

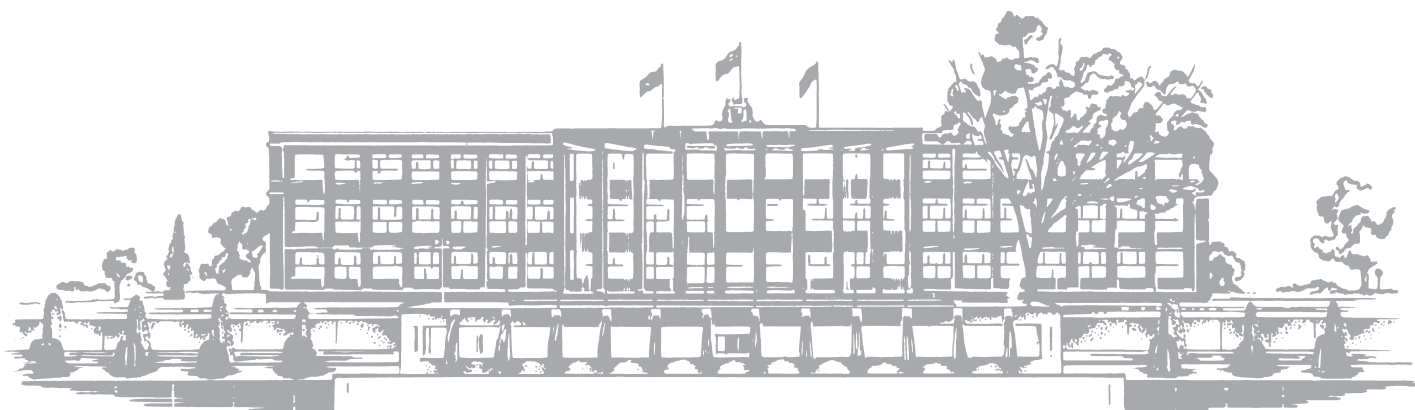


2007-08 BUDGET

BUDGET STATEMENTS

Budget Paper No.2
Volume 2

**PRESENTED TO THE LEGISLATIVE ASSEMBLY
ON 10 MAY 2007**



2007–08 Budget Statements

(Budget Paper No. 2 Volume 2)

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BUDGET 2007-08

BUDGET STATEMENTS

TABLE OF CONTENTS

	Volume	Page
Chapter 1: Consolidated Account Expenditure Estimates	1	1
Chapter 2: Net Appropriation Determinations.....	1	27
Chapter 3: Agency Information in Support of the Estimates.....	1	39
PART 1 - PARLIAMENT		
Parliament	1	43
Parliamentary Commissioner for Administrative Investigations	1	66
PART 2 - PREMIER; MINISTER FOR FEDERAL-STATE RELATIONS; TRADE; INNOVATION; SCIENCE; PUBLIC SECTOR MANAGEMENT		
Premier and Cabinet	1	79
Governor's Establishment	1	107
Office of the Public Sector Standards Commissioner	1	115
Salaries and Allowances Tribunal	1	127
PART 3 - DEPUTY PREMIER; TREASURER; MINISTER FOR STATE DEVELOPMENT		
Treasury and Finance	1	137
Office of Native Title	1	175
Office of the Auditor General.....	1	183
Economic Regulation Authority	1	196
Provision for Water Source Development.....	1	209
Western Australian Treasury Corporation.....	1	210
State Supply Commission	1	211
Industry and Resources.....	1	221
PART 4 - MINISTER FOR AGRICULTURE AND FOOD; FORESTRY; THE MID WEST AND WHEATBELT; GREAT SOUTHERN		
Agriculture and Food	1	253
Agriculture Protection Board of Western Australia.....	1	285
Western Australian Meat Industry Authority.....	1	294
Perth Market Authority.....	1	295
Rural Business Development Corporation.....	1	296
Forest Products Commission.....	1	303
Mid West Development Commission	1	304
Wheatbelt Development Commission	1	319
Great Southern Development Commission.....	1	329

	Volume	Page
PART 5 - MINISTER FOR LOCAL GOVERNMENT; RACING AND GAMING; MULTICULTURAL INTERESTS AND CITIZENSHIP; GOVERNMENT ENTERPRISES; MINISTER ASSISTING THE MINISTER FOR PLANNING AND INFRASTRUCTURE; GOLDFIELDS-ESPERANCE; YOUTH		
Local Government and Regional Development.....	1	343
Metropolitan Cemeteries Board.....	1	360
Racing, Gaming and Liquor	1	361
Racing and Wagering Western Australia	1	375
Western Australian Greyhound Racing Authority	1	377
Insurance Commission of Western Australia.....	1	378
Lotteries Commission.....	1	379
Gold Corporation	1	380
Goldfields-Esperance Development Commission.....	1	381
 PART 6 - MINISTER FOR POLICE AND EMERGENCY SERVICES; COMMUNITY SAFETY; WATER RESOURCES; SPORT AND RECREATION		
Western Australia Police.....	2	397
Fire and Emergency Services Authority of Western Australia.....	2	423
Water and Rivers Commission.....	2	438
Water Corporation	2	457
Bunbury Water Board.....	2	459
Busselton Water Board	2	460
Sport and Recreation	2	461
Western Australian Sports Centre Trust.....	2	478
 PART 7 - ATTORNEY GENERAL; MINISTER FOR HEALTH; ELECTORAL AFFAIRS		
Attorney General.....	2	491
Commissioner for Equal Opportunity	2	515
Corruption and Crime Commission.....	2	527
Parliamentary Inspector of the Corruption and Crime Commission	2	540
Law Reform Commission of Western Australia	2	548
Office of the Director of Public Prosecutions	2	557
Office of the Information Commissioner	2	568
Health	2	578
Western Australian Electoral Commission.....	2	640
 PART 8 - MINISTER FOR EMPLOYMENT PROTECTION; HOUSING AND WORKS; INDIGENOUS AFFAIRS; HERITAGE; LAND INFORMATION		
Consumer and Employment Protection	2	653
Registrar, Western Australian Industrial Relations Commission	2	673
Housing and Works.....	2	681
Housing Authority.....	2	694
Country Housing Authority	2	702
Indigenous Affairs	2	703
Heritage Council of Western Australia.....	2	715
National Trust of Australia (WA)	2	724
Western Australian Land Information Authority	2	733

	Volume	Page
PART 9 - MINISTER FOR PLANNING AND INFRASTRUCTURE		
Planning and Infrastructure	2	749
Commissioner of Main Roads	2	777
Public Transport Authority of Western Australia	2	802
Armadale Redevelopment Authority	2	818
East Perth Redevelopment Authority	2	819
Midland Redevelopment Authority	2	820
Subiaco Redevelopment Authority	2	821
Albany Port Authority	2	822
Broome Port Authority	2	823
Bunbury Port Authority	2	824
Dampier Port Authority	2	825
Esperance Port Authority	2	826
Fremantle Port Authority	2	827
Geraldton Port Authority	2	830
Port Hedland Port Authority	2	831
Western Australian Land Authority	2	832
Eastern Goldfields Transport Board	2	834
Western Australian Planning Commission	2	835
 PART 10 - MINISTER FOR DISABILITY SERVICES; TOURISM; CULTURE AND THE ARTS; CONSUMER PROTECTION		
Disability Services Commission	3	855
Western Australian Tourism Commission	3	870
Rottnest Island Authority	3	886
Culture and the Arts	3	887
 PART 11 - MINISTER FOR EDUCATION AND TRAINING; SOUTH WEST		
Education and Training	3	911
Country High School Hostels Authority	3	932
Curriculum Council	3	941
Education Services	3	954
South West Development Commission	3	968
 PART 12 - MINISTER FOR ENERGY; RESOURCES; INDUSTRY AND ENTERPRISE		
Office of Energy	3	981
Independent Market Operator	3	1001
Horizon Power	3	1002
Synergy	3	1004
Verve Energy	3	1005
Western Power (Networks)	3	1006
 PART 13 - MINISTER FOR REGIONAL DEVELOPMENT; FISHERIES; THE KIMBERLEY, PILBARA AND GASCOYNE		
Fisheries	3	1011
Kimberley Development Commission	3	1027
Pilbara Development Commission	3	1037
Gascoyne Development Commission	3	1047

	Volume	Page
PART 14 - MINISTER FOR CORRECTIVE SERVICES; SMALL BUSINESS; MINISTER ASSISTING THE MINISTER FOR FEDERAL-STATE RELATIONS		
Corrective Services.....	3	1059
Office of the Inspector of Custodial Services.....	3	1073
Small Business Development Corporation.....	3	1080
PART 15 - MINISTER FOR THE ENVIRONMENT; CLIMATE CHANGE; PEEL		
Environment and Conservation.....	3	1093
Botanic Gardens and Parks Authority	3	1122
Swan River Trust.....	3	1136
Zoological Parks Authority	3	1148
Peel Development Commission	3	1160
PART 16 - MINISTER FOR CHILD PROTECTION; COMMUNITIES; WOMEN'S INTEREST; SENIORS AND VOLUNTEERING		
Child Protection	3	1175
Communities	3	1193

CHAPTER 3

AGENCY INFORMATION IN SUPPORT OF THE ESTIMATES

Part 6 – Part 9

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Part 6

Minister for Police and Emergency Services; Community Safety; Water Resources; Sport and Recreation

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
397	Western Australia Police			
	– Delivery of Services	699,181	725,400	780,658
	– Capital Contribution	49,262	38,415	85,300
	Total	748,443	763,815	865,958
423	Fire and Emergency Services Authority of Western Australia			
	– Delivery of Services	31,335	51,409	30,632
	– Administered Grants, Subsidies and Other Transfer Payments	1	1	1
	– Capital Contribution	250	250	1,210
	Total	31,586	51,660	31,843
438	Water and Rivers Commission			
	– Delivery of Services	69,957	64,277	60,585
	– Administered Grants, Subsidies and Other Transfer Payments	2,681	2,681	2,570
	– Capital Contribution	6,953	6,203	4,286
	Total	79,591	73,161	67,441
457	Water Corporation	-	-	-
459	Bunbury Water Board	-	-	-
460	Busselton Water Board	-	-	-
461	Sport and Recreation			
	– Delivery of Services	85,431	44,131	60,946
	– Capital Contribution	6,140	6,140	100
	Total	91,571	50,271	61,046

Page	Agency	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
478	Western Australian Sports Centre Trust			
	– Delivery of Services	6,571	7,139	8,681
	– Capital Contribution	-	-	85
	Total	6,571	7,139	8,766
	GRAND TOTAL			
	– Delivery of Services	892,475	892,356	941,502
	– Administered Grants, Subsidies and Other Transfer Payments	2,682	2,682	2,571
	– Capital Contribution	62,605	51,008	90,981
	Total	957,762	946,046	1,035,054

WESTERN AUSTRALIA POLICE

PART 6 - MINISTER FOR POLICE AND EMERGENCY SERVICES; COMMUNITY SAFETY; WATER RESOURCES; SPORT AND RECREATION

DIVISION 22

APPROPRIATION AND FORWARD ESTIMATES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 55 Net amount appropriated to deliver services ^(a)	651,830	696,583	722,494	777,821	837,542	850,146	872,245
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 ^(b)	2,470	2,598	2,906	2,837	2,857	2,933	3,021
Total appropriations provided to deliver services	654,300	699,181	725,400	780,658	840,399	853,079	875,266
CAPITAL							
Item 146 Capital Contribution	44,268	49,262	38,415	85,300	21,524	21,666	34,508
GRAND TOTAL	698,568	748,443	763,815	865,958	861,923	874,745	909,774

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) The recommendation by the Salaries and Allowances Tribunal of 4 April 2007 in relation to senior public servants' salaries was received after the finalisation of agencies' individual financial projections. Accordingly, a provision for the total cost 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 No. 2 Volume 1). This provision will be reflected in agencies' estimates following the release of the 2007-08 Budget.

MISSION

To enhance the quality of life and wellbeing of all people in Western Australia by contributing to making our State a safe and secure place.

SIGNIFICANT ISSUES AND TRENDS

- Recruiting and retaining staff in the current labour market will remain a challenge.
- The threat of international terrorism continues to be a priority for law enforcement agencies and emergency services.
- Ensuring the agency is equipped with the latest anti-terrorism technology and equipment.
- Implementation of Service Delivery Standards in metropolitan and country locations.
- Ongoing need to ensure that the Western Australia Police resources are focussed on core functions and in line with community expectations.
- Maximising information technology including the Incident Management System to its full potential.
- Enhancing the status of the Police Academy in partnership with other Australian providers, through the establishment of an International Academy of Law Enforcement and Security. This includes developing a business model to extend the training to other agencies.
- Implementation of the recommendations of the Intelligence, Forensic, and Specialist Crime Portfolio Reviews.

- Development and growth in the Peel region, combined with the completion of the Southern Suburbs Railway line, will increase the demand on police resources in the Peel and South Metropolitan regions.
- Delays being experienced in the completion of capital works projects due to high labour-force demands across the construction industry.
- Ongoing effort toward maximising the benefits from the Burglar Beware program.
- Meeting the growing demand for Police Assistance Centre services, so as to enable the continued release of police officers to front line duties.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2006-07 Budget to Parliament on 11 May 2006 are outlined below.

	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
Rockingham Police Rail Unit.....	752	825	-	-
Secret Harbour Police Station.....	70	282	967	1,210
Carnarvon Police and Justice Complex.....	-	629	867	1,162
Recruitment Issues.....	1,000	1,000	-	-

SERVICE AND APPROPRIATION SUMMARY

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Intelligence and Protective Services.....	64,631	62,656	60,534	64,621			
<i>Service 2:</i>							
Crime Prevention and Public Order	104,004	100,826	80,759	86,188			
<i>Service 3:</i>							
Community Support (Non-Offence Incidents).....	86,174	83,541	82,745	88,306			
<i>Service 4:</i>							
Emergency Management and Coordination	11,284	13,683	17,554	18,738			
<i>Service 5:</i>							
Response to and Investigation of Offences	242,468	256,385	277,461	295,939			
<i>Service 6:</i>							
Services to the Judicial Process	51,114	69,857	84,307	89,951			
<i>Service 7:</i>							
Traffic Law Enforcement and Management.....	97,422	133,233	151,653	161,780			
<i>Service 8:</i>							
Implementation of the State Crime Prevention Strategy	8,977	10,215	9,126	8,327			
Total Cost of Services ^(a)	666,074	730,396	764,139	813,850	873,664	890,210	908,215
<i>Less Income</i>	26,941	19,621	26,359	22,283	22,606	22,165	22,499
Net Cost of Services ^(a)	639,133	710,775	737,780	791,567	851,058	868,045	885,716
 Adjustments ^(b)	15,167	(11,594)	(12,380)	(10,909)	(10,659)	(14,966)	(10,450)
Appropriation provided to deliver Services ^(a)	654,300	699,181	725,400	780,658	840,399	853,079	875,266

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(c)	44,268	49,262	38,415	85,300	21,524	21,666	34,508
TOTAL CONSOLIDATED ACCOUNT APPROPRIATIONS.....	698,568	748,443	763,815	865,958	861,923	874,745	909,774

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (c) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

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

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
Enhancing the quality of life and wellbeing of all people throughout Western Australia by providing high quality, accessible services.	Lawful behaviour and community safety.	1. Intelligence and Protective Services 2. Crime Prevention and Public Order 3. Community Support (Non-Offence Incidents) 4. Emergency Management and Coordination
	Offenders apprehended and dealt with in accordance with the law.	5. Response to and Investigation of Offences 6. Services to the Judicial Process
	Lawful road-user behaviour.	7. Traffic Law Enforcement and Management
	A safer and more secure community.	8. Implementation of the State Crime Prevention Strategy

Outcomes and Key Effectiveness Indicators ^(a)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Outcome: Lawful behaviour and community safety.					
The community's level of satisfaction with services provided by police ^{(b) (c) (d)}	7.1	=> 7.0	6.7	=> 6.7	
The community's level of satisfaction with services received during the most recent contact with police ^{(b) (c) (d)}	7.9	=> 7.6	7.8	=> 7.8	
Extent to which the community thought each of the following was a problem in their own neighbourhood: ^{(b) (c) (d)}					
- physical assault in a public place	2.5	<= 2.6	2.4	<= 2.4	
- housebreaking	4.7	<= 4.6	4.0	<= 4.0	
- motor vehicle theft	3.4	<= 3.5	3.0	<= 3.0	
- illegal drugs	4.5	<= 4.4	4.1	<= 4.1	
- louts or gangs	2.3	<= 2.2	2.0	<= 2.0	
- drunken or disorderly behaviour	2.6	<= 2.5	2.5	<= 2.5	
- speeding cars, dangerous or noisy driving	5.3	<= 5.2	5.0	<= 5.0	
State emergency management plans in place and current, and resources committed, where the Western Australia Police is the designated Hazard Management Agency, to prevent and minimise risk ^(e)	6	6	6	6	
Number of police officers who have a key emergency-related qualification ^(f)	2,647	2,710	3,179	2,870	The 2007-08 Target reflects the sum of each key emergency-related qualification target - see note (f). The actual or estimated number of qualified police officers may exceed the target due to local emergency-related training requirements.
Outcome: Offenders apprehended and dealt with in accordance with the law.					
Selected recorded offences against the person cleared: ^{(g) (h) (i) (j)}					
- number cleared	26,534	=>27,000	27,000	=>27,000	The reduction in 2006-07 Estimate and 2007-08 Target reflects the revision of 2005-06 data.
- percentage cleared	83.2%	=>90%	83%	=>83%	
Selected recorded property offences cleared: ^{(g) (h) (i) (k)}					
- number cleared	33,379	=>36,000	34,000	=>34,000	The reduction in 2006-07 Estimate and 2007-08 Target reflects the revision of 2005-06 data. As above.
- percentage cleared	19.4%	=>22%	20%	=>20%	
Recorded drug-trafficking offences: ^{(g) (h) (i) (l)}					
- number cleared	2,733	=>2,800	2,300	=>2,300	The reduction in 2006-07 Estimate and 2007-08 Target reflects a decrease in the number of drug trafficking offences. The reduction in 2006-07 Estimate and 2007-08 Target reflects a five year average level of performance.
- percentage cleared	102.2%	100%	93%	=>93%	
Percentage of guilty pleas before trial ^{(m) (n) (o)} ..	92.8%	>92%	93%	93%	
Percentage of convictions for matters listed for trial ^{(m) (n) (o)}	67.8%	>70%	65%	65%	The reduction in 2006-07 estimate and 2007-08 target reflects the revision of 2005-06 data.
Number of deaths in custody for which the Western Australia Police is culpable ^(p)	nil	nil	nil	nil	

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Number of escapes from police custody ^(q)	2	nil	2	nil	
Outcome: Lawful road-user behaviour.					
Percentage of drivers tested for drink-driving who are found to exceed the lawful alcohol limit ^{(r) (s)}	1.5%	=>1.6%	1.6%	=>1.6%	
Percentage of vehicles monitored for speeding by speed cameras that are found to exceed the lawful speed limit ^{(t) (u)}	19.6%	=>18.7%	20%	=>20%	
Percentage of drivers who have never driven when they felt they might be over the 0.05 alcohol limit in the last six months ^{(b) (c) (v)}	84.5%	=>84%	85%	=>85%	
Percentage of drivers who have never exceeded the speed limit by 10kph or more in the last six months ^{(b) (c) (v)}	31.5%	=>32%	35%	=>35%	
Percentage of drivers who have never driven without wearing a seat belt in the last six months ^{(b) (c) (v)}	90.4%	=>91%	91%	=>91%	
Extent to which the community thought speeding cars, dangerous or noisy driving was a problem in their own neighbourhood ^{(b) (c) (d)} ..	5.3	<=5.2	5.0	<=5.0	
Outcome: A safer and more secure community.					
Reported rate of home burglary per 1,000 residential dwellings ^(w)	34.8	33.4	32.0	<=32.0	
Proportion of the community who feel 'safe' or 'very safe' at home alone after dark ^{(b) (c)}	81.2%	81%	79%	=>79%	
Proportion of the community who feel 'safe' or 'very safe' at home alone during the day ^{(b) (c)} ..	91.9%	92%	91%	=>91%	

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

(b) The data for this measure are obtained from the National Survey of Community Satisfaction with Policing coordinated by the Australasian Centre for Policing Research. In July 2006, a new service provider was contracted to conduct the survey. This has resulted in some differences in the approach taken to the survey that has possibly impacted on the results obtained to-date during the 2006-07 period.

(c) With all sample surveys there are errors that occur by chance because the data was obtained from a sample, rather than the entire population. The relative standard error (RSE) is a measure of the error (relative to the size of the estimate) likely to have occurred due to sampling. Generally, only estimates with an RSE of 25 per cent or less are considered reliable for most purposes. Estimates with an RSE of between 25 per cent and 50 per cent should be used with caution while estimates with an RSE greater than 50 per cent should not be used. The RSE associated with the estimate used for each indicator varies, but is lower than ten per cent.

(d) This indicator uses as a unit of measurement the Likert Summation Index. This is a method for aggregating responses to obtain one measure of the overall (or 'average') level of attitude/opinion. This method converts the data collected using a Likert scale into an interval scale, and then derives a measure of centrality. The Likert scale is converted into an interval scale by assigning equal-distant 'scores' to each category in the scale. For example, where the indicator relates to satisfaction with police services, the five response categories are assigned scores as follows: 'very satisfied' (10); 'satisfied' (7.5); 'neither satisfied nor dissatisfied' (5); 'dissatisfied' (2.5); and 'very dissatisfied' (0). Where the indicator relates to problems in the neighbourhood, the three response categories are assigned scores as follows: 'major problem' (10); 'somewhat of a problem' (5); and 'not a problem' (0). The summation index measure is obtained by multiplying the number of responses in each category by their respective score, summing these results and dividing this total by the total number of responses.

(e) The Western Australia Police is the Hazard Management Agency (HMA) for six Emergency Management Plans, known as Westplans: air transport emergencies; land search and rescue; marine search and rescue; nuclear powered warships; space re-entry debris; and road transport emergencies. The Western Australia Police is also the HMA responsible for the hazard of 'terrorist act' that has been included in the *Emergency Management Act 2005*. Emergency management planning for terrorism is not covered by a specific state emergency management plan, but rather through a series of plans, policies, strategies and arrangements. Current means that plans have been reviewed and, where possible, exercised in the previous twelve month period.

- (f) The 2006-07 Estimated figure is based on the sum of the following number of police officers who had a key emergency-related qualification as at 28 February 2007: Australasian Inter-Service Incident Management System Course (124); Land Search and Rescue Controllers Course (544); First Responder Course (649); Marine Search and Rescue Initial Response Introduction Courses (433); Incident Managers Course (551); Strategic Emergency Management Course (283); and Chemical, Biological and Radiological Familiarisation Course (595). The 2007-08 Target was based on the sum of the following target number of police officers who have a key emergency-related qualification: Australasian Inter-Service Incident Management System course (160); Land Search and Rescue Controllers Course (500); First Responder Course (700); Marine Search and Rescue Initial Response Introduction Courses (380); Incident Managers Course (450); Strategic Emergency Management Course (180); and Chemical, Biological and Radiological Familiarisation Course (500). The number of police officers shown as qualified for each of the key emergency-related courses is not mutually exclusive as a police officer may be qualified in more than one key emergency-related course.
- (g) An offence is cleared (clearance) where an offender(s) is apprehended or processed (such as by arrest, summons, Juvenile Justice Team referral, juvenile caution, drug caution or infringement) or where, for some substantial reason, police investigations cannot be continued. These reasons include: the offender has died; the offender is in another jurisdiction and extradition is not desired or available; insufficient evidence exists to proceed against a suspect; there is a statute bar to proceedings where an offender is under age or claims diplomatic immunity; admittance to a psychiatric facility; false or mistaken reports; withdrawn complaint; civil action recommended.
- (h) The number of offences cleared (clearances) for a period (e.g. financial year) comprises all offences for which the clearance was recorded during that period. Due to the nature and length of investigations, the number of offences cleared during a period may include offences reported prior to that period.
- (i) The percentage of offences cleared is based on the number of offences cleared during a period expressed as a percentage of the number of offences reported during the same period. The percentage of offences cleared may exceed 100 per cent due to more offences being cleared than were reported during a reporting period.
- (j) 'Offences against the person' include: homicide, driving causing death, aggravated sexual assault, non-aggravated sexual assault, aggravated assault, non-aggravated assault, threatening behaviour, deprivation of liberty, aggravated robbery and non-aggravated robbery.
- (k) 'Property offences' include: burglary, theft, steal motor vehicle, arson and property damage offences and exclude receiving/illegal use, fraud and graffiti offences.
- (l) Drug trafficking is the unlawful sale, supply, cultivation or manufacture of a prohibited drug or plant. Most drug trafficking offences are detected by, rather than reported to, police and this results in a high percentage of offences cleared.
- (m) Relates to matters (charges) that have been placed before the Magistrates Court and Children's Court throughout the state by the police (note that as from December 2006, the Director of Public Prosecutions became responsible for the prosecution of matters at the Perth Children's Court). The data may also include a small number of matters placed before the Keeling Islands (Christmas Island and Cocos Island) Court by the Australian Federal Police. Criminal matters placed before the District and Supreme Courts are not included.
- (n) The percentage of guilty pleas before trial is based on the number of guilty pleas expressed as a percentage of the sum of the number of guilty pleas and matters listed for trial. The percentage of convictions for matters listed for trial is based on the number of convictions expressed as a percentage of the number of matters listed for trial. Matters listed for trial may not actually proceed to trial, but a guilty or not guilty finding can still be recorded.
- (o) The introduction of the Trial Allocation Day that replaced the Direction Hearings resulted in a flow on effect that has continued to facilitate early pleas of guilty. In addition, the legislative requirement of full disclosure as identified in the *Criminal Procedure Act 2004* has continued to assist in early identification of matters prior to trial. The impact of the *Criminal Code Amendment Act, No. 4, 2004* (this Act created the concept 'Either Way' offences) continues to filter its effects on the Magisterial jurisdiction with regard to a greater number of complex and lengthy trial matters. The *Criminal Investigation Act 2006* confers powers to detain and powers of entry and search. Section 154 of the Act provides that if a thing relevant to an offence is seized or obtained and a requirement of this Act in relation to exercising the power conferred by this Act is contravened, any evidence derived is not admissible in any criminal proceedings against a person in a court. This provision may impact on the successful prosecution of trial matters.
- (p) The State Coroner is responsible for determining the culpability of the Western Australia Police in the death of a person in custody.
- (q) Comprises persons escaping from police lock-ups only. The legal status of offenders passing through police lock-ups includes: arrested; fine defaulters; persons on remand; sentenced prisoners; and persons held on warrants.
- (r) Achieved through the use of strategies that focus Random Breath Test and Mobile Breath Test enforcement activities at high alcohol consumption times and locations.
- (s) Based on the number of evidentiary charges expressed as a percentage of the total number of preliminary breath tests. The number of preliminary breath tests and evidentiary charges are derived from the Daily Traffic Returns. These statistics therefore reflect the returns that have been submitted and the accuracy of the data in those returns.
- (t) Achieved through the targeted use of speed measuring equipment, both camera and officer operated, in known black-spot areas, areas of complaint or those identified as having low-speed limit compliance.
- (u) The lawful speed limit is defined as the posted speed limit shown on road signage.
- (v) In July 2005, the response categories for this survey question were changed from 'never', 'sometimes', 'half the time', 'most of the time' and 'always' to 'never', 'rarely', 'sometimes', 'most of the time' and 'always'. This change has resulted in a lower percentage of drivers responding 'Never' in relation to drink-driving and speeding behaviour during 2005-06. This has affected comparability with previous periods.
- (w) This indicator is now based on financial year data from the Western Australia Police instead of calendar year data published by the University of Western Australia Crime Research Centre that provides a more accurate reflection of performance. Community safety and crime prevention partnerships and other Office of Crime Prevention strategies are designed to reduce the incidence of home burglary and home invasion, however changes in this indicator are the outcome of policies, programs and actions of several departments and agencies working together on a cross-government basis.

Service 1: Intelligence and Protective Services

Incorporating a range of specialist criminal intelligence analysis techniques and partnerships to target offenders and crime hot spots in order to ensure safety in the community, prevent and reduce crime. Activities undertaken include:

- using criminal intelligence analysis techniques to develop effective policing strategies to target offenders and crime hotspots;
- providing specialist protective and security services to international and other protected persons, assets and infrastructure, airport security and witness protection; and
- participating in crisis situations.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	64,631	62,656	60,534	64,621	
Less Income	515	578	904	601	
Net Cost of Service ^(a)	64,116	62,078	59,630	64,020	
Adjustments ^(b)	1,571	(1,011)	(981)	(866)	
Appropriation for delivery of Service ^(a)	65,687	61,067	58,649	63,154	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per hour for providing intelligence and protective services ^(a)	\$76	\$86	\$88	\$92	
Full Time Equivalents (FTEs)	506	567	521	535	

- (a) Calculated from internal police activity surveys.

Major Achievements For 2006-07

- Developed a number of strategies in conjunction with the Australian Defence Force, Australian Customs Service and other police jurisdictions, on counter-terrorism, border protection, investigative response and port security.

