Work continued on the rejuvenation of approximately five million hectares of former pastoral lease areas ahead of their conversion into conservation reserves to bring the State closer to its targets for a comprehensive, adequate and representative reserve system.
- A successful trial of the Bushland Benefits program was conducted with \$700,000 allocated across 58 projects developed by private landowners to protect 8,000 hectares of bushland and wetlands on private property through tender style project proposals.
- The Department continued to work cooperatively with regional Natural Resource Management groups as they finalised their investment plans under the National Action Plan for Salinity and Water Quality and the Natural Heritage Trust.

Major Initiatives For 2006-07

- A draft Biodiversity Conservation Bill will be made available for public consultation prior to introduction into the Parliament.
- A draft State Biodiversity Conservation Strategy will be released for public comment.
- A major new biodiversity conservation initiative will be launched, with significantly increased funding for dieback control (particularly in the Fitzgerald River National Park), eradication and control of pest animals and weeds, expansion of biological survey, and implementation of recovery plans for threatened species (such as Gilbert's Potoroo) and ecological communities.
- The State Cane Toad Initiative will continue focusing on keeping toads out of Western Australia through field and awareness programs with community involvement. Key areas of biodiversity asset protection will also be identified, including Kimberley islands that are priorities for protection from cane toads.
- The CALM Good Neighbour Policy will be finalised and progressively implemented, following extended public consultation requested by stakeholders. Increased activity against pest animals and weeds, being implemented under the new biodiversity initiative, will give a boost to the policy.
- Work will progress on the identification and creation of terrestrial and marine conservation reserve systems that bring the State closer to national and international commitments to deliver a secure and well managed reserve system that meets the current and anticipated future biodiversity conservation and recreational needs of all Western Australians. Priority areas for reservation will include Dirk Hartog Island, former pastoral leasehold lands that have been purchased, remaining reserve proposals in the Forest Management Plan, and the Geographe Bay / Leeuwin-Naturaliste / Hardy Inlet, Dampier Archipelago / Cape Preston and Walpole-Nornalup Inlets marine parks.

Service 2: Sustainable Forest Management

The sustainable management of State forest and timber reserves while maintaining or enhancing nature conservation, water, recreation, landscape and other values in the long term, and encouraging public awareness, understanding and support for sustainable forest management, services and policies.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	40,905	36,928	37,862	39,074	
Less Income	15,030	13,055	13,973	7,059	
Net Cost of Service	25,875	23,873	23,889	32,015	
Adjustments ^(a)	2,872	943	1,775	1,454	
Appropriation for delivery of Service	28,747	24,816	25,664	33,469	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per hectare of managing State forest and timber reserves	\$31.52	\$29.75	\$29.18	\$30.11	
Full Time Equivalents (FTEs)	266	307	264	270	

Major Achievements For 2005-06

- Further development of the formal review, monitoring, compliance checking and reporting mechanisms for disturbance activities in State forest and timber reserves.
- Implemented the revised requirements for management of soils during timber harvesting operations in native forests in 2005 and reviewed and reissued them for 2006.
- Progressed the development of key subsidiary management guideline documents for fauna habitat zone selection and soil and water management as required by the Forest Management Plan 2004-13.
- Completed development and commenced implementation of 22 of the 32 key performance indicators for monitoring the implementation and carrying out of the Forest Management Plan.
- Prepared the timber harvest plan for 2006 in association with, and for, the Forest Products Commission.
- Prepared, with the Forest Products Commission, the first three-year rolling timber harvest plan for the Forest Management Plan period.

Major Initiatives For 2006-07

- Complete the subsidiary guidelines required by the Forest Management Plan for the management of soil and the selection of fauna habitat zones and further develop others to assist implementation of the Forest Management Plan.
- Develop, with the Forest Products Commission, and implement the process for planning, approving and monitoring timber harvesting activities on State forest and timber reserves.
- Produce, with and for the Forest Products Commission, the timber harvest plan for 2007 and the next three-year rolling timber harvest plan.
- Implement the soil management requirements for timber harvesting in the wet soil period for 2006.
- Maintain the use of fire for the regeneration of harvested forest, the maintenance of biodiversity and the protection of community assets.
- Maintain and build the spatial and measurement datasets required to sustainably manage State forest and timber reserves.
- Design and establish in the field the final locations of indicative fauna habitat zones associated with planned disturbance.
- Provide data and support services for the preparation of the 'dieback atlas' for the management of disease caused by *Phytophthora cinnamomi* in native vegetation.
- Map the occurrence of *Phytophthora cinnamomi* and model the spread of the pathogen in native vegetation communities.
- Commence development of an Environmental Management System which is to conform to the AS/NZS ISO 140001 standard to provide a systematic framework, with continuous improvement, for forest management.

Service 3: Performance of Statutory Functions by the Conservation Commission of Western Australia

The undertaking of statutory functions by the Conservation Commission of Western Australia which include: having vested in it the State's national parks, conservation parks, nature reserves, State forest and timber reserves; policy development for the preservation and community enjoyment of the State's natural environment, and promoting the appreciation of flora, fauna and the natural environment; advice to the Minister for the Environment on the development of policies for the conservation and management of biodiversity throughout the State and on the ecologically sustainable management of State forest, timber reserves and forest produce; and audit of the Department of Conservation and Land Management's and the Forest Products Commission's performance against management plans.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	757	800	806	827	
Less Income	-	-	-	-	
Net Cost of Service	757	800	806	827	
Adjustments ^(a)	32	-	-	-	
Appropriation for delivery of Service	789	800	806	827	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
The average cost per management plan / significant policy submitted for the Conservation Commission's consideration.....	\$11,828	\$16,000	\$11,041	\$11,027	
Full Time Equivalents (FTEs)	5	5	5	5	

Major Achievements For 2005-06

- Provided input into the Biodiversity Conservation Strategy, the drafting of a Biodiversity Conservation Bill and the Government initiative to create a Biodiversity Commission.
- Developed policy and guidelines for performance assessment of biodiversity management and conservation reserve and forest management plans. Audits for Wanjarri Nature Reserve and fauna habitat zones developed in accordance with this approach, which will be reviewed after 12 months of operation.
- Continued to enhance the management plan development process through the review of management plans and generation of new tools and formats for management plan development.
- Draft old-growth forest assessment procedures were released for public comment. A final approach was developed as a result of the input received and experience arising from an evaluation of a nomination of old-growth forest for the Palmer block near Collie. Also the Conservation Commission is contributing to the finalisation of fauna habitat zone boundaries with the input of the Conservation Council and the Western Australian Forest Alliance.
- Community acceptance was gained for the vesting with the Conservation Commission of the Gull Rock reserve east of Albany. This area, as well as having high biodiversity and scenic values, is treasured by the local community for its recreational opportunities.

Major Initiatives For 2006-07

- Ongoing input into the Biodiversity Conservation Strategy, the drafting of a Biodiversity Conservation Bill and the Government initiative to create a Biodiversity Commission.
- Undertake audits in accordance with policy.
- Continue to enhance the management plan development process through the review of management plans and generation of new tools and formats for management plan development.
- Continue to implement those elements of the Forest Management Plan that are the responsibility of the Conservation Commission.
- Progress the development of a conference on the values of national parks.
- Continue to work with the Department to develop appropriate joint management frameworks for relevant conservation reserves.
- The Water Corporation's South West Yarragadee Water Supply and Wungong thinning trials will be projects that will be a particular focus of the Conservation Commission because of the interaction of the projects with forest and conservation lands.

Service 4: Parks and Visitor Services

Management of lands and waters; dealing with public involvement, visitation and appreciation of the natural environment on lands and waters managed by the Department, including preparing and implementing management and recreation site development plans; providing, managing and maintaining appropriate access, recreation opportunities and visitor facilities; protecting natural areas, visitors and facilities from wildfire; training Departmental staff and volunteers, working with local tourist bureaux and commercial tour operators; involving Indigenous people in park management and the provision of visitor facilities and services; providing visitor information and designing and initiating educational and interpretive activity programs which enrich visitor experience and help develop greater community awareness and support for parks, natural areas, nature-based tourism and recreation services and policies.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	65,951	59,704	61,959	66,546	
Less Income	16,443	15,258	16,677	17,137	
Net Cost of Service	49,508	44,446	45,282	49,409	
Adjustments ^(a)	(2,084)	2,058	2,941	2,252	
Appropriation for delivery of Service	47,424	46,504	48,223	51,661	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Cost per visit	\$6.04	\$5.33	\$5.53	\$5.88	
Ratio of total cost of services to operating revenue	4.01:1	3.91:1	3.72:1	3.88:1	
Full Time Equivalents (FTEs)	428	405	451	455	

Major Achievements For 2005-06

- Advanced Western Australia's 'World Class Parks System' through the strategic allocation of capital and other funding including commencement of construction of the Walpole Wilderness Discovery Centre and the Lesueur Scenic Drive and day use area.
- Purchased several freehold blocks within the boundary of D'Entrecasteaux National Park, which greatly advanced consolidation of the Park. Important additions were made to Benger Swamp Nature Reserve and Mogumber Nature Reserve.
- Established arrangements for creating Dirk Hartog Island National Park within the Shark Bay World Heritage Area. Completed successful discussions with the Shire of Albany and the local community for the creation of a national park at Gull Rock.
- Completed or advanced the development of draft management plans for the Shark Bay World Heritage Area, the Walpole Wilderness Area, Cape Range, Shannon-D'Entrecasteaux, Kennedy Range and Wellington National Parks.
- Progressed arrangements for nominating the Ningaloo / North West Cape area for World Heritage listing.

- Maintained and / or upgraded vehicle and pedestrian access to key visitor attractions and sites. Emphasis has been given to ensuring that all sites and facilities that are being redeveloped consider incorporating universal access principles and relevant standards.
- Further progressed the implementation of the new road classification system and road safety audit. Completed visitor infrastructure and tourist road improvement projects that were commenced in previous financial years.
- Completed a major section of the Munda Biddi trail including a major loop trail near Waroona Dam. Strengthened partnerships with the Munda Biddi Foundation and the Department of Justice with work crews from Bunbury Prison assisting with construction. Developed design guidelines for mountain bike riding and management.
- Maintained recreation facilities in a safe and workable condition. Directed effort to regular inspection and maintenance of existing recreation and tourism assets.
- Completed a review of the Department's Visitor Risk Management system, with emphasis on identifying and mitigating risks associated with adventure activities such as rock fishing, abseiling and rock climbing and free-range mountain bike riding. Contributed to the Government taskforce reviewing adventure tourism activities.
- Continued to protect existing recreation areas and facilities from wildfires, dieback and other threats.
- Advanced the redevelopment of the Recreation and Tourism Information System (RATIS) aimed at improving user access and functionality.
- Established demonstration Aboriginal park councils in Millstream-Chichester National Park and Cape Range National Park. Agreement has been reached to establish Aboriginal park councils in the Burrup, Ord Stage 2 lands and the Wiluna area.
- Continued remarkable growth in volunteer effort.
- Further developed programs and partnerships in the implementation of the 'Healthy Parks Healthy People' program.
- Completed reviews of subsidiary legislation and policies relating to recreational use to improve operability.
- Engaged with key recreational user groups such as four-wheel drivers, horse riders, motor cycle groups, mountain bikers, rock climbers and other stakeholders in identifying and providing appropriate opportunities for sustainable use of the public conservation estate. Particular emphasis was directed at developing and facilitating communication with peak user groups across regions.
- Continued the emphasis on improving revenue collection including progress towards the development of an on-line campsite booking system.

Major Initiatives For 2006-07

- Advance the provision of innovative sustainable tourism services and developments through partnerships with the tourism industry including leasing and licensing initiatives such as the Landbank project.
- Conduct workshops and meetings with regional tourism industry stakeholders to obtain feedback on the Department's initiatives and to establish stronger relationships with the tourism industry.
- Continue to expand the Department's highly successful 'Community Involvement' program by increasing the range and scope of opportunities for volunteers to actively assist the Department in projects designed to protect and manage natural and cultural values and enhance visitor experiences. In particular, volunteer initiatives such as the Campground and Homestead Hosts programs are targeted for further expansion.
- Finalise management plans for several areas including the Shark Bay World Heritage Property Strategic Plan, Burrup Peninsula, Walpole Wilderness Area, Cape Range, Shannon-D'Entrecasteaux, Kennedy Range and Wellington National Parks. Release draft management plans for the Shark Bay terrestrial reserves and proposed additions, Lane Poole Reserve, Tuart Forest National Park, Dampier Archipelago, Millstream-Chichester National Park, Esperance coastal reserves, Albany coastal reserves, Mt Manning and Jaurdi-Mt Elvire conservation parks, Leeuwin-Naturaliste Ridge parks and reserves and Yanchep-Neerabup. Commence drafting of management plans for the Purnululu and Fitzgerald River national parks.

- The Department of Conservation and Land Management and the Miriuwung-Gajerrong Corporation will commence joint management, involving the preparation of management plans, administering a Regional Park Council and six Sub-Councils, employing and training Miriuwung-Gajerrong people and undertaking necessary capital works in six new conservation parks created under the Ord Stage 2 final agreement.
- Continue to establish effective and meaningful liaison with Indigenous groups through the development of joint management agreements and the progression of employment and training opportunities for Aboriginal people through the Mentored Aboriginal Training and Employment Scheme program.
- Continue the planning and construction of the Munda Biddi Bike trail into the South West forest and South Coast regions. Maintain ongoing maintenance and improvement programs on the Bibbulmun Track.
- Complete visitor infrastructure and tourist road improvement projects that were commenced in the previous financial year. Maintain all facilities in a safe and workable condition with a focus on site works that will provide for the protection of environmental and cultural values and / or visitor safety.
- Develop information available to the public through a range of media on the sites managed by the Department that are suitable for access and use by people with disabilities under the 'You're Welcome' program.
- Continue the review and development of guidelines for recreation and design including universal design, camping and day use areas, and building in bushfire-prone areas.
- Continue to identify recreational assets and cultural values most at risk from wildfire and prepare integrated hazard reduction plans.
- Continue to ensure the welfare and safety of visitors to the public conservation estate through the ongoing review and implementation of the Department's Visitor Risk Management system.
- Complete negotiations with the Shire of Albany for transfer of Mt Martin Reserve to the conservation reserve system.
- Improve data management and information systems in land administration to improve functionality.
- Implement the remaining land tenure recommendations contained in the Forest Management Plan 2004-2013 and progress transfer of suitable 'water' reserves in the Wheatbelt to the conservation estate.
- Continue to improve visitor data collection systems including the wider use of new data collection and handling technologies and approaches to increase our capacity to effectively manage nature-based recreation and tourism opportunities and assets. In particular, improve web-based intranet access to the RATIS for all of the Department's regions and districts.
- Continue to promote and expand the Department's 'Healthy Parks, Healthy People' program throughout the network of regional parks and the greater Perth metropolitan region and afford the community with opportunities that will enhance their physical and mental wellbeing while helping to maintain a healthy and well-managed network of protected areas.
- Develop the Canning River Eco-Education Centre to increase community awareness of nature conservation values and enhance visitor experiences.
- Commence the implementation of substantive equity principles into existing programs and services.
- Continue to provide support (via initiatives such as the Department's Regional Parks Community Grants Scheme) and strengthen relations and partnerships with a diverse community who, as volunteers, provide input into regional park management and on-ground works that encourage awareness and appreciation of nature conservation at a local level.
- Maintain an emphasis on revenue collection from park entry and camping fees and, where appropriate, the sale of merchandise. This will include further investigation into the use of Smart Card technology to expand the park pass system.

Service 5: Astronomical Services

Through the Perth Observatory, providing public information and awareness directly beneficial to the Western Australian community, and contributing to scientific research in astronomy by cooperating with national and international institutions in the acquisition, analysis, interpretation and dissemination of information.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	1,295	1,245	1,222	1,238	
Less Income	134	162	120	120	
Net Cost of Service	1,161	1,083	1,102	1,118	
Adjustments ^(a)	(2)	-	-	-	
Appropriation for delivery of Service	1,159	1,083	1,102	1,118	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Cost per tour visitor	\$47.35	\$32.00	\$32.00	\$32.00	
Cost per enquiry	\$22.88	\$22.45	\$22.45	\$22.50	
Cost of research activities per refereed research paper	\$121,405	\$127,000	\$127,000	\$127,000	
Cost of research activities per 1,000 head of Western Australian population	\$240.00	\$208.00	\$208.00	\$208.00	
Full Time Equivalents (FTEs)	11	11	11	11	

Major Achievements For 2005-06

- Discovery of an Earth-like extra solar planet.
- Utilisation of Perth Observatory and associated internet telescopes by overseas students.
- Support for the National Aeronautic and Space Administration (NASA) 'Deep Impact' Comet mission with an observing program at Perth.
- Entry of Perth Observatory onto the State Heritage Register.

Major Initiatives For 2006-07

- Utilisation of Perth Observatory and associated Internet telescopes by local students.
- Implementation of a second operational Internet telescope.
- Exploration of opportunities for acquisition of a larger telescope for research and public viewing.
- Acquisition of an automatic focuser for the major telescope.
- Development of a Conservation Plan for the Perth Observatory site.

CAPITAL WORKS PROGRAM

The Department of Conservation and Land Management's planned capital works program of \$23.4 million provides funds for tourism roads and park facilities (\$14.9 million), plant and equipment (\$3.5 million), conservation estate land purchase (\$0.2 million), fire fighting fleet replacement (\$2.1 million) and buildings and other works (\$2.7 million).