Major Initiatives For 2007-08

- Progress implementation of the Intelligence Review to improve intelligence management within the agency and deliver meaningful support to front line activities.
- Create a Regional Crime Desk in regional Western Australia to address organised crime issues, through the identification of changing trends, specific targets, and provide support to operations against organised criminal activities.
- Provide advanced training on the front line Incident Management System and other related systems to maximise their value and contribute to more efficient service delivery.

Service 2: Crime Prevention and Public Order

Providing general support to the community including a visible police presence and crime prevention activities. Maintaining an adequate service and timely response to the needs of local communities at all times is a critical factor in achieving broader outcomes. The provision of this 24 hour service includes:

- liaising with the community, engaging in community education and raising awareness on crime prevention, and providing regulatory services;
- policing public events (including planning and debriefings); and
- engaging in programs/initiatives dealing with the media, schools, local government, community and business groups and government and non-government groups.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^{(a) (b)}	104,004	100,826	80,759	86,188	
Less Income	9,229	10,348	12,002	11,323	
Net Cost of Service ^(a)	94,775	90,478	68,757	74,865	
Adjustments ^(c)	2,527	(1,626)	(1,309)	(1,155)	
Appropriation for delivery of Service ^(a)	97,302	88,852	67,448	73,710	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) The decrease from 2005-06 Actual to 2006-07 Estimated Actual and 2007-08 Budget Estimate is a direct result of the Frontline First Strategy, where resources have been refocussed to Services 5 and 7.
- (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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per hour for providing crime prevention and public order services ^(a)	\$77	\$86	\$86	\$90	
Full Time Equivalents (FTEs)	689	913	710	729	

- (a) Calculated from internal police activity surveys.

Major Achievements For 2006-07

- Developed a submission for the new Police Administration Bill. This legislation supports corruption prevention and requires staff working in critical areas to undergo personnel vetting programs, be subject to integrity testing programs and to undergo random and targeted alcohol and drug testing.
- Developed short and long-term strategies designed to ensure effective policing of the Southern Suburbs Railway line.
- Prepared a draft submission for establishing a water policing facility in the Peel Region to provide a whole-of-government approach to search, rescue, emergency responses and policing of water ways within the region.
- Recruited 90 officers in 2006-07, as part of the State Government's commitment to recruit an additional 350 police officers over a four year period.
- Progressed a Cadet Program to train 42 cadets in 2007, and 30 in each subsequent year. This program forms part of Western Australia Police's effort to address recruitment pressures.

- Implemented the Direct Entry Accelerated Training program for Aboriginal Police Liaison Officers (APLOs), with 28 APLOs already in transition in 2006-07 and a further 30 APLO transitions planned for 2007-08.
- Implemented recruitment and training strategies enabling accelerated recruitment, transition and deployment of suitable overseas applicants.
- Commenced the implementation of the e-Rostering system (automated system for compiling rosters) to improve the operational deployment of police and monitoring of human resource issues.
- Completed the evaluation of Project Terminus, which will enable improved property management practices and processes, including management of exhibits.
- Progressed a feasibility study of the Multi-Functional Police Facility for the communities of Oombulgurri, Looma, Burrengurrah and Wingellina. The study included service delivery alternatives at these locations.
- Acquired two Pilatus PC-12 aircraft to enhance service delivery capacity to remote communities.

Major Initiatives For 2007-08

- Examine the feasibility of using external service providers to process National Police Certificates, to remove administrative functions from police officers and free up their time to support core policing activities.
- Provide additional police officers to support the Southern Suburbs Railway line to maintain public safety.
- Review current recruiting strategies and consider broader marketing initiatives, to overcome issues associated with attraction of staff.
- Utilise e-learning in remote locations and for overseas recruits, to maximise the delivery of training, improve the retention of staff in remote locations, and to simplify recruiting processes for overseas candidates.

Service 3: Community Support (Non-Offence Incidents)

Providing support to the community, which involves provision of general information over the telephone, counter or in person, responding to public inquiries, handling non-offence related matters and incidents to enhance the quality of life of all people in the community. Activities associated with this service include:

- assisting members of the community with personal issues such as restraint order inquiries;
- clarifying laws and witnessing official documents;
- compiling missing persons reports; and
- handling Crime Stoppers inquiries, etc.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	86,174	83,541	82,745	88,306	
Less Income	688	771	1,235	822	
Net Cost of Service ^(a)	85,486	82,770	81,510	87,484	
Adjustments ^(b)	2,094	(1,347)	(1,341)	(1,184)	
Appropriation for delivery of Service ^(a)	87,580	81,423	80,169	86,300	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
General calls for police assistance (not including '000' calls) answered within 20 seconds ^{(a) (b)}	86%	85%	84%	85%	
Average cost per hour for providing community support (non-offence incidents) services ^(c)	\$78	\$86	\$92	\$95	
Full Time Equivalents (FTEs)	663	756	694	702	

- (a) General calls to the Police Assistance Centre (131 444) not including emergency '000' calls or calls from security firms, education security, St John Ambulance, Fire and Emergency Services, Cab Alert and Western Power.
- (b) On 2 May 2005, the Police Service introduced 131 444 as the general telephone number for the Police Assistance Centre. The catchment area for 131 444 includes the general telephone calls previously made to 9222 1111 and the majority of calls previously directed to police sub-districts. Prior to 2 May 2005, telephone calls directed to police sub-districts were not counted in this key efficiency indicator as there was no record of the volume of calls, or the time taken to answer these calls.
- (c) Calculated from internal police activity surveys.

Major Achievements For 2006-07

- Formed partnerships with the Department of Health, the Department of Education and Training, the Department of the Attorney General, the Department of Corrective Services and the former Department for Community Development for the purpose of implementing the Gordon Inquiry recommendations. This included the implementation of an 1800 number to enable Indigenous people in remote areas greater access to make complaints.
- Formed a multi-agency reference group to examine the success of implementing the Gordon Inquiry recommendations and ensure key outcomes are achieved and sustained.
- Prepared a project scoping paper for the Child Interview Unit in partnership with the Department for Child Protection (formerly the Department for Community Development) and the Department of Health, to enable the delivery of State-wide service and functionality for child abuse cases.

Major Initiatives For 2007-08

- Continue to implement corporate Risk Management Strategies including developing additional information-security policies and developing user awareness training.
- Examine options for reducing the role of escorting mental health patients, to enable police officers to concentrate on core policing activities.
- Progress implementation of Service Delivery Standards across the agency to achieve consistency in policing responses, ensure common understanding of the quality of service required and improve perception of safety within the community.

Service 4: Emergency Management and Coordination

Responding in a timely and effective manner to a range of emergencies and disasters to increase public feelings of safety and security. A key role of the agency is to plan, coordinate and provide support programs to ensure readiness for major emergencies and disasters including terrorist incidents, natural disasters, search and rescue. Activities associated include:

- training officers and volunteers in emergency management and conducting training exercises involving other authorities;
- coordinating and controlling searches; and
- coordinating all combat authorities during major civil and technological disasters.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	11,284	13,683	17,554	18,738	
Less Income	239	219	337	249	
Net Cost of Service ^(a)	11,045	13,464	17,217	18,489	
Adjustments ^(b)	277	(251)	(285)	(251)	
Appropriation for delivery of Service ^(a)	11,322	13,213	16,932	18,238	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per hour of emergency management and coordination ^(a)	\$88	\$98	\$102	\$106	
Full Time Equivalents (FTEs)	126	124	130	134	

- (a) Calculated from internal police activity surveys.

Major Achievements For 2006-07

- Purchased Crisis Information Management software to allow for real time sharing of information during the management of a major emergency.
- Increased capacity of the Bomb Response Unit and developed a post-blast investigation response methodology.
- Progressed acquisition of a Forward Command Post for deployment as a mobile command centre at major incidents and large public events.
- Established a temporary multi-functional facility in Karratha to accommodate North West Water Police to assist with counter-terrorism and critical infrastructure protection.

Major Initiatives For 2007-08

- Progress development and enhancement of the State Coordination Centre.
- Establish partnerships with the private sector, including training and exercises, to assist with counter-terrorism and the protection of critical infrastructure.
- Form specialist teams in each district to provide a first response to high-risk situations and counter-terrorism issues.

Service 5: Response to and Investigation of Offences

Providing a timely response and effectively investigating offences to bring individuals who commit offences before the justice system. Activities associated with the response to and investigation of offences include:

- coordinating an initial response;
- gathering and securing evidence, collating and analysing intelligence;
- providing quality investigations, apprehending offenders; and
- preparing evidence and prosecution files and briefs.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	242,468	256,385	277,461	295,939	This increase is a direct result of the Frontline First Strategy, where resources have been refocussed from Service 2.
Less Income	9,338	2,330	4,142	2,755	
Net Cost of Service ^(a)	233,130	254,055	273,319	293,184	
Adjustments ^(b)	5,963	(4,071)	(4,498)	(3,966)	
Appropriation for delivery of Service ^(a)	239,093	249,984	268,821	289,218	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Emergency calls (000) for police assistance answered within 20 seconds ^(a)	91%	90%	91%	90%	The increase in 2006-07 Estimate and 2007-08 Target reflects a significant increase in the number of Priority 3 incidents.
Average time taken to respond to urgent calls for police assistance in the metropolitan area from call received (entered) to arrival at scene: ^{(b) (c) (d) (e) (f) (g) (h)}					
- Priority 1-2 calls	8 mins	9 mins	9 mins	9 mins	
- Priority 3 calls	20 mins	20 mins	25 mins	25 mins	
Average cost per response/investigation ⁽ⁱ⁾	\$1,075	\$1,230	\$1,206	\$1,287	
Full Time Equivalents (FTEs)	2,319	2,321	2,392	2,455	

(a) Emergency calls to the Police Operations Centre ('000') not including general (131 444) calls or calls from security firms, education security, St John Ambulance, Fire and Emergency Services, Cab Alert, and Western Power.

(b) The Police Operations Centre uses the Computer Aided Dispatch (CAD) system for creating and managing tasks for police attendance within the metropolitan area.

- (c) EXCEPTIONS. In order to provide an accurate indication of response times, the following types of incidents have been excluded from calculations as they do not contribute to measuring service delivery and/or have the potential to skew results: Scheduled Events - are incidents created for attendance at a later time (e.g. Royal Flying Doctor Service escorts); Pursuits - are deemed 'arrived' at the time of initiating the CAD incident; Change of Incident Response Priority - where incidents are subject to a priority upgrade (e.g. priority 4 to priority 2), the applicable response target time becomes that of the new priority group, however the target response time for that priority may already have expired; and Incidents with no recorded 'At Scene' Time - due to a number of circumstances these do not have an 'At Scene' time recorded.
- (d) Priority 1 tasks cover offences such as an armed hold-up in progress; armed offender incident in progress and other life threatening incidents. Priority 2 tasks cover incidents where life or property is, or may be, in a state of threat or imminent danger. Due to the extremely small number of Priority 1 incidents (which are statistically insignificant), these are included with Priority 2 incidents to calculate a combined response time.
- (e) Priority 3 tasks cover incidents requiring immediate attention but are not life threatening at that time. Priority 3 incidents may involve the welfare of a person, the possible apprehension of offenders or the preservation of evidence. This requires the dispatch of the first available local/district or other resource.
- (f) The response time has been formulated from the time the incident was initiated in the CAD system to arrival of the first resource at the scene. The response times of other resources that may also attend the same incident are excluded.
- (g) The paramount considerations in responding to all incidents are the safety of the community and police officers, and the quality of the response. Response times are therefore considered to be indicative and only one aspect of police performance when responding to incidents.
- (h) Population growth and the development of new housing estates in the metropolitan area have a significant impact on existing police districts. Several of the metropolitan districts have police sub-districts that lay on the periphery of the metropolitan area. Whilst patrolling of these outlying sub-districts is contained within a district's service delivery model, it is not necessarily true that an operational unit will be in the area when a high priority task arises. It is reasonable to assume that responding to Priority 1, 2 or 3 tasks in these marginal metropolitan areas may experience delays beyond the target response times.
- (i) The number of responses/investigations is based on the total number of selected reported offences excluding receiving/illegal use, fraud and graffiti offences.

Major Achievements For 2006-07

- Progressed implementation of the Police Metropolitan Radio Network to increase front line efficiency by enhancing job dispatch times, name and vehicle enquiries.
- Commenced work to replace the existing obsolete analogue system with a new Digital Video Interviewing system to enable savings in resource and storage space, in line with contemporary technological advancements.
- Completed Livescan roll-out phase for the electronic capture of fingerprints. Livescan links to the national database and will provide a more efficient method of taking fingerprints and reduce manual data entry.
- Completed a successful trial of new fingerprinting technology as part of the offender management project to enhance targeting of volume crime.
- Achieved an improvement in the clearance rate for Offences Against the Person, Property Offences, and Total Selected Offences. The following statistics compare the clearance rate for the first eight months (July-February) of the 2006-07 financial year with the corresponding period in 2005-06:
 - the clearance rate for Offences Against the Person in 2006-07 was 81.5 per cent, an increase of 2.0 percentage points compared with the 2005-06 clearance rate of 79.5 per cent.
 - the clearance rate for Property Offences in 2006-07 was 19.8 per cent, an increase of 1.3 percentage points compared with the 2005-06 clearance rate of 18.5 per cent.
 - the clearance rate for Total Selected Offences in 2006-07 was 36.0 per cent, an increase of 1.9 percentage points compared with the 2005-06 clearance rate of 34.1 per cent.

Major Initiatives For 2007-08

- Progress the recommendations of the Forensic Review to improve intelligence packages and enhance the management of exhibits.
- Establish a District Services Division through the integration of Major Incident Group, Metropolitan Region Investigation Unit and linked crime intelligence products, to coordinate joint responses and achieve greater success in responding to crime and investigation of offences.
- Establish a Sexual Assault Squad as part of a new Sex Crime Division, linking serial offenders and sexual assaults, providing a more efficient response to and investigation of offences.

Service 6: Services to the Judicial Process

Providing effective services to the judicial process is essential in bringing offenders before the criminal justice system. The successful prosecution of offenders is dependent upon the quality of investigations and the standard and presentation of evidence to courts. Activities associated with this service include:

- presenting evidence, brief handling, prosecution role, justice systems processes;
- providing custodial services;
- monitoring the quality of and timeliness of brief presentation to the relevant court; and
- providing custodial care of prisoners, administering bail and reporting processes and providing all types of escorts.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	51,114	69,857	84,307	89,951	
Less Income	1,504	723	1,312	891	
Net Cost of Service ^(a)	49,610	69,134	82,995	89,060	
Adjustments ^(b)	1,256	(1,169)	(1,367)	(1,206)	
Appropriation for delivery of Service ^(a)	50,866	67,965	81,628	87,854	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per hour of services to the judicial process ^(a)	\$79	\$90	\$93	\$96	
Average cost per guilty plea ^{(b) (c)}	\$28	\$50	\$29	\$31	
Average cost per non-guilty plea ^{(b) (c)}	\$227	\$397	\$232	\$247	
Full Time Equivalents (FTEs)	670	632	691	709	

- (a) Calculated from internal police activity surveys.
- (b) Relates to matters (charges) that have been placed before the Magistrates Court and Children's Court throughout the state by the Western Australia Police (note that as from December 2006, the Director of Public Prosecutions became responsible for the prosecution of matters at the Perth Children's Court). The data may also include a small number of matters placed before the Keeling Islands (Christmas and Cocos Island) Court by the Australian Federal Police. Criminal matters placed before the District and Supreme Courts are not included.
- (c) The introduction of the Trial Allocation Day that replaced the Direction Hearings resulted in a flow on effect that has continued to facilitate early pleas of guilty. In addition, the legislative requirement of full disclosure as identified in the *Criminal Procedure Act 2004* has continued to assist in early identification of matters prior to trial. The impact of the *Criminal Code Amendment Act, No. 4, 2004* (this Act created the concept 'Either Way' offences) continues to filter its effects on the Magisterial jurisdiction with regard to a greater number of complex and lengthy trial matters. The *Criminal Investigation Act 2006* confers powers to detain and powers of entry and search. Section 154 of the Act provides that if a thing relevant to an offence is seized or obtained and a requirement of this Act in relation to exercising the power conferred by this Act is contravened, any evidence derived is not admissible in any criminal proceedings against a person in a court. This provision may impact on the successful prosecution of trial matters.

Major Achievements For 2006-07

- Commenced the evaluation of Discovery Processes (obligation to give copy of the evidence to the defence under the *Criminal Procedure Act 2004*) in conjunction with the Office of the Director of Public Prosecution (ODPP), to allow for more effective use of resources including the electronic dissemination of evidentiary documents.
- Commenced the handover of police officers' involvement at the Perth Children's Court to the ODPP to release police officers from court duties.

Major Initiatives For 2007-08

- Evaluate the overall functions of the Witness Security Unit and further expand its role to include the protection of witnesses involved in incidents of domestic violence.
- Continue negotiations to civilianise more police officer positions from the Prosecuting Division in the metropolitan area to release police officers for front line activities.

Service 7: Traffic Law Enforcement and Management

Providing traffic management and road safety strategies contributes to the whole-of-government initiative of improving road user behaviour and minimising road fatalities and injuries. The achievement of this outcome is dependent on the integrated approach to road safety involving partnerships with other government agencies and stakeholders. The strategies to assist in targeting behaviours identified as major contributors to road fatalities include:

- deterring and detecting alcohol and drug related driving offences including crashes;
- conducting stationary speed operations involving speed cameras and hand held radar laser units;
- conducting targeted traffic law enforcement operations such as random breath tests;
- attending and conducting investigations and follow up inquiries that may be required; and
- providing community education and raising awareness on road safety issues.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	97,422	133,233	151,653	161,780	This increase is a direct result of the Frontline First Strategy, where resources have been refocussed from Service 2.
Less Income	4,713	3,927	5,572	4,814	
Net Cost of Service ^(a)	92,709	129,306	146,081	156,966	
Adjustments ^(b)	2,348	(1,955)	(2,458)	(2,169)	
Appropriation for delivery of Service ^(a)	95,057	127,351	143,623	154,797	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per hour of traffic law enforcement and management ^(a)	\$73	\$79	\$83	\$86	
Full Time Equivalents (FTEs)	1,346	1,206	1,388	1,425	

- (a) Calculated from internal police activity surveys.

Major Achievements For 2006-07

- Completed the tender process for the acquisition of speed and red-light cameras to provide an enhanced capacity to detect speed and red-light offences.
- Acquired four speed cameras for permanent placement at school-crossing zones to improve road safety.
- Enhanced the anti-hoon legislation to enable a broader application resulting in a larger number of vehicles confiscated from offending drivers.
- Introduced Drug Impaired Driving Legislation into the Parliament in conjunction with the Department for Planning and Infrastructure to provide a mechanism for dealing with drug-impaired drivers.

Major Initiatives For 2007-08

- Expand the operations of the Traffic Enforcement Group to major metropolitan arterial roads and regional Western Australia to improve traffic safety.
- Assessing the possibility of purchasing new, or converting existing red-light and speed detection cameras to digital technology, allowing for enhanced service delivery.
- Utilise intelligence related strategies more effectively to link volume crime to traffic offences, to enable greater success in the targeting and prosecution of recidivist traffic offenders.
- Progress negotiations with the Department for Planning and Infrastructure to transfer the functions of Motor Drivers License testing in regional Western Australia enabling police officers to concentrate on core activities.

Service 8: Implementation of the State Crime Prevention Strategy

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

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

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	8,977	10,215	9,126	8,327	
Less Income	715	725	855	828	
Net Cost of Service ^(a)	8,262	9,490	8,271	7,499	
Adjustments ^(b)	(869)	(164)	(141)	(112)	
Appropriation for delivery of Service ^(a)	7,393	9,326	8,130	7,387	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per community safety and crime prevention partnership managed.....	\$27,515	\$26,670	\$17,724	\$13,647	The FTE resources are more streamlined in relation to the number of partnerships and plans endorsed. This is a better outcome than anticipated.
Average cost per hour for research, policy development and support to the Community Safety and Crime Prevention council	\$90	\$54	\$140	\$128	The allocation of FTE support to the Council has changed with the restructure. The overall budget is small and sensitive to minor changes.
Average cost per \$1 million in grant funding administered	\$58,629	\$115,991	\$221,282	\$154,114	The variance is due to changes in the level of grants administered. Grants worth \$1.6 million have been rescheduled from 2006-07 to 2007-08 and 2008-09.
Full Time Equivalents (FTEs)	27	33	23	22	

Major Achievements For 2006-07

- Allocated over \$3.5 million from the Community Safety and Crime Prevention Fund to support local governments to develop and implement local community safety and crime prevention initiatives.
- Established Crime Prevention Partnerships with over 120 local governments, with the Office of Crime Prevention engaging the Australian Institute of Criminology to conduct an initial evaluation of this 'partnership approach'.
- Established a State Designing Out Crime Strategy for the adoption and application of crime prevention through environmental design principles in the built environment and public spaces.
- Continued development of a State Community Violence Prevention Strategy aimed at reducing the unacceptable levels of violence within our communities.
- Continued cooperation between the Office of Crime Prevention and Western Australia Police to renew efforts to further reduce state motor vehicle theft rates and the increasing levels of unrecovered motor vehicles.
- Continued the Burglar Beware marketing campaign and expanded the Burglar Beware program to South East Metropolitan as a key strategy in the ongoing effort to reduce the number of residential and commercial burglaries taking place.

Major Initiatives For 2007-08

- Ongoing management and implementation of the State Designing Out Crime Strategy through grant funding, research and information, as well as training and consultancy services.
- Continue the development and implementation of a State Community Violence Prevention Strategy aimed at reducing the unacceptable levels of violence and assaults within our communities.
- Development of a State Graffiti Vandalism Reduction Strategy to strengthen the response to graffiti vandalism management, through closed circuit television, community partnerships, sentencing options and policing.
- Development of a strategic response to managing anti-social behaviours within our communities, in consultation with stakeholders.
- Continue the Burglar Beware marketing campaign as a refined key strategy in the ongoing effort to reduce the number of residential and commercial burglaries.

- Allocation of up to \$3.2 million from the Community Safety and Crime Prevention Fund to support the development and implementation of local community safety and crime prevention initiatives, and the evaluation of these initiatives.
- Review of the state Community Safety and Crime Prevention Strategy to strengthen the collaborative response to community safety and crime prevention, as well as evaluate the partnership approach to community safety and crime prevention.

CAPITAL WORKS PROGRAM

To support the delivery of Western Australia Police services, a total of \$97.2 million is budgeted to be spent on capital works in 2007-08 including the following:

Works in Progress

- Continuation and completion of the technology related project, the Police Metropolitan Radio Network.
- Continuation of the technology related project, the Delta Communications and Technology project (Stage 4).
- Continuation and completion of the technology related project, Livescan Fingerprinting Equipment.
- Continuation of the Counter-Terrorism Multi-Agency Response – Capability and Capacity Training, incorporating North-West Deployment, Expansion of the Bomb Squad, Equipment and Safety/Security project commenced in 2005-06.
- Continuation of the Replacement Equipment Program.
- Continuation of the ongoing Non-Leased/Non-Standard Vehicle Program commenced in 2006-07.
- Completion of new Traffic Support Facility at the Police Operations Support Facility at Midland.
- Completion of new Canning Vale Police Station.
- Construction will continue on the Kimberley District Police Complex.
- Construction will continue on the Multi-Functional Police Facility at Jigalong in accordance with the recommendations of the Gordon Inquiry.
- A building modifications program to address safety and health issues arising from the inclusion of police officers under Occupational Safety and Health (OSH) legislation will be completed.
- Building modifications under the Police Station Upgrade Program will continue.
- Site acquisition and design development will continue and construction will commence on the Perth Police Complex.
- Planning will continue on the Carnarvon and Stirling Police Stations.
- Construction will commence on the replacement police stations at Derby, Harvey, Leonora, and South Hedland and the Pilbara District Police Complex (Karratha).

New Works

- Planning will commence on the new Rockingham Police Rail Unit Facility and the new Secret Harbour Police Station.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Counter-Terrorism Initiatives				
Multi Agency Response - Capability/Capacity – North-West Deployment - Bomb Squad - Safety/Security	14,633	7,167	5,760	4,848
Equipment Purchases - New and Replacement				
Non-Leased Non-Standard Vehicles 2006-07 to 2009-10	5,542	1,833	1,833	1,367
Replacement Equipment Program	13,709	8,409	3,235	3,500
Information Technology Infrastructure				
Delta Communications and Technology	110,025	90,835	27,706	19,190
Perth Metro Radio Network (CADCOM Stage 1C)	60,030	50,730	23,883	9,300
Police Facilities				
Additions and Alterations to Existing Facilities				
South Hedland Police Station	14,665	336	312	4,716
Central Facilities Relocation Strategy				
Perth Police Complex	93,000	246	-	12,000
New and Replacement Police Facilities				
Canning Vale Police Station	4,300	4,051	3,744	249
Carnarvon Police Station	12,510	1,043	984	-
Derby Police Station	6,900	554	472	5,453
Harvey Police Station	3,600	1,110	1,059	2,290
Jigalong Police Station (Gordon Inquiry)	3,844	3,744	3,619	100
Kimberley District Police Complex	13,450	932	412	9,973
Leonora Police Station	4,300	633	600	3,467
Operations Support Facility Stage 2 Traffic Support	21,335	13,436	12,000	7,899
Pilbara District Police Complex	17,500	135	105	4,480
Stirling Police Station	9,750	28	1	40
Vincent Police Station	5,110	171	9	300
Upgrades				
Police Station Upgrade Program	4,000	3,500	1,705	500
COMPLETED WORKS				
Counter-Terrorism Initiatives				
Counter-Terrorism Equipment	4,307	4,307	31	-
Equipment Purchases - New and Replacement				
Addressing Speed - Red Light Camera, Safety Around School	520	520	520	-
Aircraft Replacement Program	10,465	10,465	1,086	-
Crime Investigation Support - BCI Surveillance Equipment	1,500	1,500	1,365	-
Forward Looking Infra Red Unit	1,284	1,284	1,284	-
Livescan Fingerprinting Equipment	1,412	1,412	1,403	-
Road Safety Initiative - Drug Driving	362	362	362	-
Other Capital Works Proposals				
Boost Police Operations Commitment	800	800	97	-
DNA Extraction Robot (Path Centre)	175	175	175	-
Genetic Analysis (Path Centre)	225	225	44	-
Small Robot Systems (Path Centre)	700	700	700	-
Police Facilities				
Central Facilities Relocation Strategy				
Police Operations Support Facility - Land Acquisition - 3rd Instalment	1,600	1,600	1,600	-
New and Replacement Police Facilities				
Albany District Police Complex	9,416	9,416	99	-
Balgo Police Station (Gordon Inquiry)	1,204	1,204	34	-
Bidyadanga Police Station (Gordon Inquiry)	2,934	2,934	1,273	-
Dampier Peninsular Police Station (Gordon Inquiry)	3,200	3,200	762	-
Ellenbrook Police Station	3,080	3,080	2,157	-
Kalumburu Police Station (Gordon Inquiry)	3,609	3,609	803	-
Laverton Police Station	3,368	3,368	2	-
Newman Police Station	4,155	4,155	15	-
Police Operations Support Facility	42,056	42,056	956	-
Wanneroo Police Station	3,400	3,400	1,780	-
Warakurna Police Station (Gordon Inquiry)	3,872	3,872	1,795	-
Warburton Police Station (Gordon Inquiry)	2,605	2,605	25	-
Warmun Police Station (Gordon Inquiry)	3,323	3,323	3,009	-
Upgrades				
Facility OSH Modifications	10,676	10,676	2,220	-
State-wide Office and Cell Block Upgrade Program - Stage 3	7,568	7,568	20	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
NEW WORKS				
Police Facilities				
New and Replacement Police Facilities				
Rockingham Police Rail Unit	5,700	-	-	3,030
Secret Harbour Police Station	10,000	-	-	3,000
Upgrades				
Police Station Upgrade Program 2007-08 to 2009-10	7,500	-	-	1,500
	569,219	316,709	111,056	97,202

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	93,938	122,290	111,056	97,202	58,210	54,234	51,412
	93,938	122,290	111,056	97,202	58,210	54,234	51,412
LESS							
Asset Sales	3	-	-	-	-	-	-
Drawdowns from the Holding Account	18,400	42,871	42,871	24,009	1,922	1,740	3,181
Funding Included in Service Appropriations ^(a)	19,930	17,868	16,715	12,327	10,606	6,336	10,456
Internal Funds and Balances	11,337	12,289	13,055	(24,434)	24,158	24,492	3,267
Capital Contribution	44,268	49,262	38,415	85,300	21,524	21,666	34,508

(a) Capital works expensed through the Income Statement.

FINANCIAL STATEMENTS**INCOME STATEMENT
(Controlled)**

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(a)	417,444	440,545	468,282	506,656	546,674	557,704	570,647
Superannuation	44,417	50,063	53,837	58,984	65,036	66,051	67,334
Grants and subsidies ^(b)	363	6,290	4,605	5,048	4,713	3,638	3,638
Consultancies expense	979	299	299	299	307	310	313
Supplies and services	142,253	166,447	170,956	163,526	169,062	166,275	169,415
Accommodation	17,529	19,600	18,959	23,481	28,432	28,991	30,227
Capital user charge ^(c)	35,568	35,439	35,439	-	-	-	-
Depreciation and amortisation	20,324	29,066	29,066	34,727	35,036	36,938	36,477
Loss on disposal of non-current assets	30	-	-	-	-	-	-
Other expenses	13,758	18,086	18,135	21,129	24,404	30,303	30,164
TOTAL COST OF SERVICES	692,665	765,835	799,578	813,850	873,664	890,210	908,215
Income							
User charges and fees	1,215	2,250	2,250	2,289	2,299	2,299	2,299
Regulatory fees and fines	11,083	11,303	12,803	12,524	12,661	13,200	13,600
Gain on disposal of non-current assets	20	-	-	-	-	-	-
Grants and subsidies	5,835	1,591	1,591	1,591	1,591	1,591	1,591
Donations	284	75	75	75	75	75	75
Other revenue	7,789	4,402	9,640	5,804	5,980	5,000	4,934
Total Income	26,226	19,621	26,359	22,283	22,606	22,165	22,499
NET COST OF SERVICES ^(c)	666,439	746,214	773,219	791,567	851,058	868,045	885,716
INCOME FROM STATE GOVERNMENT							
Service appropriations ^(c)	682,475	734,620	760,839	780,658	840,399	853,079	875,266
Resources received free of charge	1,933	1,408	1,408	1,408	1,408	1,408	1,408
Liabilities assumed by the Treasurer	4,438	8,020	8,380	8,694	9,042	9,042	9,042
TOTAL INCOME FROM STATE GOVERNMENT	688,846	744,048	770,627	790,760	850,849	863,529	885,716
SURPLUS/(DEFICIENCY) FOR THE PERIOD	22,407	(2,166)	(2,592)	(807)	(209)	(4,516)	-
Extraordinary items	3,074	1,013	1,013	8,093	-	-	-
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	25,481	(1,153)	(1,579)	7,286	(209)	(4,516)	-

(a) The Full Time Equivalents (FTEs) for 2005-06 Actual, 2006-07 Estimated Actual and 2007-08 Estimate are 6,346, 6,549 and 6,711 respectively.

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

(c) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

**BALANCE SHEET
(Controlled)**

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CURRENT ASSETS							
Cash and cash equivalents	58,737	8,523	45,473	69,483	45,325	20,833	17,566
Restricted cash	2,326	3,669	1,993	1,707	1,779	1,779	1,779
Receivables	7,013	4,726	7,013	7,013	7,013	7,013	7,013
Inventories	130	1,297	130	130	130	130	130
Amounts receivable for services	42,871	24,009	24,009	1,922	1,740	3,181	-
Prepayments	3,673	3,260	3,673	3,673	3,673	3,673	3,673
Non-current assets held for sale	11,548	-	13,211	1,850	680	-	-
Total current assets	126,298	45,484	95,502	85,778	60,340	36,609	30,161
NON-CURRENT ASSETS							
Amounts receivable for services	18,007	27,131	29,489	69,226	108,046	146,431	187,536
Land and buildings	328,075	395,177	363,761	353,380	385,604	397,606	402,372
Plant and equipment	35,201	50,547	58,003	48,743	53,284	47,555	32,906
Intangibles	32,899	75,819	58,966	61,250	35,092	21,358	9,858
Restricted cash	1,825	-	3,550	5,355	7,170	9,067	10,974
Other	87,628	65,118	58,546	116,493	117,565	131,590	157,452
Total non-current assets	503,635	613,792	572,315	654,447	706,761	753,607	801,098
TOTAL ASSETS	629,933	659,276	667,817	740,225	767,101	790,216	831,259
CURRENT LIABILITIES							
Superannuation	236	120	236	356	476	596	716
Payables ^(a)	5,978	4,715	3,003	3,003	3,003	3,003	3,003
Provision for employee entitlements	106,027	57,537	108,431	110,628	110,954	110,954	110,954
Accrued salaries	5,169	3,670	4,585	6,390	8,205	10,102	11,889
Other	2,909	2,345	2,329	2,426	2,498	2,498	2,498
Total current liabilities	120,319	68,387	118,584	122,803	125,136	127,153	129,060
NON-CURRENT LIABILITIES							
Provision for employee entitlements	22,117	78,166	26,540	31,155	36,233	40,861	45,489
Total non-current liabilities	22,117	78,166	26,540	31,155	36,233	40,861	45,489
TOTAL LIABILITIES	142,436	146,553	145,124	153,958	161,369	168,014	174,549
EQUITY							
Contributed equity	194,037	245,044	231,825	296,206	315,880	336,866	371,374
Accumulated surplus/(deficit)	72,579	54,180	71,000	78,286	78,077	73,561	73,561
Reserves	220,881	213,499	219,868	211,775	211,775	211,775	211,775
Total equity	487,497	512,723	522,693	586,267	605,732	622,202	656,710
TOTAL LIABILITIES AND EQUITY	629,933	659,276	667,817	740,225	767,101	790,216	831,259

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

CASHFLOW STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	654,340	701,487	725,285	738,999	799,839	811,513	834,161
Capital contribution	44,268	49,262	38,415	85,300	21,524	21,666	34,508
Holding account drawdowns	18,400	42,871	42,871	24,009	1,922	1,740	3,181
Net cash provided by State government	717,008	793,620	806,571	848,308	823,285	834,919	871,850
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(413,514)	(436,341)	(462,252)	(498,039)	(539,455)	(551,179)	(564,232)
Superannuation	(39,744)	(42,043)	(45,457)	(50,170)	(55,874)	(56,889)	(58,172)
Grants and subsidies	(333)	(6,290)	(4,605)	(5,048)	(4,713)	(3,638)	(3,638)
Consultancies payments	(1,118)	(299)	(299)	(299)	(307)	(310)	(313)
Supplies and services	(144,746)	(166,322)	(171,191)	(162,806)	(170,394)	(167,110)	(167,128)
Accommodation	(18,464)	(19,600)	(18,899)	(24,345)	(28,431)	(29,681)	(30,227)
Capital user charge ^(a)	(33,067)	(35,439)	(35,439)	-	-	-	-
Goods and services tax	(21,607)	(10,911)	(19,911)	(19,911)	(19,911)	(19,911)	(19,911)
Other	(10,239)	(16,609)	(16,358)	(19,384)	(21,497)	(27,275)	(30,947)
Receipts							
User charges and fees	1,204	2,150	2,150	2,189	2,199	2,199	2,199
Regulatory fees and fines	10,820	11,382	12,882	12,603	12,740	13,279	13,679
Grants and subsidies	5,966	1,591	1,591	1,591	1,591	1,591	1,591
Donations receipts	15	-	-	-	-	-	-
Goods and services tax	19,709	10,911	19,911	19,911	19,911	19,911	19,911
Other receipts	7,397	4,402	5,988	5,804	5,980	5,000	4,934
Net cash from operating activities	(637,721)	(703,418)	(731,889)	(737,904)	(798,161)	(814,013)	(832,254)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(82,911)	(101,266)	(87,168)	(84,875)	(47,395)	(43,501)	(40,956)
Proceeds from sale of non-current assets	3	-	-	-	-	-	-
Net cash from investing activities	(82,908)	(101,266)	(87,168)	(84,875)	(47,395)	(43,501)	(40,956)
NET INCREASE/(DECREASE) IN CASH HELD	(3,621)	(11,064)	(12,486)	25,529	(22,271)	(22,595)	(1,360)
Cash assets at the beginning of the reporting period	66,509	23,256	62,888	51,016	76,545	54,274	31,679
Net cash transferred to/from other agencies	-	-	614	-	-	-	-
Cash assets at the end of the reporting period	62,888	12,192	51,016	76,545	54,274	31,679	30,319

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

**RECONCILIATION RELATING TO REMOVAL OF CAPITAL USER CHARGE
AND MAJOR FUNCTIONAL TRANSFERS**

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	692,665	765,835	799,578	813,850	873,664	890,210	908,215
Less Capital User Charge.....	35,568	35,439	35,439	-	-	-	-
Plus Transfer of the Office of Crime Prevention	8,977	-	-	-	-	-	-
Adjusted Total Cost of Services	666,074	730,396	764,139	813,850	873,664	890,210	908,215
APPROPRIATIONS							
Net amount appropriated to deliver services	682,475	734,620	760,839	780,658	840,399	853,079	875,266
Less Capital User Charge.....	35,568	35,439	35,439	-	-	-	-
Plus Transfer of the Office of Crime Prevention	7,393	-	-	-	-	-	-
Adjusted net amount appropriated to deliver services.....	654,300	699,181	725,400	780,658	840,399	853,079	875,266

SCHEDULE OF ADMINISTERED EXPENSES AND INCOME

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Handgun buy back payments.....	7	-	-	-	-	-	-
Other expenses	54	-	-	-	-	-	-
Receipts paid into Consolidated Account.....	456	390	390	390	390	390	390
TOTAL ADMINISTERED EXPENSES.....	517	390	390	390	390	390	390
INCOME							
Firearm licence infringements	101	140	140	140	140	140	140
Commonwealth grants – handgun buy back .	7	-	-	-	-	-	-
Sale of lost, stolen and forfeited property.....	353	250	250	250	250	250	250
Other revenue.....	56	-	-	-	-	-	-
TOTAL ADMINISTERED INCOME.....	517	390	390	390	390	390	390

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Handgun buy back payments	(7)	-	-	-	-	-	-
Other payments	(54)	-	-	-	-	-	-
Receipts paid into Consolidated Account	(456)	(390)	(390)	(390)	(390)	(390)	(390)
TOTAL ADMINISTERED CASH OUTFLOWS	(517)	(390)	(390)	(390)	(390)	(390)	(390)
CASH INFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Firearm licence infringements	101	140	140	140	140	140	140
Commonwealth grants – handgun buy back ...	7	-	-	-	-	-	-
Sale of lost, stolen and forfeited property	353	250	250	250	250	250	250
Other receipts	56	-	-	-	-	-	-
TOTAL ADMINISTERED CASH INFLOWS	517	390	390	390	390	390	390

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2005-06 Actual ^(a) \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
Aboriginal Warden Scheme	287	500	500	500	500	500	500
Community Safety and Crime Prevention Partnership Fund	2,732	5,559	3,874	4,283	4,108	3,033	3,033
Other	76	231	231	265	105	105	105
TOTAL	3,095	6,290	4,605	5,048	4,713	3,638	3,638

(a) Figures have been adjusted for comparability to reflect the transfer of the Office of Crime Prevention on 1 July 2006.

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the Department:

	2005-06 Actual ^(a) \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
Licences	4,251	5,665	5,665	5,466
Departmental	19,875	13,216	14,895	14,810
Commonwealth - National Campaign Against Drug Abuse	246	146	146	146
Commonwealth - Police Recruit Training Program	576	490	490	490
Commonwealth - Standing Action Committee for Protection Against Violence Training Exercises	953	-	-	-
Other	139	8	1,415	1,275
GST Input Credits	18,418	9,523	18,523	18,523
GST Receipts On Sales	1,291	1,388	1,388	1,388
TOTAL	45,749	30,436	42,522	42,098

(a) Figures have been adjusted for comparability to reflect the transfer of the Office of Crime Prevention on 1 July 2006.

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

FIRE AND EMERGENCY SERVICES AUTHORITY OF WESTERN AUSTRALIA

PART 6 - MINISTER FOR POLICE AND EMERGENCY SERVICES; COMMUNITY SAFETY; WATER RESOURCES; SPORT AND RECREATION

DIVISION 23

APPROPRIATION AND FORWARD ESTIMATES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 56 Net amount appropriated to deliver services ^(a)	41,262	31,335	51,409	30,632	30,252	29,192	30,671
Total appropriations provided to deliver services	41,262	31,335	51,409	30,632	30,252	29,192	30,671
ADMINISTERED TRANSACTIONS							
Item 57 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	1	1	1	1	1	1	1
CAPITAL							
Item 147 Capital Contribution	6,446	250	250	1,210	10	-	-
GRAND TOTAL	47,709	31,586	51,660	31,843	30,263	29,193	30,672

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

MISSION

In partnership with the people of Western Australia to improve community safety practices and provide timely, quality and effective emergency services.

SIGNIFICANT ISSUES AND TRENDS

- Climate change and its impact on vulnerable communities and the frequency and intensity of severe weather events is challenging emergency organisations and available resources.
- The emerging energy and water strategies combined with extreme weather events will impact on the future priorities and initiatives for managing emergency events.
- The need to enhance mitigation strategies through effective land use, planning, development and building controls.
- The need to improve disaster resilience of remote Indigenous communities.
- Volunteer attraction and retention is becoming increasingly difficult due to changing demographic patterns and the population shift from inland to coastal and regional areas.
- The need to optimize the organisational capacity to harness the benefits in Information Technology, such as the reliance on spatial information, into routine business and operational practices.
- The shift in focus from the planning and management of localised incidents to the planning and management of catastrophic and widespread events.

SERVICE AND APPROPRIATION SUMMARY

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Prevention Services.....	21,551	18,621	23,205	23,781			
<i>Service 2:</i>							
Emergency Services.....	157,741	167,590	198,101	174,063			
Total Cost of Services ^(a)	179,292	186,211	221,306	197,844	203,563	209,537	220,435
<i>Less Income</i>	157,108	157,484	157,969	170,883	173,659	181,935	189,261
Net Cost of Services ^(a)	22,184	28,727	63,337	26,961	29,904	27,602	31,174
Adjustments ^(b)	19,078	2,608	(11,928)	3,671	348	1,590	(503)
Appropriation provided to deliver Services ^(a)	41,262	31,335	51,409	30,632	30,252	29,192	30,671
ADMINISTERED TRANSACTIONS							
Appropriation for Administered Grants, Subsidies and Transfer Payments	1	1	1	1	1	1	1
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(c)	6,446	250	250	1,210	10	-	-
TOTAL CONSOLIDATED ACCOUNT APPROPRIATIONS	47,709	31,586	51,660	31,843	30,263	29,193	30,672

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (c) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

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

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
Enhancing the quality of life and wellbeing of all people throughout Western Australia by providing high quality, accessible services.	The impact of human and natural hazards on the community of Western Australia is minimised.	1. Prevention Services 2. Emergency Services

Outcomes and Key Effectiveness Indicators ^(a)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Outcome: The impact of human and natural hazards on the community of Western Australia is minimised.					
Number of accidental residential fires per 100,000 households	n/a	70	90	90	
Proportion of structural fires confined to object/room of origin	n/a	65 %	80.7 %	80.7 %	

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

Service 1: Prevention Services

Provision of prevention services to increase community awareness of human and natural hazards, and involvement in minimising their impact.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	21,551	18,621	23,205	23,781	
Less Income	18,884	15,943	18,988	20,540	
Net Cost of Service ^(a)	2,667	2,678	4,217	3,241	
Adjustments ^(b)	997	265	(442)	441	
Appropriation for delivery of Service ^(a)	3,664	2,943	3,775	3,682	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Prevention Services ^(a)	47	23	47	50	
Total Prevention Expenditure \$'000	21,551	18,621	23,205	23,781	
Average Cost per Prevention Service \$'000	458.53	809.61	493.72	475.62	
Full Time Equivalents (FTEs) ^(b)	146	150	150	151	

(a) The Prevention Services indicator includes the number of community prevention/awareness campaigns delivered.

(b) 2005-06 Actual FTEs includes seven Community Emergency Management Officers (CEMO) for six months. 2007-08 Target FTEs include a CEMO Manager.

Major Achievements For 2006-07

- Developed the flood mapping and community warning system to improve opportunity for community preparation and response in the event of flood in the Swan/Avon River catchment areas.
- Extended the review of high risk premises to include nightclubs, aged and special care facilities, country hotels and dormitory style accommodation in liaison with the Departments of Community Development, Health and Education and Training.
- Through community engagement including awareness and reduction activities, reduced the amount of the Kimberley Region burnt through unplanned and unmanaged dry season bush fires, and improved application and implementation of the aerial controlled burning program.
- Commenced the 2007 Kimberley Pastoralist 'Aerial Controlled Burning Program'.
- 2006 Kimberley Dry Season Campaign/Promotion conducted in July targeting travellers.
- West Kimberley Community Safety Program (Broome, Coconut Wells and 12 Mile), plan completed and hazard reduction strategies to be completed by June 2007.
- Northern Australian Fire Management Workshop was conducted in May 2007. The workshop is an annual forum of all Northern Australian Emergency Services with the outcome to develop a collaborative strategic approach for the implementation of improved Bush Fire management, principles, planning and control.
- Progressed fire management planning in the Kimberley Region in consultation with community, Indigenous and pastoral landholders.
- On behalf of the State Government, undertook a review of emergency services in the Shires of Busselton and Augusta, Margaret River in order to determine future emergency service requirements and to assist communities plan to meet these needs. Draft strategy released for public comment.
- Completed a comprehensive analysis of outcomes from the Bush Fire Investigation Action Team and arson related activities.
- Initiated the Western Australia Tsunami Planning Project including completion of modeling for high risk communities in the north-west, reviewed State plan, and commenced briefings with relevant stakeholders in the emergency management and response arena.

Major Initiatives For 2007-08

- Continue the implementation of the operational flood warning system in the Swan/Avon River catchment areas.
- Continue the Authority's investment in national and state emergency management research initiatives, including strategic partnerships with tertiary institutions and other research bodies including the Bushfire Cooperative Research Centre.
- Participate on a national project to evaluate and improve the effectiveness of community safety education programs.
- Conduct comprehensive reviews of key emergency and awareness programs including Juvenile and Family Fire Awareness, Bush Fire Action Ready Group and All West Australians Reducing Emergencies.
- Continue to embed the use of geospatial information into operational planning through management of the Government's Shared Land Information Platform (SLIP) Project.
- Complete the exhibition component of the Authority's Museum Education Centre redevelopment.
- Continue to work in collaboration with Local Government through the Community Emergency Management Officer Project to enhance emergency management planning for all hazards.
- Following introduction of the mandatory smoke alarm legislation conduct a comprehensive community education and public information program.
- In liaison with the Department of Housing and Works continue to contribute to and influence changes to the Building Code of Australia.
- Continue to progress development of fire management plans with community, Indigenous and pastoral landholders in the Kimberley.
- Continue to implement the Kimberley Bushfire Planning Project to assist pastoralists with strategic hazard reduction through controlled aerial burning and other measures.
- Conduct a Kimberley dry season campaign to reduce inappropriate fire lighting in the Fitzroy Valley targeting pastoralists, remote Indigenous communities, children and the community.
- Adoption of the National State Emergency Service request for assistance number 132500.
- Implementation and facilitation of the requirements of the *Working With Children (Criminal Record Checking) Act 2004*.
- Develop and roll out a governance education program to inform and guide volunteers on their governance responsibilities.
- Commence a review of local management arrangements established by Local Emergency Management Committees.
- Publish a 'Local Emergency Management Arrangements Guide' and 'Local Recovery Planning Guide'.
- Commence the State Level Emergency Risk Management Project.
- Launch the community Public Alert System ('State Alert') in the Perth Metropolitan area.
- Adaptation of the Western Australian Emergency Management guidelines to enable Indigenous people to access appropriate emergency management information.

Service 2: Emergency Services

Provision of emergency services to enable rapid and effective response to emergency incidents to minimise their impact.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	157,741	167,590	198,101	174,063	2006-07 expenditure includes \$20.8 million in Natural Disaster Relief payments and \$7.5 million in Capital Works carried over from 2005-06.
Less Income	138,224	141,541	138,981	150,343	
Net Cost of Service ^(a)	19,517	26,049	59,120	23,720	
Adjustments ^(b)	18,081	2,343	(11,486)	3,230	
Appropriation for delivery of Service ^(a)	37,598	28,392	47,634	26,950	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Number of Operational Personnel ready to respond to emergencies	29,827	29,000	31,823	30,900	2006-07 expenditure includes \$20.8 million in Natural Disaster Relief payments and \$7.5 million in Capital Works carried over from 2005-06.
Total Operational Personnel Expenditure \$'000	153,956	163,190	193,701	169,563	
Average Cost per Operational Personnel \$'000	5.16	5.63	6.09	5.49	
Western Australian Emergency Rescue Helicopter Service (WAERHS) Mission Hours	331	330	330	330	
Total WAERHS Expenditure \$'000	3,785	4,400	4,400	4,500	
Average Cost per Mission Hour \$'000	11.44	13.33	13.33	13.64	
Full Time Equivalents (FTEs) ^(a)	1,024	1,016	1,039	1,040	

- (a) The 2007-08 Target FTEs include a further 12 additional Firefighters for the Butler-Merriwa region to enable the temporary fire station at Nowergup to become 24/7, pending the construction of the fully functional CFRS Eglinton Fire Station.

Major Achievements For 2006-07

- The allocation of approximately \$19.4 million in operational and capital grants to volunteer groups State-wide.
- The enhancement of the Authority's State Coordination Centre to manage multi-agency emergency events.
- Developed enhanced major incident response protocols through agreements with local government (79 currently signed), to facilitate handover of major incidents when the Authority is not the hazard management agency.
- Purchased and implemented a detection system to improve safety of response personnel when responding to incidents where there is a potential chemical threat.

- Established a dedicated base for the Western Australian Emergency Response Rescue Helicopter Service at Jandakot Airport. The facility includes a helicopter hanger, planning and operations room and crew accommodation and will facilitate a more effective and efficient air mobilisation response.
- Implemented the new emergency air intelligence capabilities to enable transmission of real time mapping and vision to incident management teams and coordination centres following trial testing in 2005-06.
- Through the National Urban Search and Rescue (USAR) Strategy conducted interagency specialised building collapse training and operational exercise through the National Disaster Counter Terrorism Drill, Western Explorer in July 2006.
- *Emergency Management Act 2005* – completion of Policies, Procedures and Regulations including those covering volunteer insurance.
- Major Emergency Teams identified, maintenance training programs implemented and used during major emergencies.
- As part of the SLIP Project a bushfire mapping system was piloted during the fire season.
- In accordance with the National USAR Strategy:
 - the Authority has completed the development of a Western Australian USAR Task Force capability, and
 - State and Commonwealth Governments have reached an agreement to procure specialised USAR equipment.
- Acquired a Vector Command Incident Management Team ‘cyclone’ simulator, for the enhanced training of operational personnel in cyclone incident management.

Major Initiatives For 2007-08

- Develop and commence the implementation of a Tsunami warning system for Western Australia, incorporating state and local level planning, risk assessment and including computer modelling by Geoscience Australia, to identify highly vulnerable remote Indigenous communities.
- Progress the implementation of the ‘WA Emergency Radio Network’ to facilitate interagency coordination and enhanced incident management.
- Implement a State strategy for service delivery to remote Indigenous communities.
- Redesign the Authority’s public domain online systems and information management process to provide user-friendly access to timely emergency warnings, quality performance data and prevention/preparedness information.
- Develop a suite of standard facility footprints for emergency service buildings.
- The allocation of local government grants for volunteer Bush Fire Brigades and State Emergency Service Units throughout Western Australia will continue to focus on need through the ongoing development of the local government Resource to Risk Model.
- Application of initiatives to further enhance and promote recruitment, retention, recognition and reward opportunities for volunteers.
- Progress agreed outcomes from the Community Development and Justice Standing Committee’s Inquiry into Western Australia’s Natural Disaster Relief Arrangements.
- Adoption of the New Zealand standards for training the Authority’s State Emergency Service Metropolitan Canines.
- Progress agreed outcomes of the Community Development and Justice Standing Committee’s Inquiry into Emergency Services Legislation.
- Continued deployment and development of a State-wide based dispatch system with real time vehicle tracking to improve operational coordination and response.

CAPITAL WORKS PROGRAM

The 2007-08 Capital Works Program of \$25.9 million comprises new works of \$3.2 million and works in progress of \$22.7 million.

- The Capital Works Investment Plan is established in conjunction with the application of a resource to risk model to determine the emergency service infrastructure needs of communities and the Authority's personnel, throughout the State. This process recognises demographic changes and changing community safety issues.
- Planning for the construction of a purpose built Emergency Service Headquarters at a suitable site outside of the Perth CBD will commence in 2007-08. The new facility will incorporate the State's emergency communication and coordination centre, and will accommodate the administrative and emergency support staff from the existing facilities in Hay Street, Perth and Belmont.
- Other major land and building capital works allocations include plans for the State-wide commencement and completion of new buildings and upgrades to existing facilities with additional funding approved for the current building and construction industry cost demand pressures. The main projects include volunteer fire stations as well as regional collocations, which will provide improved facilities for volunteer groups and regional staff. The main regional projects in 2007-08 include volunteer collocations in Dalwallinu, Derby and Esperance, volunteer fire stations in Carnarvon and Merredin, and an Emergency Service Centre in Kununurra.
- Vehicle replacement programs of fire appliances in the metropolitan, regional and rural districts are ongoing in line with the Authority's maintenance and serviceable life replacement strategies. Indicative current cost estimates for the different appliance types are:
 - Heavy Pumpers - \$560,000;
 - Light Pumpers:
 - Country Pumpers - \$396,000;
 - Hazmat Structural Rescue Pumps - \$348,000; and
 - Light Tankers - \$95,000.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Fire and Emergency Vehicles				
CFRS Heavy Pumper Replacement Program ^(a)	4,920	2,210	2,208	2,150
CFRS Light Pumper Replacement Program.....	3,700	2,200	1,000	500
CFRS Light Tanker Replacement Program.....	4,450	300	300	700
VES Unit Fleet 2006-12 Replacement Program ^(b)	6,750	500	500	500
VFRS Light Pumper Replacement Program ^(c)	18,550	15,900	3,043	2,650
VFRS Light Tanker Replacement Program.....	8,030	800	800	900
Land and Building Works				
CFRS Perth Fire Station Relocation	9,500	8,246	4,712	1,254
FESA Emergency Service Centre – Kununurra ^(d)	2,300	400	400	1,900
FESA House Relocation	46,577	2,720	2,720	2,004
FESA Volunteer Collocation - Dalwallinu	1,363	913	913	450
FESA Volunteer Collocation - Derby	2,100	500	493	1,600
FESA Volunteer Collocation - Esperance	3,006	6	-	3,000
VFRS Merredin Fire Station.....	1,500	21	-	1,479
VFRS Station Modifications 2006-07	720	470	470	250
Plant and Equipment Works				
FESA ES-CADCOM Project	2,500	1,500	1,334	-
Urban Search and Rescue Equipment.....	1,003	983	983	10
VFRS Direct Brigade Alarm Replacement Program	800	550	253	250
VFRS Hose Replacement Strategy 2001-07 Program	540	340	182	40
VMRS Communication Network 2003-11 Program ^(e)	850	400	305	100
WA Emergency Radio Network (WAERN)	20,000	15,000	14,742	3,000
COMPLETED WORKS				
Fire and Emergency Vehicles				
CFRS Appliance Eglinton	600	600	519	-
CFRS Demountable Pods	1,685	1,685	266	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
CFRS Medium Tanker Replacement Program.....	600	600	468	-
CFRS TTL Half Life Refurbishment.....	400	400	400	-
Urban Search and Rescue Platform on Demand Carrier	328	328	328	-
VFRS Light Tanker Replacement Program.....	3,700	3,700	282	-
Land and Building Works				
CFRS Belmont Fire Station.....	2,900	2,900	355	-
FESA Regional Collocation - Bunbury Regional Office	1,655	1,655	544	-
FESA Regional Collocation - Geraldton Regional Office	1,650	1,650	1,438	-
FESA Volunteer Collocation - Manjimup.....	520	520	127	-
FESA Volunteer Collocation - Mundaring.....	1,700	1,700	1,202	-
FESA Volunteer Collocation - Toodyay	325	325	64	-
Forrestfield Training Centre - Modifications	650	650	650	-
Urban Search and Rescue Training Venue and Pod Shed	627	627	627	-
VFRS Broome Fire Station.....	1,100	1,100	615	-
VFRS Kalgoorlie Fire Station	675	675	122	-
VFRS Station Modifications.....	755	755	140	-
Plant and Equipment Works				
CFRS CLP Half Life Refurbishment.....	400	400	186	-
SLIP.....	1,831	1,831	1,207	-
NEW WORKS				
Land and Building Works				
VFRS Carnarvon Fire Station.....	2,200	-	-	2,200
Plant and Equipment Works				
FS Rescue Equipment Program ^(f)	9,710	-	-	1,000
	173,170	76,060	44,898	25,937

- (a) CFRS Career Fire and Rescue Service.
(b) VES Volunteer Emergency Services.
(c) VFRS Volunteer Fire and Rescue Service.
(d) FESA Fire and Emergency Services Authority of Western Australia.
(e) VMRS Volunteer Marine Rescue Service
(f) FS Fire Service

CAPITAL CONTRIBUTION

Holding Account draw downs of \$2.65 million in 2007-08 supports the vehicle replacement programs and reduce the borrowings requirements to \$11.1 million. The Authority continues to fund other capital works programs internally in accordance with its legislative authority.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	10,180	25,865	44,898	25,937	22,907	40,181	12,845
	10,180	25,865	44,898	25,937	22,907	40,181	12,845
LESS							
Asset Sales	4,330	-	-	-	-	10,930	-
Borrowings.....	3,000	7,294	6,769	11,077	19,128	7,264	6,706
Drawdowns from the Holding Account	4,800	3,200	3,200	2,650	-	-	-
Funding Included in Service Appropriations ^(a)	4,790	3,940	174	905	455	350	295
Internal Funds and Balances	(16,086)	8,681	32,005	7,595	736	19,483	640
Other.....	2,900	2,500	2,500	2,500	2,578	2,154	5,204
Capital Contribution	6,446	250	250	1,210	10	-	-

(a) Capital works expensed through the Income Statement.