The Department in 2006-07 will commence building a new Biodiversity Conservation Science Centre and Herbarium to be located at the State Operations Headquarters site in Kensington. Total funding of \$18.7 million over three years has been allocated to this project.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Accommodation Plan - Herbarium	250	205	180	45
Ningaloo Marine Park	1,200	600	600	600
Park Improvement Program				
Environmental Education Centre Canning River Regional Park	1,500	500	500	1,000
Gnangara Park Development	2,231	1,731	200	250
COMPLETED WORKS				
Conservation Land Acquisition				
2003-04 Program	557	557	110	-
2005-06 Program	200	200	200	-
Denham Office - New Accommodation	950	950	950	-
Dirk Hartog Island Pastoral Lease Acquisition	300	300	300	-
Fire Fighting Fleet Replacement				
2005-06 Program	2,109	2,109	2,109	-
Gascoyne - Murchison Strategy				
2001-02 Program	2,111	2,111	1,305	-
2002-03 Program	1,000	1,000	1,000	-
Karri / Tingle Interpretative Centre	1,000	1,000	907	-
Park Improvement Program				
2004-05 Program	8,267	8,267	1,890	-
2005-06 Program	9,000	9,000	9,000	-
Plant and Equipment				
2005-06 Program	3,564	3,564	3,564	-
Protecting Our Old Growth Forests - National Parks Infrastructure	9,545	9,545	100	-
Tourism Road Improvement Program				
2005-06 Program	4,000	4,000	4,000	-
NEW WORKS				
Biodiversity Conservation Science Centre and Herbarium - Stage 1	18,725	-	-	2,575
Conservation Land Acquisition				
2006-07 Program	200	-	-	200
Fire Fighting Fleet Replacement				
2006-07 Program	2,106	-	-	2,106
Improvements to Aerial Fire Management Facilities	100	-	-	100
Ord New Parks Infrastructure	1,000	-	-	1,000
Park Improvement Program				
2006-07 Program	8,000	-	-	8,000
Plant and Equipment				
2006-07 Program	3,541	-	-	3,541
Tourism Road Improvement Program				
2006-07 Program	4,000	-	-	4,000
	85,456	45,639	26,915	23,417

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	23,163	22,623	26,915	23,417	31,650	20,335	19,116
	23,163	22,623	26,915	23,417	31,650	20,335	19,116
LESS							
Asset Sales	656	734	734	721	654	644	878
Drawdowns from the Holding Account	4,214	4,214	4,214	6,706	6,764	6,659	12,871
Internal Funds and Balances	4,633	5,975	11,467	4,880	4,960	4,865	5,367
Capital Contribution	13,660	11,700	10,500	11,110	19,272	8,167	-

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	78,385	83,171	83,877	92,013	93,797	95,897	98,778
Superannuation	8,501	7,107	7,629	8,600	8,700	8,884	9,236
Cost of goods sold.....	317	550	550	560	560	560	560
Grants and subsidies ^(c)	624	335	1,015	340	340	340	340
Services purchased from non-government agencies	-	288	-	-	-	-	-
Consultancies expense	2,800	2,850	2,850	3,060	3,070	2,880	2,880
Supplies and services	58,868	48,953	53,304	52,267	48,759	44,588	41,509
Accommodation.....	9,101	3,936	5,436	5,465	5,493	5,523	5,523
Capital user charge.....	13,418	13,403	15,422	16,444	18,008	19,316	20,042
Depreciation and amortisation	14,397	13,171	15,000	15,480	16,253	16,853	18,473
Doubtful debts.....	196	50	-	-	-	-	-
Costs of disposal of non-current assets.....	507	734	734	721	654	644	878
Other expenses	93	98	98	98	100	100	100
TOTAL COST OF SERVICES	187,207	174,646	185,915	195,048	195,734	195,585	198,319
Income							
User charges and fees.....	20,842	17,520	20,070	13,650	13,710	13,770	13,586
Grants and subsidies	7,936	8,730	8,730	8,615	8,500	8,500	8,500
Interest revenue	1,513	1,000	1,510	1,520	1,530	1,540	1,550
Proceeds from disposal of non-current assets ..	1,110	734	734	721	654	644	878
Other revenue	14,555	11,335	13,375	13,515	13,373	13,359	13,439
Total Income	45,956	39,319	44,419	38,021	37,767	37,813	37,953
NET COST OF SERVICES	141,251	135,327	141,496	157,027	157,967	157,772	160,366
INCOME FROM STATE GOVERNMENT							
Service appropriations	141,596	138,562	140,613	160,436	161,688	161,616	165,022
Resources received free of charge	1,368	562	560	560	560	560	560
Initial recognition of assets not previously recognised	12,774	-	-	-	-	-	-
Liabilities assumed by the Treasurer	1,398	400	400	400	400	400	400
TOTAL INCOME FROM STATE GOVERNMENT	157,136	139,524	141,573	161,396	162,648	162,576	165,982
SURPLUS (DEFICIENCY) FOR THE PERIOD	15,885	4,197	77	4,369	4,681	4,804	5,616
CHANGE IN SURPLUS (DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	15,885	4,197	77	4,369	4,681	4,804	5,616

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

(b) The Full Time Equivalents (FTEs) for 2004-05 Actual, 2005-06 Estimated Actual and 2006-07 Estimate are 1,329; 1,377 and 1,420 respectively.

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

BALANCE SHEET
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CURRENT ASSETS							
Cash and cash equivalents	36,848	23,252	24,334	23,893	23,635	23,595	23,865
Receivables	7,472	8,223	7,422	7,372	7,372	7,372	7,372
Inventories ^(b)	479	511	479	479	479	479	479
Amounts receivable for services	4,214	2,591	6,706	6,764	6,659	12,871	-
Prepayments	946	738	946	946	946	946	946
Total current assets ^(b)	49,959	35,315	39,887	39,454	39,091	45,263	32,662
NON-CURRENT ASSETS							
Amounts receivable for services	30,608	40,782	39,241	48,296	58,229	62,550	81,362
Land and buildings	2,272,783	2,226,329	2,274,355	2,272,855	2,269,860	2,285,825	2,282,040
Plant and equipment ^(b)	81,541	93,751	90,470	97,066	100,569	104,477	108,027
Inventories ^(b)	1,919	2,020	1,919	1,919	1,919	1,919	1,919
Intangibles	-	86	-	-	-	-	-
Restricted cash	-	230	230	460	690	920	1,150
Other ^(b)	8,227	7,873	8,907	11,027	25,262	8,227	8,227
Total non-current assets ^(b)	2,395,078	2,371,071	2,415,122	2,431,623	2,456,529	2,463,918	2,482,725
TOTAL ASSETS	2,445,037	2,406,386	2,455,009	2,471,077	2,495,620	2,509,181	2,515,387
CURRENT LIABILITIES							
Superannuation	111	21	132	152	173	194	215
Payables	6,320	5,794	5,125	5,125	5,125	5,125	5,125
Provision for employee entitlements	14,474	13,157	14,654	14,834	15,014	15,194	15,374
Accrued salaries	253	230	483	713	943	1,173	1,403
Other	984	1,022	984	984	984	984	984
Total current liabilities	22,142	20,224	21,378	21,808	22,239	22,670	23,101
NON-CURRENT LIABILITIES							
Provision for employee entitlements	6,501	6,248	6,660	6,819	6,978	7,137	7,296
Total non-current liabilities	6,501	6,248	6,660	6,819	6,978	7,137	7,296
TOTAL LIABILITIES	28,643	26,472	28,038	28,627	29,217	29,807	30,397
EQUITY							
Contributed equity	(199,223)	(194,945)	(188,723)	(177,613)	(158,341)	(150,174)	(150,174)
Accumulated surplus / (deficit)	422,832	414,216	422,909	427,278	431,959	436,763	442,379
Reserves	2,192,785	2,160,643	2,192,785	2,192,785	2,192,785	2,192,785	2,192,785
Total equity	2,416,394	2,379,914	2,426,971	2,442,450	2,466,403	2,479,374	2,484,990
TOTAL LIABILITIES AND EQUITY	2,445,037	2,406,386	2,455,009	2,471,077	2,495,620	2,509,181	2,515,387

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

(b) As a result of changes in presentation in the 2004-05 Annual Report to comply with the Australian Accounting Standards, a realignment between asset categories has been required to the 2005-06 Budget numbers for comparability.

CASHFLOW STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	128,581	125,097	125,274	144,617	145,096	144,424	146,210
Capital contribution	13,660	11,700	10,500	11,110	19,272	8,167	-
Holding account drawdowns	4,214	4,214	4,214	6,706	6,764	6,659	12,871
Net cash provided by State government	146,455	141,011	139,988	162,433	171,132	159,250	159,081
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(80,112)	(82,602)	(83,308)	(91,444)	(93,228)	(95,328)	(98,209)
Superannuation	(7,087)	(6,686)	(7,208)	(8,180)	(8,279)	(8,463)	(8,815)
Grants and subsidies	(684)	(250)	(1,015)	(340)	(340)	(340)	(340)
Consultancies payments	(2,800)	(2,774)	(2,774)	(2,984)	(2,994)	(2,804)	(2,804)
Supplies and services	(65,238)	(51,382)	(56,540)	(55,513)	(52,005)	(47,834)	(44,755)
Accommodation	(2,137)	(2,266)	(2,266)	(2,295)	(2,323)	(2,353)	(2,353)
Capital user charge	(12,237)	(13,403)	(16,617)	(16,444)	(18,008)	(19,316)	(20,042)
Goods and Services Tax	(8,006)	(7,000)	(7,000)	(7,000)	(7,000)	(7,000)	(7,000)
Other	(93)	(98)	(98)	(98)	(100)	(100)	(100)
Receipts							
User charges and fees	21,485	17,400	19,680	13,250	13,307	13,357	13,173
Grants and subsidies	7,769	8,730	8,730	8,615	8,500	8,500	8,500
Interest received	1,513	1,000	1,510	1,520	1,530	1,540	1,550
Goods and Services Tax	7,596	7,000	7,000	7,000	7,000	7,000	7,000
Other receipts	15,025	11,775	13,815	13,965	13,776	13,772	13,852
Net cash from operating activities	(125,006)	(120,556)	(126,091)	(139,948)	(140,164)	(139,369)	(140,343)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(19,899)	(22,623)	(26,915)	(23,417)	(31,650)	(20,335)	(19,116)
Equity contribution payments	(654)	-	-	-	-	-	-
Proceeds from sale of non-current assets	1,101	734	734	721	654	644	878
Net cash from investing activities	(19,452)	(21,889)	(26,181)	(22,696)	(30,996)	(19,691)	(18,238)
CASH FLOWS FROM FINANCING ACTIVITIES							
Net cash from financing activities	-	-	-	-	-	-	-
NET INCREASE / (DECREASE) IN CASH HELD	1,997	(1,434)	(12,284)	(211)	(28)	190	500
Cash assets at the beginning of the reporting period	34,851	24,916	36,848	24,564	24,353	24,325	24,515
Cash assets at the end of the reporting period	36,848	23,482	24,564	24,353	24,325	24,515	25,015

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

SCHEDULE OF ADMINISTERED EXPENSES AND INCOME

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
EXPENSES							
Receipts paid into Consolidated Fund	112	140	149	145	150	155	160
TOTAL ADMINISTERED EXPENSES	112	140	149	145	150	155	160
INCOME							
Regulatory Fees and Fines	121	140	140	145	150	155	160
TOTAL ADMINISTERED INCOME ^(b)	121	140	140	145	150	155	160

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

(b) Further information is provided in the table 'Details of the Administered Transactions Income'.

SCHEDULE OF ADMINISTERED ASSETS AND LIABILITIES

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
ADMINISTERED CURRENT ASSETS							
Cash and cash equivalents	9	-	-	-	-	-	-
Total Administered Current Assets	9	-	-	-	-	-	-
ADMINISTERED NON-CURRENT ASSETS							
Total Administered Non-Current Assets	-	-	-	-	-	-	-
TOTAL ADMINISTERED ASSETS	9	-	-	-	-	-	-
ADMINISTERED CURRENT LIABILITIES							
Total Administered Current Liabilities	-	-	-	-	-	-	-
ADMINISTERED NON-CURRENT LIABILITIES							
Total Administered Non-Current Liabilities	-	-	-	-	-	-	-
TOTAL ADMINISTERED LIABILITIES ..	-	-	-	-	-	-	-

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Receipts paid into Consolidated Fund	(112)	(140)	(149)	(145)	(150)	(155)	(160)
TOTAL ADMINISTERED CASH OUTFLOWS	(112)	(140)	(149)	(145)	(150)	(155)	(160)
CASH INFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Regulatory Fees and Fines	121	140	140	145	150	155	160
TOTAL ADMINISTERED CASH INFLOWS	121	140	140	145	150	155	160
NET CASH INFLOWS / (OUTFLOWS) FROM ADMINISTERED TRANSACTIONS	9	-	(9)	-	-	-	-

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
Cane Toad Foundation	-	-	500	-	-	-	-
Minister for the Environment's Community							
Conservation Grants	199	200	200	200	200	200	200
Tuart Conservation Grants	-	-	100	-	-	-	-
Shire of Bunbury	100	-	-	-	-	-	-
Conservation Council - Biodiversity							
Conservation Officer	79	85	90	90	90	90	90
Regional Parks Community Grants	50	50	50	50	50	50	50
Bibbulmun Track Foundation	50	-	50	-	-	-	-
Shire of Kalamunda	50	-	-	-	-	-	-
City of Wanneroo	50	-	-	-	-	-	-
City of Joondalup	35	-	-	-	-	-	-
National Trust of Australia	-	-	25	-	-	-	-
Miscellaneous Grants	11	-	-	-	-	-	-
TOTAL	624	335	1,015	340	340	340	340

DETAILS OF THE ADMINISTERED TRANSACTIONS INCOME

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
ROYALTIES							
Fauna Royalties.....	110	125	125	125	125	125	125
FINES							
Receipts from Regulatory Fees and Fines	11	15	15	20	25	30	35
TOTAL.....	121	140	140	145	150	155	160

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:

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
Apiary site rentals	100	105	95	105
Commissions.....	4	5	4	5
Communication site fees.....	150	130	160	160
Forest leases	101	100	100	100
GST input credits	4,479	4,000	4,000	4,000
GST receipts on sales.....	3,117	3,000	3,000	3,000
Proceeds from the disposal of equipment and non-real property.....	656	734	734	721
Proceeds from sale of real property.....	445	-	580	-
Wildlife fees.....	278	255	280	280
TOTAL.....	9,330	8,329	8,953	8,371

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

BOTANIC GARDENS AND PARKS AUTHORITY

PART 11 - MINISTER FOR THE ENVIRONMENT; RACING AND GAMING

DIVISION 47

APPROPRIATION AND FORWARD ESTIMATES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 94 Net amount appropriated to deliver services	14,354	12,027	14,609	14,487	15,291	15,681	16,088
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 ^(a)	-	-	149	154	158	163	168
Total appropriation provided to deliver services	14,354	12,027	14,758	14,641	15,449	15,844	16,256
Item 168 Capital Contribution	1,042	550	593	500	1,720	2,850	1,985
GRAND TOTAL	15,396	12,577	15,351	15,141	17,169	18,694	18,241

- (a) The recommendation by the Salaries and Allowance Tribunal on 7 April 2006 regarding senior public servants salaries was received after the deadline for finalising agencies' individual financial projections. Accordingly, a provision for the total cost (estimated at around \$1.5 million per year from 2006-07) is reflected in the 'Authorised by Other Statutes' appropriations and financial statements of the administered activities of the Department of Treasury and Finance (Budget Paper 2, Volume 1). This provision will be reflected in agencies' estimates following the release of the 2006-07 Budget.

MISSION

To conserve and enhance Kings Park and Botanic Garden and Bold Park with the community and to conserve biological diversity generally.

SIGNIFICANT ISSUES AND TRENDS

- Ongoing conservation in Kings Park and Botanic Garden and in Bold Park bushland, with associated ecological restoration and weed control activities, continues to attract high levels of community interest and support. The conservation value of these areas continues to be enhanced through the allocation of funding for bushland management and research over several years.
- Ongoing geotechnical review and risk assessment of the Mount Eliza Escarpment, and implementation of risk management treatments, continue to improve public safety on and along the base of the escarpment.
- 'Aspects of Kings Park' (the Botanic Gardens and Parks Authority's retail outlet) is performing above expectations and continues to attract positive reactions from visitors. Other visitor facilities such as the Lotterywest Federation Walkway, Synergy Parkland (formerly Western Power Parkland) and the upgraded Lotterywest Family Area continue to attract large numbers of visitors. These and other high quality facilities need to be maintained to meet the demands and expectations of visitors.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2005-06 Budget to Parliament on 26 May 2005 are outlined below.

	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
World Class Parks and Biodiversity Conservation	859	844	480	525

SERVICE AND APPROPRIATION SUMMARY

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Customer Service and Cultural Heritage	9,039	8,720	10,130	10,493			
<i>Service 2:</i>							
Biodiversity Conservation and Scientific Research	6,027	6,059	6,753	6,996			
Total Cost of Services	15,066	14,779	16,883	17,489	18,477	18,981	19,490
<i>Less Income</i>	<i>3,359</i>	<i>3,034</i>	<i>2,249</i>	<i>2,853</i>	<i>3,036</i>	<i>3,147</i>	<i>3,237</i>
Net Cost of Services	11,707	11,745	14,634	14,636	15,441	15,834	16,253
Adjustments ^(a)	2,647	282	124	5	8	10	3
Appropriation provided to deliver Services.	14,354	12,027	14,758	14,641	15,449	15,844	16,256
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	1,042	550	593	500	1,720	2,850	1,985
TOTAL CONSOLIDATED FUND APPROPRIATIONS	15,396	12,577	15,351	15,141	17,169	18,694	18,241

(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, service and financial information is the subject of a Resource Agreement signed by the Minister, Chief Executive Officer, Chairperson of the Board and the Treasurer.

OUTCOMES, SERVICES AND PERFORMANCE INFORMATION

Relationship to Government Goals

Broad, high level government goals are supported at agency level by more specific desired outcomes. Agencies deliver services to achieve these desired outcomes, which ultimately contribute to meeting the higher level government goals. The following table illustrates the relationship between agency level desired outcomes and the most appropriate government goal.

Government Goal	Desired Outcomes	Services
To ensure that Western Australia has an environment in which resources are managed, developed and used sustainably, biological diversity is preserved and habitats protected.	Awareness and appreciation of recreation and tourist resources, and cultural heritage for visitors' enjoyment.	1. Customer Service and Cultural Heritage
	Conservation and enhancement of Western Australia's bushland and other flora.	2. Biodiversity Conservation and Scientific Research

Outcomes and Key Effectiveness Indicators ^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Outcome: Awareness and appreciation of recreation and tourist resources, and cultural heritage for visitors' enjoyment.					
The level of visitor satisfaction with Kings Park and Botanic Garden facilities and the Western Australian Botanic Garden	98%	98%	98%	99%	
The level of visitor satisfaction with Bold Park and facilities	93%	98%	91%	93%	
The percentage change in the number of cultural events held at Kings Park and Botanic Garden compared to previous years	-0.8%	-6.2%	0%	1%	
The percentage change in the number attending customer awareness and education forums held at Kings Park and Botanic Garden compared to previous years	-11.86%	-13.1%	0%	1%	
Outcome: Conservation and enhancement of Western Australia's bushland and other flora.					
Percentage of Declared Rare Flora (DRF) species in living collections in Kings Park and Botanic Garden, compared to the known number of DRF species in Western Australia	62%	62%	64%	65%	
Percentage of accessions in living collections in Kings Park and Botanic Garden.	43%	43%	43%	45%	
Percentage of accessions lost in living collections Kings Park and Botanic Garden.	4%	4%	2%	3%	
The presence of 15 nominated perennially evident native plant species, which are the most vulnerable taxa within each of Kings Park and Bold Park bushland	100%	100%	100%	100%	
Number of common native plant species in Bold Park in areas with high levels of management compared to areas with low levels of management	1.47	1.47	1.32	1.32	
Weed cover in high intensity management areas compared to low intensity management areas in Bold Park	0.38	0.38	0.62	0.62	
Number of representative native plant taxa in Kings Park bushland	324	324	324	324	
Number of representative native plant taxa in Bold Park bushland	310	310	310	310	

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

Service 1: Customer Service and Cultural Heritage

Enhancing and promoting recreational and tourist resources and facilities by maintaining Kings Park and Botanic Garden; enhancing and promoting awareness and understanding of Kings Park, Bold Park and the State's Botanic Garden through customer awareness and education forums; and conserving, promoting and developing cultural heritage including Indigenous, colonial and contemporary heritage by staging events and displays on the Authority's designated land.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	9,039	8,720	10,130	10,493	
Less Income	2,859	2,366	1,746	2,217	
Net Cost of Service	6,180	6,354	8,384	8,276	
Adjustments ^(a)	1,466	166	74	3	
Appropriation for delivery of Service	7,646	6,520	8,458	8,279	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per visitor to Kings Park and Botanic Garden	\$2.20	\$2.00	\$2.00	\$2.00	
Average cost per attendee at cultural events held in Kings Park and Botanic Garden	\$726.77	\$780.00	\$780.00	\$750.00	
Average cost per attendee at education forums held at Kings Park and Botanic Garden.....	\$0.37	\$0.45	\$0.45	\$0.40	
Response times for public information requests.....	Five days	Five days	Five days	Five days	
Percentage change in number of visitors to Reabold Hill compared to previous years.....	n/a	n/a	n/a	4%	New indicator for 2006-07 Budget. Visitation data for previous years not available
Full Time Equivalents (FTEs)	71	71	69	69	

Major Achievements For 2005-06

- A \$1.2 million upgrade of the Lotterywest Family Area at Hale Oval was funded by Lotterywest through the Friends of Kings Park and was completed in April 2006. This project rejuvenated the young children's play area to deliver an improved and safer layout with better access for all, and added new play equipment to help provide for the high number of visitors to this area.
- The Mount Eliza Escarpment Stage Two Risk Management project has delivered significant improvements in public safety along the base of the escarpment. Extensions to the rock catch fence along sections of Mounts Bay Road were completed in February 2006, providing improved protection from potential rockfalls and landslips. Works on the installation of high capacity rock catch fencing to areas behind buildings adjoining the base of the escarpment have commenced, with completion expected in 2006.
- The Bold Park Management Plan 2006-2011 was completed following extensive consultation with the community, and will be launched in May 2006. This plan builds upon the objectives and strategies set in the inaugural plan and highlights the management priorities for the next five years.
- An Indigenous Reference Group, comprising representatives of Indigenous families with a link to Kings Park and Botanic Garden and Bold Park, and senior staff of the Authority, was established to facilitate discussion and consultation on a range of management and cultural issues.