FINANCIAL STATEMENTS**INCOME STATEMENT
(Controlled)**

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(a)	79,793	82,640	89,362	93,556	96,923	101,820	107,118
Superannuation	8,834	9,007	9,055	9,356	9,356	9,606	9,863
Grants and subsidies ^(b)	28,041	22,045	42,819	22,076	22,079	22,317	22,647
Supplies and services	49,090	55,536	63,008	53,960	54,614	53,583	58,064
Accommodation	2,114	2,188	2,198	2,227	2,270	2,329	2,399
Finance costs	2,508	4,134	4,134	4,479	5,602	6,503	6,591
Capital user charge ^(c)	3,038	2,872	2,872	-	-	-	-
Depreciation and amortisation	8,322	9,050	9,050	10,634	11,147	11,753	11,997
Loss on disposal of non-current assets	259	-	-	-	-	-	-
Other expenses	331	1,611	1,680	1,556	1,572	1,626	1,756
TOTAL COST OF SERVICES	182,330	189,083	224,178	197,844	203,563	209,537	220,435
Income							
User charges and fees	4,344	3,513	3,513	3,337	3,196	3,301	3,406
Regulatory fees and fines	139,040	146,959	147,444	160,649	163,594	171,804	179,064
Gain on disposal of non-current assets	1,978	-	-	-	-	-	-
Grants and subsidies	4,781	3,025	3,025	3,025	3,025	3,090	3,155
Interest revenue	3,862	2,500	2,500	2,500	2,500	2,500	2,500
Other revenue	3,103	1,487	1,487	1,372	1,344	1,240	1,136
Total Income	157,108	157,484	157,969	170,883	173,659	181,935	189,261
NET COST OF SERVICES ^(c)	25,222	31,599	66,209	26,961	29,904	27,602	31,174
INCOME FROM STATE GOVERNMENT							
Service appropriations ^(c)	44,300	34,207	54,281	30,632	30,252	29,192	30,671
Resources received free of charge	888	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	45,188	34,207	54,281	30,632	30,252	29,192	30,671
SURPLUS/(DEFICIENCY) FOR THE PERIOD	19,966	2,608	(11,928)	3,671	348	1,590	(503)
Extraordinary items	(15,500)	-	-	-	-	-	-
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	4,466	2,608	(11,928)	3,671	348	1,590	(503)

(a) The Full Time Equivalents (FTEs) for 2005-06 Actual, 2006-07 Estimated Actual and 2007-08 Estimate are 1,170, 1,189 and 1,191 respectively.

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

(c) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

BALANCE SHEET
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CURRENT ASSETS							
Restricted cash	1,389	7,756	1,384	1,771	1,917	2,068	2,224
Investments	70,776	22,430	31,608	28,463	29,118	8,476	8,928
Receivables	2,431	3,682	3,743	4,243	3,992	3,942	3,292
Inventories.....	5,646	950	5,451	5,501	5,401	5,426	5,426
Interest receivable	432	64	432	432	432	432	432
Amounts receivable for services.....	1,675	1,261	1,261	170	270	-	-
Prepayments	-	200	-	-	-	-	-
Other.....	1,082	558	1,078	1,074	1,070	1,066	1,066
Total current assets	83,431	36,901	44,957	41,654	42,200	21,410	21,368
NON-CURRENT ASSETS							
Amounts receivable for services.....	-	-	-	2,185	5,730	9,545	14,120
Land and buildings.....	85,767	116,721	94,542	105,312	101,368	90,933	92,614
Investments	500	-	1,668	-	1,014	1,014	1,014
Plant and equipment.....	36,517	31,333	45,257	44,174	43,217	40,303	32,266
Intangibles.....	397	1,496	2,281	2,488	2,127	1,123	832
Other.....	11,687	15,473	12,112	14,116	25,683	57,184	58,133
Total non-current assets.....	134,868	165,023	155,860	168,275	179,139	200,102	198,979
TOTAL ASSETS.....	218,299	201,924	200,817	209,929	221,339	221,512	220,347
CURRENT LIABILITIES							
Superannuation	900	461	876	904	909	766	766
Payables ^(a)	6,331	2,156	6,455	6,555	6,263	5,871	2,883
Provision for employee entitlements	6,862	3,551	6,099	6,699	6,431	6,031	6,165
Borrowings.....	2,050	5,724	3,877	3,653	3,851	4,051	4,051
Interest payable	535	876	769	882	986	986	882
Other.....	2,677	965	2,750	2,685	2,677	2,769	2,961
Total current liabilities.....	19,355	13,733	20,826	21,378	21,117	20,474	17,708
NON-CURRENT LIABILITIES							
Superannuation	829	806	648	533	431	303	-
Provision for employee entitlements	7,318	6,200	6,566	6,166	5,866	5,366	5,992
Borrowings.....	32,865	40,215	35,047	43,336	58,835	61,842	64,209
Other.....	-	-	-	63	1,107	2,151	2,613
Total non-current liabilities	41,012	47,221	42,261	50,098	66,239	69,662	72,814
TOTAL LIABILITIES.....	60,367	60,954	63,087	71,476	87,356	90,136	90,522
EQUITY							
Contributed equity	58,113	55,241	51,884	47,784	40,254	34,653	34,653
Accumulated surplus/(deficit)	14,530	18,182	2,602	6,273	6,621	8,211	7,708
Reserves	85,289	67,547	83,244	84,396	87,108	88,512	87,464
Total equity.....	157,932	140,970	137,730	138,453	133,983	131,376	129,825
TOTAL LIABILITIES AND EQUITY	218,299	201,924	200,817	209,929	221,339	221,512	220,347

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

CASHFLOW STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	41,490	30,966	51,040	26,888	26,437	25,377	26,096
Capital contribution	6,446	250	250	1,210	10	-	-
Holding account drawdowns	5,029	3,655	3,655	2,650	170	270	-
Net cash provided by State government	52,965	34,871	54,945	30,748	26,617	25,647	26,096
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(78,829)	(84,155)	(90,877)	(93,356)	(97,491)	(102,720)	(106,358)
Superannuation	(8,834)	(8,980)	(9,028)	(9,329)	(10,972)	(11,191)	(11,417)
Grants and subsidies	(28,041)	(22,045)	(42,819)	(22,079)	(22,079)	(22,363)	(22,647)
Supplies and services	(42,558)	(55,840)	(68,453)	(54,897)	(54,219)	(53,246)	(58,772)
Accommodation	(2,192)	(2,295)	(2,305)	(2,372)	(2,457)	(2,543)	(2,641)
Finance costs	(2,598)	(3,934)	(3,934)	(4,366)	(5,498)	(6,503)	(6,695)
Capital user charge ^(a)	(3,038)	(2,872)	(2,872)	-	-	-	-
Goods and services tax	(7,400)	(4,000)	(4,000)	(4,000)	(3,000)	(3,045)	(3,090)
Other	(330)	(1,242)	(1,311)	(1,284)	(1,350)	(1,400)	(1,430)
Receipts							
User charges and fees	3,944	-	-	152	146	151	156
Regulatory fees and fines	138,013	146,959	147,444	160,649	163,594	171,804	180,393
Grants and subsidies	4,810	1,775	3,025	3,025	3,025	3,090	3,155
Interest received	3,493	2,500	2,500	2,500	2,500	2,500	2,500
Donations receipts	-	-	-	10	10	10	10
Goods and services tax	7,400	3,000	3,000	3,000	3,000	3,000	3,000
Other receipts	2,481	2,795	1,545	1,640	1,744	2,012	2,280
Net cash from operating activities	(13,679)	(28,334)	(68,085)	(20,707)	(23,047)	(20,444)	(21,556)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(13,533)	(19,425)	(28,874)	(22,532)	(17,452)	(39,831)	(6,299)
Purchase of investments	(28)	-	-	-	-	-	-
Equity contribution payments	(1,020)	-	-	-	-	-	-
Proceeds from sale of non-current assets	4,330	-	-	-	-	10,930	-
Net cash from investing activities	(10,251)	(19,425)	(28,874)	(22,532)	(17,452)	(28,901)	(6,299)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings	(10,802)	(2,760)	(2,760)	(3,012)	(3,431)	(4,057)	(4,339)
Proceeds from borrowings	3,000	7,294	6,769	11,077	19,128	7,264	6,706
Net cash from financing activities	(7,802)	4,534	4,009	8,065	15,697	3,207	2,367
NET INCREASE/(DECREASE) IN CASH HELD	21,233	(8,354)	(38,005)	(4,426)	1,815	(20,491)	608
Cash assets at the beginning of the reporting period	51,432	38,540	72,665	34,660	30,234	32,049	11,558
Cash assets at the end of the reporting period	72,665	30,186	34,660	30,234	32,049	11,558	12,166

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

RECONCILIATION RELATING TO REMOVAL OF CAPITAL USER CHARGE

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	182,330	189,083	224,178	197,844	203,563	209,537	220,435
Less Capital User Charge.....	3,038	2,872	2,872	-	-	-	-
Adjusted Total Cost of Services	179,292	186,211	221,306	197,844	203,563	209,537	220,435
APPROPRIATIONS							
Net amount appropriated to deliver services	44,300	34,207	54,281	30,632	30,252	29,192	30,671
Less Capital User Charge.....	3,038	2,872	2,872	-	-	-	-
Adjusted net amount appropriated to deliver services	41,262	31,335	51,409	30,632	30,252	29,192	30,671

SCHEDULE OF ADMINISTERED EXPENSES AND INCOME

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Grants and subsidies	1	1	1	1	1	1	1
TOTAL ADMINISTERED EXPENSES ^(a) ..	1	1	1	1	1	1	1
INCOME							
Administered appropriations.....	1	1	1	1	1	1	1
TOTAL ADMINISTERED INCOME ^(b)	1	1	1	1	1	1	1

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

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

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

[illegible]

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
Local Government Emergency Services							
Grants	14,229	17,831	17,831	17,860	17,860	18,098	18,428
Natural Disaster Relief Arrangements.....	9,959	-	20,774	-	-	-	-
Volunteer Marine Rescue Service	920	1,550	1,550	1,650	1,700	1,250	1,250
Other.....	2,933	2,664	2,664	2,566	2,519	2,969	2,969
TOTAL	28,041	22,045	42,819	22,076	22,079	22,317	22,647

DETAILS OF THE ADMINISTERED TRANSACTIONS EXPENSES

[illegible]

DETAILS OF THE ADMINISTERED TRANSACTIONS INCOME

	2005-06 Actual	2006-07 Budget	2006-07 Estimated Actual	2007-08 Budget Estimate	2008-09 Forward Estimate	2009-10 Forward Estimate	2010-11 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
OTHER Administered appropriation.....	1	1	1	1	1	1	1
TOTAL	1	1	1	1	1	1	1

WATER AND RIVERS COMMISSION

PART 6 - MINISTER FOR POLICE AND EMERGENCY SERVICES; COMMUNITY SAFETY; WATER RESOURCES; SPORT AND RECREATION

DIVISION 24

APPROPRIATION AND FORWARD ESTIMATES

	2005-06 Actual ^(a) \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 58 Net amount appropriated to deliver services ^(b)	51,791	69,765	64,085	60,387	61,655	57,837	63,498
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 ^(c)	186	192	192	198	203	209	209
Total appropriations provided to deliver services	51,977	69,957	64,277	60,585	61,858	58,046	63,707
ADMINISTERED TRANSACTIONS							
Item 59 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	2,798	2,681	2,681	2,570	1,860	1,410	880
CAPITAL							
Item 148 Capital Contribution	3,110	6,953	6,203	4,286	3,556	874	6,000
GRAND TOTAL	57,885	79,591	73,161	67,441	67,274	60,330	70,587

(a) Adjusted for comparability to reflect the transfer in of the Office of Water Strategy.

(b) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(c) The recommendation by the Salaries and Allowances Tribunal of 4 April 2007 in relation to senior public servants' salaries was received after the finalisation of agencies' individual financial projections. Accordingly, a provision for the total cost 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 No. 2 Volume 1). This provision will be reflected in agencies' estimates following the release of the 2007-08 Budget.

MISSION

Highest and best use of West Australian water resources.

SIGNIFICANT ISSUES AND TRENDS

- Climate change and variability present significant challenges to the management of water resources. Improved water resources planning, better climatic information and models and water management and allocation regimes that reflect the amount of water available are becoming increasingly necessary, as is an increased focus on achieving water use efficiency across all industries and sectors.
- Western Australia's resources boom and population growth are resulting in increased demand for new water sources and the better management and protection of existing sources. This in turn requires improved knowledge about water resources availability, water quality and management and close partnerships with industry and the community.
- The signing of the National Water Initiative in 2006 and the Government Response to the Water Reform Implementation Committee's 'A Blueprint for Water Reform in Western Australia' has given impetus to progressing water reform in Western Australia. This is consistent with a national drive towards enhanced water planning, improved water sharing arrangements, water accounting providing sufficient water for the environment and consumptive use, metering and measurement, and recovery of costs associated with water resources management and planning. Much of this reform agenda will require comprehensive legislative reform and new systems and processes.

- Reduced stream and estuary flows are impacting water quality and adversely impacting environmental and recreational enjoyment of waterways. An adaptive management approach will need to be taken, so that management measures can evolve as knowledge of water resources improves, or as changes occur, including changes in climate.
- The whole-of-government State Water Plan 2007 provides a comprehensive policy and planning framework for the management of Western Australia's water resources, reflecting the Government's commitment to water reform, improved water management, new water sources and community engagement through a consistent framework.
- The collection and dissemination of useful and relevant water information remains a key challenge in a state the size of Western Australia. Climate change and the water reform agenda also require improved water resources monitoring and measurement, including enhanced groundwater investigation, the roll-out of metering of licensed water use, addressing data backlogs, improving the network of monitoring bores and improving modelling for water resources.
- Improved planning and management of drainage in coastal, urban and rural areas remains vital to achieving sound water resources management and protection of the environment.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2006-07 Budget to Parliament on 11 May 2006 are outlined below.

	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
Gnangara Sustainability Strategy	3,274	3,501	735	-
Maintain Water Resource Investigation and Management Program	3,496	3,583	4,105	4,426
Statutory Management Plans	-	1,386	479	-

SERVICE AND APPROPRIATION SUMMARY

	2005-06 Actual ^{(a) (b)} \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Water Resources Plans and Policies	6,282	15,032	13,513	11,575			
<i>Service 2:</i>							
Investigation and Assessment of Water Resources	15,186	14,692	16,176	15,630			
<i>Service 3:</i>							
Water Licensing and Regulation	17,494	21,378	17,747	24,847			
<i>Service 4:</i>							
Water Resource Protection Plans and Guidelines	3,799	5,874	3,331	3,489			
<i>Service 5:</i>							
Drainage, Floodplain, Salinity and Catchment Management	23,353	46,841	32,110	53,060			
Total Cost of Services ^(c)	66,114	103,817	82,877	108,601	81,894	78,060	81,612
<i>Less Income</i>	<i>22,154</i>	<i>22,525</i>	<i>14,925</i>	<i>44,144</i>	<i>20,549</i>	<i>20,113</i>	<i>18,159</i>
Net Cost of Services ^(c)	43,960	81,292	67,952	64,457	61,345	57,947	63,453
 <i>Adjustments ^(d)</i>	 <i>8,017</i>	 <i>(11,335)</i>	 <i>(3,675)</i>	 <i>(3,872)</i>	 <i>513</i>	 <i>99</i>	 <i>254</i>
Appropriation provided to deliver Services ^(c)	51,977	69,957	64,277	60,585	61,858	58,046	63,707

	2005-06 Actual ^{(a) (b)} \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
ADMINISTERED TRANSACTIONS							
Appropriation for Administered Grants, Subsidies and Transfer Payments	2,798	2,681	2,681	2,570	1,860	1,410	880
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(e)	3,110	6,953	6,203	4,286	3,556	874	6,000
TOTAL CONSOLIDATED ACCOUNT APPROPRIATIONS.....	57,885	79,591	73,161	67,441	67,274	60,330	70,587

- (a) Adjusted for comparability to reflect the transfer in of the Office of Water Strategy.
- (b) Service costings contained in 2005-06 Annual Report recast to reflect more appropriate service costing allocation.
- (c) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (d) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (e) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

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

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
Protecting and enhancing the unique Western Australian lifestyle and ensuring sustainable management of the environment.	Development of water resources to support state development.	1. Water Resources Plans and Policies 2. Investigation and Assessment of Water Resources 3. Water Licensing and Regulation
	Protection of water resources within sustainable limits.	4. Water Resource Protection Plans and Guidelines 5. Drainage, Floodplain, Salinity and Catchment Management

Outcomes and Key Effectiveness Indicators ^(a)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Outcome: Development of water resources to support state development.					
Number of water resources with licensed allocation within assessed sustainable yields ...	627	630	575	575	Decrease from 2006-07 Budget to 2006-07 Estimated is due to improved scientific understanding of the integrated nature of the underlying water resources resulting in water resources being amalgamated within the Water Licensing System.
Outcome: Protection of water resources within sustainable limits.					
Number of contamination occurrences exceeding drinking water standards in public drinking water source areas	0	0	0	0	
The number of catchments conforming with designated targets.....	13	12	13	13	

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

Service 1: Water Resources Plans and Policies

The development of an appropriate legislative and policy framework to enable decision making on the usage of the State's water resources at both strategic and operational levels.

	2005-06 Actual ^(a) \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(b)	6,282	15,032	13,513	11,575	2007-08 Estimate decrease is due to Irrigation Review and Kimberley Water projects being completed in 2006-07.
Less Income.....	54	105	562	544	
Net Cost of Service ^(b)	6,228	14,927	12,951	11,031	
Adjustments ^(c)	(1,791)	(188)	(382)	(405)	
Appropriation for delivery of Service ^(b)	4,437	14,739	12,569	10,626	

(a) Adjusted for comparability to reflect the transfer in of the Office of Water Strategy.

(b) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per allocation plan or policy developed	\$699,154	\$1,670,222	\$1,039,762	\$894,515	2007-08 average cost decrease is due to Irrigation Review and Kimberley Water projects being completed in 2006-07.
Full Time Equivalents (FTEs)	12	68	60	66	

Major Achievements For 2006-07

- Contributed to the development of the Draft State Water Plan, released by the Department of the Premier and Cabinet for public comment in October 2006.
- Significant progress was made with the development of planning policy positions linked to water and legislative reform, including the Gnamptara Sustainability Strategy. Preparation of Regional Water Plans for the South West, the Pilbara and the Perth-Peel region commenced.
- Supported development of the federally funded 'Tropical Rivers and Coastal Knowledge' program as a strategic initiative to provide the science and knowledge required to underpin water management planning in the Kimberley Region.
- Completed Western Australia's Implementation Plan for the National Water Initiative.
- The Water Resources Legislation Amendment Bill 2006 was introduced to Parliament in May 2006. The Bill seeks to formally create the Department of Water and abolish the Water and Rivers Commission.
- Five projects, totalling \$3.1 million, of the Premier's Water Foundation Round Two funding were successful, out of 56 Expressions of Interest received.
- Amendments to the criteria for the Farm Water Grant Scheme, Pastoral Water Grant Scheme and Farm Water Supply Planning Program which encouraged more farmers to apply for grants.
- Production of Emergency Farmland Water Response Plans for Shires of Kondinin, Kent, Kulin, Yilgarn and Ravensthorpe, Narembeen and Jerramungup.
- Report for the Minister for Water Resources on Water Services in Discrete Indigenous Communities endorsed by Government, and the Department given the lead role in coordinating water services for Indigenous Communities.

Major Initiatives For 2007-08

- Implement and monitor the State Water Plan, the Government response to the Blueprint for Water Reform and the National Water Initiative Implementation Plan.
- Release the Draft South West Regional Water Plan for community consultation. Implement the final South West Regional Water Plan.
- Complete the draft Pilbara Regional Water Plan.
- Complete the investigation and research phase of the Metro-Peel Regional Water Plan.
- Develop a Statutory Water Management Plan Model for Western Australia.

- Support research and development that challenges boundaries and investigate innovative new ways of conserving water and maximising reuse of wastewater.
- Coordinate the provision of detailed policy advice to Government on a range of Water Reform initiatives. This includes broader national water reform programs that the State is required to undertake under the National Water Initiative.
- A Water Resources Bill is to be introduced to Parliament. The Bill will underpin the implementation of key elements of the Government's water reform program and the National Water Initiative. It will consolidate and modernise the various water resource management provisions in the current Acts and by-laws, providing a comprehensive legislative mandate for the sustainable and integrated management of water resources into the future.
- A Water Services Bill is to be introduced to Parliament. The Bill will modernise, streamline and consolidate the many statutes covering the provision of water services in Western Australia.
- Develop policy and standards for supplying water services to Indigenous communities, and work with the other agencies involved to improve the standard of services.
- Support initiatives within the water industry, State and Local Government to ensure a sustainable water future.
- Coordinate the development of the Gngangara Sustainability Strategy.

Service 2: Investigation and Assessment of Water Resources

Investigation and assessment of groundwater and surface water resources using drilling, testing, stream gauging, water quality sampling, computer modelling and other analysis techniques to determine sustainable yields for resources under varying climatic conditions.

	2005-06 Actual ^(a) \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(b)	15,186	14,692	16,176	15,630	
Less Income	2,534	2,144	660	619	
Net Cost of Service ^(b)	12,652	12,548	15,516	15,011	
Adjustments ^(c)	(255)	(334)	(1,069)	(1,125)	
Appropriation for delivery of Service ^(b)	12,397	12,214	14,447	13,886	

(a) Adjusted for comparability to reflect the transfer in of the Office of Water Strategy.

(b) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per water resource assessment....	\$140,611	\$122,638	\$127,370	\$103,510	2007-08 average cost decrease is due to increased water resource assessments.
Full Time Equivalents (FTEs)	120	120	169	182	

Major Achievements For 2006-07

- Developed a hydrologic model to assist licensing officers in the assessment of surface water sustainable yields. Commenced work on the development of surface water sustainable diversion limits for South West Western Australia.
- Commenced groundwater drilling investigations at Gngangara North and Allanooka as part of the State Groundwater Investigation Program. Commenced investigation of sustainability of shallow groundwater systems on Gngangara and Jandakot mounds.
- Completion of groundwater assessments including Pilbara coast water study, progress of regional hydrogeology of the Southern Perth Basin including South West Yarragadee, completion of Perth region sustainable yields, Millstream aquifer and groundwater modelling system platform reviews.
- Completion of draft Strategic Water Measurement Plan which addresses short and long-term water measurement needs and actions.

Major Initiatives For 2007-08

- Finalise the surface water sustainable diversion limits study for South West Western Australia. Develop a water balance model to assist in the examination of surface water/groundwater interactions in Gingin.
- Completion of bulletin of regional hydrogeology of Southern Perth Basin. Completion of Gngangara local area model.
- Implement the Strategic Water Measurement Plan.

Service 3: Water Licensing and Regulation

To manage people's use of, and impact on water resources.

	2005-06 Actual ^(a) \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(b)	17,494	21,378	17,747	24,847	2007-08 Estimate includes deferrals associated with Gngangara Mound Metering and new funding associated with Water Reform. 2007-08 Estimate includes revenues associated with Water License Administration Fees.
Less Income	2,136	1,280	1,472	6,821	
Net Cost of Service ^(b)	15,358	20,098	16,275	18,026	
Adjustments ^(c)	(597)	(415)	(866)	(910)	
Appropriation for delivery of Service ^(b)	14,761	19,683	15,409	17,116	

(a) Adjusted for comparability to reflect the transfer in of the Office of Water Strategy.

(b) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per gegalitre of water licensed	\$9,855	\$6,278	\$8,933	\$12,731	2007-08 average cost increase is due to increased expenditure associated with installing meters on the Gngara Mound and Water Reform.
Full Time Equivalents (FTEs)	158	150	137	148	

Major Achievements For 2006-07

- Completed Ord River Water Management Plan and Esperance Groundwater Area Water Management Plan.
- Advanced draft plans completed for Cockburn, Murray, Kemerton, Rockingham, and Carnarvon Artesian Basin.
- Hydrological modelling and environmental values work substantially completed for South West Groundwater Areas.
- Installed 150 water meters on the Gngara Mound to measure water abstracted licences.
- Initial phase of trade agreement for Harvey Water and Water Corporation water trading successfully negotiated and respective licences amended.
- Policy position for water trading and entitlements system established.
- State-wide assessment of unused licence allocations progressed.
- Licensing systems and processes made ready for implementing licensing administration fee by July 2007.

Major Initiatives For 2007-08

- Interim water management plans for Gngara Groundwater, South West Groundwater, and Upper Collie Catchment to be developed as first phase of Statutory Water Management Plans.
- Develop systems to enable water accounting, entitlements and trading.
- Implement efficient water licensing administration fee system.
- Develop transition arrangements for water licensing and entitlements.

Service 4: Water Resource Protection Plans and Guidelines

Preparation of drinking water source protection plans, water source protection notes and environmental guidelines to assist in ensuring drinking water quality is protected.

	2005-06 Actual ^(a) \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(b)	3,799	5,874	3,331	3,489	
Less Income.....	219	276	140	131	
Net Cost of Service ^(b)	3,580	5,598	3,191	3,358	
Adjustments ^(c)	(786)	(135)	(187)	(199)	
Appropriation for delivery of Service ^(b)	2,794	5,463	3,004	3,159	

(a) Adjusted for comparability to reflect the transfer in of the Office of Water Strategy.

(b) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per protection plan developed	\$759,800	\$489,500	\$185,056	\$232,600	2007-08 average cost increase is due to the planned development of more complex protection plans resulting in fewer protection plans being developed.
Full Time Equivalents (FTEs)	30	49	29	32	

Major Achievements For 2006-07

- Completed Drinking Water Source Protection Plans for Arrowsmith, Augusta, Canning Dam, Churchmans Brook, Dathagnoorara, Denham, Dookanooka, Harris Dam, Laverton, Marbellup, Mundaring Dam, Northcliffe, Seaview Park, Serpentine, Sovereign Hill, Tanjanerrup, Walpole, and Wungong Brook.
- Produced Water Quality Protection Notes for Infrastructure Corridors near Sensitive Water Resources; Rural Abattoirs; Rural Restaurants, Cafes and Taverns in Sensitive Environments; Outdoor Events; Rural Dam Construction; Light Industry near Sensitive Water Resources; and Cooling Tower Wastewater Management and Disposal.

Major Initiatives For 2007-08

- Undertake the development of Drinking Water Source Protection plans for Angove Creek, Bolganup, Bindoon/Chittering, Bridgetown Catchment Area, Bridgetown-Millstream, Brookton Catchment Area, Brookton Happy Valley, Bunbury, Denmark, Donnybrook, Eneabba, Gascoyne Junction, Gibson, Jurien, Kirup, Leeman/Mt Peron, Menzies, and Wellington Dam.
- Develop environmental guidelines with industry and other Government Departments including Mining and Mineral Processing, Metal Finishing, and Biosolids.
- Develop Water Quality Protection Notes for land use activities identified in the Land Use Compatibility Tables and Model Scheme Text.

Service 5: Drainage, Floodplain, Salinity and Catchment Management

The preparation and implementation, in partnership with local communities, of management plans for drainage, floodplain management, salinity recovery and catchment management.

	2005-06 Actual ^(a) \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(b)	23,353	46,841	32,110	53,060	2007-08 Estimate contains significant increase in expenditure associated with Collie Recovery Project. 2007-08 Estimate contains significant increase in revenue associated with Collie Recovery Project.
Less Income	17,211	18,720	12,091	36,029	
Net Cost of Service ^(b)	6,142	28,121	20,019	17,031	
Adjustments ^(c)	11,446	(10,263)	(1,171)	(1,233)	
Appropriation for delivery of Service ^(b)	17,588	17,858	18,848	15,798	

(a) Adjusted for comparability to reflect the transfer in of the Office of Water Strategy.

(b) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per km ² of designated catchments where management measures are implemented	\$1,506	\$2,667	\$1,947	\$1,901	2007-08 increase mainly relates to increase in expenditure associated with Collie River Salinity Recovery Project.
Average cost per km of river managed in designated catchments	\$11	\$28	\$12	\$51	
Full Time Equivalents (FTEs)	188	200	185	200	

Major Achievements For 2006-07

- Provided technical support to all Regional Natural Resource Management Groups to implement National Action Plan/National Heritage Trust Phase Two, including decision support modelling, river and estuary understanding, resource conditions, target setting, and monitoring and evaluation frameworks.
- Implemented Stage Two trial diversions of the east Collie River as part of the Collie River Salinity Recovery Plan.
- Completed preparation for Collie River Salinity Recovery Plan and the Kent and Helena River Salinity Situation Statement.
- Commenced implementation of Western Australian Floodplain Management Strategy.

- Developed Urban Drainage Initiative with a focus on drainage planning in the South West and South East Corridor of Perth.
- Established Wheatbelt Drainage Council to provide a policy framework and principals for deep drainage in the Wheatbelt.

Major Initiatives For 2007-08

- Complete assessment of engineering options for Salinity Recovery.
- Complete the Byford, Jandakot and Baldivis-Karnup Drainage and Water Management Plans.
- Publish new Stormwater Management Manual.
- Publish Collie River Salinity Recovery Plan and Kent and Warren Salinity Situation Statements.

CAPITAL WORKS PROGRAM

The capital investment program for 2007-08 continues the program of installing, replacing and upgrading Groundwater Monitoring Bores to adequately manage the State's groundwater resources and continues the program of maintaining and replacing River Gauging Stations throughout the State.

In addition, funding has been allocated to improve the facilities at the Kununurra regional office.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Accommodation - Kununurra Office and Depot Extension and Works	1,500	750	750	750
COMPLETED WORKS				
Asset Replacement/Upgrade - Carnarvon Water Meters	388	388	388	-
Computing and Office Equipment Replacement - 2006-07 Program	834	834	834	-
Groundwater Resources Investigation and Monitoring 2006-07 Program	1,510	1,510	1,020	-
Land Acquisition - Land Purchase in Priority 1 Areas 2004-05 Program	1,326	1,326	1,326	-
2006-07 Program	1,456	1,456	1,456	-
State Reference Network: Replace and Maintain Monitoring Bores 2006-07 Program	932	932	932	-
State Reference Network: Replace and Maintain River Gauging Stations 2006-07 Program	784	784	784	-
NEW WORKS				
Computing and Office Equipment Replacement - 2007-08 Program	950	-	-	950
Groundwater Resources Investigation and Monitoring 2007-08 Program	1,400	-	-	1,400
Land Acquisition - Land Purchase in Priority 1 Areas 2007-08 Program	1,000	-	-	1,000
State Reference Network: Replace and Maintain Monitoring Bores 2007-08 Program	1,930	-	-	1,930
State Reference Network: Replace and Maintain River Gauging Stations 2007-08 Program	700	-	-	700
	14,710	7,980	7,490	6,730

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	3,757	6,567	7,490	6,730	6,816	6,954	7,739
Working capital requirement							
Capital grants paid to other agencies	-	4,500	4,500	-	-	-	-
Loan and Other Repayments	200	200	200	436	-	-	-
	3,957	11,267	12,190	7,166	6,816	6,954	7,739
LESS							
Drawdowns from the Holding Account	1,446	1,400	1,400	2,880	3,260	6,080	1,739
Internal Funds and Balances	(599)	2,914	4,587	-	-	-	-
Capital Contribution	3,110	6,953	6,203	4,286	3,556	874	6,000

FINANCIAL STATEMENTS**INCOME STATEMENT
(Controlled)**

	2005-06 Actual ^(a) \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	26,684	34,590	34,766	35,053	36,232	36,745	37,580
Superannuation	2,813	3,657	3,707	3,702	3,939	4,001	4,000
Grants and subsidies ^(c)	3,131	14,992	9,924	6,218	6,561	4,526	6,345
Supplies and services	22,653	44,925	28,827	57,643	28,599	25,939	26,511
Accommodation	2,675	2,941	2,941	2,871	2,849	2,848	2,848
Finance costs	50	100	100	-	-	-	-
Capital user charge ^(d)	12,829	12,955	12,955	-	-	-	-
Depreciation and amortisation	1,464	2,243	2,243	2,744	3,344	3,344	3,344
State taxes	1,742	-	-	-	-	-	-
Loss on disposal of non-current assets	11	-	-	-	-	-	-
Doubtful debts	26	-	-	-	-	-	-
Other expenses	-	369	369	370	370	657	984
TOTAL COST OF SERVICES	74,078	116,772	95,832	108,601	81,894	78,060	81,612
Income							
Regulatory fees and fines	69	103	103	5,905	5,908	5,908	5,908
Gain on disposal of non-current assets	-	78	78	78	-	-	-
Grants and subsidies	9,764	16,124	8,524	33,527	9,997	9,551	7,597
Rent	207	140	140	150	160	170	170
Other revenue	12,114	6,080	6,080	4,484	4,484	4,484	4,484
Total Income	22,154	22,525	14,925	44,144	20,549	20,113	18,159
NET COST OF SERVICES ^(d)	51,924	94,247	80,907	64,457	61,345	57,947	63,453
INCOME FROM STATE GOVERNMENT							
Service appropriations ^(d)	61,524	82,912	77,232	60,585	61,858	58,046	63,707
Resources received free of charge	480	451	451	451	451	451	451
Liabilities assumed by the Treasurer	111	3	3	3	3	3	3
TOTAL INCOME FROM STATE GOVERNMENT	62,115	83,366	77,686	61,039	62,312	58,500	64,161
SURPLUS/(DEFICIENCY) FOR THE PERIOD	10,191	(10,881)	(3,221)	(3,418)	967	553	708

(a) Not adjusted for comparability to reflect the transfer in of the Office of Water Strategy.

(b) The Full Time Equivalents (FTEs) for 2005-06 Actual, 2006-07 Estimated Actual and 2007-08 Estimate are 508, 580 and 628 respectively.

(c) Refer Details of Controlled Grants and Subsidies table for further information, subject to note (a).

(d) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

**BALANCE SHEET
(Controlled)**

	2005-06 Actual ^(a) \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CURRENT ASSETS							
Cash and cash equivalents	22,981	867	22,046	18,313	18,562	19,115	19,268
Restricted cash	106	-	106	106	106	106	106
Receivables	2,164	1,053	2,164	2,164	2,886	2,886	2,886
Amounts receivable for services.....	1,400	2,880	2,880	3,260	6,080	1,739	-
Prepayments	1,372	244	1,372	1,372	1,372	1,372	1,372
Total current assets	28,023	5,044	28,568	25,215	29,006	25,218	23,632
NON-CURRENT ASSETS							
Amounts receivable for services.....	5,994	5,912	5,912	5,951	3,770	5,930	9,829
Land and buildings.....	108,926	124,312	111,088	112,778	113,718	114,658	115,598
Plant and equipment.....	1,318	1,291	2,705	4,066	5,683	5,417	5,151
Other.....	45,267	19,421	45,154	45,948	46,863	49,799	53,520
Total non-current assets.....	161,505	150,936	164,859	168,743	170,034	175,804	184,098
TOTAL ASSETS.....	189,528	155,980	193,427	193,958	199,040	201,022	207,730
CURRENT LIABILITIES							
Payables ^(b)	14	2,178	710	250	250	250	250
Provision for employee entitlements	6,035	6,136	6,335	6,639	7,198	7,753	7,753
Borrowings	307	263	107	-	-	-	-
Interest payable	-	7	-	-	-	-	-
Accrued salaries	614	-	480	480	480	480	480
Other.....	962	23	962	962	962	962	962
Total current liabilities.....	7,932	8,607	8,594	8,331	8,890	9,445	9,445
NON-CURRENT LIABILITIES							
Provision for employee entitlements	2,162	2,929	2,417	2,672	2,672	2,672	2,672
Borrowings.....	329	197	329	-	-	-	-
Other.....	106	106	106	106	106	106	106
Total non-current liabilities	2,597	3,232	2,852	2,778	2,778	2,778	2,778
TOTAL LIABILITIES.....	10,529	11,839	11,446	11,109	11,668	12,223	12,223
EQUITY							
Contributed equity	81,468	18,902	87,671	91,957	95,513	96,387	102,387
Accumulated surplus/(deficit)	7,859	(13,222)	4,638	1,220	2,187	2,740	3,448
Reserves	89,672	138,461	89,672	89,672	89,672	89,672	89,672
Total equity.....	178,999	144,141	181,981	182,849	187,372	188,799	195,507
TOTAL LIABILITIES AND EQUITY	189,528	155,980	193,427	193,958	199,040	201,022	207,730

(a) Not adjusted for comparability to reflect the transfer in of the Office of Water Strategy.

(b) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

CASHFLOW STATEMENT
(Controlled)

	2005-06 Actual ^(a) \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	59,028	80,114	74,434	57,286	57,959	54,147	59,808
Capital contribution	3,110	6,953	6,203	4,286	3,556	874	6,000
Holding account drawdowns	1,446	1,400	1,400	2,880	3,260	6,080	1,739
Net cash provided by State government	63,584	88,467	82,037	64,452	64,775	61,101	67,547
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(25,872)	(34,035)	(34,332)	(34,494)	(35,673)	(36,190)	(37,580)
Superannuation	(2,743)	(3,654)	(3,717)	(3,699)	(3,936)	(3,998)	(3,997)
Grants and subsidies	(4,200)	(14,992)	(9,924)	(6,218)	(6,561)	(4,526)	(6,345)
Supplies and services	(22,213)	(44,990)	(28,868)	(58,836)	(30,069)	(25,995)	(26,567)
Accommodation.....	(2,876)	(2,941)	(2,941)	(2,871)	(2,849)	(2,848)	(2,848)
Finance costs	(50)	(76)	(100)	-	-	-	-
Capital user charge ^(b)	(12,829)	(12,955)	(12,955)	-	-	-	-
State taxes	(1,742)	-	-	-	-	-	-
Goods and services tax	(3,189)	(1,932)	(1,932)	(1,934)	(1,934)	(1,934)	(1,934)
Other.....	(226)	(136)	(136)	(134)	(119)	(1,102)	(1,429)
Receipts							
Regulatory fees and fines.....	69	103	103	5,905	5,908	5,908	5,908
Grants and subsidies	8,446	16,124	8,524	33,527	9,997	9,551	7,597
Rent receipts.....	207	140	140	150	160	170	170
Goods and services tax	3,116	1,936	1,936	1,936	1,936	1,936	1,936
Other receipts	12,020	7,028	7,028	5,430	5,430	5,434	5,434
Net cash from operating activities.....	(52,082)	(90,380)	(77,174)	(61,238)	(57,710)	(53,594)	(59,655)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(1,846)	(6,567)	(5,817)	(6,730)	(6,816)	(6,954)	(7,739)
Proceeds from sale of non-current assets	21	219	219	219	-	-	-
Net cash from investing activities.....	(1,825)	(6,348)	(5,598)	(6,511)	(6,816)	(6,954)	(7,739)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(200)	(200)	(200)	(436)	-	-	-
Net cash from financing activities	(200)	(200)	(200)	(436)	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	9,477	(8,461)	(935)	(3,733)	249	553	153
Cash assets at the beginning of the reporting period	13,610	9,328	23,087	22,152	18,419	18,668	19,221
Cash assets at the end of the reporting period.....	23,087	867	22,152	18,419	18,668	19,221	19,374

(a) Not adjusted for comparability to reflect the transfer in of the Office of Water Strategy.

(b) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

RECONCILIATION RELATING TO REMOVAL OF CAPITAL USER CHARGE AND MAJOR FUNCTIONAL TRANSFERS

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	74,078	116,772	95,832	108,601	81,894	78,060	81,612
Less Capital User Charge.....	12,829	12,955	12,955	-	-	-	-
Plus transfer of Office of Water Strategy from the Department of the Premier and Cabinet.....	4,865	-	-	-	-	-	-
Adjusted Total Cost of Services	66,114	103,817	82,877	108,601	81,894	78,060	81,612
APPROPRIATIONS							
Net amount appropriated to deliver services	61,524	82,912	77,232	60,585	61,858	58,046	63,707
Less Capital User Charge.....	12,829	12,955	12,955	-	-	-	-
Plus transfer of Office of Water Strategy from the Department of the Premier and Cabinet	3,282	-	-	-	-	-	-
Adjusted net amount appropriated to deliver services.....	51,977	69,957	64,277	60,585	61,858	58,046	63,707

SCHEDULE OF ADMINISTERED EXPENSES AND INCOME

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Grants and subsidies	2,786	2,761	3,022	2,570	1,860	1,410	880
TOTAL ADMINISTERED EXPENSES ^(a)..	2,786	2,761	3,022	2,570	1,860	1,410	880
INCOME							
Other revenue	-	-	329	-	-	-	-
Administered appropriations.....	2,798	2,681	2,681	2,570	1,860	1,410	880
TOTAL ADMINISTERED INCOME ^(b)	2,798	2,681	3,010	2,570	1,860	1,410	880

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

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

SCHEDULE OF ADMINISTERED ASSETS AND LIABILITIES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
ADMINISTERED CURRENT ASSETS							
Cash and cash equivalents	12	-	-	-	-	-	-
Total Administered Current Assets	12	-	-	-	-	-	-
ADMINISTERED NON-CURRENT ASSETS							
Total Administered Non-Current Assets	-	-	-	-	-	-	-
TOTAL ADMINISTERED ASSETS.....	12	-	-	-	-	-	-
ADMINISTERED CURRENT LIABILITIES							
Total Administered Current Liabilities.....	-	-	-	-	-	-	-
ADMINISTERED NON-CURRENT LIABILITIES							
Total Administered Non-Current Liabilities	-	-	-	-	-	-	-
TOTAL ADMINISTERED LIABILITIES..	-	-	-	-	-	-	-

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Grants and subsidies	(2,786)	(2,761)	(3,022)	(2,570)	(1,860)	(1,410)	(880)
Financing Activities							
Investing Activities							
TOTAL ADMINISTERED CASH OUTFLOWS	(2,786)	(2,761)	(3,022)	(2,570)	(1,860)	(1,410)	(880)
CASH INFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Other receipts	-	-	329	-	-	-	-
Administered appropriations.....	2,798	2,681	2,681	2,570	1,860	1,410	880
Financing Activities							
Investing Activities							
TOTAL ADMINISTERED CASH INFLOWS.....	2,798	2,681	3,010	2,570	1,860	1,410	880
NET CASH INFLOWS/(OUTFLOWS) FROM ADMINISTERED TRANSACTIONS.....	12	(80)	(12)	-	-	-	-

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2005-06 Actual ^(a) \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
Regional Flood Mitigation Program.....	1,768	5,260	5,000	-	-	-	-
Salinity Engineering Evaluation Initiative	535	514	530	-	-	-	-
Rural Water Grants	828	7,492	2,275	2,500	2,500	2,500	5,750
State Water Grants	358	292	563	595	595	595	595
Premier's Water Foundation.....	595	1,434	1,556	1,200	1,200	696	-
Gnangara Sustainability Strategy	-	-	-	1,923	2,266	735	-
TOTAL	4,084	14,992	9,924	6,218	6,561	4,526	6,345

(a) Adjusted for comparability to reflect the transfer in of the Office of Water Strategy.

DETAILS OF THE ADMINISTERED TRANSACTIONS EXPENSES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
GRANTS TO CHARITABLE AND OTHER PUBLIC BODIES							
Ord River Subsidy Stage 1	1,968	1,900	2,104	1,700	1,010	600	110
Carnarvon Irrigation Scheme.....	818	861	918	870	850	810	770
TOTAL	2,786	2,761	3,022	2,570	1,860	1,410	880

DETAILS OF THE ADMINISTERED TRANSACTIONS INCOME

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
OTHER							
Administered Appropriations	2,798	2,681	2,681	2,570	1,860	1,410	880
Internal Balances.....	-	-	329	-	-	-	-
TOTAL	2,798	2,681	3,010	2,570	1,860	1,410	880

WATER CORPORATION

CAPITAL WORKS PROGRAM

Water Corporation's Capital Works Program in 2007-08 totals \$754.9 million. Two features of the program are Australia's first groundwater replenishment trial and the provision of a drinking water supply scheme for the popular tourist town of Coral Bay.

The Water Corporation will spend \$11.0 million (of a proposed \$37.0 million) on securing another and more sustainable water source based on a large-scale groundwater replenishment trial. The trial will be based on using highly treated wastewater from the Beenyup Wastewater Treatment Plant in Perth's northern suburbs. Large scale recycling of water from Perth's wastewater treatment plants has the potential to be one of the State's future major new water sources.

Further north, the Water Corporation will spend \$5.9 million on a new drinking water supply scheme for Coral Bay. The Water Corporation is committed to providing a sustainable drinking water supply system for Coral Bay to cater for the estimated long-term population and the seasonal surges in tourists from around Australia and the world.

The Water Corporation will spend \$330.0 million to provide additional wastewater treatment facilities to underpin the State's rapid growth. \$153.0 million will be spent on the Alkimos Wastewater Treatment project as part of a \$420.0 million commitment to northwest urban corridor development. A portion of the costs is for the relocation of the planned wastewater treatment plant. A key outcome of the plant relocation will be enhanced urban design, better planning outcomes and improved coastal access for this future urban node.

The southern urban corridor will have \$50.0 million spent on the Mandurah wastewater treatment plants to supplement the region's existing capacity. A further \$20.0 million will be spent on purchasing land required for a wastewater treatment plant at East Rockingham and \$27.0 million on upgrading the Kwinana Wastewater Treatment Plant, all necessary to meet rapid residential growth in the southern coastal corridor.

The Water Corporation will also be upgrading the existing Beenyup Wastewater Treatment Plant, which will receive \$15.2 million this year as part of the project's proposed \$99.5 million total outlay.

\$30.0 million will be spent on the Infill Sewerage Program as part of the Water Corporation's efforts to reduce the health and environmental impacts of septic tanks. This year will be the program's fourteenth year and to date it has provided reticulated sewerage to more than 85,000 properties. Other wastewater programs totalling \$24.9 million include overflow risk management, main sewer refurbishments and a host of minor works.

A combined \$107.0 million will be spent on country and metropolitan water distribution systems. In country areas, major projects such as a 15 megalitre water storage tank and pipeline for Denmark (\$4.2 million) and the Northampton to Geraldton pipeline (\$12.5 million) are being progressed. In addition, \$2.3 million will be spent to increase Bridgetown's water supply capacity.

Pump station upgrades along the Goldfields and Agricultural Water Supply will take place at Southern Cross (\$4.3 million), Koorarawalyee (\$3.6 million) and Cunderdin (\$3.1 million). In the metropolitan area, the Gnangara Pump Station which will ensure supply in the Ellenbrook area will be completed (\$3.6 million) and the first stages of the Ravenswood Transfer Pump Station will see \$1.5 million spent this financial year as part of a proposed spend of \$46.4 million.

Other metropolitan water distribution projects include the Lower Helena Dam Pump Station (\$6.2 million). Preliminary works on other metropolitan water supply projects include the Wungong Trunk Main (\$1.2 million) and the Mundaring Water Treatment Plant (\$1.4 million of a proposed \$187.0 million).

Another ongoing water quality related program is the Australian Drinking Water Guidelines program. This year \$19.0 million will be spent as part of our ongoing undertaking to ensure the Water Corporation's water quality reliably meets the requirements of the 1996 guidelines.

Under the Water Programs' Water Other category, \$53.0 million of a total budget allocation of \$78.0 million will be spent on Works to maintain our strategic dam assets. Work in 2007-08 will be focused on Stirling and Wellington Dams. The program also includes \$11.0 million on water meters and \$14.0 million on a host of minor water and wastewater works projects.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Corporate Programs				
Wastewater Program				
Alkimos Wastewater Scheme	420,272	17,122	14,716	153,482
East Rockingham Wastewater Scheme.....	166,629	6,861	5,490	46,971
Water Programs				
Perth Seawater Desalination Project.....	388,700	386,000	86,269	2,700
South West Yarragadee - Investigation Costs	14,000	7,400	3,373	6,600
Water Sources	469,221	95,221	46,342	47,200
Corporate Support Program				
Information Technology	63,728	40,728	17,000	23,000
Other Corporate Programs	103,164	66,964	38,300	36,200
Recurrent Programs - Irrigation and Drainage Program 2005-06 Program.....	21,285	15,585	11,300	5,700
Wastewater Program				
Country Treatment and Conveyance	136,680	60,380	38,502	76,300
Metropolitan Treatment and Conveyance Sewerage.....	163,141	108,941	72,492	54,200
Water Program				
Country Water Distribution	180,779	119,568	85,701	61,211
Metropolitan Water Distribution.....	97,145	50,945	22,112	46,200
Strategic Programs - Commercial Program Minor Commercial Projects	20,270	10,270	1,000	1,000
Wastewater Program				
Gnangara Mound Rehabilitation Project	37,000	3,000	3,000	11,000
Infill Sewerage	195,000	65,000	35,365	30,000
Sewerage Other	75,420	50,520	30,741	24,900
Water Program				
1996 Drinking Water Guidelines	66,500	47,500	27,976	19,000
Water Other	159,629	81,629	49,000	78,000
Support Programs -				
Support Programs - Capital Overheads				
Support Programs - Capital Overheads Capital Support Cost.....	192,308	32,308	16,000	16,000
NEW WORKS				
Beenyup Wastewater Treatment Plant Amplification	99,500	-	-	15,200
	3,070,371	1,265,942	604,679	754,864

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	623,022	610,693	604,679	754,864	682,923	658,997	565,362
	623,022	610,693	604,679	754,864	682,923	658,997	565,362
LESS							
Borrowings.....	405,000	290,000	240,000	420,000	365,000	265,000	200,000
Internal Funds and Balances	218,022	320,693	364,679	334,864	317,923	393,997	365,362
Capital Contribution	-	-	-	-	-	-	-

BUNBURY WATER BOARD

CAPITAL WORKS PROGRAM

Major projects in Aqwest-Bunbury Water Board's \$7.1 million proposed capital works program for 2007-08 are:

- \$5.2 million for replacement of the distribution and reticulation infrastructure;
- \$1.2 million to upgrade existing water treatment plants; and
- \$0.5 million for plant and other purchases.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Works				
Distribution and Reticulation				
2001-02 Program.....	1,162	1,062	35	25
2003-04 Program.....	717	697	35	5
2004-05 Program.....	6,308	1,819	1,301	3,721
2005-06 Program.....	295	175	155	30
2006-07 Program.....	1,685	90	90	1,455
Treatment Plants				
2003-04 Program.....	1,094	974	98	30
2005-06 Program.....	1,588	1,128	520	120
2006-07 Program.....	980	580	580	200
COMPLETED WORKS				
Land Purchase - 2005-06 Program	4,349	4,349	3,200	-
Mains Subdivisions - 2006-07 Program	250	250	250	-
Plant and Other Purchases - 2006-07 Program	293	293	293	-
Works				
Reservoirs				
2005-06 Program.....	2,097	2,097	1,780	-
2006-07 Program.....	138	138	138	-
NEW WORKS				
Mains Subdivisions - 2007-08 Program	200	-	-	200
Plant and Other Purchases - 2007-08 Program	465	-	-	465
Works				
Treatment Plants - 2007-08 Program	2,020	-	-	880
	23,641	13,652	8,475	7,131

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	3,117	5,838	8,475	7,131	1,774	1,948	3,530
	3,117	5,838	8,475	7,131	1,774	1,948	3,530
LESS							
Internal Funds and Balances	3,117	5,838	8,475	7,131	1,774	1,948	3,530
Capital Contribution	-	-	-	-	-	-	-

BUSSELTON WATER BOARD

CAPITAL WORKS PROGRAM

Included in Busselton Water Board's \$3.6 million capital works program for 2007-08 are the following:

- \$2.2 million for upgrades to water treatment facilities;
- \$0.9 million for the ongoing replacement of mains and the addition of new services; and
- \$0.5 million for plant and other purchases.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Buildings – 2006-07 Program.....	50	10	10	40
Land - Ambergate	76	75	75	-
Works - Treatment Plants 2006-07 Program.....	2,291	791	791	1,500
COMPLETED WORKS				
Plant (Mobile) and Other Purchases - 2006-07 Program.....	446	446	446	-
Works - New Mains and Services 2006-07 Program.....	819	819	819	-
NEW WORKS				
Buildings - 2007-08 Program	10	-	-	10
Office Equipment - 2007-08 Program.....	1	-	-	1
Plant (Mobile) and Other Purchases - 2007-08 Program.....	473	-	-	473
Works				
New Mains and Services 2007-08 Program	860	-	-	860
Treatment Plants 2007-08 Program.....	1,546	-	-	706
	6,572	2,141	2,141	3,590

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	1,382	3,681	2,141	3,590	2,237	2,739	2,676
	1,382	3,681	2,141	3,590	2,237	2,739	2,676
LESS							
Internal Funds and Balances	1,382	3,681	2,141	3,590	2,237	2,739	2,676
Capital Contribution	-	-	-	-	-	-	-

SPORT AND RECREATION

PART 6 - MINISTER FOR POLICE AND EMERGENCY SERVICES; COMMUNITY SAFETY; WATER RESOURCES; SPORT AND RECREATION

DIVISION 25

APPROPRIATION AND FORWARD ESTIMATES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 60 Net amount appropriated to deliver services ^(a)	16,387	60,991	26,582	33,440	22,589	22,389	22,808
Item 61 Contribution to Community Sporting and Recreation Facilities Fund...	8,750	14,000	6,800	16,200	9,151	9,151	9,151
Amount Authorised by Other Statutes							
- Lotteries Commission Act 1990	10,206	10,252	10,561	11,112	11,424	11,742	12,070
- Salaries and Allowances Act 1975 ^(b)	183	188	188	194	208	224	249
Total appropriations provided to deliver services	35,526	85,431	44,131	60,946	43,372	43,506	44,278
CAPITAL							
Item 149 Capital Contribution	5,533	6,140	6,140	100	47	669	-
GRAND TOTAL	41,059	91,571	50,271	61,046	43,419	44,175	44,278

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) The recommendation by the Salaries and Allowances Tribunal of 4 April 2007 in relation to senior public servants' salaries was received after the finalisation of agencies' individual financial projections. Accordingly, a provision for the total cost 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 No. 2 Volume 1). This provision will be reflected in agencies' estimates following the release of the 2007-08 Budget.

MISSION

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

SIGNIFICANT ISSUES AND TRENDS

- There is a growing awareness of the social, physical and health benefits of citizen participation in sport and recreation. Through sport and recreation, social values, norms and policies are upheld and reflected so that a safe and enjoyable environment is provided for those who participate, especially within the more vulnerable sectors of our community.
- Sport and recreation activities and facilities contribute to the wellbeing of a community and as such all recreation infrastructure planning should be incorporated into broader community infrastructure planning. The allocation of adequate public open space in new and existing urban developments is a crucial factor in supporting active lifestyles.
- Perth continues to grow rapidly to the north and south of the metropolitan area, increasing pressure on governments at local and State level to adequately fund infrastructure development.
- Subtle demographic shifts e.g. increasing proportion of mature age persons, increasing proportion of single parent families, immigration from non-traditional localities, present specific challenges and opportunities for sport and recreation planners. These shifts need to be factored into the delivery models of sport and recreation providers.

- Approximately 48 per cent of Western Australian adults (aged over 18 years) are obese and/or overweight. Alarming, the number of children who are overweight and obese increased from just over nine per cent of males and 10 per cent of females in 1985 to 23 per cent of males and 30 per cent of females in 2003. The costs attributable to this now and in the future are substantial and growing. Lack of physical activity is a major factor in this.
- Research continues to show that moderate level physical activity provides significant physical and mental health benefits to individuals.
- Drugs in Sport – a small minority of elite athletes using performance enhancing drugs and illegal strategies, such as blood doping, continue to cause issues to arise. The adoption of and compliance to the World Anti-Doping Code has been achieved by all sports.
- The use of illicit drugs within sport needs vigilance and actions to maintain the integrity of the setting.
- The trend for national sporting organisations to consider moving from a federated model of governance to a unitary model (that can include no State-based representation and the dissolution of State-based legal identities) has the long term potential to impact to the detriment of sport in Western Australia.
- There is evidence that the sustainability of a volunteer system that delivers community sport and recreation services cannot be assured over the long-term.
- The environment created by a strongly growing economy and very low levels of unemployment is continuing to influence people's access to and use of discretionary time. The concept of a 'work/life balance' is becoming increasingly important especially as it relates to the use of this discretionary time. It is evident that this is affecting the capacity of community-based delivery of sport and recreation services.
- There is a growing body of evidence that climate change is having some impact in Western Australia and may alter the way Western Australians recreate and play sport in future. Significant analysis on the potential impacts of climate change in a sport and recreation context is required.
- There are ongoing community demands for improved sports facilities at all levels. Sport and recreation infrastructure is aging, resulting in an increasing need for refurbishment or replacement over the coming years. The demand is strongly reflected in the need for regional level facilities in growing outer urban areas and regional economic boom centres across the State. Local governments report a deferred maintenance backlog of \$1.8 billion. Additionally, the rapid escalation in construction costs State-wide, has implications in new facility provision.
- There is an increasing expectation and demand for major stadia development in the State. There is a need to ensure that an appropriate stadium hierarchy is maintained and that sporting venues are well managed to ensure continuity of service to a growing population.
- There is a trend towards multi-purpose venues hosting multiple codes/tenants. Issues continue to be identified concerning the management of state level facilities by a single sport, including the capacity of sports to manage such facilities.
- Local Governments continue to provide the great majority of community-based sport and recreation facilities. Compliance to a myriad of regulations in a complex risk environment is demanding and the development of industry education and training regimes to ensure better skilled sport and recreation facility managers is essential.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2006-07 Budget to Parliament on 11 May 2006 are outlined below.