Major Initiatives For 2006-07

- Implementation of Stage Two of the deep sewerage infill program in Kings Park and Botanic Garden will occur in 2006-07. The scope includes connection of Synergy Parkland and Saw Avenue Picnic Area, with works due for completion by early 2007. The deep sewerage connection will reduce the environmental risks associated with the current septic system, provide environmental benefits by having a more sustainable waste management system and also reduce operating costs.
- Upgrading the Kings Park and Botanic Garden irrigation system. The upgrade of the system will commence in 2006-07 and allow the Authority to better manage the complex irrigation needs of the Park, and allow certainty of water delivery to maintain the high quality turf in the developed areas.
- An upgrade to the main walking tracks in Bold Park will improve the safety and quality of experience for visitors and significantly reduce erosion issues associated with the steep terrain.

Service 2: Biodiversity Conservation and Scientific Research

Demonstrating leadership in urban bushland management, especially for Perth and regional communities, horticultural services including new plants developed for the nursery trade, and undertaking and promoting leading edge science and interpretation pertinent to integrated conservation of flora for present and future generations.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	6,027	6,059	6,753	6,996	
Less Income	500	668	503	636	
Net Cost of Service	5,527	5,391	6,250	6,360	
Adjustments ^(a)	1,181	116	50	2	
Appropriation for delivery of Service	6,708	5,507	6,300	6,362	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost of representative native plant taxa in Kings Park bushland.	\$5,436	\$4,600	\$5,500	\$5,500	
Average cost of the number of representative native plant species in Bold Park	\$2,186	\$1,850	\$2,200	\$2,200	
Average cost per research grant project.	\$5,052	\$5,904	\$5,904	\$6,200	
Full Time Equivalents (FTEs)	43	45	43	43	

Major Achievements For 2005-06

- Ecological restoration and weed control activities based on research outcomes have provided significant improvements in Bold Park and Kings Park bushland, enhancing biodiversity conservation on the designated lands. The Bold Park Bushland Restoration Research program came to a conclusion with research informing management of improved seed storage principles, seed dormancy breaking cues for difficult-to-germinate species, correct seed collection boundaries, and improved plant regeneration principles, together with delivery of the most accurate and comprehensive plant inventory for the bushland to date. The program has implications for urban bushland restoration generally.

- The Biodiversity Conservation Centre (previously named Plant Conservation Centre) was opened in August 2005. This Centre provides new research opportunities for the world recognised research programs undertaken by the Authority and encourages interaction and collaboration between the different disciplines of Authority staff.
- Significant publications produced include: 'A Field Guide to the Bushland and Coastal Flora of Kings Park and Bold Park', which provides the most comprehensive flora field guide to date for the Swan Coastal Plain; and 'Australian Seeds', a comprehensive manual on the identification, collection, processing and storage of seeds of a wide range of Australian flora, which will be launched in June 2006. A genetic provenance atlas is also well advanced, with data on more than 30 native plant species completed.
- The Authority participated in the Prime Minister's Science, Engineering and Innovation Council's Biodiscovery Working Group to identify and address key issues and/or impediments that Australia faces on the pathway to biodiscovery research, development and commercialisation, and to identify opportunities for Australian biodiscovery including benefits to Australian science, economy, environment, people and society and the application of biotechnology in new industry development.
- The Millennium Seed Bank initiative is part of a major international collaborative research partnership between Royal Botanic Gardens in Kew, United Kingdom, the Department of Conservation and Land Management and the Botanic Gardens and Parks Authority. This five year initiative provides significant capacity-building to the Authority's existing seed research programs and will deliver a scientific basis to seed conservation in Australia. Phase Two of the Millennium Seed Bank project has enabled the collection and storage seed of over 150 Western Australian taxa to date, for future restoration and research purposes. The collection target over five years is 850 species.
- A number of significant research projects were undertaken including:
 - a three and a half year major research project into the development of a major biotechnology capacity in synthetic seeds for clonal propagation of Australian plants (somatic embryogenesis);
 - comprehensive analysis of evolutionary relationships within the fan-flower family (*Goodeniaceae*);
 - an analysis of deoxyribonucleic acid (DNA) sequence variation to resolve taxonomic uncertainty in the feather flowers (*Verticordia*) and related genera;
 - cutting edge DNA fingerprinting technology, which has generated the most accurate information yet available on the nature and extent of dispersal of seed and pollen, and its consequences, in native plant populations;
 - the negative effects on reproduction of habitat fragmentation in Western Australian wheatbelt eucalypt populations;
 - (for Portman Iron Ore Ltd) investigation of the ecophysiology of a rare and threatened *Tetratheca* species on the Windarling Range; and
 - the potential use of the butenolide molecule for enhancing weed control in both agricultural and bushland systems.

Major Initiatives For 2006-07

- The continuation of ecological restoration and weed control activities based on scientific research outcomes in Bold Park and Kings Park bushland to enhance biodiversity conservation on the designated lands.
- Further research programs planned for 2006-07 include:
 - investigation of the optimum collection, storage and germination of selected native plant species;
 - enhancing establishment of native perennial grasses for use in land restoration/pasture systems (supported by the Rural Industries Research and Development Corporation);
 - investigation of the mechanism of action of butenolide in seed germination stimulation; and
 - investigation into key processes affecting genetic variation, using molecular techniques to quantify dispersal of seed and pollen and assessing its consequences in plant species with varying life histories.
- Ecological, propagation and translocation research projects are continuing on rare and priority species to enable the sustainable conservation, restoration and management of these species. The Authority is coordinating a major national federal grant for urgent research to be implemented into the cause of, and solution to, a damaging disorder that has been decimating remnant urban trees in the Perth metropolitan region for the last 15 years. The disorder poses a significant risk to selected remnant indigenous landscape trees within Kings Park and Botanic Garden and elsewhere.

- The Authority will develop opportunities and systems for the cultivation and development of Western Australian plants, as part of its role to conserve, develop, manage, display, research and promote the State's flora. Raising the profile of the local flora inspires its wider use in the general community and promotes a sense of place. The opportunities being developed by the Authority include:
 - the selection of horticulturally suitable varieties from wild populations;
 - evaluation and controlled crossing of target species; and
 - establishing high profile garden beds to assist in the selection of suitable native plants for private gardens and public landscaping.

This activity will complement the State's strategy for better water management, as local plants are better adapted to local conditions, often requiring less water than many exotic species. It will also indirectly support the tourism industry by inspiring locals and visitors alike to venture into the regional areas to experience our unique and diverse flora in the wild.

CAPITAL WORKS PROGRAM

The Authority's planned capital works expenditure for 2006-07 totals \$2.7 million.

Major projects include:

- the ongoing bushland restoration in Kings Park and Bold Park;
- Stage Two of the deep sewerage program, which commenced in 2004-05; and
- the replacement of ageing and obsolete plant and equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
COMPLETED WORKS				
Bold Park				
Bushland Management	2,848	2,848	370	-
Reabold Hill Precinct	2,383	2,383	220	-
Information Technology Strategic Review - Security Implementation	423	423	85	-
Kings Park and Botanic Garden				
Bali Memorial and Tuart Lawn Toilets	35	35	35	-
Bushland Management	1,181	1,181	35	-
Deep Sewerage Program Stage 1	509	509	120	-
Kings Park Path Network - Repair	10	10	10	-
Mount Eliza Scarp	5,216	5,216	110	-
Mount Eliza Scarp Risk Monitoring	95	95	95	-
Plant Conservation Centre	4,024	4,024	480	-
Roadworks for Pedestrian and Traffic Safety	10	10	10	-
Mount Eliza Public Safety Stage 2	1,690	1,690	1,084	-
NEW WORKS				
Asset Replacement Program	4,537	-	-	964
Biodiversity Conservation				
Bold Park Bushland Management	10,375	-	-	850
Kings Park Bushland Management	6,185	-	-	350
Public Safety and Infrastructure				
Deep Sewerage Stage 2	2,050	-	-	500
	41,571	18,424	2,654	2,664

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	5,965	3,102	2,654	2,664	4,604	5,634	4,365
	5,965	3,102	2,654	2,664	4,604	5,634	4,365
LESS							
Drawdowns from the Holding Account	-	42	42	964	1,354	959	675
Funding Included in Service Appropriations ^(a)	3,436	689	2,019	1,200	1,530	1,825	1,705
Internal Funds and Balances	1,487	1,821	-	-	-	-	-
Capital Contribution	1,042	550	593	500	1,720	2,850	1,985

(a) Capital works expensed through the Income Statement.

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	4,896	4,315	5,782	6,176	6,387	6,552	6,756
Superannuation	492	418	505	527	545	564	584
Cost of goods sold.....	253	550	631	593	652	672	692
Supplies and services	4,279	2,999	2,928	3,994	4,390	4,657	4,683
Accommodation	671	521	889	1,093	1,138	995	1,037
Capital user charge.....	3,105	3,085	3,085	3,178	3,273	3,371	3,472
Depreciation and amortisation	1,008	1,898	1,898	1,140	1,230	1,290	1,400
State taxes	10	3	6	6	6	6	6
Loss on disposal of non-current assets	17	-	-	-	-	-	-
Other expenses	335	990	1,159	782	856	874	860
TOTAL COST OF SERVICES	15,066	14,779	16,883	17,489	18,477	18,981	19,490
Income							
User charges and fees.....	467	1,047	990	1,778	1,906	1,963	2,022
Regulatory fees and fines.....	694	37	36	40	40	40	40
Gain on disposal of non-current assets	14	-	-	-	-	-	-
Grants and subsidies	274	455	756	475	490	504	519
Interest revenue	103	20	24	20	20	20	20
Rent	497	1,038	354	350	385	420	430
Donations	16	20	9	20	20	20	20
Proceeds from disposal of non-current assets ..	-	20	-	-	-	-	-
Other revenue	1,294	397	80	170	175	180	186
Total Income	3,359	3,034	2,249	2,853	3,036	3,147	3,237
NET COST OF SERVICES	11,707	11,745	14,634	14,636	15,441	15,834	16,253
INCOME FROM STATE GOVERNMENT							
Service appropriations	14,354	12,027	14,758	14,641	15,449	15,844	16,256
Resources received free of charge	60	11	40	40	42	44	45
Liabilities assumed by the Treasurer	1,409	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	15,823	12,038	14,798	14,681	15,491	15,888	16,301
SURPLUS (DEFICIENCY) FOR THE PERIOD	4,116	293	164	45	50	54	48
Extraordinary items.....	(1,103)	-	-	-	-	-	-
CHANGE IN SURPLUS (DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	3,013	293	164	45	50	54	48

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

(b) The Full Time Equivalents (FTEs) for 2004-05 Actual, 2005-06 Estimated Actual and 2006-07 Estimate are 114, 112 and 112 respectively.

BALANCE SHEET
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CURRENT ASSETS							
Cash and cash equivalents	267	1,718	300	237	200	200	900
Restricted cash	654	533	700	700	700	700	700
Receivables	451	834	680	647	647	647	647
Inventories	561	300	561	630	650	668	680
Interest receivable	-	7	-	-	-	-	-
Amounts receivable for services	42	964	964	1,354	959	675	675
Prepayments	32	19	32	32	32	32	32
Total current assets	2,007	4,375	3,237	3,600	3,188	2,922	3,634
NON-CURRENT ASSETS							
Amounts receivable for services	2,945	3,879	3,879	3,645	3,896	4,491	5,066
Land and buildings	20,740	23,473	21,270	21,490	22,549	22,948	27,312
Plant and equipment	3,127	4,986	2,195	2,581	2,129	1,755	1,389
Intangibles	27	35	36	36	36	36	36
Other	10,231	8,270	9,307	8,801	10,212	12,822	9,632
Total non-current assets	37,070	40,643	36,687	36,553	38,822	42,052	43,435
TOTAL ASSETS	39,077	45,018	39,924	40,153	42,010	44,974	47,069
CURRENT LIABILITIES							
Superannuation	-	313	-	-	-	-	-
Payables	742	913	529	560	590	588	588
Provision for employee entitlements	1,075	812	1,085	1,095	1,125	1,160	1,195
Accrued salaries	-	45	11	22	44	66	88
Other	1,164	1,741	1,456	1,116	1,116	1,116	1,116
Total current liabilities	2,981	3,824	3,081	2,793	2,875	2,930	2,987
NON-CURRENT LIABILITIES							
Superannuation	-	1,096	-	-	-	-	-
Provision for employee entitlements	208	487	198	170	175	180	185
Total non-current liabilities	208	1,583	198	170	175	180	185
TOTAL LIABILITIES	3,189	5,407	3,279	2,963	3,050	3,110	3,172
EQUITY							
Contributed equity	16,404	16,954	16,997	17,497	19,217	22,067	24,052
Accumulated surplus / (deficit)	7,987	6,351	8,151	8,196	8,246	8,300	8,348
Reserves	11,497	16,306	11,497	11,497	11,497	11,497	11,497
Total equity	35,888	39,611	36,645	37,190	38,960	41,864	43,897
TOTAL LIABILITIES AND EQUITY	39,077	45,018	39,924	40,153	42,010	44,974	47,069

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

CASHFLOW STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	12,466	10,129	12,860	13,521	14,239	14,574	15,006
Capital contribution	1,042	550	593	500	1,720	2,850	1,985
Holding account drawdowns	-	42	42	964	1,354	959	675
Net cash provided by State government	13,508	10,721	13,495	14,985	17,313	18,383	17,666
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(5,084)	(4,295)	(5,771)	(6,183)	(6,330)	(6,490)	(6,694)
Superannuation	(492)	(438)	(505)	(527)	(545)	(564)	(584)
Supplies and services	(7,281)	(2,927)	(4,771)	(5,061)	(5,560)	(5,564)	(4,996)
Accommodation	(269)	(521)	(585)	(856)	(938)	(995)	(1,037)
Capital user charge.....	(3,105)	(3,085)	(3,085)	(3,178)	(3,273)	(3,371)	(3,472)
State taxes	(8)	(5)	(6)	(6)	(6)	(6)	(6)
Goods and Services Tax	(882)	(505)	(644)	(505)	(505)	(505)	(505)
Other.....	(246)	(1,375)	(393)	(611)	(680)	(693)	(674)
Receipts							
User charges and fees.....	428	1,047	990	1,778	1,906	1,963	2,022
Regulatory fees and fines.....	1,136	37	36	40	40	40	40
Grants and subsidies	274	455	730	475	490	504	519
Interest received.....	116	20	24	20	20	20	20
Rent receipts.....	347	1,038	354	350	385	420	430
Donations receipts.....	16	20	9	20	20	50	25
Goods and Services Tax	881	505	644	505	505	505	505
Other receipts	835	188	152	135	175	92	81
Net cash from operating activities.....	(13,334)	(9,841)	(12,821)	(13,604)	(14,296)	(14,594)	(14,326)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(3,104)	(1,170)	(635)	(1,464)	(3,074)	(3,809)	(2,660)
Proceeds from sale of non-current assets	-	20	40	20	20	20	20
Net cash from investing activities.....	(3,104)	(1,150)	(595)	(1,444)	(3,054)	(3,789)	(2,640)
CASH FLOWS FROM FINANCING ACTIVITIES							
Net cash from financing activities	-	-	-	-	-	-	-
NET INCREASE / (DECREASE) IN CASH HELD	(2,930)	(270)	79	(63)	(37)	-	700
Cash assets at the beginning of the reporting period	3,851	2,521	921	1,000	937	900	900
Cash assets at the end of the reporting period.....	921	2,251	1,000	937	900	900	1,600

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

ENVIRONMENT

PART 11 - MINISTER FOR THE ENVIRONMENT; RACING AND GAMING

DIVISION 48

APPROPRIATION AND FORWARD ESTIMATES

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(b) \$'000	2005-06 Estimated Actual ^(b) \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 95 Net amount appropriated to deliver services	17,309	16,306	14,841	23,643	19,859	15,433	15,334
Item 96 Services Provided to Environmental Protection Authority	11,663	13,656	12,582	13,010	13,166	13,320	13,500
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 ^(c)	-	-	116	166	172	177	183
Total appropriations provided to deliver services	28,972	29,962	27,539	36,819	33,197	28,930	29,017
CAPITAL							
Item 169 Capital Contribution	-	358	358	850	450	400	150
GRAND TOTAL	28,972	30,320	27,897	37,669	33,647	29,330	29,167

(a) Adjusted for comparability to reflect the transfer out of Office of Water Policy and transfer in of Business Services.

(b) Adjusted for comparability to reflect the transfer in of Business Services.

(c) The recommendation by the Salaries and Allowance Tribunal on 7 April 2006 regarding senior public servants salaries was received after the deadline for finalising agencies' individual financial projections. Accordingly, a provision for the total cost (estimated at around \$1.5 million per year from 2006-07) is reflected in the 'Authorised by Other Statutes' appropriations and financial statements of the administered activities of the Department of Treasury and Finance (Budget Paper 2, Volume 1). This provision will be reflected in agencies' estimates following the release of the 2006-07 Budget.

MISSION

To lead the protection and enhancement of the State's environment, working in partnership with the community.

SIGNIFICANT ISSUES AND TRENDS

Licensing and Regulation

- The management of industry regulation has become increasingly more complex legally, technically and in relation to demands for improved community engagement. Community concern over urban air quality in metropolitan Perth and major regional centres continues.

Contaminated Sites

- The proclamation of the *Contaminated Sites Act 2003* will lead to increased interest with remediation of contaminated land. The public database will provide the community with greater access to information.

Waste Management

- Reduction in the reliance on landfill through waste avoidance, recycling and better management of hazardous wastes is a priority for waste management.

Environmental Policy

- The implementation of the Perth Air Quality Management Plan initiatives, together with continued community reporting and education programs, will play a key role in the management of air quality.
- State Environment Policies provide a high order policy framework while Environmental Protection Policies will be retained for regulatory measures.
- State of the Environment Reporting as a plan for action influencing policy and resource allocation to programs.
- The impacts of climate change are already apparent in Western Australia and national and international measures to reduce greenhouse gas emissions may have profound implications for Western Australia's highly greenhouse gas intensive economy.

Environmental Impact Assessment

- The resources boom is putting pressure on environmental approvals processes as the State experiences ongoing demand for resource development and expansion.
- Implementation of the reform recommendations from the Keating Review of governmental approval processes for enhanced timelines.
- Planned for completion is the environmental impact assessment on major resource projects, such as the assessment of the South West Yarragadee Water Source Development project.

Clearing of Native Vegetation Regulations

- The Department has regulated the clearing of native vegetation under the *Environmental Protection Act 1986* since July 2004, including processing of permit applications, necessary legislative and policy development, auditing and monitoring.
- Permitting for clearing for mining and petroleum activities was delegated to the Department of Industry and Resources in July and the Department has provided support to the Department of Industry and Resources in the operation of the delegation. There is expected to be growth in the number of applications across a number of sectors due to the expiry of some transitional exemptions.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2005-06 Budget to Parliament on 26 May 2005 are outlined below.

	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
Air Quality Management	901	851	-	-
Baigup Reserve Action Plan	500	400	-	-
Environmental Approvals	1,311	1,311	1,311	1,311
Greenhouse coordination	500	500	500	500
Hazardous / Industrial Waste Treatment Precincts	1,006	1,391	339	339
Native Vegetation and Biodiversity Protection	1,898	1,948	-	-
Native Vegetation Clearing	650	650	650	650

SERVICE AND APPROPRIATION SUMMARY

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(b) \$'000	2005-06 Estimated Actual ^(b) \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Air quality management plans and air quality monitoring	4,114	6,862	7,000	7,039			
<i>Service 2:</i>							
Regulation of discharges to the environment...	12,556	12,411	14,286	16,202			
<i>Service 3:</i>							
Regulation of contaminated sites	3,800	10,956	7,912	6,294			
<i>Service 4:</i>							
Administration of the Waste Management Recycling Fund	1,273	1,414	1,273	984			
<i>Service 5:</i>							
Policies and strategies to reduce and recycle waste	6,563	9,300	11,636	5,829			
<i>Service 6:</i>							
Environmental impact assessments of development proposals and planning schemes	5,412	5,827	5,908	6,129			
<i>Service 7:</i>							
Environmental policies and reports on the state of the environment	6,251	7,829	6,674	6,881			
Total Cost of Services	39,969	54,599	54,689	49,358	50,367	46,652	47,222
<i>Less Income</i>	<i>16,085</i>	<i>17,448</i>	<i>15,268</i>	<i>16,249</i>	<i>16,557</i>	<i>17,004</i>	<i>17,487</i>
Net Cost of Services	23,884	37,151	39,421	33,109	33,810	29,648	29,735
 Adjustments ^(c)	 5,088	 (7,189)	 (11,882)	 3,710	 (613)	 (718)	 (718)
Appropriation provided to deliver Services.	28,972	29,962	27,539	36,819	33,197	28,930	29,017
 CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(d)	-	358	358	850	450	400	150
TOTAL CONSOLIDATED FUND APPROPRIATIONS	28,972	30,320	27,897	37,669	33,647	29,330	29,167

(a) Adjusted for comparability to reflect the transfer out of Office of Water Policy and transfer in of Business Services.

(b) Adjusted for comparability to reflect transfer in of Business Services.

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

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

RESOURCE AGREEMENT

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

OUTCOMES, SERVICES AND PERFORMANCE INFORMATION

Relationship to Government Goals

Broad, high level government goals are supported at agency level by more specific desired outcomes. Agencies deliver services to achieve these desired outcomes, which ultimately contribute to meeting the higher level government goals. The following table illustrates the relationship between agency level desired outcomes and the most appropriate government goal.

Government Goal	Desired Outcomes	Services
To ensure that Western Australia has an environment in which resources are managed, developed and used sustainably, biological diversity is preserved and habitats protected.	Emissions and discharges meet approved environmental criteria.	1. Air quality management plans and air quality monitoring 2. Regulation of discharges to the environment 3. Regulation of contaminated sites
	Waste management practices meet approved performance targets.	4. Administration of the Waste Management Recycling Fund 5. Policies and strategies to reduce and recycle waste
	Environmental policy and environmental impact assessment that protects, conserves and enhances the environment in accordance with accepted long term plans.	6. Environmental impact assessments of development proposals and planning schemes 7. Environmental policies and reports on the state of the environment

Outcomes and Key Effectiveness Indicators ^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Outcome: Emissions and discharges meet approved environmental criteria.					
Number of exceedances of approved environment criteria by regulated activities.	178	0	75	100	This is a new indicator and it is not yet possible to accurately predict a trend in compliance rates.
Outcome: Waste management practices meet approved performance targets.					
Percentage of waste in the metropolitan area diverted from landfill and recycled.	22.64%	24.89%	23.93%	25.00%	
Outcome: Environmental policy and environmental impact assessment that protects, conserves and enhances the environment in accordance with accepted long term plans.					
Number of approved projects with impacts significant exceeding those assessed	1	0	0	0	

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

Service 1: Air Quality Management Plans and Air Quality Monitoring

Monitor ambient air quality and develop air quality management plans for priority air sheds.

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(b) \$'000	2005-06 Estimated Actual ^(b) \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	4,114	6,862	7,000	7,039	
Less Income	708	1,642	1,234	1,533	
Net Cost of Service	3,406	5,220	5,766	5,506	
Adjustments ^(c)	(12)	(814)	(1,327)	(149)	
Appropriation for delivery of Service	3,394	4,406	4,439	5,357	

(a) Adjusted for comparability to reflect the transfer out of the Office of Water Policy and transfer in of Business Services.

(b) Adjusted for comparability to reflect the transfer in of Business Services.

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per air monitoring station	\$327,554	\$457,467	\$466,667	\$414,059	
Full Time Equivalents (FTEs)	37	42	39	40	

Major Achievements For 2005-06

- Implementation of monitoring activities and toxicology study at Port Hedland.
- Ongoing progress with Perth Air Toxics Study to investigate air chemistry at Kwinana, Perth Central Business District, Duncraig and regional centres.
- Successful implementation of new air quality sampling technique at the Alcoa industrial facility at Wagerup.
- Completion of Haze Strategy Options document.
- Review of woodheater regulations.
- Commencement of National Environmental Protection Measure monitoring in Kalgoorlie, Albany and Geraldton.

Major Initiatives For 2006-07

- Implement the Perth Air Quality Management Plan with major initiatives aimed at reducing smoke emissions, including Phase Two of the Woodheater Buy Back program.
- Implement the Diesel National Environmental Protection Measure including emissions testing of the public bus fleet, selected light and heavy diesel trucks, and a technical training/education program.
- Implementation of major air quality investigations at Wagerup.

- Develop air quality management plans for the key regional centres of Port Hedland, Wedgefield and the Collie basin to provide a strategic context for addressing air quality issues.
- Undertake targeted monitoring at selected regional and industrial locations.
- Implement the Air Toxic Program in Perth and regional centres.
- Implementation of National Environmental Protection Measure monitoring.

Service 2: Regulation of Discharges to the Environment

Regulate emissions and discharges to the environment, transport of hazardous wastes, and clearing of native vegetation.

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(b) \$'000	2005-06 Estimated Actual ^(b) \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	12,556	12,411	14,286	16,202	Increased expenditure to reflect additional funds received in 2006-07 for Native Vegetation clearing.
Less Income	9,970	7,279	6,918	7,496	
Net Cost of Service	2,586	5,132	7,368	8,706	
Adjustments ^(c)	4,027	(489)	(1,797)	(629)	
Appropriation for delivery of Service	6,613	4,643	5,571	8,077	

(a) Adjusted for comparability to reflect the transfer out of Office of Water Policy and transfer in of Business Services.

(b) Adjusted for comparability to reflect the transfer in of Business Services.

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per industry licence.....	\$12,687	\$13,692	\$14,062	\$14,081	
Average cost per controlled waste permit	\$25	\$22	\$20	\$20	
Full Time Equivalents (FTEs)	134	110	149	184	

Major Achievements For 2005-06

- Established processes and approaches to conducting licence reviews. Completed reviews of over 100 licences.
- Completed review of processes for issuing works approval and licences, as a basis for upgrade of licensing database system.
- Completed the State-wide implementation of the Controlled Waste Regulations and completed audits of compliance in major regional centres.
- Clearing of Native Vegetation Amendment regulations gazetted on 24 June 2005, including administrative amendments and extension of transitional arrangements for mineral and petroleum exploration, and low impact exemptions and fire hazard reduction burning.
- Established Major Projects group to improve approval processes and timeliness in accordance with Keating Review recommendations.

- Delegated (1 July 2005) all clearing applications for mineral and petroleum activities under the *Mining Act 1978* and the various Petroleum Acts to Department of Industry and Resources (25 per cent of total applications).
- Amendment regulations gazetted on 24 June 2005, including administrative amendments and extension of transitional arrangements for Schedule 1 exemptions and fire hazard reduction burning.
- Environmentally Sensitive Areas Notice gazetted on 8 April 2005.
- Completed review of Schedule 1 (low impact or other mineral and petroleum activities) through consultative process involving stakeholders. Review showed that about 90 per cent of exploration activities are exempt from the requirement for a clearing permit.
- Commenced review of Schedule 2 (Clearing in Existing Transport Corridors) through consultative working group.

Major Initiatives For 2006-07

- Implement industry licensing quality assurance and audit program.
- Review prescribed premises categories.
- Complete upgrade of industry licensing database.
- Complete a review of industry licences to improve enforceability placing greater emphasis on emissions control.
- Complete review of controlled waste regulations and commence implementation of recommendations.
- Complete development of Western Australian Greenhouse Gas Inventory.
- Finalise review of Schedule 2 (Clearing in existing transport corridors) of *Environmental Protection Act (Clearing of Native Vegetation) Regulations 2004* through consultative working group.
- Review of *Environmental Protection Act (Clearing of Native Vegetation) Regulations 2004*.
- Work with Office of Development Approvals Coordination to review processes for clearing native vegetation for major State resource development projects.
- Implementation of educational, compliance and monitoring program for Native Vegetation clearing.

Service 3: Regulation of Contaminated Sites

Regulate the investigation, classification and management of contaminated sites.

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(b) \$'000	2005-06 Estimated Actual ^(b) \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	3,800	10,956	7,912	6,294	Variation mainly due to deferral of contaminated sites projects, including the remediation of the Bellevue Waste Control site.
Less Income	107	320	294	479	
Net Cost of Service	3,693	10,636	7,618	5,815	
Adjustments ^(c)	(661)	(888)	(1,074)	3,095	
Appropriation for delivery of Service	3,032	9,748	6,544	8,910	

(a) Adjusted for comparability to reflect the transfer out of Office of Water Policy and transfer in of Business Services.

(b) Adjusted for comparability to reflect the transfer in of Business Services.

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per contaminated site assessment	\$2,914	\$4,090	\$3,077	\$2,203	Commencement of the <i>Contaminated Sites Act 2003</i> in 2006-07 will result in an increase in sites assessments.
Average cost of remediating state sites	n/a	\$525,887	\$5,696,640	\$755,280	Variance is mainly due to anticipated additional investigations and remediation of State and orphan sites in 2006-07.
Full Time Equivalents (FTEs)	31	31	32	31	

Major Achievements For 2005-06

- *The Contaminated Sites Amendment Act 2005* was passed by State Parliament.
- Completed Verified Acid Sulphate Soil risk maps for coastal regions of the South West of the State and Predictive Acid Sulphate Soil risk maps for major coastal centres in the remainder of the State.

Major Initiatives For 2006-07

- Proclaim and implement the *Contaminated Sites Act 2003*, (as amended) including establishment of the Contaminated Sites auditor accreditation scheme and a public database which will provide the State with the capacity to more effectively manage contaminated lands.

Service 4: Administration of the Waste Management Recycling Fund

Administer the Waste Management and Recycling Fund (WMRF) on behalf of the Waste Management Board, to promote the diversion of waste from landfills.

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(b) \$'000	2005-06 Estimated Actual ^(b) \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	1,273	1,414	1,273	984	Increased cost in 2004-05 and 2005-06 represent the clearance of a backlog of WMRF grants.
Less Income	40	254	150	123	
Net Cost of Service	1,233	1,160	1,123	861	
Adjustments ^(c)	(663)	(55)	(130)	(53)	
Appropriation for delivery of Service	570	1,105	993	808	

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(b) Adjusted for comparability to reflect the transfer in of Business Services.

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Cost of administering Waste Management Recycling Fund as percentage of total fund ..	8%	13.2%	9.9%	14.4%	The higher percentage in 2006-07 is due to lower fund size.
Full Time Equivalents (FTEs)	19	20	16	16	

Major Achievements For 2005-06

- The 2005 round of the Strategic Waste Initiatives Scheme focused on projects addressing the aims of the Strategic Direction for Waste Management.
- Released a discussion paper and conducted a public consultation process to assist in the development of Zero Waste Incentive Schemes and other schemes to replace the Resource Recovery Rebate Scheme.

Major Initiatives For 2006-07

- Development of Zero Waste Incentive Schemes in 2007.

Service 5: Policies and Strategies to Reduce and Recycle Waste

Develop and implement policies and strategies that promote waste avoidance and minimisation in industry, government and the community.

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(b) \$'000	2005-06 Estimated Actual ^(b) \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	6,563	9,300	11,636	5,829	Variation between 2006-07 Budget and 2005-06 Estimated Actual is mainly due to the increased expenditure for the Brookdale Liquid Waste Treatment Plant decommissioning in 2005-06.
Less Income	4,721	5,017	4,976	5,220	
Net Cost of Service	1,842	4,283	6,660	609	
Adjustments ^(c)	2,975	(3,701)	(5,320)	1,354	
Appropriation for delivery of Service	4,817	582	1,340	1,963	

(a) Adjusted for comparability to reflect the transfer out of the Office of Water Policy and transfer in of Business Services.

(b) Adjusted for comparability to reflect the transfer in of Business Services.

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Percentage of Waste Management Recycling Fund allocated to projects that achieve scheduled milestones.	88.8%	87.5%	87.0%	87.2%	
Full Time Equivalents (FTEs)	21	19	21	28	

Major Achievements For 2005-06

- Public announcement of eight possible sites for Hazardous Waste Precincts for waste treatment.
- Communication strategy on waste avoidance and resource recovery launched.
- Drafting of the Waste Avoidance and Resource Recovery Bill commenced.

Major Initiatives For 2006-07

- Introduction of the Waste Avoidance and Resource Recovery Bill to Parliament.
- Final announcement of Hazardous Waste Precinct sites.
- Implementation of strategies to manage priority wastes including used tyres and glass.
- Support development of container deposit schemes for Western Australia.

Service 6: Environmental Impact Assessments of Development Proposals and Planning Schemes

Manage the environmental impact assessment process for the Environmental Protection Authority to enable sound environmental advice on development proposals and planning schemes/amendments to be provided to the Government, developers and the public and to ensure the environment is protected for the community.

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(b) \$'000	2005-06 Estimated Actual ^(b) \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	5,412	5,827	5,908	6,129	
Less Income.....	202	957	706	860	
Net Cost of Service	5,210	4,870	5,202	5,269	
Adjustments ^(c)	(302)	(341)	(753)	373	
Appropriation for delivery of Service	4,908	4,529	4,449	5,642	

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(b) Adjusted for comparability to reflect the transfer in of Business Services.

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Cost for number of environmental assessments	\$127,503	\$116,532	\$137,395	\$130,404	
Full Time Equivalents (FTEs)	58	66	61	59	

Major Achievements For 2005-06

- Complete the assessment of the Gorgon gas project and other major resource and industrial developments in the State.
- Assess major expansions of the alumina industry at Wagerup and Worsley.
- Undertake reviews of the expansion of portions of the Dampier Bunbury Natural Gas Pipeline.
- The Department has participated in the implementation of the Keating Review recommendations related to the Projects Approvals System processes, particularly in relation to improving timelines for environmental impact assessment approvals.

Major Initiatives For 2006-07

- Complete the assessment of the South West Yarragadee Water Source Development project.
- Complete assessment of the major duplication of the Dampier Bunbury Natural Gas Pipeline.
- Address major mineral resource expansions within improved regional contexts, particularly in the Mid West region.
- Complete the strategic assessment of the Kwinana Industrial Area (IP 14).

Service 7: Environmental Policies and Reports on the State of the Environment

Coordinate the development and analysis of environmental policy, ensure its effective implementation, manage the Environmental Protection Authority's formulation of statutory Environmental Protection Policies and State Environmental Policies, coordinate State of the Environment reporting and provide sound, accurate and timely information about the environment to the community to promote positive environmental behaviours.

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(b) \$'000	2005-06 Estimated Actual ^(b) \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	6,251	7,829	6,674	6,881	2005-06 Budget total costs include one off costs for projects which have since been delayed and reprofiled to the forward estimates.
Less Income	337	1,979	990	538	
Net Cost of Service	5,914	5,850	5,684	6,343	
Adjustments ^(c)	(276)	(901)	(1,481)	(281)	
Appropriation for delivery of Service	5,638	4,949	4,203	6,062	

(a) Adjusted for comparability to reflect the transfer out of the Office of Water Policy and transfer in of Business Services.

(b) Adjusted for comparability to reflect the transfer in of Business Services.

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Cost for number of environment policies developed	\$158,712	\$434,919	\$370,778	\$382,333	
Full Time Equivalents (FTEs)	47	89	51	61	

Major Achievements For 2005-06

- Published draft State of the Environment Report for public comment.
- Published Air National Environmental Protection Measure Environmental Protection Policy (or equivalent) for public comment.
- Published final Position Statements on Environmental Offsets and Natural Resource Management.
- Published the Water Quality Improvement Plan for Peel-Harvey for public comment.
- Initiated the Swan Bioplan program, which is a multi-agency biodiversity plan for the Swan Coastal Plain and adjacent Darling and Whicher Scarps.
- Guided implementation of the across government Sustainability Code of Practice, and supported State agency development of Sustainability Action Plans and sustainability reporting arrangements.
- Negotiated and implemented Sustainability Partnership Agreements involving the State Government and the cities of Swan, Wanneroo, Gosnells and Geraldton that are facilitating major long term infrastructure and service initiatives.
- Provided support to the Sustainability Roundtable's review of the State Sustainability Strategy 2003, which established significant State agency achievements in implementing major sustainability initiatives and identified directions for further addressing key sustainability issues.
- Provided an annual progress report on the implementation of the Western Australian Greenhouse Strategy.
- Represented the Government to the Council of Australian Government's climate change working group, the National Emissions Trading Taskforce and the Western Australian Greenhouse and Energy Taskforce.
- Contributed to the joint Ministerial working group on national greenhouse reporting and supported the Greenhouse and Energy Taskforce's Offsets Policy Working Group.