	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
Adventure Activity Standards	110	-	-	-
Indigenous Sport and Recreation Services and Infrastructure Plan	130	-	-	-
Stamp Duty Relief for Sporting Organisations	500	400	400	475
Western Australian Institute of Sport Funding for Olympic Cycle	-	740	861	989

SERVICE AND APPROPRIATION SUMMARY

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Infrastructure and Organisational Development	28,568	78,121	41,317	53,164			
<i>Service 2:</i>							
People Development in Sport and Recreation..	6,327	7,271	7,381	7,391			
<i>Service 3:</i>							
Recreation Camps Management	3,466	6,168	3,296	4,075			
Total Cost of Services ^(a)	38,361	91,560	51,994	64,630	47,170	47,298	48,206
<i>Less Income</i>	4,512	3,213	3,274	3,484	3,330	3,360	3,398
Net Cost of Services ^(a)	33,849	88,347	48,720	61,146	43,840	43,938	44,808
Adjustments ^(b)	1,677	(2,916)	(4,589)	(200)	(468)	(432)	(530)
Appropriation provided to deliver Services ^(a)	35,526	85,431	44,131	60,946	43,372	43,506	44,278
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(c)	5,533	6,140	6,140	100	47	669	-
TOTAL CONSOLIDATED ACCOUNT APPROPRIATIONS	41,059	91,571	50,271	61,046	43,419	44,175	44,278

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (c) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

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

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
Enhancing the quality of life and wellbeing of all people throughout Western Australia by providing high quality, accessible services.	Enhanced quality of life of Western Australians through their participation and achievement in sport and recreation.	1. Infrastructure and Organisational Development 2. People Development in Sport and Recreation 3. Recreation Camps Management

Outcomes and Key Effectiveness Indicators ^(a)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Outcome: Enhanced quality of life of Western Australians through their participation and achievement in sport and recreation.					
Available grant funds allocated (Sports Lotteries Account and Community Sports and Recreation Facilities Fund).....	100%	100%	100%	100%	
Stakeholders reflecting social policy in their operations.....	97%	90%	90%	90%	
Satisfaction rating of the agency's consultation advice to clients	90%	85%	90%	85%	Variation due to impact of the full implementation of the Organisational Sustainability Program and stronger scrutiny of funding performance.
Satisfaction rating of camps management and service delivery	89%	87%	96%	85%	Client satisfaction could be impacted by the ongoing capital works program at the camps chain.

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

Service 1: Infrastructure and Organisational Development

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

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	28,568	78,121	41,317	53,164	Delays in grants for major infrastructure projects in 2006-07 are expected to be funded in 2007-08.
Less Income.....	856	243	217	231	
Net Cost of Service ^(a)	27,712	77,878	41,100	52,933	
Adjustments ^(b)	519	(2,097)	(3,070)	(2,838)	
Appropriation for delivery of Service ^(a)	28,231	75,781	38,030	50,095	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost to manage grants	\$1,652	\$2,107	\$2,373	\$1,938	There is an increase in the total grant funding available for 2007-08.
Average cost of grants provided	\$12,739	\$44,363	\$16,828	\$26,344	
Average cost of providing consultancy to organisations	\$10,542	\$8,360	\$6,819	\$5,460	Increase in the number of consultancies, together with a more efficient operation for the management of the service to organisations results in a reduction in the cost of consultancies.
Full Time Equivalents (FTEs)	78	86	81	81	

Major Achievements For 2006-07

- Seventeen Club Development Officer positions were established in local governments throughout the State, to deliver programs and services that develop local sport and recreation clubs.
- Funds of \$10.5 million from the Sports Lotteries Account and approximately \$1.3 million from the Sports Wagering Account were allocated to support organisations, including Western Australian Institute of Sport (WAIS) amongst others, in developing their organisational capacity and delivery of initiatives aimed at key result areas of the industry's strategic directions document SD4 2006-10. The Sport and Recreation Community Grants Scheme was used to fund 95 projects delivering physical activity initiatives in the community from these monies.
- The State Sporting Facilities Plan (SSFP) continues to be used as a Strategic Planning Framework for State level infrastructure to meet the training and competition needs of Western Australian Sporting Organisations.
- Funds of \$9.0 million were allocated to eligible community groups, Indigenous communities and local government authorities through the Community Sporting and Recreation Facilities Fund, reinforcing the State Government's commitment to the development of high quality physical environments in which West Australians can enjoy sport and active recreation.

- The Major Stadia Taskforce was established with a brief to look at current and future major stadia needs of the State. The Interim Report was released identifying the various options available.
- The Strategic Facility Plans for Australian Rules, Tennis and Cricket have been completed and significant progress has been made on planning major facility developments within the City of Swan and the City of Wanneroo.
- Recommendations from the trails funding governance review have been completed. The TrailsWA Reference Panel has been constituted and a 'letter of intent' circulated between key government and community stakeholders to plan, promote, develop, and manage trails in Western Australia.
- Sustainability initiatives in the sport and recreation market place were promoted and supported, through appropriate design and management of recreation facilities and assisting State Sporting Associations with organisational development.
- Strategic Directions 4 (the Sport and Recreation Industry's strategic plan 2006-10) was updated and has been widely disseminated, raising awareness of the strategic 'Challenges' contained in the document among key stakeholders.
- AK Reserve Redevelopment Plan was completed in March 2007.
- Crucial networks, working relationships and partnerships were established with other government agencies dealing with the significant public policy issues of climate change and water resources. Several major initiatives have been established through these partnerships. In partnership with local governments and other State government agencies, conducted a successful sport and recreation program to assist people in drought affected areas.
- Provided support to Surf Life Saving Western Australia and the Royal Life Saving Society Western Australia for the provision of a variety of beach and water safety initiatives and rescue services.
- Delivery of State-wide communications infrastructure through the Sports House framework throughout Western Australia continued.
- Further development of sporting links through cooperative initiatives with India, Malaysia and Singapore.
- Secretarial Duties for Standing Committee On Recreation and Sport and the Sport and Recreation Minister's Council completed in 2007.
- Progressed the development of a Geographical Information System sport and recreation facilities mapping tool.
- The transfer of the Premier's Physical Activity Taskforce from the Department of the Premier and Cabinet has been completed. An updated four year strategic plan for the Taskforce, overseeing the whole-of-government response on physical inactivity, has been finalised.
- Designed and implemented a series of major advocacy initiatives, including areas of volunteerism, participation and capacity building within communities, to better inform the community of the benefits to be derived from physical activity through participation in sport and recreation.
- Analysis of the needs of the outdoor recreation sector has been completed and outcomes highlighted in the Recreation Strategic Reform Agenda. High level consultancy and leadership programs have been established with each of the recreation peak bodies to assist in organisation/people development and sustainability.
- Construction work commenced on the State Gymnastics Centre, in partnership with the Town of Vincent. The facility, incorporated into the Loftus Recreation Centre, will provide a new home for Gymnastics and Rhythmic Gymnastics.
- Continued implementation of the Organisational Sustainability Program (a performance management system) for the sport and recreation industry.
- In conjunction with the Working with Children Screening Unit and the Western Australia Sports Federation, an awareness and education program to support the roll-out of the *Working with Children (Criminal Record Checking) Act 2004* for sport and recreation people working with children was implemented.

- The regional service delivery of sport and recreation in Western Australia was enhanced through the establishment of a regional office in Broome.
- Initial work commenced on the development of an Indigenous Sport and Recreation Plan for selected areas in the Kimberley and the Western Desert.

Major Initiatives For 2007-08

- The State Sporting Facilities Plan will continue to be used as a tool to encourage well planned facilities that meet both the training and competition requirements of Western Australian sport.
- Funds of \$9.0 million will be allocated to local governments and sport and recreation organisations through the Community Sporting and Recreational Facilities Fund, reinforcing the State Government's commitment to building healthy communities.
- Develop longer term Community Sport and Recreation Facilities Framework (regional level) utilising the State Infrastructure Strategy and Urban Land development as indicators.
- Progress the planning and works required for various major facility developments in the metropolitan area e.g. Whiteman Park Shooting Complex, the State Equestrian Centre, the State Tennis Centre, the Mindarie Aquatic Centre, Ellenbrook Pool, State Gymnastics Centre and the State Netball Centre.
- Progress the outcomes of the Major Stadia Taskforce report by using cross-agency approach to focus on governance, stadia profile, capacity and location.
- Provide opportunities to the industry for professional development through various education and training initiatives in facility management.
- Construction of the basketball and athletics stadium at AK Reserve is expected to commence.
- Approximately \$11.1 million from the Sports Lotteries Account and \$1.3 million from the Sports Wagering Account will be allocated to support organisations, including the WAIS, in developing their organisational capacity and delivery of initiatives aimed at key result areas of the industry's strategic directions documents SD4 2006-10.
- Develop a comprehensive State-wide club development strategy, linked to the creation of industry benchmarks from community club to peak body level as part of the Organisational Sustainability Program.
- Progress the deliberations of the Combat Sports Working Group to increase safety for participants involved in amateur promotions that fall outside the jurisdiction of the Professional Combat Sports Commission.
- Facilitate the delivery of the Indigenous Sport Program throughout Western Australia. Complete the development and dissemination of the Indigenous Sport and Recreation Plan.
- Develop and deliver initiatives to support the State Government's Active Ageing Strategy.
- Plan and implement initiatives in accordance with the State Government's Five Year Policy Framework for Substantive Equality.
- Develop and utilise an industry 'framework' on climate change to enable the industry to understand the potential impacts of climate change and develop the appropriate strategies to deal with the issues that arise from these impacts.
- In partnership with the Department of Water (Waters and River Commission), complete a major review into water usage and its perceived value in the industry including areas such as public open space, the outdoors and man made recreation facilities.
- Implement a series of major physical activity initiatives through the Physical Activity Taskforce.

Service 2: People Development in Sport and Recreation

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

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	6,327	7,271	7,381	7,391	
Less Income	1,855	1,040	988	1,052	
Net Cost of Service ^(a)	4,472	6,231	6,393	6,339	
Adjustments ^(b)	(48)	(169)	(506)	(340)	
Appropriation for delivery of Service ^(a)	4,424	6,062	5,887	5,999	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost of providing the contact type services	\$632	\$496	\$539	\$436	Anticipated increase in the number of contacts together with efficiencies in the provision of the service should result in a lower average cost of providing the service.
Full Time Equivalents (FTEs)	33	36	35	35	

Major Achievements For 2006-07

- Support provided for community volunteers via local governments, State Sporting Associations and community organisations through the Rio Tinto Volunteer Management Scheme and Club Development initiatives.
- A comprehensive training and development initiative for key sport and recreation staff and volunteers has been developed and implemented which includes a series of workshops on high performing organisations, a leadership program and seminar series and development of an induction package to support volunteer board members.
- Youth Sport and Recreation Committee established to contribute to appropriate program development for Government.
- Promoted sport and recreation activities to seniors, through 'Have a Go' television show, biggest ever 'Have a Go' day, Aged Care Games and other initiatives and resources, including 'Add Life to Your Years' booklet.
- Continued to establish and enhance the delivery capabilities of the Indigenous Sports Program. For example, twelve service agreements with State Sporting Associations to increase participation and skill development of Indigenous West Australians across the state were established. These, coupled with working collaboratively with the Federal Government's Indigenous Coordination Centres and Department of Communications Information Technology and the Arts have enhanced the program's ability to assist with increased Indigenous participation at the 'grass roots' level.

- Reviewed State-wide delivery mechanisms for coaches, officials and women and began the process of developing a more strategic approach to development and delivery.
- The Department's website capability, functionality and online presence has been greatly enhanced to provide more timely and relevant industry information.
- Successfully hosted the 'Active 2006' Sport and Recreation Industry Conference with 350 industry delegates attending.
- Implemented a range of initiatives to increase participation in sport and recreation by people from culturally and linguistically diverse (CALD) backgrounds including the establishment of a CALD working group and the City of Stirling CALD Youth Sport and Leisure Project.
- Youth leadership programs continue to be developed and implemented in primary and high schools. Facilities staff commenced lecturing Leisure Facility Planning students at Edith Cowan University to improve student professional development.

Major Initiatives For 2007-08

- Develop and implement creative physical activity initiatives to increase the rate of participation by seniors, women and girls (particularly in regional areas), people from CALD backgrounds, provide leadership opportunities to young people and increase the participation of youth deemed to be 'at risk'.
- Build capacity in the Indigenous community through the provision of education and training opportunities in the areas of coaching, officiating and administration (including appropriate resources) to individuals in communities.
- Provide ongoing support for sport and recreation volunteers and community-based organisations through a series of initiatives with industry organisations and the Rio Tinto Volunteer Management Scheme.
- Develop and implement a multi-faceted leadership program for the sport and recreation industry.
- Develop a series of Adventure Activity Standards to create a set of standard operating procedures for the outdoor adventure industry which will include an Abseiling Code of Practice.
- Update the strategic directions document for high performance sport (2008-12) to succeed Future Success – A Strategic Plan for High Performance Sport in Western Australia beyond 2002.
- Full implementation of the Gifted Athlete Program that targets regionally based sub-elite athletes and provides them with life-skills education and training to assist their transition to the elite level.
- A full review of the industry capacity and capability to develop coaches and officials will be completed.
- Host the Sport and Recreation Industry Awards recognising excellence in the Industry.

Service 3: Recreation Camps Management

The Department is responsible for six recreation camps, of which it operates five. Tone River is set for disposal. One camp, Quararup, is leased to a private operator. The four metropolitan camps offer outdoor recreation programs which are designed to provide experiential opportunities to the community.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	3,466	6,168	3,296	4,075	An increase in activity as a consequence of completion of capital works projects, together with higher depreciation costs associated with increased value of camp assets.
Less Income.....	1,801	1,930	2,069	2,201	
Net Cost of Service ^(a)	1,665	4,238	1,227	1,874	
Adjustments ^(b)	1,206	(650)	(1,013)	2,978	
Appropriation for delivery of Service ^(a)	2,871	3,588	214	4,852	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per bed night	\$40	\$85	\$63	\$50	Anticipated increase in the number of bed nights should result in a lower cost per bed night. Average cost should decrease as a result of an anticipated increase in the number of participations.
Average cost per participation ^(a)	\$15	\$23	\$20	\$16	
Full Time Equivalents (FTEs)	24	25	26	26	

- (a) Program participations were introduced in 2003-04 as an effectiveness indicator. It reflects the number of activities participants undertake across a range of programs (i.e. one person may undertake three programs in one day which is recorded as three participations).

Major Achievements For 2006-07

- Capital works program at Woodman Point and Ern Halliday recreation camps substantially completed whilst maintaining continuity of service during construction period.
- New Adventure Training Centre at Woodman Point Recreation Camp completed.
- Accommodation bed nights improved to approximately 50,000 with the opening of new dormitories across the Department's camps chain.
- Provided approximately 85,000 participations in the Department's camp-based programs.
- Continued to provide the follow-up meetings to the attendees of the Youth Inspired Experiential Learning and Development pilot program and provided in-kind support to Police and Citizens Youth Clubs for a funding bid for 'at risk' camps at their Mornington site.

- With respect to the disposal of the Tone River property, the Department for Planning and Infrastructure has progressed the negotiations with the Department of Environment and Conservation and Shire of Manjimup on the provision of a public access road to the site from the Muir Highway. Landcorp has advised that an 'expression of interest' for the site should be progressed when the public access road is finalised.
- Developed the necessary technical specifications for the development of a new online booking system that supports the camps resource management and reporting requirements and interfaces with departmental systems.
- Completed a review of accommodation and program pricing in the camps sector in September 2006, with new Fees and Charges to be applied from 1 July 2007.
- Conducted a review of sustainable bush camp sites.

Major Initiatives For 2007-08

- Improve program delivery to achieve 87,000 participations in camp-based programs across the chain.
- Undertake a workforce planning study of the camps network to identify future resource requirements.
- Implement a holiday program calendar for the camps network.
- Continue development of the 'youth at risk' program in conjunction with core stakeholders i.e. Department of Child Protection, Department of the Attorney General, Police and Citizens' Youth Clubs.
- Continue to manage the Tone River Wilderness camp on a minimal maintenance basis whilst progressing its disposal through the Department for Planning and Infrastructure.
- Implement the new camps resource management system across the network and re-launch the new online booking facility.
- Conduct a service delivery review of the camps network products to maximize accessibility options for all clients.

CAPITAL WORKS PROGRAM

The 2007-08 capital works program comprises three major elements:

Camps

Funding of \$626,000 to complete the Ern Halliday Recreation Camp (Hillarys) and the Woodman Point Recreation Camp to provide facilities and amenities that meet current community expectations.

Camps plant and equipment replacement project is on target to meet procurement timeframes by the end of the year.

Facilities

State Sporting Facilities Plan Projects include \$2.0 million towards the development of a State Gymnastics Centre, as part of the Town of Vincent's Loftus Centre Redevelopment and \$1.0 million towards works at the State Equestrian Centre.

Internal Management

The allocation of \$300,000 for computer hardware / software and \$120,000 for regional information access relate to the ongoing replacement of network hardware and software consistent with industry standards and to ensure regional offices continue to have access to a contemporary communications environment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Camps Reinvestment Project - Cost Escalation Impact - Woodman Point	1,181	555	555	626
COMPLETED WORKS				
Bed Replacement - 2006-07 Program	15	15	1	-
Camps Plant and Equipment Ongoing Replacement Program 2006-07 Program	296	296	296	-
Camps Reinvestment Project				
Bickley Camp Improvements	58	58	7	-
Cost Escalation Impact - Ern Halliday	2,717	2,717	2,717	-
Ern Halliday Recreation Camp	3,089	3,089	1,707	-
Ern Halliday Recreation Camp - Restorative Maintenance	1,076	1,076	522	-
Quaranup Camp	468	468	160	-
Woodman Point Recreation Camp	1,895	1,895	199	-
Woodman Point Recreation Camp - Restorative Maintenance.....	5,356	5,356	3,221	-
Camps Upgrade General				
2004-05 Program	250	250	54	-
2005-06 Program	250	250	250	-
Computer Hardware and Software				
2005-06 Program	200	200	151	-
2006-07 Program	272	272	272	-
Office Accommodation - Relocation from Perry Lakes Fit-Out	1,877	1,877	34	-
Office Equipment Replacement Program				
2005-06 Program	80	80	7	-
2006-07 Program	57	57	57	-
Program Equipment - 2006-07 Program	50	50	50	-
Regional Information Access Program - 2006-07 Program.....	68	68	68	-
State Sporting Facilities Plan				
Multi-purpose 'Boutique' Stadium	1,700	1,700	1,700	-
NEW WORKS				
Bed Replacement - 2007-08 Program	15	-	-	15
Computer Hardware and Software - 2007-08 Program	300	-	-	300
Office Equipment Replacement Program - 2007-08 Program	76	-	-	76
Program Equipment - 2007-08 Program	50	-	-	50
Regional Information Access Program - 2007-08 Program.....	120	-	-	120
State Sporting Facilities Plan				
Netball State Training Centre	5,000	-	-	5,000
Sporting Facilities Infrastructure Fund.....	3,000	-	-	3,000
	29,516	20,329	12,028	9,187

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	9,106	35,429	12,028	9,187	4,561	4,888	4,723
	9,106	35,429	12,028	9,187	4,561	4,888	4,723
LESS							
Drawdowns from the Holding Account	2,410	322	322	341	354	386	723
Funding Included in Service Appropriations ^(a)	-	28,467	2,067	8,646	4,160	3,833	4,000
Internal Funds and Balances	1,163	500	3,499	100	-	-	-
Capital Contribution	5,533	6,140	6,140	100	47	669	-

(a) Capital works expensed through the Income Statement.

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(a)	8,341	9,567	9,766	9,781	9,718	9,811	9,890
Superannuation	776	815	830	834	851	869	870
Grants and subsidies ^(b)	21,766	70,094	29,364	46,102	29,049	28,580	29,036
Consultancies expense	-	-	90	130	-	-	-
Supplies and services	5,424	6,410	7,270	5,315	5,129	5,426	5,616
Accommodation	1,063	3,487	3,487	1,230	1,161	1,282	1,340
Capital user charge ^(c)	1,947	2,094	2,094	-	-	-	-
Depreciation and amortisation	912	1,117	1,117	1,168	1,192	1,260	1,300
Other expenses	79	70	70	70	70	70	154
TOTAL COST OF SERVICES	40,308	93,654	54,088	64,630	47,170	47,298	48,206
Income							
User charges and fees	1,956	2,065	1,886	2,201	2,177	2,207	2,245
Grants and subsidies	1,733	1,078	1,318	1,208	1,078	1,078	1,078
Other revenue	823	70	70	75	75	75	75
Total Income	4,512	3,213	3,274	3,484	3,330	3,360	3,398
NET COST OF SERVICES ^(c)	35,796	90,441	50,814	61,146	43,840	43,938	44,808
INCOME FROM STATE GOVERNMENT							
Service appropriations ^(c)	37,473	87,525	46,225	60,946	43,372	43,506	44,278
Resources received free of charge	20	-	-	-	-	-	-
Liabilities assumed by the Treasurer	16	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	37,509	87,525	46,225	60,946	43,372	43,506	44,278
SURPLUS/(DEFICIENCY) FOR THE PERIOD	1,713	(2,916)	(4,589)	(200)	(468)	(432)	(530)

(a) The Full Time Equivalents (FTEs) for 2005-06 Actual, 2006-07 Estimated Actual and 2007-08 Estimate are 135, 142 and 142 respectively.

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

(c) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

**BALANCE SHEET
(Controlled)**

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CURRENT ASSETS							
Cash and cash equivalents	4,539	267	1,952	2,087	2,225	2,225	2,225
Restricted cash	6,044	5,026	4,881	4,311	3,741	3,338	2,837
Investments	780	330	330	-	-	-	-
Receivables	1,775	1,576	1,775	1,775	1,775	1,775	1,775
Inventories.....	19	28	19	19	19	19	19
Amounts receivable for services.....	347	409	341	354	386	723	-
Prepayments	192	179	192	192	192	192	192
Total current assets	13,696	7,815	9,490	8,738	8,338	8,272	7,048
NON-CURRENT ASSETS							
Amounts receivable for services.....	1,007	1,715	1,783	2,597	3,403	3,940	5,240
Land and buildings.....	14,232	18,479	19,283	19,188	18,467	17,746	17,025
Plant and equipment.....	1,728	2,262	1,767	1,819	1,792	2,207	2,209
Intangibles.....	120	15	100	85	85	85	85
Loans and advances	330	-	-	-	-	-	-
Other.....	611	275	886	843	800	901	1,043
Total non-current assets.....	18,028	22,746	23,819	24,532	24,547	24,879	25,602
TOTAL ASSETS.....	31,724	30,561	33,309	33,270	32,885	33,151	32,650
CURRENT LIABILITIES							
Payables ^(a)	1,247	976	1,253	1,277	1,282	1,282	1,282
Provision for employee entitlements	963	929	965	967	969	969	969
Accrued salaries	33	58	22	51	80	109	138
Other.....	193	407	230	236	236	236	236
Total current liabilities.....	2,436	2,370	2,470	2,531	2,567	2,596	2,625
NON-CURRENT LIABILITIES							
Provision for employee entitlements	708	619	708	708	708	708	708
Total non-current liabilities	708	619	708	708	708	708	708
TOTAL LIABILITIES.....	3,144	2,989	3,178	3,239	3,275	3,304	3,333
EQUITY							
Contributed equity	15,880	14,939	22,020	22,120	22,167	22,836	22,836
Accumulated surplus/(deficit)	12,249	4,719	7,660	7,460	6,992	6,560	6,030
Reserves	451	7,914	451	451	451	451	451
Total equity.....	28,580	27,572	30,131	30,031	29,610	29,847	29,317
TOTAL LIABILITIES AND EQUITY	31,724	30,561	33,309	33,270	32,885	33,151	32,650

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

CASHFLOW STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	36,382	86,408	45,108	59,778	42,180	42,246	42,978
Capital contribution	5,533	6,140	6,140	100	47	669	-
Holding account drawdowns	2,410	347	347	341	354	386	723
Net cash provided by State government	44,325	92,895	51,595	60,219	42,581	43,301	43,701
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(8,205)	(9,536)	(9,771)	(9,750)	(9,687)	(9,751)	(9,861)
Superannuation	(760)	(815)	(834)	(834)	(851)	(869)	(908)
Grants and subsidies	(21,740)	(70,094)	(29,364)	(46,102)	(29,049)	(28,580)	(29,036)
Consultancies payments	-	-	(90)	(130)	-	-	-
Supplies and services	(5,085)	(6,404)	(7,264)	(5,291)	(5,124)	(5,457)	(5,659)
Accommodation	(1,000)	(3,487)	(3,487)	(1,230)	(1,161)	(1,282)	(1,340)
Capital user charge ^(a)	(1,947)	(2,094)	(2,094)	-	-	-	-
Goods and services tax	(3,704)	(3,371)	(3,371)	(2,364)	(2,074)	(2,074)	(2,074)
Other	(239)	(70)	(70)	(70)	(70)	(70)	(73)
Receipts							
User charges and fees	1,888	2,102	1,923	2,207	2,177	2,207	2,245
Grants and subsidies	1,400	1,078	1,318	1,208	1,078	1,078	1,078
Goods and services tax	5,184	3,371	3,371	2,364	2,074	2,074	2,074
Other receipts	949	70	70	75	75	75	75
Net cash from operating activities	(33,259)	(89,250)	(49,663)	(59,917)	(42,612)	(42,649)	(43,479)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(8,978)	(6,462)	(6,462)	(1,067)	(401)	(1,055)	(723)
Proceeds from sale of investments	325	780	780	330	-	-	-
Net cash from investing activities	(8,653)	(5,682)	(5,682)	(737)	(401)	(1,055)	(723)
CASH FLOWS FROM FINANCING ACTIVITIES							
Net cash from financing activities	-	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	2,413	(2,037)	(3,750)	(435)	(432)	(403)	(501)
Cash assets at the beginning of the reporting period	8,170	7,330	10,583	6,833	6,398	5,966	5,563
Cash assets at the end of the reporting period	10,583	5,293	6,833	6,398	5,966	5,563	5,062

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

RECONCILIATION RELATING TO REMOVAL OF CAPITAL USER CHARGE

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	40,308	93,654	54,088	64,630	47,170	47,298	48,206
Less Capital User Charge.....	1,947	2,094	2,094	-	-	-	-
Adjusted Total Cost of Services	38,361	91,560	51,994	64,630	47,170	47,298	48,206
APPROPRIATIONS							
Net amount appropriated to deliver services	37,473	87,525	46,225	60,946	43,372	43,506	44,278
Less Capital User Charge.....	1,947	2,094	2,094	-	-	-	-
Adjusted net amount appropriated to deliver services.....	35,526	85,431	44,131	60,946	43,372	43,506	44,278

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
Commonwealth Grants	454	424	424	335	335	335	335
Community Sporting and Recreational Facilities Fund.....	8,326	14,150	6,521	15,619	9,689	9,658	10,126
Sports Financial Grants.....	2,441	45,040	11,939	19,574	8,089	7,344	6,913
Sports Lotteries Account	10,545	10,480	10,480	10,574	10,936	11,243	11,662
TOTAL	21,766	70,094	29,364	46,102	29,049	28,580	29,036

AGENCY SPECIAL PURPOSE ACCOUNT DETAILS

Community Sporting and Recreation Facilities Special Purpose Account

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

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
Opening Balance.....	2,516	3,248	2,318	2,117
Receipts:				
Appropriations	8,750	14,000	6,800	16,200
Other.....	-	-	-	-
	11,266	17,248	9,118	18,317
Payments	8,948	14,450	7,001	15,619
CLOSING BALANCE	2,318	2,798	2,117	2,698

Sports Lotteries Special Purpose Account

The purpose of the Account is to hold moneys received, pursuant to section 22(2)(c) and 22(3) of the *Lotteries Commission Act 1990*, to be applied in such proportions and among such bodies engaged in the conduct of sport in the State.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
Opening Balance	3,820	2,559	3,403	3,159
Receipts:				
Appropriations	10,206	10,252	10,561	11,112
Other.....	-	-	-	-
	14,026	12,811	13,964	14,271
Payments	10,623	10,894	10,805	10,574
CLOSING BALANCE	3,403	1,917	3,159	3,697

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the Department:

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
GST Input Credits.....	4,785	2,923	2,987	1,906
GST Receipts on Sales.....	399	448	384	458
Other.....	949	70	70	75
Proceeds from the Provision of Sport Development Services to Industry Bodies ..	586	444	362	402
Proceeds from the Provision of Sport Participation Services to the Commonwealth	814	806	956	806
Revenue Received for Provision of Accommodation and Recreation Programs	1,888	1,930	1,923	2,207
TOTAL	9,421	6,621	6,682	5,854

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

WESTERN AUSTRALIAN SPORTS CENTRE TRUST

PART 6 - MINISTER FOR POLICE AND EMERGENCY SERVICES; COMMUNITY SAFETY; WATER RESOURCES; SPORT AND RECREATION

DIVISION 26

APPROPRIATION AND FORWARD ESTIMATES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 62 Net amount appropriated to deliver services ^(a)	6,048	6,571	7,139	8,681	7,845	7,003	8,076
Total appropriations provided to deliver services	6,048	6,571	7,139	8,681	7,845	7,003	8,076
CAPITAL							
Item 150 Capital Contribution	900	-	-	85	100	100	260
GRAND TOTAL	6,948	6,571	7,139	8,766	7,945	7,103	8,336

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

MISSION

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

SIGNIFICANT ISSUES AND TRENDS

- The completion of the sporting precinct structure plan and proposed construction of athletics, basketball and rugby facilities by the State Government on land adjacent to Challenge Stadium, provide an opportunity to formulate a development plan for Challenge Stadium based on the Challenge Stadium feasibility study needs assessment and the Challenge Stadium/Western Australian Institute of Sport Study.
- There is potential for the Trust's mandate to be broadened to include venues the State Government may assign it over time. The development of future major sporting and entertainment venues may provide an opportunity for the Trust to expand its venue management responsibilities.
- The Trust continues to work with all key stakeholders to ensure an equitable balance for venue access for both elite and community users.