Major Initiatives For 2006-07

- Published final State of the Environment Report.
- Finalise Peel-Harvey Water Quality Improvement Plan.
- Progress Swan Bioplan program.
- Continue to work collaboratively with State agencies to develop approaches for further advancing sustainability in respect of core business services and refine agency reporting on sustainability, and progress relationships with the non-government sector to foster appropriate sustainability directions and initiatives.
- Work with the Sustainability Roundtable to advance existing and new sustainability initiatives resulting from the 2005 review of the State Sustainability Strategy.

- Finalise the State / Local Government Sustainability Partnership Agreement, enhance related policies and strategies, advance existing major partnerships with the cities of Swan, Wanneroo, Gosnells and Geraldton, and progress development of prospective agreements with the local governments of Esperance, Mandurah and Kwinana.
- Participate in national greenhouse policy development through its membership on the Council of Australian Government's climate change working group and the National Emissions Trading Taskforce.
- Coordinate a whole-of-government response to climate change.
- Coordinate a whole-of-government response to implementing the Western Australian Greenhouse Strategy.
- Review the work of the Greenhouse Unit and assess how to strengthen the work the Unit undertakes.
- Continue to support the Greenhouse and Energy Taskforce secretariat.

CAPITAL WORKS PROGRAM

Funding in 2006-07 provides mainly for the ongoing replacement of Pollution Monitoring equipment and office computers, and equipment requirements. Funding has also been provided for the purchase of infrastructure required in order to maintain National Association of Testing Authorities accreditation of air monitoring activities and the purchase of additional monitoring equipment to meet National Environmental Protection Measure for air quality.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Air Pollution Monitoring Replacement Pollution Monitoring and Equipment 2004-05 Program.....	400	300	75	100
COMPLETED WORKS				
Computer Hardware and Software Replacement 2004-05 to 2005-06 Program.....	769	769	707	-
Furniture and Equipment Replacement 2004-05 to 2005-06 Program (additional).....	130	130	85	-
Noise Pollution Monitoring Replacement 2004-05 to 2005-06 Program (additional).....	120	120	70	-
Pollution Monitoring Network Replacement Program 2002-03 to 2005-06 Program (additional).....	822	822	720	-
NEW WORKS				
Air Pollution Monitoring Replacement 2006-07 Program	100	-	-	100
Air Pollution Monitoring Regional roll out Replacement Program.....	650	-	-	150
NATA Accreditation of Air Pollution Monitoring Network	250	-	-	200
NEPM Air Quality Implementation	900	-	-	300
Computer Hardware and Software Replacement 2006-07 Program	300	-	-	300
Noise Pollution Monitoring Replacement 2006-07 Program	100	-	-	100
	4,541	2,141	1,657	1,250

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	941	1,684	1,657	1,250	992	1,118	1,448
	941	1,684	1,657	1,250	992	1,118	1,448
LESS							
Drawdowns from the Holding Account	857	1,326	926	400	542	718	1,298
Internal Funds and Balances	84	-	373	-	-	-	-
Capital Contribution	-	358	358	850	450	400	150

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2004-05 Actual ^{(a) (b)} \$'000	2005-06 Budget ^{(a) (c)} \$'000	2005-06 Estimated Actual ^{(a) (c)} \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(c)	19,828	19,448	20,867	24,320	24,169	22,948	23,305
Superannuation	2,227	1,651	1,794	2,182	2,177	2,029	2,057
Grants and subsidies ^(d)	4,400	6,881	6,138	3,411	3,900	4,770	4,770
Supplies and services	9,103	20,159	19,000	14,580	15,329	12,297	12,254
Accommodation	3,141	3,237	3,237	3,087	3,035	2,791	2,827
Capital user charge	706	285	715	29	2	2	2
Depreciation and amortisation	399	1,030	1,030	1,080	1,135	1,195	1,220
Loss on disposal of non-current assets	2	-	-	-	-	-	-
Doubtful debts	7	-	-	-	-	-	-
Other expenses	1,035	668	668	669	620	620	787
TOTAL COST OF SERVICES	40,848	53,359	53,449	49,358	50,367	46,652	47,222
Income							
Regulatory fees and fines	8,097	8,565	8,565	9,466	9,934	10,395	10,878
Grants and subsidies	-	290	290	145	-	-	-
Interest revenue	355	254	254	187	172	158	158
Donations	5,808	4,780	4,780	5,000	5,000	5,000	5,000
Other revenue	1,825	3,559	1,379	1,451	1,451	1,451	1,451
Total Income	16,085	17,448	15,268	16,249	16,557	17,004	17,487
NET COST OF SERVICES	24,763	35,911	38,181	33,109	33,810	29,648	29,735
INCOME FROM STATE GOVERNMENT							
Service appropriations	29,851	28,722	26,299	36,819	33,197	28,930	29,017
Resources received free of charge	763	520	520	519	518	518	518
Liabilities assumed by the Treasurer	534	76	76	76	76	78	78
Change in equity arising from transfer of assets/liabilities	(7)	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	31,141	29,318	26,895	37,414	33,791	29,526	29,613
SURPLUS (DEFICIENCY) FOR THE PERIOD	6,378	(6,593)	(11,286)	4,305	(19)	(122)	(122)
CHANGE IN SURPLUS (DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	6,378	(6,593)	(11,286)	4,305	(19)	(122)	(122)

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

(b) Not adjusted to reflect the transfer out of Office of Water Policy and transfer in of Business Services.

(c) Not adjusted to reflect the transfer in of Business Services.

(d) The Full Time Equivalents (FTEs) for 2004-05 Actual, 2005-06 Estimated Actual and 2006-07 Estimate are 347, 369 and 419 respectively.

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

BALANCE SHEET
(Controlled)

	2004-05 Actual ^{(a) (b)} \$'000	2005-06 Budget ^{(a) (c)} \$'000	2005-06 Estimated Actual ^{(a) (c)} \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CURRENT ASSETS							
Cash and cash equivalents	10,857	428	5,837	10,075	10,093	10,032	9,910
Restricted cash	9,050	2,923	2,813	2,823	2,783	2,783	2,783
Receivables	2,023	1,727	2,023	2,023	2,023	2,021	2,021
Inventories	21	8	21	21	21	21	21
Amounts receivable for services	1,326	-	400	542	718	1,298	-
Prepayments	62	65	62	62	62	62	62
Total current assets	23,339	5,151	11,156	15,546	15,700	16,217	14,797
NON-CURRENT ASSETS							
Amounts receivable for services	740	1,770	1,770	2,308	2,725	2,622	3,842
Land and buildings	-	15	-	-	-	-	-
Plant and equipment	1,367	1,581	2,001	2,043	1,862	1,760	590
Other	-	508	(7)	121	159	184	1,582
Total non-current assets	2,107	3,874	3,764	4,472	4,746	4,566	6,014
TOTAL ASSETS	25,446	9,025	14,920	20,018	20,446	20,783	20,811
CURRENT LIABILITIES							
Payables	3,208	651	3,457	3,297	3,237	3,177	3,177
Provision for employee entitlements	3,078	2,432	3,078	3,078	3,078	3,136	3,136
Accrued salaries	-	53	53	56	113	174	174
Other	-	3,159	-	-	-	-	-
Total current liabilities	6,286	6,295	6,588	6,431	6,428	6,487	6,487
NON-CURRENT LIABILITIES							
Provision for employee entitlements	1,726	1,794	1,726	1,726	1,726	1,726	1,726
Other	-	490	100	200	200	200	200
Total non-current liabilities	1,726	2,284	1,826	1,926	1,926	1,926	1,926
TOTAL LIABILITIES	8,012	8,579	8,414	8,357	8,354	8,413	8,413
EQUITY							
Contributed equity	1,940	2,313	2,298	3,148	3,598	3,998	4,148
Accumulated surplus/(deficit)	15,494	(1,882)	4,208	8,513	8,494	8,372	8,250
Reserves	-	15	-	-	-	-	-
Total equity	17,434	446	6,506	11,661	12,092	12,370	12,398
TOTAL LIABILITIES AND EQUITY	25,446	9,025	14,920	20,018	20,446	20,783	20,811

- (a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.
- (b) Not adjusted to reflect the transfer out of Office of Water Policy and transfer in of Business Services.
- (c) Not adjusted to reflect the transfer in of Business Services.

CASHFLOW STATEMENT
(Controlled)

	2004-05 Actual ^{(a) (b)} \$'000	2005-06 Budget ^{(a) (c)} \$'000	2005-06 Estimated Actual ^{(a) (c)} \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	28,567	27,692	25,269	35,739	32,062	27,735	27,797
Capital contribution	-	358	358	850	450	400	150
Holding account drawdowns	857	1,326	926	400	542	718	1,298
Net cash provided by State government	29,424	29,376	26,553	36,989	33,054	28,853	29,245
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(19,498)	(19,395)	(20,814)	(24,317)	(24,112)	(22,827)	(23,184)
Superannuation	(1,693)	(1,575)	(1,718)	(2,106)	(2,101)	(1,951)	(1,979)
Grants and subsidies	(4,400)	(6,881)	(6,138)	(3,411)	(3,900)	(4,770)	(4,770)
Supplies and services	(9,094)	(19,290)	(18,131)	(14,121)	(14,871)	(11,839)	(11,796)
Accommodation	(3,141)	(3,237)	(3,237)	(3,087)	(3,035)	(2,791)	(2,827)
Capital user charge	(706)	(285)	(715)	(29)	(2)	(2)	(2)
Goods and services tax	(1,578)	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)
Other	(1,050)	(668)	(668)	(669)	(620)	(620)	(848)
Receipts							
Regulatory fees and fines	8,097	8,565	8,565	9,466	9,934	10,395	10,878
Grants and subsidies	-	290	290	145	-	-	-
Interest received	355	254	254	187	172	158	158
Donations receipts	5,455	4,780	4,780	5,000	5,000	5,000	5,000
Goods and services tax	1,630	1,200	1,200	1,200	1,200	1,200	1,200
Other receipts	1,810	3,559	1,379	1,451	1,451	1,451	1,451
Net cash from operating activities	(23,813)	(33,883)	(36,153)	(31,491)	(32,084)	(27,796)	(27,919)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(355)	(1,684)	(1,657)	(1,250)	(992)	(1,118)	(1,448)
Net cash from investing activities	(355)	(1,684)	(1,657)	(1,250)	(992)	(1,118)	(1,448)
CASH FLOWS FROM FINANCING ACTIVITIES							
Net cash from financing activities	-	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	5,256	(6,191)	(11,257)	4,248	(22)	(61)	(122)
Cash assets at the beginning of the reporting period	14,651	9,542	19,907	8,650	12,898	12,876	12,815
Cash assets at the end of the reporting period	19,907	3,351	8,650	12,898	12,876	12,815	12,693

- (a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.
- (b) Not adjusted to reflect the transfer out of the Office of Water Policy and transfer in of Business Services.
- (c) Not adjusted to reflect the transfer in of Business Services.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
Waste Management Recycling Fund grants	4,400	6,881	6,138	3,321	3,810	4,680	4,680
Greenhouse initiatives ^(a)	-	-	-	90	90	90	90
TOTAL	4,400	6,881	6,138	3,411	3,900	4,770	4,770

(a) Transfer of Greenhouse Initiative has not been reflected in the financials for 2004-05 and 2005-06.

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:

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate \$'000
Grants from Industries	1,423	3,190	1,635	1,324
GST input credits	1,630	1,200	1,200	1,200
Other User Charges	34	659	34	272
Waste Management Recycling Fund	5,808	4,780	4,780	5,000
Pollution Licence Fees	7,084	7,765	7,765	8,140
Waste Control Licence/Permit Fees	1,013	800	800	1,326
Interest	355	254	254	187
TOTAL	17,347	18,648	16,468	17,449

(a) Not adjusted to reflect the transfer in of Business Services.

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

SWAN RIVER TRUST

PART 11 - MINISTER FOR THE ENVIRONMENT; RACING AND GAMING

DIVISION 49

APPROPRIATION AND FORWARD ESTIMATES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 97 Net amount appropriated to deliver services	8,358	8,904	8,870	9,873	11,101	7,495	7,441
Total appropriations provided to deliver services	8,358	8,904	8,870	9,873	11,101	7,495	7,441
CAPITAL							
Item 170 Capital Contribution	8	8	8	1,008	1,008	8	8
GRAND TOTAL	8,366	8,912	8,878	10,881	12,109	7,503	7,449

MISSION

To work with Government, local government and community to ensure that the Swan and Canning river system is conserved and managed to enhance its environmental quality and public amenity.

SIGNIFICANT ISSUES AND TRENDS

- Improving water quality and ecological health of the waterway continue to be the key environmental issues facing the Swan and Canning Rivers. Continuing high nutrient levels in the rivers and tributaries feed algal blooms, low oxygen levels in the middle and upper river reaches put aquatic fauna at risk and, in many areas, the foreshores are degraded. Non-nutrient contamination, acidification and sedimentation also continue as significant water quality issues.
- The key elements for improving the ecological health of the rivers are reducing nutrient losses from urban and rural activities throughout the catchment, ensuring new development does not result in increased nutrient losses, managing the drainage system to prevent nutrients entering the rivers and restoring the ecological function of the rivers. These initiatives necessarily involve government and the community as a whole and will take many years to significantly improve the health and amenity of the rivers.
- Higher density urban development, urban infill and a rising demand for commercial opportunities in and around the rivers are paradoxically both in response to, and potentially counter to, the rivers' community benefit and amenity values. The waterways are highly prized by the Western Australian community for passive and active recreation. Demand for more facilities must be carefully managed to ensure they do not compromise the very attributes the community is seeking to enjoy. Similarly, riverside urban infill also needs to ensure sufficient open space is provided to meet the needs of an increased population.
- The community continues to place a high value on the Swan and Canning Rivers and demand for information about the rivers and opportunities for involvement in their protection remains high.
- Through the Swan Canning Cleanup Program and its other programs, the Trust works with local governments, state agencies, community organisations, research institutions and industry, to reduce river nutrient levels and limit algal blooms. It is important for this partnership approach to continue, with improved strength and coordination and accountability. It has also been recognised that this coordinated approach is required to manage all other activities affecting the health and amenity of the rivers. Effective partnerships across Government and with the community will be the key to the program's success.

- A coordinated, targeted and technically sound approach to drainage management is essential to achieving reductions in nutrient levels entering the rivers.
- Proposed new legislation, the Swan and Canning Rivers Management Bill, has been developed to improve the Government's capacity to coordinate the range of actions required to address the river's health over the long term - integrated government effort, streamlined assessment processes, and new regulatory responsibilities.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2005-06 Budget to Parliament on 26 May 2005 are outlined below.

	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
State-wide Response to Algal Blooms and Acid Sulphate Soils				
Maintaining critical river oxygen levels	667	1,657	1,160	1,015
Drainage nutrient intervention - Ellenbrook.....	300	300	416	421

SERVICE AND APPROPRIATION SUMMARY

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Statutory assessment of development proposals	606	786	791	775			
<i>Service 2:</i>							
Waterways management	1,044	876	955	864			
<i>Service 3:</i>							
Development and implementation of environmental management programs	5,930	6,276	6,472	7,393			
<i>Service 4:</i>							
Communication of environmental information	643	1,199	1,205	1,182			
Total Cost of Services	8,223	9,137	9,423	10,214	11,448	7,804	7,772
<i>Less Income</i>	<i>117</i>	<i>348</i>	<i>348</i>	<i>348</i>	<i>382</i>	<i>349</i>	<i>349</i>
Net Cost of Services	8,106	8,789	9,075	9,866	11,066	7,455	7,423
 Adjustments ^(a)	 252	 115	 (205)	 7	 35	 40	 18
Appropriation provided to deliver Services.	8,358	8,904	8,870	9,873	11,101	7,495	7,441
 CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	8	8	8	1,008	1,008	8	8
TOTAL CONSOLIDATED FUND APPROPRIATIONS.....	8,366	8,912	8,878	10,881	12,109	7,503	7,449

(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, service and financial information is the subject of a Resource Agreement signed by the Minister, General Manager, Chairperson of the Swan River Trust and the Treasurer.

OUTCOMES, SERVICES AND PERFORMANCE INFORMATION**Relationship to Government Goals**

Broad, high level government goals are supported at agency level by more specific desired outcomes. Agencies deliver services to achieve these desired outcomes, which ultimately contribute to meeting the higher level government goals. The following table illustrates the relationship between agency level desired outcomes and the most appropriate government goal.

Government Goal	Desired Outcomes	Services
To ensure that Western Australia has an environment in which resources are managed, developed and used sustainably, biological diversity is preserved and habitats protected.	The long term community benefit of the Swan-Canning river system is protected and enhanced.	1. Statutory assessment of development proposals 2. Waterways management
	The ecological health of the Swan-Canning river system is protected and enhanced.	3. Development and implementation of environmental management programs 4. Communication of environmental information

Outcomes and Key Effectiveness Indicators ^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Outcome: The long term community benefit of the Swan-Canning river system is protected and enhanced.					
Percentage of development recommendations which have attracted negative responses from the community	1.80%	2%	3%	2%	No data available for previous financial years.
Percentage of developments audited in full compliance with approval conditions.....	n/a	n/a	n/a	100%	
Outcome: The ecological health of the Swan-Canning river system is protected and enhanced.					
The extent to which management water quality targets are achieved in the Swan-Canning catchments for Phosphorous	73%	73%	73%	73%	2005-06 estimate is elevated due to large scale low intensity weed management project.
The extent to which management water quality targets are achieved in the Swan-Canning catchments for Nitrogen	53%	53%	53%	59%	
The extent to which management water quality targets are achieved in the Swan-Canning estuary for Chlorophyll A.....	25%	25%	25%	25%	
The extent to which management water quality targets are achieved in the Swan-Canning estuary for Dissolved Oxygen	25%	25%	25%	25%	
Percentage of foreshores protected and rehabilitated in relation to total area	7.47%	8.96%	16.03%	10.76%	
Percentage of people attending environmental education programs who change their behaviours as a result.....	80%	80%	80%	80%	

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

Service 1: Statutory Assessment of Development Proposals

Assesses development proposals to ensure community benefit and the ecological health of the rivers are protected.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	606	786	791	775	
Less Income	-	-	-	-	
Net Cost of Service	606	786	791	775	
Adjustments ^(a)	12	12	3	2	
Appropriation for delivery of Service	618	798	794	777	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per application assessed ^(a)	\$2,717	\$3,575	\$4,393	\$4,309	
Full Time Equivalents (FTEs)	8	11	11	11	

(a) This is a new measure for 2006-07. Comparable information for 2004-05 and 2005-06 has been provided where possible.