SERVICE AND APPROPRIATION SUMMARY

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Management of Elite Sport Facilities	9,671	9,512	9,512	9,992			
<i>Service 2:</i>							
Management of Community Sport, Entertainment and Recreation Facilities	14,169	14,363	14,917	18,402			
Total Cost of Services ^(a)	23,840	23,875	24,429	28,394	26,086	26,709	27,146
<i>Less Income</i>	16,676	17,564	17,564	19,903	18,241	19,706	19,070
Net Cost of Services ^(a)	7,164	6,311	6,865	8,491	7,845	7,003	8,076
Adjustments ^(b)	(1,116)	260	274	190	-	-	-
Appropriation provided to deliver Services ^(a)	6,048	6,571	7,139	8,681	7,845	7,003	8,076
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(c)	900	-	-	85	100	100	260
TOTAL CONSOLIDATED ACCOUNT APPROPRIATIONS	6,948	6,571	7,139	8,766	7,945	7,103	8,336

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (c) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

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

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 Goal	Desired Outcomes	Services
Enhancing the quality of life and wellbeing of all people throughout Western Australia by providing high quality, accessible services.	Provision of facilities for elite sports training and competition.	1. Management of Elite Sport Facilities
	Provision of facilities for community sport, entertainment and recreation.	2. Management of Community Sport, Entertainment and Recreation Facilities

Outcomes and Key Effectiveness Indicators ^(a)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Outcome: Provision of facilities for elite sports training and competition.					
Customer satisfaction of participants of elite sports training facilities.....	85%	80%	81%	81%	
Outcome: Provision of facilities for community sport, entertainment and recreation.					
Customer satisfaction at Challenge Stadium....	84%	82%	83%	83%	
Customer satisfaction at Arena Joondalup	84%	83%	83%	83%	
Customer satisfaction at SpeedDome	77%	83%	80%	80%	

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

Service 1: Management of Elite Sport Facilities

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

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	9,671	9,512	9,512	9,992	
Less Income.....	891	920	900	900	
Net Cost of Service ^(a)	8,780	8,592	8,612	9,092	
Adjustments ^(b)	(1,116)	260	274	190	
Appropriation for delivery of Service ^(a)	7,664	8,852	8,886	9,282	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per hour of providing elite training and competition	\$276	\$282	\$290	\$305	
Full Time Equivalents (FTEs)	101	100	105	106	

Major Achievements For 2006-07

- The Trust's venues continue to attract local, national and international events, providing a multitude of benefits to the Western Australian community. Increased visitor numbers to the facilities generates additional revenue for the Trust to reinvest in infrastructure and facility management. The additional funds generated by increased visitor numbers to the State benefits local businesses and creates jobs.
- In 2006-07, the Trust:
 - hosted the Wildcat's National Basketball League home fixtures at Challenge Stadium;
 - hosted the Perth Oriels Commonwealth Bank Trophy National Netball League fixtures at Challenge Stadium;
 - hosted the National Swimming Age Championships at Challenge Stadium;
 - hosted the World Ultimate Club Championships at Challenge Stadium;
 - hosted the International Gymnastic Championships at Challenge Stadium;
 - hosted Joondalup Falcons Football Club home games at Arena Joondalup; and
 - hosted the State Touch Football Championships at Arena Joondalup.

Major Initiatives For 2007-08

- In 2007-08, the Trust is planning to:
 - host the Wildcat's National Basketball League home fixtures at Challenge Stadium;
 - host the Perth Oriels Commonwealth Bank Trophy National Netball League fixtures at Challenge Stadium;
 - host the Indian Rim Asian University Games at Challenge Stadium;
 - host the XII FINA World Masters Championships at Challenge Stadium;
 - host the Oceania Judo World Cup at Arena Joondalup;
 - host the State Touch Football Championships at Arena Joondalup;
 - host the Transplant Games at Arena Joondalup; and
 - host the Joondalup Falcons Football Club home games at Arena Joondalup.

Service 2: Management of Community Sport, Entertainment and Recreation Facilities

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

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	14,169	14,363	14,917	18,402	Increased cost of services and income relate to once off events, including staging the XII FINA World Masters Championships.
Less Income.....	15,785	16,644	16,664	19,003	
Net Cost of Service ^(a)	(1,616)	(2,281)	(1,747)	(601)	
Adjustments ^(b)	-	-	-	-	
Appropriation for delivery of Service ^(a)	(1,616)	(2,281)	(1,747)	(601)	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per patron visit to Challenge Stadium	\$9.38	\$8.80	\$9.95	\$10.30	
Average cost per patron visit to Arena Joondalup	\$9.43	\$9.05	\$9.90	\$10.40	
Full Time Equivalents (FTEs)	101	100	105	106	

Major Achievements For 2006-07

- The Trusts' venues continue to provide a great number of community-based programs for both the young and older citizens of Western Australia.
- In 2006-07, the Trust increased the number of entertainment events at Challenge Stadium by 10 per cent.

Major Initiatives For 2007-08

- Continue to stage major concerts and regular community entertainment events at Arena Joondalup.
- Continue to stage concerts and regular community entertainment events at Challenge Stadium.
- Identify opportunities to expand community-based programs.

CAPITAL WORKS PROGRAM

The Capital Works Program for 2007-08 comprises \$1.7 million for capital upgrades, restorative maintenance and replacement at the Trust's venues.

In addition funding has been provided for the refurbishment of the Aquatic Centre at Challenge Stadium totalling to \$2.6 million.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
COMPLETED WORKS				
2006-07 Capital Upgrades and Maintenance				
Arena Joondalup	405	405	405	-
Challenge Stadium	839	839	839	-
Midvale SpeedDome	106	106	106	-
NEW WORKS				
2007-08 Capital Upgrades and Maintenance				
Arena Joondalup	580	-	-	580
Challenge Stadium	1,010	-	-	1,010
Midvale SpeedDome	75	-	-	75
Refurbishment of Aquatic Centre at Challenge Stadium	2,600	-	-	2,600
	5,615	1,350	1,350	4,265

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	931	1,350	1,350	4,265	1,727	1,727	1,814
	931	1,350	1,350	4,265	1,727	1,727	1,814
LESS							
Drawdowns from the Holding Account	-	1,025	1,025	3,790	1,627	1,627	1,554
Funding Included in Service Appropriations ^(a)	-	325	325	390	-	-	-
Internal Funds and Balances	31	-	-	-	-	-	-
Capital Contribution	900	-	-	85	100	100	260

(a) Capital works expensed through the Income Statement.

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(a)	8,508	8,653	8,702	9,047	9,404	9,517	9,682
Superannuation	772	764	769	791	812	863	872
Cost of goods sold	2,172	2,050	2,050	2,090	2,140	2,240	2,300
Supplies and services	7,626	7,805	7,805	10,207	8,355	8,604	8,716
Accommodation	1,049	1,180	1,180	2,145	1,240	1,280	1,350
Capital user charge ^(b)	8,178	8,247	8,247	-	-	-	-
Depreciation and amortisation	3,002	2,531	3,031	3,206	3,206	3,206	3,206
State taxes	489	525	525	540	550	600	610
Other expenses	222	367	367	368	379	399	410
TOTAL COST OF SERVICES	32,018	32,122	32,676	28,394	26,086	26,709	27,146
Income							
User charges and fees	14,587	15,351	15,351	17,651	15,951	16,281	16,500
Grants and subsidies	216	400	400	400	400	400	400
Interest revenue	85	70	70	70	70	70	70
Other revenue	1,788	1,743	1,743	1,782	1,820	2,955	2,100
Total Income	16,676	17,564	17,564	19,903	18,241	19,706	19,070
NET COST OF SERVICES ^(b)	15,342	14,558	15,112	8,491	7,845	7,003	8,076
INCOME FROM STATE GOVERNMENT							
Service appropriations ^(b)	14,226	14,818	15,386	8,681	7,845	7,003	8,076
TOTAL INCOME FROM STATE GOVERNMENT	14,226	14,818	15,386	8,681	7,845	7,003	8,076
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(1,116)	260	274	190	-	-	-

(a) The Full Time Equivalents (FTEs) for 2005-06 Actual, 2006-07 Estimated Actual and 2007-08 Estimate are 202, 210 and 212 respectively.

(b) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

**BALANCE SHEET
(Controlled)**

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CURRENT ASSETS							
Cash and cash equivalents	281	855	321	321	121	111	111
Receivables	362	674	362	362	362	362	362
Inventories.....	398	506	398	398	398	398	398
Amounts receivable for services.....	1,025	1,190	3,790	1,627	1,627	1,554	-
Prepayments	202	96	202	202	202	202	202
Total current assets	2,268	3,321	5,073	2,910	2,710	2,627	1,073
NON-CURRENT ASSETS							
Amounts receivable for services.....	9,795	11,146	9,046	10,625	12,204	13,856	17,062
Land and buildings.....	123,751	91,039	121,297	121,268	118,639	117,964	115,335
Receivables	-	100	100	100	100	100	100
Plant and equipment.....	3,977	3,135	4,425	5,123	6,273	5,469	6,706
Total non-current assets	137,523	105,420	134,868	137,116	137,216	137,389	139,203
TOTAL ASSETS.....	139,791	108,741	139,941	140,026	139,926	140,016	140,276
CURRENT LIABILITIES							
Payables ^(a)	1,526	1,650	1,516	1,516	1,516	1,516	1,516
Provision for employee entitlements	919	760	929	929	929	929	929
Borrowings	232	-	232	232	232	42	42
Other.....	1,130	1,230	1,206	1,216	1,216	1,406	1,406
Total current liabilities	3,807	3,640	3,883	3,893	3,893	3,893	3,893
NON-CURRENT LIABILITIES							
Provision for employee entitlements	265	257	265	265	265	265	265
Borrowings.....	610	600	410	210	10	-	-
Other.....	112	214	112	112	112	112	112
Total non-current liabilities	987	1,071	787	587	387	377	377
TOTAL LIABILITIES	4,794	4,711	4,670	4,480	4,280	4,270	4,270
EQUITY							
Contributed equity	4,899	4,899	4,899	4,984	5,084	5,184	5,444
Accumulated surplus/(deficit)	80,225	81,737	80,499	80,689	80,689	80,689	80,689
Reserves	49,873	17,394	49,873	49,873	49,873	49,873	49,873
Total equity	134,997	104,030	135,271	135,546	135,646	135,746	136,006
TOTAL LIABILITIES AND EQUITY	139,791	108,741	139,941	140,026	139,926	140,016	140,276

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

CASHFLOW STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	11,695	12,277	12,345	5,475	4,639	3,797	4,870
Capital contribution	900	-	-	85	100	100	260
Holding account drawdowns	-	1,025	1,025	3,790	1,627	1,627	1,554
Net cash provided by State government	12,595	13,302	13,370	9,350	6,366	5,524	6,684
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(8,462)	(8,643)	(8,705)	(9,047)	(9,404)	(9,517)	(9,682)
Superannuation	(772)	(764)	(770)	(791)	(812)	(863)	(872)
Supplies and services	(9,533)	(9,912)	(9,912)	(12,325)	(10,495)	(10,654)	(11,016)
Accommodation	(1,049)	(1,180)	(1,180)	(2,145)	(1,240)	(1,280)	(1,350)
Capital user charge ^(a)	(8,178)	(8,247)	(8,247)	-	-	-	-
State taxes	(489)	(525)	(525)	(540)	(550)	(600)	(610)
Goods and services tax	(1,514)	(1,350)	(1,350)	(1,380)	(1,410)	(1,410)	(1,430)
Other	(222)	(367)	(367)	(368)	(379)	(399)	(410)
Receipts							
User charges and fees	14,587	15,351	15,351	17,651	15,951	16,281	16,500
Grants and subsidies	216	400	400	400	400	400	400
Interest received	85	70	70	70	70	70	70
Goods and services tax	1,514	1,350	1,350	1,380	1,410	1,410	1,430
Other receipts	1,788	1,780	1,780	1,820	1,820	2,955	2,100
Net cash from operating activities	(12,029)	(12,037)	(12,105)	(5,275)	(4,639)	(3,607)	(4,870)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(931)	(1,025)	(1,025)	(3,875)	(1,727)	(1,727)	(1,814)
Net cash from investing activities	(931)	(1,025)	(1,025)	(3,875)	(1,727)	(1,727)	(1,814)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings	(200)	(200)	(200)	(200)	(200)	(200)	-
Proceeds from borrowings	95	-	-	-	-	-	-
Net cash from financing activities	(105)	(200)	(200)	(200)	(200)	(200)	-
NET INCREASE/(DECREASE) IN CASH HELD	(470)	40	40	-	(200)	(10)	-
Cash assets at the beginning of the reporting period	751	815	281	321	321	121	111
Cash assets at the end of the reporting period	281	855	321	321	121	111	111

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

RECONCILIATION RELATING TO REMOVAL OF CAPITAL USER CHARGE

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	32,018	32,122	32,676	28,394	26,086	26,709	27,146
<i>Less Capital User Charge</i>	8,178	8,247	8,247	-	-	-	-
Adjusted Total Cost of Services	23,840	23,875	24,429	28,394	26,086	26,709	27,146
APPROPRIATIONS							
Net amount appropriated to deliver services	14,226	14,818	15,386	8,681	7,845	7,003	8,076
<i>Less Capital User Charge</i>	8,178	8,247	8,247	-	-	-	-
Adjusted net amount appropriated to deliver services	6,048	6,571	7,139	8,681	7,845	7,003	8,076

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Part 7

Attorney General; Minister for Health; Electoral Affairs

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
491	Attorney General			
	– Delivery of Services	224,156	231,583	245,655
	– Capital Contribution	15,488	8,437	24,485
	Total	239,644	240,020	270,140
515	Commissioner for Equal Opportunity			
	– Delivery of Services	2,798	2,824	2,961
	– Capital Contribution	23	23	71
	Total	2,821	2,847	3,032
527	Corruption and Crime Commission			
	– Delivery of Services	25,158	25,480	26,711
	Total	25,158	25,480	26,711
540	Parliamentary Inspector of the Corruption and Crime Commission			
	– Delivery of Services	513	514	541
	Total	513	514	541
548	Law Reform Commission of Western Australia			
	– Delivery of Services	875	879	901
	– Capital Contribution	-	-	6
	Total	875	879	907
557	Office of the Director of Public Prosecutions			
	– Delivery of Services	22,452	23,278	24,885
	– Capital Contribution	3,605	3,200	658
	Total	26,057	26,478	25,543

Page	Agency	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
568	Office of the Information Commissioner			
	– Delivery of Services	1,227	1,247	1,149
	– Capital Contribution	-	-	2
	Total	1,227	1,247	1,151
578	Health			
	– Delivery of Services	3,187,930	3,229,570	3,431,767
	– Capital Contribution	94,368	77,165	168,698
	Total	3,282,298	3,306,735	3,600,465
640	Western Australian Electoral Commission			
	– Delivery of Services	8,395	6,243	7,338
	– Capital Contribution	173	23	150
	Total	8,568	6,266	7,488
	GRAND TOTAL			
	– Delivery of Services	3,473,504	3,521,618	3,741,908
	– Capital Contribution	113,657	88,848	194,070
	Total	3,587,161	3,610,466	3,935,978

ATTORNEY GENERAL

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

DIVISION 27

APPROPRIATION AND FORWARD ESTIMATES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 63 Net amount appropriated to deliver services ^(a)	137,313	166,493	173,255	185,211	214,120	208,793	218,011
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975 ^(b)	17,391	19,497	20,058	21,005	21,585	22,212	22,871
- District Court of Western Australia Act 1969	7,629	8,529	8,580	8,882	9,136	9,409	9,692
- Judges' Salaries and Pensions Act 1950...	7,270	7,181	7,232	7,490	7,704	7,934	8,173
- Children's Court of Western Australia Act 1988	306	303	305	316	325	336	346
- State Administrative Tribunal Act 2004..	2,721	2,384	2,384	2,905	2,993	3,082	3,175
- Criminal Injuries Compensation Act 1985	19,796	19,419	19,419	19,487	19,487	19,487	19,487
- Solicitor General Act 1969 ^(b)	267	320	320	329	338	348	358
- Suitor's Fund Act 1964	9	30	30	30	30	30	30
Total appropriations provided to deliver services	192,702	224,156	231,583	245,655	275,718	271,631	282,143
CAPITAL							
Item 151 Capital Contribution	26,101	15,488	8,437	24,485	53,461	41,122	6,300
GRAND TOTAL	218,803	239,644	240,020	270,140	329,179	312,753	288,443

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) The recommendation by the Salaries and Allowances Tribunal of 4 April 2007 in relation to senior public servants' salaries was received after the finalisation of agencies' individual financial projections. Accordingly, a provision for the total cost 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 No. 2 Volume 1). This provision will be reflected in agencies' estimates following the release of the 2007-08 Budget.

MISSION

To provide high quality and accessible justice, legal, registry, guardianship and trustee services that meet the needs of the community and government.

SIGNIFICANT ISSUES AND TRENDS

- The Department and the Department of Corrective Services were separated on 1 February 2006. A reform program to restructure the new Departments has been substantially determined and will be completed early in the 2007-08 financial year. The Department is working with the Office of Shared Services to transition payroll and finance transactional services. These are significant change management issues for the Department.
- Contemporary approaches to justice issues as they affect Aboriginal people, including the impact on the wider community, are required to address growing concerns about Aboriginal representation in the justice system and as victims of crime. The Aboriginal Justice Agreement is a key plank in the Government's endeavour to improve outcomes in this regard, developing plans at State, regional and local levels in consultation with relevant communities and stakeholders. The courts are also developing and implementing a range of culturally appropriate strategies targeted at Aboriginal perpetrators and victims of crime to help reduce the rate of recidivism.

- The attraction and retention of staff across the Department continues to represent a significant challenge. In regional areas in particular, the State's resources boom has increased pressure on the retention of staff and on the already limited availability of accommodation. The Department is currently undertaking detailed workforce planning to develop strategies to help attract and retain a sustainable and balanced workforce, particularly in regional areas.
- Providing court services to the entire State, including remote locations, is a significant challenge. This is caused by the need for Judicial Officers and support staff to travel vast distances and the difficulties in providing and maintaining appropriate physical, technological and security infrastructure. This issue will become more prevalent with the establishment of new multi-function police facilities at additional remote locations accompanied by the increased overall police presence in regional locations. The use of technology in the court system continues to present itself as the most effective solution to addressing these service delivery pressures in the regions.
- In 2005-06 the District Court had the longest delay to hear criminal matters among comparable Australian courts. Although time to trial is improving, this continues to be a significant issue for accused persons, victims of crime and their respective families.
- The workload at the Fines Enforcement Registry continues to grow. In 2005-06 the number of fines and infringements registered for enforcement increased by 22.5 per cent since 2004-05. Growth in infringements is expected to continue as increased resources are being deployed across government to issue infringement notices. Growth in court fines is also expected to continue as the number of fine-related criminal matters coming before the Magistrates Court are increasing.
- The current level of service being provided by the Family Court of Western Australia is unsustainable. Without additional ongoing funding from the Commonwealth to fund its operations, the length of time to trial will continue to increase.
- Demand for the appointment of the Public Advocate as Guardian, and the Public Trustee as Administrator grew by 9 per cent in 2005-2006. The demand for guardianship, administrator, trustee and executor services in Western Australia will continue to grow because the population is ageing at twice the rate of overall national population growth, longer life expectancies, an increasing prevalence of dementia and an overall rise in the number and complexity of cases involving people with decision-making disabilities.
- The prevention and detection of identity fraud by organisations continues to drive the demand for certificates from the Registry of Births, Deaths and Marriages as organisations endeavour to improve their document identification procedures. The proposed introduction of the Commonwealth 'Access Card' may also significantly impact the requirement for certificates.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2006-07 Budget to Parliament on 11 May 2006 are outlined below.

	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
Recruitment and Development for Parliamentary Counsel.....	190	285	190	97
Carnarvon Police and Justice Complex.....	-	12	20	970

SERVICE AND APPROPRIATION SUMMARY

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Court and Tribunal Services	185,855	217,855	214,301	227,125			
<i>Service 2:</i>							
Advocacy, Guardianship and Administration Services	2,635	3,017	2,870	2,898			
<i>Service 3:</i>							
Trustee Services	11,914	12,451	13,536	13,108			
<i>Service 4:</i>							
Births, Deaths and Marriages	4,604	6,244	6,011	6,648			
<i>Service 5:</i>							
Services to Government	46,378	46,665	69,013	71,652			
<i>Service 6:</i>							
Legal Aid Assistance	17,679	19,357	19,816	20,716			
Total Cost of Services ^(a)	269,065	305,589	325,547	342,147	375,149	373,552	386,755
<i>Less Income</i>	70,449	68,279	70,784	72,998	75,457	77,454	79,638
Net Cost of Services ^(a)	198,616	237,310	254,763	269,149	299,692	296,098	307,117
Adjustments ^(b)	(5,914)	(13,154)	(23,180)	(23,494)	(23,974)	(24,467)	(24,974)
Appropriation provided to deliver Services ^(a)	192,702	224,156	231,583	245,655	275,718	271,631	282,143
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(c)	26,101	15,488	8,437	24,485	53,461	41,122	6,300
TOTAL CONSOLIDATED ACCOUNT APPROPRIATIONS	218,803	239,644	240,020	270,140	329,179	312,753	288,443

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (c) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

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

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
Enhancing the quality of life and wellbeing of all people throughout Western Australia by providing high quality, accessible services.	The right to justice and safety for all people in Western Australia is preserved and enhanced.	1. Court and Tribunal Services 2. Advocacy, Guardianship and Administration Services 3. Trustee Services 4. Births, Deaths and Marriages 5. Services to Government 6. Legal Aid Assistance

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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Outcome: The right to justice and safety for all people in Western Australia is preserved and enhanced.					
Supreme Court - Criminal - Time to trial	47 weeks	n/a	40 weeks	38 weeks	
Supreme Court - Civil - Time to trial	34 weeks	n/a	32 weeks	29 weeks	
Supreme Court - Civil - Time to finalise non-trial matters	17 weeks	n/a	17 weeks	19 weeks	
Court of Appeal - Criminal - Time to finalise..	37 weeks	n/a	45 weeks	48 weeks	
Court of Appeal - Civil - Time to finalise	53 weeks	n/a	50 weeks	70 weeks	Increased number of lengthy, complex cases anticipated to enter the system in 2006-07 and flow through to 2007-08.
District Court - Criminal - Time to trial	58 weeks	n/a	53 weeks	49 weeks	
District Court - Civil - Time to trial	88 weeks	n/a	92 weeks	91 weeks	
District Court - Civil - Time to finalise non-trial matters	36 weeks	n/a	30 weeks	30 weeks	
State Administrative Tribunal - Time to finalise	16 weeks	n/a	17 weeks	19 weeks	Increased jurisdiction in 2007-08 will result in larger workload.
Family Court of Western Australia - Time to trial	54 weeks	n/a	75 weeks	90 weeks	Increased workload.
Family Court of Western Australia - Time to finalise non-trial matters	22 weeks	n/a	26 weeks	27 weeks	
Magistrates Court - Criminal and Civil - Time to trial	19 weeks	n/a	19 weeks	19 weeks	

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Magistrates Court - Civil - Time to finalise non-trial matters	4 weeks	n/a	4 weeks	4 weeks	
Children's Court - Criminal - Time to trial	17 weeks	n/a	17 weeks	17 weeks	
Children's Court - Civil - Time to trial	8 weeks	n/a	8 weeks	8 weeks	
Coroner's Court - Time to trial	126 weeks	n/a	128 weeks	128 weeks	
Coroner's Court - Time to finalise non-trial matters	21 weeks	n/a	24 weeks	26 weeks	
Fines Enforcement Registry - Percentage of fines satisfied within 12 months:					
- fines and costs	30%	33%	33%	34%	
- infringements	58%	62%	62%	63%	
Extent to which trustee services meet the needs of clients	79%	80%	80%	80%	
Number of estates relative to the number of adult deaths in Western Australia	14%	14%	14%	14%	
Percentage of estates finalised within 12 months of being reported	67%	70%	70%	71%	
Extent to which the Public Trustee maintains a market share in drawing wills naming the Public Trustee as executor	12%	12%	12%	12%	
Extent to which births, deaths and marriages source information is recorded error free	96%	98%	95%	97%	
Proportion of customers provided with advocacy relative to the number of referrals	100%	95%	97%	95%	
The percentage of customers surveyed satisfied with information and advice by the Office of Public Advocate	97%	90%	93%	90%	
Guardian of last resort allocated in one day	94%	95%	92%	95%	Increase in Public Advocate appointments in 2006-07.
Percentage of clients satisfied with service provided - criminal law	n/a	73%	73%	n/a	Criminal and family law clients surveyed in alternate years.
Percentage of clients satisfied with service provided - family law	74%	n/a	n/a	75%	
Extent to which government departments are satisfied with legal services	98%	87%	87%	90%	
Extent to which legislation was drafted in a timely manner to effect the Government's legislative programme	88%	88%	88%	88%	
Applications approved for a grant of aid as a percentage of all applications received	67%	65%	71%	72%	

- (a) More details of effectiveness indicators are provided in the annual report.
- (b) All courts and tribunal services related performance indicators above (with the exception of Fines Enforcement indicators) are being reported for the first time. As such these figures have not been audited and were not reported in the Department's 2005-06 annual report.
- (c) Time to trial is defined as the median time from when a matter enters the court in question to the first trial/hearing date. However, in the case of the Coroner's Court it is defined as the median time from death to the first inquest hearing (for those cases where an inquest is held).
- (d) Time to finalise non-trial matters is defined as the median time from the initiation of the matter through to its date of finalisation. This excludes matters finalised by trial and matters finalised administratively.
- (e) Time to finalise in the Court of Appeal and the State Administrative Tribunal is defined as the time to finalise a matter from its initiation to when a judgment is made (includes all matters).

Service 1: Court and Tribunal Services

A prime task of the justice system in serving the community is the determination of cases brought before a court or tribunal. This service relates to financing the cost of delivering court facilities, administrative support and judicial staff to enable these determinations to be made.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	185,855	217,855	214,301	227,125	
Less Income	50,387	48,455	49,618	52,048	
Net Cost of Service ^(a)	135,468	169,400	164,683	175,077	
Adjustments ^(b)	(5,558)	(12,167)	(22,191)	(22,731)	
Appropriation for delivery of Service ^(a)	129,910	157,233	142,492	152,346	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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 ^{(a) (b)}

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Supreme Court - Criminal - Cost per case	\$26,121	n/a	\$28,790	\$29,950	Lower cost per case in 2006-07 due to a program of review of older cases in 2006-07 resulting in greater finalisations in this year.
Supreme Court - Civil - Cost per case	\$7,470	n/a	\$6,656	\$7,720	
Court of Appeal - Criminal - Cost per case	\$19,022	n/a	\$18,957	\$20,058	
Court of Appeal - Civil - Cost per case	\$17,674	n/a	\$22,723	\$23,118	
District Court - Criminal - Cost per case	\$7,114	n/a	\$8,383	\$8,554	
District Court - Civil - Cost per case	\$3,616	n/a	\$4,236	\$4,826	
State Administrative Tribunal - Cost per case ..	\$2,074	n/a	\$1,993	\$2,132	
Family Court - Cost per case	\$1,228	n/a	\$1,587	\$1,545	
Magistrates Court - Criminal - Cost per case ...	\$498	n/a	\$486	\$513	
Magistrates Court - Civil - Cost per case	\$303	n/a	\$347	\$385	
Children's Court - Criminal - Cost per case	\$309	n/a	\$321	\$337	
Children's Court - Civil - Cost per case	\$263	n/a	\$502	\$521	
Fines Enforcement Registry - Cost per enforcement	\$17.30	\$17.28	\$25	\$26	
Coroner's Court - Cost per case	\$4,265	n/a	\$3,812	\$4,003	
Full Time Equivalents (FTEs)	1,038	1,064	1,075	1,091	

- (a) All performance indicators above (with the exception of Fines Enforcement indicators) are being reported for the first time. As such these figures have not been audited and were not reported in the Department's 2005-06 annual report.
- (b) 'Cost per case' is calculated as the total gross cost divided by finalisations. This measures the average cost per case for all matters finalised by the court (including matters finalised without trial and those finalised administratively). As such this is not a measure of the cost per trial. A trial matter in itself could be expected to cost significantly in excess of the average cost figures outlined in this table.