Major Achievements For 2005-06

- Increased involvement in strategic plans for foreshore development, including the Swan and Helena Rivers Management Framework, Urban Water Management Strategy and various subdivision applications.
- Streamlined approval process through internal delegation of powers.

Major Initiatives For 2006-07

- Implement reforms to the approvals processes consistent with the new legislation.

Service 2: Waterways Management

Manages the river and foreshores, removes waste and hazards, inspects and audits developments, and responds to pollution incidents.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	1,044	876	955	864	Estimated actual for 2005-06 includes expenditure for delayed projects from 2004-05.
Less Income	17	56	56	56	
Net Cost of Service	1,027	820	899	808	
Adjustments ^(a)	(142)	10	(72)	-	
Appropriation for delivery of Service	885	830	827	808	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost of audit compliance ^(a)	n/a	n/a	n/a	\$3,499	
Average cost per tonne of waste removed ^(a)	\$5,617	\$2,674	\$1,093	\$1,572	
Full Time Equivalents (FTEs)	8	12	12	12	

(a) This is a new measure for 2006-07. Comparable information for 2004-05 and 2005-06 has been provided where practicable.

Major Achievements For 2005-06

- Started development of the management plan for the proposed new Riverpark, with substantial progress expected when the legislation is passed.

Major Initiatives For 2006-07

- Continue development of the management plan for the proposed new Riverpark.
- Develop and implement strategies to mitigate the impact of boating activities on the Swan and Canning Rivers.

Service 3: Development and Implementation of Environmental Management Programs

Develops and guides the environmental management programs required to protect and enhance the ecological health of the rivers

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	5,930	6,276	6,472	7,393	Variance between 2005-06 estimated actual and 2006-07 budget estimate mainly relates to additional funding of \$967,000 for State-wide Response to Algal Blooms and Acid Sulphate Soils.
Less Income	100	292	292	292	
Net Cost of Service	5,830	5,984	6,180	7,101	
Adjustments ^(a)	535	78	(141)	5	
Appropriation for delivery of Service	6,365	6,062	6,039	7,106	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost of river monitoring per km of river managed (approx. 156km) ^(a)	\$314	\$175	\$212	\$242	
Average cost per m ² of foreshore undergoing protection and rehabilitation works ^(a)	\$2.63	\$1.63	\$1.51	\$2.29	
Full Time Equivalents (FTEs)	8	12	12	14	

(a) This is a new measure for 2006-07. Comparable information for 2004-05 and 2005-06 has been provided where practicable.

Major Achievements For 2005-06

- Tabled Swan-Canning Cleanup Program evaluation report in Parliament (November 2005).
- Began Swan oxygenation feasibility study including continuous in situ oxygen monitoring.
- Began non-nutrient contaminant monitoring program in drains and tributaries of Swan-Canning Rivers.
- Finalised long-term data analysis of water quality.
- Completed Scientific Systems Inquiry Group (SSIG) decision support report for future investment.
- Developed and implemented nutrient intervention strategies in major drains in the priority Canning Plain Catchment.
- Completed foreshore condition assessment data collection and interim report for Melville and Perth waters.
- Introduced the Swan and Canning Rivers Management Bill to Parliament.
- Started development of the River Protection Strategy, with substantial progress expected when the legislation is passed.

Major Initiatives For 2006-07

- Implement next Swan Canning Cleanup Program Action Plan (SCCP II).
- Implement findings from the Swan oxygenation feasibility study.
- Implement recommendations from SSIG report for prioritisation of investment within the Swan Canning system.
- Continue nutrient intervention works in the priority Canning Plain Catchment.
- Initiate nutrient intervention strategies in the Ellenbrook and Belmont catchments.
- Continue liaison with local government to encourage foreshore protection and restoration, and riverwall repair in identified Riverbank priority areas.
- Complete foreshore condition assessment data collection for the Trust's management area and prepare foreshore management strategies.
- Progress development of the River Protection Strategy as the successor to Riverplan when the legislation is passed.

Service 4: Communication of Environmental Information

Works to engage stakeholders and raise community awareness to achieve behaviour change throughout the river catchments.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	643	1,199	1,205	1,182	
Less Income	-	-	-	-	
Net Cost of Service	643	1,199	1,205	1,182	
Adjustments ^(a)	(153)	15	5	-	
Appropriation for delivery of Service	490	1,214	1,210	1,182	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost per person attending an environmental education program ^(a)	\$207	\$352	\$353	\$347	
Full Time Equivalents (FTEs)	4	5	5	5	

(a) This is a new measure for 2006-07. Comparable information for 2004-05 and 2005-06 has been provided where practicable.

Major Achievements For 2005-06

- Continued community behaviour change programs, including 28 Great Gardens workshops (approx 3000 participants), 14 Heavenly Hectares workshops and 13 Corporate Care Days.
- Great Gardens program won a 2005 Environment Award for promoting behaviour change.

Major Initiatives For 2006-07

- Develop and start delivering an integrated urban and rural environmental education program in the high priority Ellenbrook catchment.

CAPITAL WORKS PROGRAM

The Trust's Capital Works Program provides funding for the establishment of Swan Canning Riverpark together with ongoing replacement of plant and equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
COMPLETED WORKS				
Plant and Equipment Replacement Program 2004-05 to 2005-06.....	200	200	100	-
NEW WORKS				
Establishment of Swan Canning Riverpark.....	2,000	-	-	1,000
Plant and Equipment Replacement Program 2006-07 Program	100	-	-	100
	2,300	200	100	1,100

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	110	100	100	1,100	1,185	90	-
Working capital requirement							
Loan and Other Repayments	8	8	8	8	8	8	8
	118	108	108	1,108	1,193	98	8
LESS							
Asset Sales	10	-	-	-	35	-	-
Drawdowns from the Holding Account	100	100	100	100	150	90	-
Internal Funds and Balances	-	-	-	-	-	-	-
Capital Contribution	8	8	8	1,008	1,008	8	8

FINANCIAL STATEMENTS**INCOME STATEMENT
(Controlled)**

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	2,303	1,414	2,204	2,349	2,427	2,517	2,597
Superannuation	-	2	2	10	11	20	21
Grants and subsidies ^(c)	2,160	1,000	1,000	1,000	1,000	-	-
Services purchased from non-government agencies	-	73	73	73	73	73	73
Supplies and services	3,471	5,276	5,814	6,366	7,424	4,677	4,536
Accommodation	-	-	-	8	9	17	18
Finance costs	10	13	13	13	13	13	13
Capital user charge	140	80	126	126	209	253	253
Depreciation and amortisation	82	215	135	135	135	135	135
Loss on disposal of non-current assets	4	1	1	1	-	2	2
Other expenses	53	1,063	55	133	147	97	124
TOTAL COST OF SERVICES	8,223	9,137	9,423	10,214	11,448	7,804	7,772
Income							
Regulatory fees and fines	-	51	-	-	-	-	-
Gain on disposal of non-current assets	-	-	-	-	34	-	-
Grants and subsidies	75	25	76	76	76	77	77
Other revenue	42	272	272	272	272	272	272
Total Income	117	348	348	348	382	349	349
NET COST OF SERVICES	8,106	8,789	9,075	9,866	11,066	7,455	7,423
INCOME FROM STATE GOVERNMENT							
Service appropriations	8,358	8,904	8,870	9,873	11,101	7,495	7,441
Resources received free of charge	1	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	8,359	8,904	8,870	9,873	11,101	7,495	7,441
SURPLUS (DEFICIENCY) FOR THE PERIOD	253	115	(205)	7	35	40	18
Extraordinary items	2	-	-	-	-	-	-
CHANGE IN SURPLUS (DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	255	115	(205)	7	35	40	18

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

(b) The Full Time Equivalents (FTEs) for 2004-05 Actual, 2005-06 Estimated Actual and 2006-07 Estimate are 28, 40 and 42 respectively.

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

BALANCE SHEET
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CURRENT ASSETS							
Cash and cash equivalents	880	10	659	659	660	698	720
Restricted cash	10	10	10	10	10	10	10
Receivables	128	207	155	182	182	189	191
Amounts receivable for services	100	100	100	150	90	-	-
Prepayments	8	2	9	9	9	9	9
Total current assets	1,126	329	933	1,010	951	906	930
NON-CURRENT ASSETS							
Amounts receivable for services	179	320	240	251	322	483	644
Land and buildings	270	234	270	270	270	270	270
Plant and equipment	366	484	330	1,294	2,343	2,296	2,159
Other	6	-	6	6	6	6	6
Total non-current assets	821	1,038	846	1,821	2,941	3,055	3,079
TOTAL ASSETS	1,947	1,367	1,779	2,831	3,892	3,961	4,009
CURRENT LIABILITIES							
Payables	69	17	75	96	96	96	96
Provision for employee entitlements	-	22	11	22	33	44	55
Borrowings	57	60	57	57	57	57	57
Accrued salaries	-	56	5	3	3	3	7
Other	41	39	41	41	41	44	44
Total current liabilities	167	194	189	219	230	244	259
NON-CURRENT LIABILITIES							
Provision for employee entitlements	-	30	15	30	45	60	75
Borrowings	87	77	79	71	63	55	47
Total non-current liabilities	87	107	94	101	108	115	122
TOTAL LIABILITIES	254	301	283	320	338	359	381
EQUITY							
Contributed equity	92	100	100	1,108	2,116	2,124	2,132
Accumulated surplus/(deficit)	1,543	944	1,338	1,345	1,380	1,420	1,438
Reserves	58	22	58	58	58	58	58
Total equity	1,693	1,066	1,496	2,511	3,554	3,602	3,628
TOTAL LIABILITIES AND EQUITY	1,947	1,367	1,779	2,831	3,892	3,961	4,009

- (a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

CASHFLOW STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	8,197	8,663	8,709	9,712	10,940	7,334	7,280
Capital contribution	8	8	8	1,008	1,008	8	8
Holding account drawdowns	100	100	100	100	150	90	-
Net cash provided by State government	8,305	8,771	8,817	10,820	12,098	7,432	7,288
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(2,322)	(1,383)	(2,173)	(2,325)	(2,401)	(2,491)	(2,567)
Superannuation	-	(2)	(2)	(10)	(11)	(20)	(21)
Grants and subsidies	(2,138)	(1,000)	(1,000)	(1,000)	(1,000)	-	-
Services purchased from non-government agencies	-	(73)	(73)	(73)	(73)	(73)	(73)
Supplies and services	(3,459)	(5,285)	(5,823)	(6,375)	(7,428)	(4,681)	(4,540)
Accommodation	-	-	-	(8)	(9)	(17)	(18)
Finance costs	(10)	(13)	(13)	(13)	(13)	(13)	(13)
Capital user charge	(140)	(80)	(126)	(126)	(209)	(253)	(253)
Goods and services tax	(327)	(373)	(373)	(373)	(373)	(373)	(373)
Other	(55)	(1,169)	(61)	(123)	(136)	(90)	(115)
Receipts							
Regulatory fees and fines	-	22	-	-	-	-	-
Grants and subsidies	75	25	76	76	76	77	77
Goods and services tax	342	373	373	373	373	373	373
Other receipts	53	294	265	265	265	265	265
Net cash from operating activities	(7,981)	(8,664)	(8,930)	(9,712)	(10,939)	(7,296)	(7,258)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(42)	(100)	(100)	(1,100)	(1,185)	(90)	-
Proceeds from sale of non-current assets	10	-	-	-	35	-	-
Net cash from investing activities	(32)	(100)	(100)	(1,100)	(1,150)	(90)	-
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings	(8)	(8)	(8)	(8)	(8)	(8)	(8)
Net cash from financing activities	(8)	(8)	(8)	(8)	(8)	(8)	(8)
NET INCREASE/(DECREASE) IN CASH HELD	284	(1)	(221)	-	1	38	22
Cash assets at the beginning of the reporting period	606	21	890	669	669	670	708
Cash assets at the end of the reporting period	890	20	669	669	670	708	730

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
Swan and Canning Cleanup Program (SCCP)	2,160	1,000	1,000	1,000	1,000	-	-
TOTAL	2,160	1,000	1,000	1,000	1,000	-	-

ZOOLOGICAL PARKS AUTHORITY

PART 11 - MINISTER FOR THE ENVIRONMENT; RACING AND GAMING

DIVISION 50

APPROPRIATION AND FORWARD ESTIMATES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 98 Net amount appropriated to deliver services	8,846	8,841	8,841	10,052	11,135	11,631	12,213
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 ^(a)	174	149	149	154	158	163	168
Total appropriations provided to deliver services	9,020	8,990	8,990	10,206	11,293	11,794	12,381
CAPITAL							
Item 171 Capital Contribution	700	715	17,602	730	735	735	735
GRAND TOTAL	9,720	9,705	26,592	10,936	12,028	12,529	13,116

- (a) The recommendation by the *Salaries and Allowance Tribunal* on 7 April 2006 regarding senior public servants salaries was received after the deadline for finalising agencies' individual financial projections. Accordingly, a provision for the total cost (estimated at around \$1.5 million per year from 2006-07) is reflected in the 'Authorised by Other Statutes' appropriations and financial statements of the administered activities of the Department of Treasury and Finance (Budget Paper 2, Volume 1). This provision will be reflected in agencies' estimates following the release of the 2006-07 Budget.

MISSION

The agency's mission is to advance the conservation of wildlife and to change community attitudes towards the preservation of life on earth.

SIGNIFICANT ISSUES AND TRENDS

- State Government funding in 2005-06 enabled the retirement of the Zoo's debt liability and the Zoo was also granted an exemption from payroll tax during 2005-06. The approval to retain the associated debt servicing and payroll tax savings in 2006-07 and the forward estimates will enable funds to be directed to other expenditure priorities of Perth Zoo. These priorities include maintenance, animal care and business development strategies.
- Perth Zoo will monitor and review its events, activities and marketing strategies to ensure the positive trend being experienced in admission numbers continues through 2006-07.
- The Zoo will continue to focus on delivering conservation messages through targeted education and public awareness campaigns. Strategic planning and the release of the World Zoo and Aquarium Conservation Strategy in 2005 have helped Perth Zoo to refocus its conservation activities and messages.
- Perth Zoo will undertake significant capital works including the scheduled completion of the Sun Bear exhibit, Stage Two of the Elephants of Asia exhibit redevelopment and ongoing work to complete the Orang-utan exhibit redevelopment.
- The Zoo will continue to work towards a seamless roll in to the Government's shared corporate services initiative.
- Perth Zoo will continue priority projects that support wildlife conservation.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2005-06 Budget to Parliament on 26 May 2005 are outlined below.

	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
Zoo maintenance and business development	1,300	1,300	1,300	1,300

SERVICE AND APPROPRIATION SUMMARY

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Visitor services	5,280	5,215	5,331	5,899			
<i>Service 2:</i>							
Community education and awareness	992	1,184	1,171	1,482			
<i>Service 3:</i>							
Wildlife collection management	9,981	10,475	10,543	11,059			
Total Cost of Services	16,253	16,874	17,045	18,440	19,565	20,345	21,151
<i>Less Income</i>	<i>8,020</i>	<i>8,437</i>	<i>9,922</i>	<i>8,936</i>	<i>8,997</i>	<i>9,093</i>	<i>9,054</i>
Net Cost of Services	8,233	8,437	7,123	9,504	10,568	11,252	12,097
Adjustments ^(a)	787	553	1,867	702	725	542	284
Appropriation provided to deliver Services.	9,020	8,990	8,990	10,206	11,293	11,794	12,381
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	700	715	17,602	730	735	735	735
TOTAL CONSOLIDATED FUND APPROPRIATIONS	9,720	9,705	26,592	10,936	12,028	12,529	13,116

(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, service and financial information is the subject of a Resource Agreement signed by the Minister, Chief Executive Officer, the Chairperson of the Board and the Treasurer.

OUTCOMES, SERVICES AND PERFORMANCE INFORMATION

Relationship to Government Goals

Broad, high level government goals are supported at agency level by more specific desired outcomes. Agencies deliver services to achieve these desired outcomes, which ultimately contribute to meeting the higher level government goals. The following table illustrates the relationship between agency level desired outcomes and the most appropriate government goal.

Government Goal	Desired Outcome	Services
To ensure that Western Australia has an environment in which resources are managed, developed and used sustainably, biological diversity is preserved and habitats protected.	Positive community attitudes towards the understanding and appreciation of wildlife and environmental conservation.	1. Visitor services 2. Community education and awareness
	Conservation of wildlife.	3. Wildlife collection management

Outcomes and Key Effectiveness Indicators ^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Outcome: Positive community attitudes towards the understanding and appreciation of wildlife and environmental conservation.					
Survey of visitors - the Zoo as an educational / learning experience:					
- Agree.....	87%	90%	90%	90%	
- Neutral	7%	5%	5%	5%	
- Disagree	4%	5%	5%	5%	
- No response	2%	0%	0%	0%	
Survey of visitors - the Zoo encourages people to be more conscious of conservation of the environment:					
- Agree.....	67%	84%	80%	80%	
- Neutral	18%	10%	15%	15%	
- Disagree	8%	4%	5%	5%	
- No response	7%	2%	0%	0%	
Outcome: Conservation of wildlife.					
Number of offspring produced by threatened animals for re-introduction:					
- Western Swamp Tortoise	71	40	40	40	
- Numbat	14	15	16	15	
- Dibbler	57	42	42	42	
Percentage of species in the animal collection that are part of a regionally managed program where the Perth Zoo has complied with that program:					
- Number of species in the animal collection that are part of a regional management program	39	38	38	39	
- Percentage of species in the animal collection that are part of a regional management program	18%	17%	17%	18%	
- Percentage of species where Perth Zoo has complied with the regional management program	100%	100%	100%	100%	

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

Service 1: Visitor Services

Perth Zoo aims to maximise visitation by providing a quality and unique 'value for money' attraction that provides recreation, education and commercial facilities set in ecologically themed botanic gardens.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	5,280	5,215	5,331	5,899	Variation between 2005-06 Budget and Estimated Actual as a result of retrospective refund of payroll tax.
Less Income	2,850	3,223	4,012	3,535	
Net Cost of Service	2,430	1,992	1,319	2,364	
Adjustments ^(a)	220	156	547	209	
Appropriation for delivery of Service	2,650	2,148	1,866	2,573	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Total customers admitted to the Zoo	550,105	560,000	570,000	570,000	
Average cost per customer (based on total cost of services to the Zoo).....	\$29.54	\$30.13	\$29.90	\$32.35	
Full Time Equivalents (FTEs)	39	43	42	43	

Major Achievements For 2005-06

- Continued to offer the public a new and exciting summer events season featuring a wide variety of activities and concerts.
- Increased Friends of Perth Zoo memberships by over 30 per cent during the financial year, with total members now exceeding 13,000.
- Completed a comprehensive review of catering services and facilities leading up to the end of the current catering contract. The existing contract is due to end in early 2007.
- Developed a plan to improve the Zoo's perimeter security.
- Revised the Zoo's smoking policy in response to feedback from the general public. Smoking is now prohibited in public areas of the Zoo except two designated smoking areas.
- Completed construction of Stage One of the Elephants of Asia exhibit and finalised the specifications and planning for Stage Two of this redevelopment project.
- Continued to promote Project Sun Bear as the Zoo's major fundraising campaign, generating significant public and corporate support. Design of the new Sun Bear exhibit was completed and construction commenced.
- Established a native orchid exhibit at the entrance to the Australian Bushwalk to showcase rare Australian flora.

Major Initiatives For 2006-07

- Continue to review and revise Perth Zoo's summer events season and commercial approach to ensure these activities remain appealing and profitable.
- Award a new catering contract.
- Commence detailed design phase for the completion of the Orang-utan exhibit redevelopment.
- Complete construction of Stage Two of the Elephants of Asia exhibit redevelopment.
- Complete construction of a new Sun Bear exhibit.
- Implement a lighting plan for the Zoo.

Service 2: Community Education and Awareness

Perth Zoo aims to promote clear conservation messages to the community. This is achieved by providing educational programs and publications, interpretation and information services that educate the community about conservation issues. The Zoo's commercial activities are also underpinned by conservation messages.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	992	1,184	1,171	1,482	
Less Income	512	607	660	699	
Net Cost of Service	480	577	511	783	
Adjustments ^(a)	55	38	123	59	
Appropriation for delivery of Service	535	615	634	842	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Number of participants in formal education programs.....	60,420	60,000	61,000	62,000	
Average cost per participant	\$16.41	\$19.73	\$19.19	\$23.90	
Full Time Equivalents (FTEs)	9	9	10	12	

Major Achievements For 2005-06

- Reached agreement with the Department of Education and Training for a seconded officer to work with Perth Zoo with the aim of increasing visitation from the Government school sector.
- Launched new Adult and Community Education programs, including a Saturday morning series for family groups.
- Conducted Zoo Camp overnight sleepovers for school children and created a new professional development 'sleepover' program for teachers.

- Launched, in conjunction with the Royal Society for Prevention of Cruelty to Animals, a new school program for 10 to 14 year olds on caring for animals.
- Introduced new interpretive facilities for various exhibits and facilities.
- Conducted the seventh national Great Australian Night Stalk program to increase community awareness of endangered native species.
- Continued to provide clinical rotations at Perth Zoo for Murdoch University final year veterinary students.

Major Initiatives For 2006-07

- Redevelop Perth Zoo website to provide additional information and features.
- Continue and further develop the Zoo's partnership with the Department of Education and Training.
- Develop a long-term strategic plan for Perth Zoo's Great Australian Night Stalk program.
- Implement a new conservation education program for school teachers.

Service 3: Wildlife Collection Management

The conservation value of the wildlife collection will be optimised by effective management, selection, captive breeding, breeding for re-introduction and provision of research opportunities.

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	9,981	10,475	10,543	11,059	Due to retrospective refund of payroll tax in 2005-06.
Less Income	4,658	4,607	5,250	4,702	
Net Cost of Service	5,323	5,868	5,293	6,357	
Adjustments ^(a)	512	359	1,197	434	
Appropriation for delivery of Service	5,835	6,227	6,490	6,791	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Number of species maintained within the animal collection	218	222	220	221	
Average cost of maintaining each species in the animal collection	\$45,785	\$47,187	\$47,924	\$50,042	
Full Time Equivalents (FTEs)	92	90	93	92	

Major Achievements For 2005-06

- Commenced detailed design for Stage Two of the Elephants of Asia exhibit redevelopment.
- Artificially inseminated a Perth Zoo female Asian elephant with sperm from Perth Zoo's bull elephant. This is the first time artificial insemination of an elephant has been performed in an Australian Zoo. Tests are underway to determine the success of the insemination.
- Introduced a new breeding male giraffe (from Melbourne Zoo) to recommence the Zoo's Rothchild's Giraffe breeding program.
- Continued the Zoo's partnership with the Department of Conservation and Land Management, breeding threatened native species for release into the wild. Perth Zoo also recorded the first ever captive breeding of the endangered Sandhill Dunnart.
- Received a grant from the Office of Science and Innovation for a frog breeding and research program.
- Acquired new knowledge on the health and diseases of the critically endangered Gilbert's Potoroo through the John Howell Masters Residency Program.
- Developed reproduction knowledge of critically endangered Central Rock Rat.
- Initiated three new Honorary Research Fellow positions to facilitate Zoo based conservation research.

Major Initiatives For 2006-07

- Complete Stage Two of the Elephants of Asia exhibit.
- Install remaining climbing structures in the Orang-utan enclosures and complete detailed design to achieve roof top viewing.
- Complete a new Sun Bear exhibit and transport two rescued Sun Bears from Cambodia to Perth.
- Establish non-invasive hormone monitoring facilities at Perth Zoo.
- Continue to gather scientific data on the reproduction, growth and development of threatened species including Sandhill Dunnarts and Central Rock Rats.
- Continue frog breeding and research program.
- Continue work with external partners on a collaborative grant application for a Biodiversity Conservation Research Institute.
- Work on further developing partnerships that support wildlife conservation locally and internationally.

CAPITAL WORKS PROGRAM

The Authority's capital works program aims to support the strategic direction of the Zoo and its long-term viability, including the continuous improvement and development of Zoo assets. The priority for upgrading exhibits and facilities are outlined in Perth Zoo's Master Plan, 'Twenty-Twenty Vision'.

The capital program provides for the upgrade of exhibits and facilities in order to enhance visitor experiences and further the Zoo's conservation and breeding initiatives. The 2006-07 program will include the completion of the Elephants of Asia exhibit redevelopment, the construction of a new Sun Bear exhibit and detailed design work for the completion of the orang-utan exhibit redevelopment.

Capital funds have also been allocated to the Zoo's ongoing maintenance program to ensure that the Zoo provides a high level of amenity for its visitors and continue to meet animal welfare standards.

The Zoo's internal fundraising and corporate sponsorship revenue is directed towards the Zoo's capital works program, in particular, animal exhibits.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Animal Exhibit Upgrades	9,141	2,606	459	800
Asian Elephant Exhibit	5,256	2,656	622	2,600
Computer Equipment	840	70	70	70
Minor Equipment Purchases	956	456	216	134
COMPLETED WORKS				
Amenities and Facilities	234	234	28	-
Catering				
Catering Facilities Feasibility Study	70	70	70	-
Maintenance 2004-05 Program	500	500	81	-
Maintenance 2005-06	500	500	500	-
Security Upgrade Business Plan	70	70	70	-
Veterinary Equipment	50	50	50	-
NEW WORKS				
Animal Exhibits				
Orang-utan Exhibit	2,200	-	-	730
Maintenance 2006/07	1,000	-	-	500
	20,817	7,212	2,166	4,834

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	3,653	4,076	2,166	4,834	1,939	1,922	1,920
Working capital requirement							
Loan and Other Repayments	700	715	17,602	-	-	-	-
	4,353	4,791	19,768	4,834	1,939	1,922	1,920
LESS							
Drawdowns from the Holding Account	1,836	2,720	320	2,470	70	70	70
Funding Included in Service Appropriations ^(a)	500	640	640	500	500	500	500
Internal Funds and Balances	1,077	360	990	1,000	500	500	500
Other	240	356	216	134	134	117	115
Capital Contribution	700	715	17,602	730	735	735	735

(a) Capital works expensed through the Income Statement.

FINANCIAL STATEMENTS**INCOME STATEMENT
(Controlled)**

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	7,234	7,642	7,629	8,007	8,304	8,597	8,987
Superannuation	651	722	754	759	787	814	847
Cost of goods sold	432	447	397	464	487	508	529
Grants and subsidies	33	20	33	20	20	20	20
Supplies and services	3,724	3,522	4,267	5,282	5,036	5,084	5,220
Accommodation	307	306	280	280	280	280	280
Finance costs	1,137	1,095	1,061	-	-	-	-
Capital user charge	693	815	815	1,729	2,666	2,971	3,161
Depreciation and amortisation	1,508	1,774	1,774	1,863	1,948	2,033	2,068
State taxes	415	497	-	-	-	-	-
Loss on disposal of non-current assets	87	-	-	-	-	-	-
Other expenses	32	34	35	36	37	38	39
TOTAL COST OF SERVICES	16,253	16,874	17,045	18,440	19,565	20,345	21,151
Income							
User charges and fees	7,296	7,840	7,904	8,049	8,142	8,218	8,294
Grants and subsidies	99	50	174	165	165	165	50
Interest revenue	17	12	17	17	17	17	17
Donations	608	535	601	633	673	693	693
Other revenue	-	-	1,226	72	-	-	-
Total Income	8,020	8,437	9,922	8,936	8,997	9,093	9,054
NET COST OF SERVICES	8,233	8,437	7,123	9,504	10,568	11,252	12,097
INCOME FROM STATE GOVERNMENT							
Service appropriations	9,020	8,990	8,990	10,206	11,293	11,794	12,381
Liabilities assumed by the Treasurer	6	2	6	6	6	6	6
TOTAL INCOME FROM STATE GOVERNMENT	9,026	8,992	8,996	10,212	11,299	11,800	12,387
SURPLUS (DEFICIENCY) FOR THE PERIOD	793	555	1,873	708	731	548	290
Extraordinary items	122	-	-	-	-	-	-
CHANGE IN SURPLUS (DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	915	555	1,873	708	731	548	290

- (a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.
- (b) The Full Time Equivalents (FTEs) for 2004-05 Actual, 2005-06 Estimated Actual and 2006-07 Estimate are 140, 145 and 147 respectively.

BALANCE SHEET
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CURRENT ASSETS							
Cash and cash equivalents	341	437	773	415	596	617	375
Restricted cash	157	-	-	-	-	-	-
Receivables	470	366	446	446	446	446	446
Inventories	136	123	135	137	140	142	144
Amounts receivable for services	2,720	70	2,470	70	70	70	70
Prepayments	21	30	30	30	30	30	30
Total current assets	3,845	1,026	3,854	1,098	1,282	1,305	1,065
NON-CURRENT ASSETS							
Amounts receivable for services	1,438	3,182	3,182	5,015	6,933	8,936	10,974
Land and buildings	23,087	24,791	22,798	25,480	25,222	24,919	24,616
Plant and equipment	1,704	1,227	1,672	1,462	1,212	905	560
Total non-current assets	26,229	29,200	27,652	31,957	33,367	34,760	36,150
TOTAL ASSETS	30,074	30,226	31,506	33,055	34,649	36,065	37,215
CURRENT LIABILITIES							
Payables	378	269	245	254	263	272	274
Provision for employee entitlements	698	704	934	964	994	1,024	1,054
Borrowings	715	730	-	-	-	-	-
Interest payable	290	279	-	-	-	-	-
Accrued salaries	-	20	20	20	40	60	80
Other	359	334	400	462	521	585	648
Total current liabilities	2,440	2,336	1,599	1,700	1,818	1,941	2,056
NON-CURRENT LIABILITIES							
Provision for employee entitlements	732	647	417	427	437	447	457
Borrowings	16,887	16,157	-	-	-	-	-
Total non-current liabilities	17,619	16,804	417	427	437	447	457
TOTAL LIABILITIES	20,059	19,140	2,016	2,127	2,255	2,388	2,513
EQUITY							
Contributed equity	2,137	2,852	19,739	20,469	21,204	21,939	22,674
Accumulated surplus/(deficit)	4,315	4,874	6,188	6,896	7,627	8,175	8,465
Reserves	3,563	3,360	3,563	3,563	3,563	3,563	3,563
Total equity	10,015	11,086	29,490	30,928	32,394	33,677	34,702
TOTAL LIABILITIES AND EQUITY	30,074	30,226	31,506	33,055	34,649	36,065	37,215

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

CASHFLOW STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	7,316	7,176	7,176	8,303	9,305	9,721	10,273
Capital contribution	700	715	17,602	730	735	735	735
Holding account drawdowns	1,836	2,720	320	2,470	70	70	70
Net cash provided by State government	9,852	10,611	25,098	11,503	10,110	10,526	11,078
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(7,341)	(7,582)	(7,763)	(7,967)	(8,244)	(8,537)	(8,927)
Superannuation	(662)	(718)	(727)	(751)	(779)	(806)	(841)
Grants and subsidies	(33)	(20)	(33)	(20)	(20)	(20)	(20)
Supplies and services	(4,142)	(3,961)	(4,787)	(5,739)	(5,520)	(5,583)	(5,745)
Accommodation.....	(311)	(305)	(281)	(281)	(281)	(281)	(281)
Finance costs	(1,146)	(1,100)	(1,351)	-	-	-	-
Capital user charge.....	(693)	(815)	(815)	(1,729)	(2,666)	(2,971)	(3,161)
State taxes	(420)	(496)	-	-	-	-	-
Goods and services tax	(739)	(794)	(694)	(949)	(702)	(698)	(690)
Other.....	(32)	(34)	(35)	(36)	(37)	(38)	(39)
Receipts							
User charges and fees.....	7,310	7,800	7,901	8,109	8,202	8,278	8,354
Grants and subsidies	99	50	174	165	165	165	50
Interest received	17	12	17	17	17	17	17
Donations receipts.....	624	585	601	633	673	693	693
Goods and services tax	671	794	694	949	702	698	690
Other receipts	-	-	1,324	72	-	-	-
Net cash from operating activities.....	(6,798)	(6,584)	(5,775)	(7,527)	(8,490)	(9,083)	(9,900)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(3,041)	(3,313)	(1,446)	(4,334)	(1,439)	(1,422)	(1,420)
Net cash from investing activities.....	(3,041)	(3,313)	(1,446)	(4,334)	(1,439)	(1,422)	(1,420)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(700)	(715)	(17,602)	-	-	-	-
Net cash from financing activities	(700)	(715)	(17,602)	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(687)	(1)	275	(358)	181	21	(242)
Cash assets at the beginning of the reporting period	1,185	438	498	773	415	596	617
Cash assets at the end of the reporting period.....	498	437	773	415	596	617	375

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

RACING, GAMING AND LIQUOR

PART 11 - MINISTER FOR THE ENVIRONMENT; RACING AND GAMING

DIVISION 51

APPROPRIATION AND FORWARD ESTIMATES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 99 Net amount appropriated to deliver services	3,078	3,126	3,126	2,975	2,674	2,740	2,793
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 ^(a)	142	146	146	150	155	160	160
Total appropriations provided to deliver services	3,220	3,272	3,272	3,125	2,829	2,900	2,953
ADMINISTERED TRANSACTIONS							
Item 100 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	74,330	87,540	91,640	94,490	81,490	83,800	84,300
Amount Authorised by Other Statutes - Liquor Licensing Act 1988	3,888	3,500	3,500	3,700	3,900	4,500	5,000
GRAND TOTAL	81,438	94,312	98,412	101,315	88,219	91,200	92,253

- (a) The recommendation by the Salaries and Allowance Tribunal on 7 April 2006 regarding senior public servants salaries was received after the deadline for finalising agencies' individual financial projections. Accordingly, a provision for the total cost (estimated at around \$1.5 million per year from 2006-07) is reflected in the 'Authorised by Other Statutes' appropriations and financial statements of the administered activities of the Department of Treasury and Finance (Budget Paper 2, Volume 1). This provision will be reflected in agencies' estimates following the release of the 2006-07 Budget.

MISSION

To promote and maintain the integrity of lawful gambling and liquor activities through the licensing and regulation of suppliers, within community expectations on harm minimisation.

SIGNIFICANT ISSUES AND TRENDS

- The Government is reforming the *Liquor Licensing Act 1988*. This is aimed at promoting innovation, diversity and customer choices, while also promoting lower risk drinking environments and minimizing harm.
- On 7 February 2006, the Tasmanian Government decided to issue a licence to Betfair Pty Ltd to commence betting exchange operations in Australia. To protect the integrity of respective racing industries, mainland Australian states are moving towards restricting betting exchange operations by:
 - prohibiting the use of race field information without the appropriate approval; and
 - prohibiting the establishment/operation or use of a betting exchange.
- The Victorian Government is seeking agreement from all Australian states and territories to investigate options for establishing a nationally consistent regulatory framework to protect sporting integrity where there is wagering on sporting events.
- The Government has shown its commitment to support a growing racing industry by reducing the level of taxation and changing the method of taxation from turnover to gross profit for off-course totalisator wagering.

- The Government's 2001 election commitment to spending \$20.0 million on regional racing infrastructure in 2005-06 and 2006-07 has been increased to \$25.0 million over three years with a further injection of \$5.0 million from Racing and Wagering Western Australia. This money will be directed towards racecourse rehabilitation, development of winter thoroughbred racing options, whole of industry initiatives, and development of various regional clubs.
- The Director of Liquor Licensing is continuing to work with remote communities to assist in implementing strategies to reduce alcohol related harm.

SERVICE AND APPROPRIATION SUMMARY

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Licensing - Evaluation and determination of applications	3,713	3,820	3,820	3,848			
<i>Service 2:</i>							
Compliance audits and inspections.....	3,750	4,292	4,292	4,368			
Total Cost of Services	7,463	8,112	8,112	8,216	8,086	8,326	8,544
<i>Less Income.....</i>	<i>4,419</i>	<i>4,726</i>	<i>4,726</i>	<i>4,941</i>	<i>5,103</i>	<i>5,267</i>	<i>5,427</i>
Net Cost of Services	3,044	3,386	3,386	3,275	2,983	3,059	3,117
Adjustments ^(a)	176	(114)	(114)	(150)	(154)	(159)	(164)
Appropriation provided to deliver Services.	3,220	3,272	3,272	3,125	2,829	2,900	2,953
ADMINISTERED TRANSACTIONS							
Appropriation for Administered Grants, Subsidies and Transfer Payments	78,218	91,040	95,140	98,190	85,390	88,300	89,300
TOTAL CONSOLIDATED FUND APPROPRIATIONS.....	81,438	94,312	98,412	101,315	88,219	91,200	92,253

(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, service and financial information is the subject of a Resource Agreement signed by the Minister, Chief Executive Officer and the Treasurer.

OUTCOMES, SERVICES AND PERFORMANCE INFORMATION

Relationship to Government Goals

Broad, high level government goals are supported at agency level by more specific desired outcomes. Agencies deliver services to achieve these desired outcomes, which ultimately contribute to meeting the higher level government goals. The following table illustrates the relationship between agency level desired outcomes and the most appropriate government goal.

Government Goal	Desired Outcome	Services
To govern for all Western Australians in an open, effective and efficient manner that also ensures a sustainable future.	To promote, monitor and enforce responsible and lawful gambling and liquor services in accordance with the legislation.	<ol style="list-style-type: none"> 1. Licensing - Evaluation and determination of applications 2. Compliance audits and inspections

Outcomes and Key Effectiveness Indicators ^(a)

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Outcome: To promote, monitor and enforce responsible and lawful gambling and liquor services in accordance with the legislation.					
Applications granted that comply with statutory requirements	98%	100%	98%	100%	
Licensees/service providers that comply with audit requirements and statutory criteria	96%	96%	96%	96%	

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

Service 1: Licensing - Evaluation and Determination of Applications

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

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	3,713	3,820	3,820	3,848	
Less Income	2,722	2,749	2,749	3,178	
Net Cost of Service	991	1,071	1,071	670	
Adjustments ^(a)	(58)	(32)	(32)	(80)	
Appropriation for delivery of Service	933	1,039	1,039	590	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost of determining applications	\$334	\$324	\$345	\$346	
Full Time Equivalents (FTEs)	50	47	47	45	

Major Achievements For 2005-06

- The Department of Racing, Gaming and Liquor has worked actively with the Drug and Alcohol Senior Officers Group, contributing to the development of the WA Drug and Alcohol Strategy 2005-09. The strategy builds on the past achievements of the WA Drug and Alcohol Strategy 2002-05 and highlights areas for future focus. The vision of the WA Drug and Alcohol Strategy 2005-09 is for Western Australians to value and lead healthy and safe lifestyles with access to the best services and programs to prevent, reduce and delay alcohol and other drugs harm. In addition, the Department of Racing, Gaming and Liquor has also participated in other initiatives that support the drug strategy, such as the development of the Aboriginal Alcohol and Other Drugs Plan 2005-09, Volatile Substance Use Plan 2005-09, Agency Drug and Alcohol Action Plans 2005-09 and Alcohol Plan 2005-09.
- Reviews of the liquor restrictions imposed as a result of enquiries conducted pursuant to section 64 of the *Liquor Licensing Act 1988*, into alcohol-related harm, have been conducted in relation to Halls Creek, Port Hedland and South Hedland, Mount Magnet, and Newman. In all cases, the Director of Liquor Licensing was satisfied on the evidence that the restrictions in these communities have had a positive effect on reducing crime and anti-social behaviour and the harms associated with the use of liquor. As a consequence, the existing restrictions have remained as conditions imposed on the relevant licences.
- A review of restrictive conditions imposed on licensed premises in Derby is currently being conducted and is expected to be finalised before the end of the financial year.
- Finalisation of the Government's package to reform the *Liquor Licensing Act 1988*.
- Amendment of the *Gaming and Wagering Commission Regulations 1988* to amend the rules, regulations and conditions governing the conduct of bingo.
- Amendments to the *Casino Control (Burswood Island) (Licensing of Employees) Regulations 1985* to streamline the process for the issue of provisional casino employee licences and provisional casino key employee licences.
- In fulfilment of the Government's 2001 election commitment to the development of the regional racing infrastructure, with the assistance of Racing and Wagering Western Australia, \$10.9 million has been allocated for improvements at a number of country venues during the 2005-06 financial year.

Major Initiatives For 2006-07

- Progression of approved legislative amendments to:
 - repeal the Kalgoorlie and Boulder Racing Clubs Act 1904 to facilitate the club's incorporation under the Associations Incorporation Act 1987;
 - the Racing and Wagering Western Australia Tax Act 2003 to reduce the level of taxation and change the method of taxation turnover to gross profits for off-course wagering to 21 per cent;
 - implement the Government's reform package for the Liquor Licensing Act 1988; and
 - the Betting Control Act 1954, to:
 - prohibit the publication of Western Australian race fields by unauthorised wagering service providers;
 - prohibit the establishment/operation and use of betting exchanges; and
 - extend the application of section 27A, relating to off-shore betting, to include any sporting event or contingency approved by the Gaming and Wagering Commission.
- As part of the Government's racing industry infrastructure grants program, approximately \$10.7 million is expected to be expended during the 2006-07 financial year.
- Restructure of the Department as a result of the proposed amendment to the *Liquor Licensing Act 1988* that will see the Director General of the Department of Racing, Gaming and Liquor becoming the statutory position responsible for the administration of the Act.
- Development and delivery of an integrated web-based licensing system to replace the current multiple business systems that are based on outdated technology.
- The transfer of identified corporate services to the Office of Shared Services.

Service 2: Compliance Audits and Inspections

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

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	3,750	4,292	4,292	4,368	
Less Income	1,697	1,977	1,977	1,763	
Net Cost of Service	2,053	2,315	2,315	2,605	
Adjustments ^(a)	234	(82)	(82)	(70)	
Appropriation for delivery of Service	2,287	2,233	2,233	2,535	

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

Key Efficiency Indicators

	2004-05 Actual	2005-06 Budget	2005-06 Estimated	2006-07 Target	Reason for Significant Variation between 2005-06 Estimated and 2006-07 Target
Average cost of conducting inspections	\$487	\$557	\$515	\$546	
Full Time Equivalents (FTEs)	39	46	46	51	

Major Achievements For 2005-06

- Restructure of the Department's inspectorate to enable groups of inspectors to be allocated to audit and inspect the racing, gaming and liquor industries on a rotational basis.

Major Initiatives For 2006-07

- The relocation of the International Gaming Facility from within the casino building to an area in the InterContinental Burswood Resort Perth Hotel that was previously occupied by Windows Restaurant and a number of function and meeting rooms.
- Development of a collaborative approach with Western Australian Police officers to investigate liquor and gaming venues.

CAPITAL WORKS PROGRAM

The Department's 2006-07 Capital Works Program is for ongoing computer software and hardware replacement.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Computer Hardware and Software				
2005-06 Program	500	200	200	300
E-Commerce	120	60	20	20
COMPLETED WORKS				
Computer Hardware and Software				
2003-04 Program	470	470	255	-
2004-05 Program	60	60	30	-
NEW WORKS				
Computer Hardware and Software				
2006-07 Program	30	-	-	30
	1,180	790	505	350

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	93	388	505	350	50	470	80
	93	388	505	350	50	470	80
LESS							
Drawdowns from the Holding Account	30	200	200	330	30	450	80
Internal Funds and Balances	63	188	305	20	20	20	-
Capital Contribution	-	-	-	-	-	-	-

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	4,658	5,179	5,179	5,106	5,217	5,374	5,536
Superannuation	550	560	560	547	564	581	598
Supplies and services	1,000	1,061	1,061	1,286	1,073	1,104	1,140
Accommodation	540	548	548	561	565	570	576
Capital user charge	235	201	201	201	201	201	201
Depreciation and amortisation	426	519	519	471	421	450	446
Doubtful debts	11	-	-	-	-	-	-
Other expenses	43	44	44	44	45	46	47
TOTAL COST OF SERVICES	7,463	8,112	8,112	8,216	8,086	8,326	8,544
Income							
User charges and fees	2,762	3,120	3,120	3,254	3,366	3,480	3,590
Regulatory fees and fines	1,657	1,600	1,600	1,680	1,730	1,780	1,830
Other revenue	-	6	6	7	7	7	7
Total Income	4,419	4,726	4,726	4,941	5,103	5,267	5,427
NET COST OF SERVICES	3,044	3,386	3,386	3,275	2,983	3,059	3,117
INCOME FROM STATE GOVERNMENT							
Service appropriations	3,220	3,272	3,272	3,125	2,829	2,900	2,953
Resources received free of charge	145	114	114	150	154	159	164
Liabilities assumed by the Treasurer	87	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	3,452	3,386	3,386	3,275	2,983	3,059	3,117
SURPLUS (DEFICIENCY) FOR THE PERIOD	408	-	-	-	-	-	-

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

(b) The Full Time Equivalents (FTEs) for 2004-05 Actual, 2005-06 Estimated Actual and 2006-07 Estimate are 89, 93 and 96 respectively.

**BALANCE SHEET
(Controlled)**

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CURRENT ASSETS							
Cash and cash equivalents	1,688	1,150	1,379	1,337	1,315	1,295	1,295
Restricted cash	30	44	46	62	78	94	110
Receivables	278	287	278	278	278	278	278
Amounts receivable for services	200	330	330	30	450	80	30
Prepayments	76	74	76	76	76	76	76
Total current assets	2,272	1,885	2,109	1,783	2,197	1,823	1,789
NON-CURRENT ASSETS							
Amounts receivable for services	962	1,151	1,151	1,592	1,563	1,933	2,349
Plant and equipment	1,012	384	638	545	375	381	159
Intangibles	-	397	360	332	131	145	1
Total non-current assets	1,974	1,932	2,149	2,469	2,069	2,459	2,509
TOTAL ASSETS	4,246	3,817	4,258	4,252	4,266	4,282	4,298
CURRENT LIABILITIES							
Payables	139	158	139	139	139	139	139
Provision for employee entitlements	335	345	332	328	324	320	316
Accrued salaries	-	19	19	20	41	64	87
Other	72	80	72	72	72	72	72
Total current liabilities	546	602	562	559	576	595	614
NON-CURRENT LIABILITIES							
Provision for employee entitlements	564	487	560	557	554	551	548
Total non-current liabilities	564	487	560	557	554	551	548
TOTAL LIABILITIES	1,110	1,089	1,122	1,116	1,130	1,146	1,162
EQUITY							
Contributed equity	454	454	454	454	454	454	454
Accumulated surplus / (deficit)	2,682	2,274	2,682	2,682	2,682	2,682	2,682
Total equity	3,136	2,728	3,136	3,136	3,136	3,136	3,136
TOTAL LIABILITIES AND EQUITY	4,246	3,817	4,258	4,252	4,266	4,282	4,298

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

CASHFLOW STATEMENT
(Controlled)

	2004-05 Actual ^(a) \$'000	2005-06 Budget ^(a) \$'000	2005-06 Estimated Actual ^(a) \$'000	2006-07 Budget Estimate ^(a) \$'000	2007-08 Forward Estimate ^(a) \$'000	2008-09 Forward Estimate ^(a) \$'000	2009-10 Forward Estimate ^(a) \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	2,688	2,753	2,753	2,654	2,408	2,450	2,507
Holding account drawdowns	30	200	200	330	30	450	80
Net cash provided by State government	2,718	2,953	2,953	2,984	2,438	2,900	2,587
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(4,824)	(5,167)	(5,167)	(5,112)	(5,203)	(5,358)	(5,520)
Superannuation	(469)	(560)	(560)	(547)	(564)	(581)	(598)
Supplies and services	(854)	(947)	(947)	(1,136)	(919)	(945)	(976)
Accommodation	(537)	(548)	(548)	(561)	(565)	(570)	(576)
Capital user charge	(249)	(201)	(201)	(201)	(201)	(201)	(201)
Goods and Services Tax	(155)	(205)	(180)	(180)	(180)	(180)	(180)
Other	(42)	(44)	(44)	(44)	(45)	(46)	(47)
Receipts							
User charges and fees	2,749	3,120	3,120	3,254	3,366	3,480	3,590
Regulatory fees and fines	1,666	1,600	1,600	1,680	1,730	1,780	1,830
Goods and Services Tax	160	205	180	180	180	180	180
Other receipts	-	6	6	7	7	7	7
Net cash from operating activities	(2,555)	(2,741)	(2,741)	(2,660)	(2,394)	(2,434)	(2,491)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(154)	(388)	(505)	(350)	(50)	(470)	(80)
Purchase of investments	(2)	-	-	-	-	-	-
Proceeds from sale of investments	2	-	-	-	-	-	-
Net cash from investing activities	(154)	(388)	(505)	(350)	(50)	(470)	(80)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings	(3)	-	-	-	-	-	-
Net cash from financing activities	(3)	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	6	(176)	(293)	(26)	(6)	(4)	16
Cash assets at the beginning of the reporting period	1,712	1,370	1,718	1,425	1,399	1,393	1,389
Cash assets at the end of the reporting period	1,718	1,194	1,425	1,399	1,393	1,389	1,405

(a) 2004-05 amounts are presented on the basis of previous Australian Accounting Standards. 2005-06 Budget and the Forward Estimates are presented in accordance with Australian equivalents to International Financial Reporting Standards and therefore may not always be comparable with 2004-05.

SCHEDULE OF ADMINISTERED EXPENSES AND INCOME

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
EXPENSES							
Grants and subsidies:							
Grants to Racing and Wagering Western Australia	-	10,000	10,000	10,000	-	-	-
Subsidies to gambling and betting agencies and bookmakers.....	74,330	77,540	81,640	84,490	81,490	83,800	84,300
Subsidies to liquor merchants and producers	3,888	3,500	3,500	3,700	3,900	4,500	5,000
Receipts paid into Consolidated Fund	51,367	52,000	57,000	58,000	59,000	60,000	61,000
TOTAL ADMINISTERED EXPENSES	129,585	143,040	152,140	156,190	144,390	148,300	150,300
INCOME							
Casino Tax	51,666	52,000	57,000	58,000	59,000	60,000	61,000
Administered appropriations.....	78,218	91,040	95,140	98,190	85,390	88,300	89,300
TOTAL ADMINISTERED INCOME.....	129,884	143,040	152,140	156,190	144,390	148,300	150,300

SCHEDULE OF ADMINISTERED ASSETS AND LIABILITIES

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
ADMINISTERED CURRENT ASSETS							
Cash and cash equivalents	-	10	-	-	-	-	-
Receivables	4,201	3,902	4,201	4,201	4,201	4,201	4,201
Total Administered Current Assets	4,201	3,912	4,201	4,201	4,201	4,201	4,201
TOTAL ADMINISTERED ASSETS.....	4,201	3,912	4,201	4,201	4,201	4,201	4,201
ADMINISTERED CURRENT LIABILITIES							
Moneys in trust	-	10	-	-	-	-	-
Total Administered Current Liabilities.....	-	10	-	-	-	-	-
TOTAL ADMINISTERED LIABILITIES..	-	10	-	-	-	-	-

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Grants and subsidies	(78,218)	(91,040)	(95,140)	(98,190)	(85,390)	(88,300)	(89,300)
Moneys in trust	(165)	-	-	-	-	-	-
Receipts paid into consolidated fund	(51,367)	(52,000)	(57,000)	(58,000)	(59,000)	(60,000)	(61,000)
TOTAL ADMINISTERED CASH OUTFLOWS	(129,750)	(143,040)	(152,140)	(156,190)	(144,390)	(148,300)	(150,300)
CASH INFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Casino Tax	51,367	52,000	57,000	58,000	59,000	60,000	61,000
Moneys in trust	155	-	-	-	-	-	-
Administered appropriations	78,218	91,040	95,140	98,190	85,390	88,300	89,300
TOTAL ADMINISTERED CASH INFLOWS	129,740	143,040	152,140	156,190	144,390	148,300	150,300
NET CASH INFLOWS/(OUTFLOWS) FROM ADMINISTERED TRANSACTIONS	(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:

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000
Provision of services to the Racing and Gaming Industries	2,679	3,051	3,047	3,183
Provision of services to the Commonwealth in respect of Indian Ocean Territories	70	69	73	71
Liquor fees revenue	1,666	1,600	1,600	1,680
Other revenue	-	6	6	7
GST input credits	150	180	155	155
GST receipts on sales	10	25	25	25
TOTAL	4,575	4,931	4,906	5,121

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

RACING AND WAGERING WESTERN AUSTRALIA

CAPITAL WORKS PROGRAM

Capital works projects for 2006-07 are focused primarily on the ongoing replacement of hardware and software for various production systems together with general business process improvements. Ongoing maintenance and upgrading of selected outlets in the wagering retail network will also occur following on from the recommendations of a detailed retail network review.

The replacement of the core production system for processing wagering and fixed odds bets known as the 'bet engine' along with the supporting peripheral systems and communication network devices for the retail outlets will continue in 2006-07. It is also expected that electronic information and self-service betting terminals will be purchased, followed by a program of terminal replacement in later years. These investments are set to modernise customer services by providing improved retail betting facilities and point of sale services, along with new betting products and information services.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Business Systems - Information Technology	10,125	7,125	1,988	1,500
Club Financial and Related Data	207	100	100	53
Customer Information Terminals (Pilot and Rollout)	2,260	1,142	1,138	1,118
Head Office and Retail Outlet Building Improvements	4,245	4,095	150	50
Integration of RWWA and Club Personal Identifier Systems	480	200	200	280
New Business Initiatives - Racing	768	85	85	47
New Era Bet Engine	6,414	3,669	3,608	2,745
Outlet Upgrades (Retail)	4,310	1,760	1,347	850
Self Serve Terminals	9,964	1,879	1,657	1,617
Supporting Communications	7,401	1,055	955	1,600
Windows Upgrade Phase 3	1,605	306	306	-
COMPLETED WORKS				
Acquisition of Byford Trotting Training Complex	2,040	2,040	2,040	-
Centralised Job Scheduling	60	60	60	-
Contract Management Software	60	60	60	-
Disaster Recovery	911	911	226	-
Enterprise Management Framework	210	210	210	-
Fixed Odd Betting and Microsoft Transactional Server Upgrades	124	124	82	-
Forecasting / Budgeting	500	500	500	-
Hardware Software Management Register	20	20	20	-
RWWA Codes Information Technology Integration	668	668	551	-
Tabcorp Pooling Changes Phase 3	167	167	167	-
TabOzbet Strategic Review	826	826	684	-
Telephone Call Centre Recording	200	200	200	-
Testing Services	396	396	396	-
Warehouse Primary & Backup Machine Replacement	215	215	105	-
	54,176	27,813	16,835	9,860

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	6,336	13,888	16,835	9,860	5,076	5,346	5,646
	6,336	13,888	16,835	9,860	5,076	5,346	5,646
LESS							
Asset Sales	-	84	-	-	-	-	-
Internal Funds and Balances	6,336	13,804	16,835	9,860	5,076	5,346	5,646
Capital Contribution	-	-	-	-	-	-	-

WESTERN AUSTRALIAN GREYHOUND RACING AUTHORITY

CAPITAL WORKS PROGRAM

The proposed expenditure by the Authority on its capital works program for 2006-07 is \$592,000. The main component of the program is the completion of the upgrade of the Mandurah racing track. Other projects include the ongoing replacement of plant and equipment at the Cannington and Mandurah greyhound tracks.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-06 \$'000	Estimated Expenditure 2005-06 \$'000	Estimated Expenditure 2006-07 \$'000
WORKS IN PROGRESS				
Buildings and Improvements - Mandurah				
Program 2005-06	909	567	567	342
COMPLETED WORKS				
Buildings - Cannington				
Program 2005-06	50	50	50	-
Furniture and Fittings - Cannington				
Program 2005-06	50	50	50	-
Greyhound Training Facility				
Training Facility 2005-06	500	500	500	-
Information Technology				
Program 2005-06	80	80	80	-
Minor Works - Cannington				
Program 2005-06	70	70	70	-
Minor Works - Mandurah				
Program 2005-06	30	30	30	-
Motor Vehicles - Cannington				
Program 2005-06	120	120	120	-
Plant and Equipment - Cannington				
Program 2005-06	455	455	455	-
Plant and Equipment - Mandurah				
Program 2005-06	170	170	170	-
NEW WORKS				
Information Technology				
Program 2006-07	30	-	-	30
Minor Works - Cannington				
Program 2006-07	50	-	-	50
Motor Vehicles - Cannington				
Program 2006-07	60	-	-	60
Plant and Equipment - Cannington				
Program 2006-07	65	-	-	65
Plant and Equipment - Mandurah				
Program 2006-07	45	-	-	45
	2,684	2,092	2,092	592

CAPITAL CONTRIBUTION

	2004-05 Actual \$'000	2005-06 Budget \$'000	2005-06 Estimated Actual \$'000	2006-07 Budget Estimate \$'000	2007-08 Forward Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	2,039	1,525	2,092	592	150	150	150
	2,039	1,525	2,092	592	150	150	150
LESS							
Internal Funds and Balances	2,039	1,525	2,092	592	150	150	150
Capital Contribution	-	-	-	-	-	-	-

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