Major Achievements For 2006-07

- An additional District Court Judge was appointed and this has resulted in a reduction in criminal trial waiting times, from 61 weeks in June 2006 to around 50 weeks as at March 2007. As a result, victims of crime now wait less time for their matters to be heard in court, reducing the emotional trauma involved and the potential impact of loss of memory over time in giving evidence.

- An additional Magistrate commenced in the Peel region to service the increased demand from the rapidly increasing population in the region. This has resulted in the wait to trial at the Mandurah court being reduced from the previous high level of 43 weeks to its current level of 10 weeks as at February 2007.
- The Family Court of Western Australia implemented the court-based component of the reforms to the federally initiated Shared Parental Responsibility legislation. This legislation was introduced to bring about a culture shift away from litigation towards cooperative parenting in the management of family separations. To help achieve this, the court has introduced a new case management system focused on mediation and counselling and has appointed two additional Registrars to meet this increased workload.
- The Fines Enforcement Registry's (FER) ageing computer system will be replaced by June 2007 with a new fines module within the Integrated Court Management System. The new module will now allow the FER to extend a number of services statewide, which will provide a more effective and efficient collection process. The new module will also allow FER to more effectively manage 'time to pay' arrangements across the State.
- The Prisoners Review Board began operation on 29 January 2007 and replaced the Parole Board. The new board structure is now more transparent and accountable to the public. Specifically, the Chairperson of the Board now has the power to publicly release information regarding parole and to respond to community and media interest. The Board has its own website, releasing general and specific information to the public weekly. Other improvements to the board which are now in operation include:
 - more time being spent on each individual case, allowing greater scrutiny of available information. This has improved the decision making of the Board and thereby increased community safety;
 - greater capacity of the Board to consider victim submissions in making decisions on release; and
 - opportunity for an earlier review for some prisoners.
- A pilot Aboriginal Sentencing Court was established in Kalgoorlie-Boulder in November 2006. The Community Court, as it has been called, adopts a more culturally inclusive approach by involving Aboriginal elders and respected community members at the sentencing stage of a prosecution. This initiative has been implemented to reduce recidivism within the Aboriginal community. To date, there are already signs of elevated confidence in the justice system within the Aboriginal community, which is evidenced by the willingness of Aboriginal accused persons electing to be dealt with by the Community Court. The court encourages respect across generations within the community. The elected elders and respected community members who participate in the court are quickly gaining a better understanding of the justice system and their level of commitment increases with each sitting of the court. A positive side effect to this initiative is the development of a pool of senior Aboriginal people who will be able to speak to justice issues with confidence and knowledge within the community.
- Four new Aboriginal Liaison Officers have been appointed across the State with new positions in Albany, Perth, Kununurra and South Hedland. Together with the six existing Liaison Officers, a network of support has been created to help court staff interact with Aboriginal people and educate Aboriginal communities about the court system and the services available to them.
- The District Court completed preparation to implement its Civil Trial Preparation Project with effect from 1 May 2007 which will enhance access to justice by enabling parties to prepare for civil trials more cheaply and effectively. In essence, this initiative aims to reduce costs by ensuring parties prepare and file only those documents which are necessary.
- The Drug Court, which operates within the Magistrates Court at Perth, was reviewed to determine its efficiency and effectiveness. The review focussed on measuring recidivism and the cost of the Drug Court compared to the other correctional options of community corrections management or imprisonment. Findings revealed that the Drug Court Program had a positive effect on reducing recidivism. Drug Court graduates showed a 'non-return to corrections' rate of 46 per cent. This rate is 16 per cent and 10 per cent better respectively than comparable prison and community corrections managed offenders. The findings also revealed the Drug Court to be more cost effective than prison managed offenders.
- A case management team continued to operate as part of the FER to reduce the number of people imprisoned for fine default. Since its commencement the team has achieved a significant reduction in the number of warrants issued for the arrest of fine defaulters, as well as a significant reduction in the number of people serving fine related prison sentences. In its first 12 months of operation the team moved a total of 1,157 offenders onto payment plans with potential collections of approximately \$5.4 million. This has saved an estimated 47,820 fine related imprisonment days, equating to an estimated cost saving to the prison system of \$6.4 million.

- The Victims of Crime Reference Group was created. This group was established to advise the Attorney General, using a first-hand insight, on the ordeals of victims, with a view to bringing about improvements to the justice system that will benefit other victims and their families.
- Security checkpoints at the Central Law Courts were enhanced to detect and remove contraband from persons entering the court and improved technology is expected to increase the interception rate. This improved the safety of the judiciary, staff and members of the community.

Major Initiatives For 2007-08

- The Family Court of Western Australia will evaluate its new case management model stemming from the implementation of the Shared Parenting Responsibility legislation. This review will aim to ensure client expectations are being met and value for money is being achieved.
- The implementation of the Family Violence Courts in Western Australia will continue. This initiative follows on the success of the Joondalup Family Violence Court in supporting victims, and pro-actively addressing the traits of perpetrators to help reduce imprisonment and recidivism. Additional Family Violence Courts, with an Aboriginal focus, will commence on a staged basis across 2007-08 at the Perth Central Law Courts, Armadale, Fremantle, Midland and Rockingham.
- The ongoing review of recent legislative reforms within the portfolio will continue in 2007-08. The review extends to the courts reform package of 2005, *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. The review aims to identify any deficiencies in this legislation and recommend amendments where appropriate.
- Reforms are under consideration for implementation in 2007-08 which would involve the replacement of the *Criminal Law (Mentally Impaired Accused) Act 1996* with a new Act. The proposed reforms would enhance the legal administration, care and treatment of the mentally impaired accused in Western Australia.
- A range of strategies will be developed to assist self-represented persons throughout the court process. For example, the development of fact sheets, more accessible online information and training for court staff in how to assist self-represented persons are some of the key strategies currently being investigated.
- Progressive development of the cross border justice initiative will continue in 2007-08. This initiative centres around giving police and Magistrates powers to act across Western Australian, Northern Territorial and South Australian borders in central Australia, so that offenders can be arrested in any community and dealt with by courts without transferring the person back to the jurisdiction in which the offence was committed. The aim is to improve the delivery of justice services to remote communities.
- The development of an equal treatment Benchbook for use by the judiciary will be undertaken. The Benchbook will assist judicial officers in the conduct of cases by providing them with information to help them develop their understanding of cultural and social issues that could potentially lead to a person being disadvantaged in court proceedings.
- Work will continue on the construction and transition to the new District Court Building, as well as the refurbishment of the existing Central Law Courts building. Currently the transition to the new District Court building is planned for late 2007-08. These initiatives will significantly improve the quality of the court facilities in the Perth District Court and Perth Magistrates Court and will result in the vacation of currently leased premises adjacent to the Central Law Courts (i.e. May Holman Centre).
- A detailed planning and feasibility study to develop long-term accommodation solutions for the Supreme Court will be undertaken in 2007-08.

Service 2: Advocacy, Guardianship and Administration Services

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

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

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	2,635	3,017	2,870	2,898	
Less Income	43	16	16	16	
Net Cost of Service ^(a)	2,592	3,001	2,854	2,882	
Adjustments ^(b)	11	(20)	(6)	(8)	
Appropriation for delivery of Service ^(a)	2,603	2,981	2,848	2,874	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost of providing advocacy and guardianship services	\$2,393	\$2,430	\$2,444	\$2,582	
Full Time Equivalents (FTEs)	27	32	30	30	

Major Achievements For 2006-07

- Developed new initiatives to protect people with decision-making disabilities in regional and remote areas, particularly Aboriginal people, by increasing awareness of the Guardianship and Administration system.
- Established and filled three new positions to reduce the risk to people with complex needs living in the community.
- Progressed initiatives to protect and support older people in culturally and linguistically diverse communities.
- Fully implemented the Community Guardianship Program by recruiting, training and supporting 15 members of the community to become community guardians.
- Contributed 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.

Major Initiatives For 2007-08

- Further consolidate regional guardianship, investigation and community education services through increased visits to regional centres.
- Increase awareness of the Guardianship and Administration system particularly in regional areas and for Aboriginal people by expanding the number of training courses in regional and remote communities.
- Develop a new Case Management System to improve performance and accountability.

- Increase training for service providers about elder abuse particularly in Aboriginal communities.
- Develop and implement a plan to educate the community, professionals and service providers about Enduring Powers of Guardianship.

Service 3: Trustee Services

The Public Trustee provides funds management and investment services through the operations of the Common Account, 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 administration orders as ordered by the State Administrative Tribunal.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	11,914	12,451	13,536	13,108	
Less Income.....	8,913	9,701	9,711	9,949	
Net Cost of Service ^(a)	3,001	2,750	3,825	3,159	
Adjustments ^(b)	(347)	(417)	(388)	(392)	
Appropriation for delivery of Service ^(a)	2,654	2,333	3,437	2,767	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per deceased estate administered.....	\$1,714	\$1,823	\$1,801	\$1,763	
Average cost per trust managed.....	\$1,159	\$1,165	\$1,359	\$1,306	
Average cost per will prepared.....	\$297	\$293	\$260	\$260	
Full Time Equivalents (FTEs)	137	147	151	155	

Major Achievements For 2006-07

- Significant progress has been made in developing and implementing a training and development program that caters for all Public Trustee staff. Achievements to date include training in mentoring skills, and identification and development of specific training in grief management and client disabilities. Further developments will continue into 2007-08.
- A strategic review, seeking advice regarding the future direction of the Public Trustee's primary IT system, has been completed. Actions to progress recommendations are currently underway which will pave the way for a system upgrade in 2007-08.
- The Public Trustee has been pursuing legislative changes to the *Public Trustee Act 1941* for a number of years. Following drafting of the Bill, it was introduced into Parliament in November 2006, and passed through the Legislative Assembly in April 2007.

- To measure and test the effectiveness of the Public Trustee's business practices, reviews have been conducted in the areas of corporate governance, risk management and fraud risk. Implementing recommendations from these reviews has further strengthened the business approach undertaken by the Public Trustee and will ensure a strong foundation for implementing recommendations from proposed legislative amendments.
- The Public Trustee Building, which is an asset of the Common Account, was fully leased in 2006-07, therefore optimising income for Public Trustee clients.

Major Initiatives For 2007-08

- Continue to pursue the passing of amendments to the *Public Trustee Act 1941* 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.
- Commence the upgrade and migration of the trust accounting system software and platform to maintain customer service standards.

Service 4: 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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	4,604	6,244	6,011	6,648	Cost of converting historic paper based records to an electronic format now expected to be incurred during 2007-08.
Less Income	5,895	5,710	6,308	6,414	
Net Cost of Service ^(a)	(1,291)	534	(297)	234	
Adjustments ^(b)	6	(31)	(10)	(13)	
Appropriation for delivery of Service ^(a)	(1,285)	503	(307)	221	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost of registration services	\$1.37	\$1.84	\$1.77	\$1.91	Increase in cost as a result of the conversion of historic records to an electronic format.
Full Time Equivalents (FTEs)	48	49	50	50	

Major Achievements For 2006-07

- Contract awarded to commence the 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.
- Implemented an online service to funeral directors to enable death registration information to be lodged electronically.
- Extended birth and death indexes on the Internet to assist family historians to trace family members prior to ordering a certificate. Birth and death records from 1841 to 1931 are now available.

Major Initiatives For 2007-08

- Commence conversion of historic birth and change of name paper-based records to an electronic format to guarantee their preservation, enhance their usefulness and improve the delivery of services.
- Extend marriage and death indexes on the Internet to assist family historians to trace family members prior to ordering a certificate.
- Expand number and usage of funeral directors using an online service to lodge death registration information.

Service 5: Services to Government

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

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	46,378	46,665	69,013	71,652	
Less Income	5,211	4,397	5,131	4,571	
Net Cost of Service ^(a)	41,167	42,268	63,882	67,081	
Adjustments ^(b)	(26)	(519)	(585)	(350)	
Appropriation for delivery of Service ^(a)	41,141	41,749	63,297	66,731	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Department of Corrective Services.....	\$12,159,000	\$12,039,000	\$31,240,366	\$32,860,440	
Director of Public Prosecutions.....	\$939,046	\$742,367	\$907,658	\$766,072	
Equal Opportunity Commission	\$109,261	\$71,846	\$109,777	\$65,425	
Freedom of Information Commissioner	\$41,792	\$26,797	\$41,041	\$24,246	
Law Reform Commission.....	\$72,901	\$52,592	\$73,574	\$56,074	
Commissioner for Children and Young People	-	-	\$1,500,000	\$1,500,000	
Aboriginal Policy Services	\$2,167,352	\$4,056,829	\$4,150,392	\$4,727,399	
Solicitor General	\$763,685	\$754,667	\$776,665	\$776,607	
Other (ex-gratia payments, etc)	\$518,435	-	\$200,000	-	
Average cost per legal matter	\$2,418	\$2,400	\$2,490	\$2,530	
Average cost per page of output	\$117	\$153	\$151	\$166	
Full Time Equivalents (FTEs)	464	397	477	415	

Major Achievements For 2006-07

- Collaborative justice agreements through the Aboriginal Justice Agreement has seen the development of seven local justice plans and two regional plans across the State with a further 18 plans expected to be completed by June 2007. This is above the original target of 21 plans.
- The development work for the improved Internet publication of legislation, which forms part of the Parliamentary Counsel's Business Improvement Project, was completed. This involved a significant amount of re-engineering of existing computer processes.
- Major upgrades of computer hardware and operating systems were completed for the Parliamentary Counsel.
- Continued to focus the legislation reprints program on heavily amended legislation to provide timely authorised consolidated legislation publications to the public.

Major Initiatives For 2007-08

- Development of a further 12 local justice plans and forums and six regional justice plans under the Aboriginal Justice Agreement.
- Launch the revised and upgraded Internet publication of Western Australian legislation and legislative information.

Service 6: 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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^{(a) (b)}	17,679	19,357	19,816	20,716	
Less Income	-	-	-	-	
Net Cost of Service ^(a)	17,679	19,357	19,816	20,716	
Adjustments ^(c)	-	-	-	-	
Appropriation for delivery of Service ^(a)	17,679	19,357	19,816	20,716	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) The 'Total Cost of Service' represents the outflow of funds from the Department of the Attorney General to the Legal Aid Commission as the State's appropriation for State law matters, and excludes Commonwealth funding and own source revenue. Legal Aid's true total cost of service consists of delivering both State and Commonwealth law matters which amounts to approximately \$40 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.

Key Efficiency Indicators

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
State Law					
Average cost per call.....	\$14	\$15	\$16	\$16	
Average cost per legal representation.....	\$1,836	\$1,915	\$1,870	\$1,908	
Average cost per legal advice.....	\$103	\$108	\$115	\$117	
Average cost per minor assistance.....	\$172	\$195	\$201	\$205	
Average cost per face to face information.....	\$30	\$32	\$32	\$33	
Average cost per duty lawyer service.....	\$90	\$92	\$96	\$99	
Average cost per application processed	\$152	\$156	\$143	\$149	
Commonwealth Law					
Average cost per call.....	\$18	\$19	\$21	\$22	
Average cost per legal representation.....	\$2,599	\$2,570	\$2,755	\$2,791	
Average cost per child support assistance	\$1,363	\$1,420	\$1,353	\$1,407	
Average cost per legal advice.....	\$96	\$95	\$118	\$118	
Average cost per minor assistance.....	\$166	\$168	\$185	\$185	
Average cost per face to face information.....	\$30	\$32	\$27	\$28	
Average cost per duty lawyer service.....	\$96	\$90	\$122	\$122	
Average cost per application processed	\$440	\$494	\$483	\$502	
Full Time Equivalents (FTEs)	236	254	256	256	

Major Achievements For 2006-07

- Provided legal representation to 1,100 additional persons facing serious criminal charges, who would previously have not been represented or who would have received only limited assistance via a duty lawyer, so that Magistrates have the best possible information available to them, when making a sentencing decision. Legal representation includes negotiations on the preferred charges, would usually involve a plea being submitted although in some situations it may include a short trial. The provision of information readily identifiable to a lawyer but not known or understood as significant by an unrepresented person intent on pleading guilty meets community expectations for fair and just sentences, by ensuring all information that is necessary is available for the consideration of custodial and non-custodial sentences.
- Established a new Children's Court protection service to assist respondent parents to understand, respond and negotiate care arrangements for their children in circumstances where their children have been apprehended or taken into the care of the Department for Child Protection.

- Commenced a pilot program with the Family Court of Western Australia to increase the number of Independent Children's lawyers that are appointed in the most difficult of cases.

Major Initiatives For 2007-08

- Participate in funding negotiations for a new four year funding agreement for the provision of Commonwealth legal aid services.
- Monitor the service impacts of new legislative provisions designed to promote counselling as an option, before access is permitted to the Family Court.
- Implement new accreditation requirements for Family Dispute Resolution practitioners.
- Review the adequacy of current levels of legal aid assistance for parents and children in light of forecast increases in the number of protection and care applications expected to be lodged by the Department for Child Protection.
- Undertake a review of the adequacy of current time and cost allowances in the criminal law fee scale.

CAPITAL WORKS PROGRAM

- The Department has developed a 10 year Capital Investment Plan that identifies new and replacement assets needed to meet its accommodation and infrastructure needs into the future. The plan has three key aims, to:
 - provide modern courthouse facilities;
 - enhance information technology capability; and
 - maintain existing buildings and infrastructure.
- The range of major capital projects planned to improve court facilities across the State include the CBD Courts project and the Kalgoorlie Court.
- The CBD Courts Project is the most significant courts development to be undertaken in Western Australia. It involves the development of a state-of-the-art, purpose-built court building on the corner of Hay and Irwin Streets, opposite the existing Central Law Courts in Perth. The new building will house the District Court and Supreme Court criminal jury trials as well as the State's first permanent high-security court. The new building will incorporate a modern design with the latest technology and audiovisual facilities. It will feature improved security to better protect all court users including the judiciary, members of the public, jurors and witnesses, especially vulnerable witnesses such as children and victims of crime. Construction is underway and transition to the completed building is scheduled for May 2008. As part of this initiative, the refurbishment of the existing Central Law Courts building is also underway. The refurbishment will upgrade the interior and exterior of the building, with the works scheduled for completion in 2009.
- A new courthouse is planned for Kalgoorlie through the redevelopment of the former Warden's Court building in Hannan Street. The new courthouse will replace the existing facility on Brookman Street. It will restore this important and iconic heritage Warden's Court site in the main thoroughfare to its former glory. The new facility will be a four-courtroom complex, with provision to expand to five courts when required. The redevelopment will provide new facilities for the Victim Support Service and Victim Mediation Unit. Facilities will include a custody centre, with access for legal representative interviews, and a jury assembly area. Its separate areas for witnesses will include a remote witness room, a separate entry for witnesses, protected witness facilities and larger waiting areas. Development work is expected to start in 2007-08.
- The Department has structured its court technology strategies to improve integration across the Department. The strategies also provide for robust corporate and business systems to support day-to-day operations and provide ongoing support and maintenance for existing systems, including planning for their replacement. One initiative of note is the roll-out of a new information system for the Prisoners Review Board in 2007-08.
- Infrastructure maintenance is directed at the refurbishment and upgrading of existing buildings, replacement of significant commercial mechanical/electrical plant and equipment, and security systems State-wide. This includes funding for the Department of Corrective Services, which will be transferred to that Department during 2007-08.

- Capital funding for CBD office accommodation includes funds to relocate and refit offices within Westralia Square and International House leased accommodation.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Corporate				
Information Projects				
Business Systems				
- Corporate Information Management Systems.....	7,490	4,390	932	900
- Financial Management Information System	8,536	6,766	553	720
- Human Resources Management Information System	4,241	3,771	140	100
- Legislative Drafting and Database System (PCO)	3,000	1,058	896	1,000
ICT Infrastructure Upgrade.....	76,241	44,991	7,842	7,450
Physical Infrastructure				
CBD Office Accommodation.....	4,324	2,646	2,646	1,202
Court and Tribunal Services				
Information Projects				
Court Audio/Visual Maintenance and Enhancements	10,916	1,540	1,398	1,301
Physical Infrastructure				
CBD Courts Complex - Planning and Management.....	13,884	12,062	1,488	1,679
CBD Courts Construction and Central Law Courts Refurbishment	55,208	14,761	4,610	13,779
Court and Judicial Security	3,350	1,800	1,703	400
Harvey Police Court.....	650	50	50	600
Kalgoorlie Court Upgrade.....	30,700	200	200	2,800
Prisoner Review Board	2,460	1,460	1,460	1,000
COMPLETED WORKS				
Corporate				
Information Projects				
Business Systems				
- Integrated Court Management System	20,204	20,204	4,525	-
- Western Australian Registration System (Registry of Births, Deaths and Marriages).....	2,107	2,107	60	-
Other				
Asset Transition CSCS Contract.....	1,809	1,809	661	-
Physical Infrastructure				
Building Infrastructure and Maintenance 2006-07.....	7,914	7,914	7,914	-
Owned/Leased Office Fitouts 2006-07	1,185	1,185	1,185	-
Replacement Office Equipment.....	2,034	2,034	683	-
Court and Tribunal Services				
Physical Infrastructure				
Albany Justice Complex	12,007	12,007	362	-
Court Upgrades	101	101	101	-
State Administrative Tribunal.....	3,786	3,786	107	-
NEW WORKS				
Corporate				
Physical Infrastructure				
Building Infrastructure and Maintenance 2007-08.....	8,680	-	-	8,680
Owned/Leased Office Fitouts 2007-08.....	500	-	-	500
Replacement Office Equipment 2007-08	700	-	-	700
Legal Aid				
ICT Infrastructure Upgrade	800	-	-	200
	282,827	146,642	39,516	43,011

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	39,025	32,679	39,516	43,011	73,358	54,347	23,510
	39,025	32,679	39,516	43,011	73,358	54,347	23,510
LESS							
Drawdowns from the Holding Account	17,351	7,966	14,469	7,263	5,492	5,038	4,200
Funding Included in Service Appropriations ^(a)	-	8,998	7,294	11,263	14,405	8,187	13,010
Internal Funds and Balances	(4,427)	227	9,316	-	-	-	-
Capital Contribution	26,101	15,488	8,437	24,485	53,461	41,122	6,300

(a) Capital works expensed through the Income Statement.

(b) 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)

	2005-06 Actual ^(a) \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(b)	228,607	130,912	131,054	128,637	134,429	138,090	142,134
Superannuation	25,405	26,979	18,212	19,440	20,120	20,853	21,683
Grants and subsidies ^(c)	43,382	42,078	41,426	42,148	42,686	43,220	43,829
Supplies and services	131,030	50,561	78,788	89,193	109,927	106,558	113,806
Accommodation	27,453	28,221	25,586	27,085	31,861	29,228	29,319
Finance costs	1,372	1,441	1,441	1,441	1,441	1,441	1,441
Capital user charge ^(d)	42,707	18,035	18,035	-	-	-	-
Depreciation and amortisation	18,679	13,150	12,643	17,180	16,901	15,713	15,424
State taxes	332	360	510	526	541	556	576
Loss on disposal of non-current assets	139	-	-	-	-	-	-
Other expenses	22,161	11,887	15,887	16,497	17,243	17,893	18,543
TOTAL COST OF SERVICES	541,267	323,624	343,582	342,147	375,149	373,552	386,755
Income							
User charges and fees	18,085	16,911	17,387	17,782	18,184	18,441	18,705
Regulatory fees and fines	32,765	32,518	33,756	35,904	37,674	39,121	40,740
Grants and subsidies	12,781	12,977	12,864	13,074	13,298	13,527	13,762
Other revenue	13,966	5,873	6,777	6,238	6,301	6,365	6,431
Total Income	77,597	68,279	70,784	72,998	75,457	77,454	79,638
NET COST OF SERVICES ^(d)	463,670	255,345	272,798	269,149	299,692	296,098	307,117
INCOME FROM STATE GOVERNMENT							
Service appropriations ^(d)	462,069	242,191	249,618	245,655	275,718	271,631	282,143
Resources received free of charge	7,739	254	16,338	16,828	17,333	17,853	18,389
Liabilities assumed by the Treasurer	6,622	12,540	6,540	6,540	6,540	6,540	6,540
TOTAL INCOME FROM STATE GOVERNMENT	476,430	254,985	272,496	269,023	299,591	296,024	307,072
SURPLUS/(DEFICIENCY) FOR THE PERIOD	12,760	(360)	(302)	(126)	(101)	(74)	(45)

(a) 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 2005-06 Actual, 2006-07 Estimated Actual and 2007-08 Estimate are 1,950, 2,039 and 1,997 respectively.

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

(d) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

**BALANCE SHEET
(Controlled)**

	2005-06 Actual ^(a) \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CURRENT ASSETS							
Cash and cash equivalents	10,077	7,975	991	991	991	991	991
Restricted cash	416	-	416	416	416	416	416
Receivables	5,101	6,215	5,101	5,101	5,101	5,101	5,101
Amounts receivable for services.....	7,966	4,986	7,263	5,492	5,038	4,200	-
Prepayments	219	2,024	219	219	219	219	219
Total current assets	23,779	21,200	13,990	12,219	11,765	10,927	6,727
NON-CURRENT ASSETS							
Amounts receivable for services.....	26,216	35,980	26,693	39,981	53,444	66,557	83,581
Land and buildings.....	209,788	202,075	209,293	404,289	397,791	434,648	444,607
Intangibles.....	3,882	11,960	3,132	3,132	3,132	3,132	3,132
Plant, equipment and other	40,693	29,392	60,746	78,246	108,694	88,163	59,888
Total non-current assets.....	280,579	279,407	299,864	525,648	563,061	592,500	591,208
TOTAL ASSETS.....	304,358	300,607	313,854	537,867	574,826	603,427	597,935
CURRENT LIABILITIES							
Payables ^(b)	4,329	17,920	4,329	4,329	4,329	4,329	4,329
Provision for employee entitlements	28,053	11,914	28,613	29,173	29,733	30,293	30,853
Interest payable	107	109	107	107	107	107	107
Finance leases	211	234	234	18,591	18,896	19,114	19,333
Accrued salaries	1,620	710	1,592	1,952	2,312	2,672	3,032
Total current liabilities.....	34,320	30,887	34,875	54,152	55,377	56,515	57,654
NON-CURRENT LIABILITIES							
Provision for employee entitlements	10,695	24,359	11,735	12,775	13,815	14,855	15,895
Finance leases	12,598	12,364	12,364	191,701	173,035	158,410	144,484
Total non-current liabilities	23,293	36,723	24,099	204,476	186,850	173,265	160,379
TOTAL LIABILITIES.....	57,613	67,610	58,974	258,628	242,227	229,780	218,033
EQUITY							
Contributed equity	-	(437,479)	8,437	32,922	86,383	127,505	133,805
Accumulated surplus/(deficit)	57,654	108,054	57,352	57,226	57,125	57,051	57,006
Reserves	189,091	562,422	189,091	189,091	189,091	189,091	189,091
Total equity.....	246,745	232,997	254,880	279,239	332,599	373,647	379,902
TOTAL LIABILITIES AND EQUITY	304,358	300,607	313,854	537,867	574,826	603,427	597,935

- (a) 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) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

CASHFLOW STATEMENT
(Controlled)

	2005-06 Actual ^(a) \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	436,496	227,441	235,375	226,875	257,217	254,318	265,119
Capital contribution	26,101	15,488	8,437	24,485	53,461	41,122	6,300
Holding account drawdowns	17,351	7,966	14,469	7,263	5,492	5,038	4,200
Net cash provided by State government	479,948	250,895	258,281	258,623	316,170	300,478	275,619
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(223,199)	(128,952)	(129,446)	(126,677)	(132,469)	(136,130)	(140,174)
Superannuation	(18,783)	(14,439)	(11,708)	(12,900)	(13,580)	(14,313)	(15,143)
Grants and subsidies	(43,382)	(42,078)	(41,426)	(42,148)	(42,686)	(43,220)	(43,829)
Supplies and services	(123,291)	(50,307)	(62,450)	(71,191)	(74,262)	(70,095)	(76,068)
Accommodation.....	(27,453)	(28,221)	(25,586)	(27,085)	(31,861)	(29,228)	(29,869)
Finance costs	(1,374)	(1,441)	(1,441)	(1,441)	(1,441)	(1,441)	(1,441)
Capital user charge ^(b)	(39,730)	(18,035)	(18,035)	-	-	-	-
State taxes	(332)	(360)	(510)	(526)	(541)	(556)	(576)
Goods and services tax	(20,912)	(22,300)	(22,300)	(22,300)	(22,300)	(22,300)	(22,300)
Other.....	(37,836)	(11,887)	(15,887)	(16,497)	(17,243)	(17,893)	(18,543)
Receipts							
User charges and fees.....	18,085	16,911	17,387	17,782	18,184	18,441	18,705
Regulatory fees and fines.....	32,765	32,518	33,756	35,904	37,674	39,121	40,740
Grants and subsidies	12,781	12,977	12,864	13,074	13,298	13,527	13,762
Goods and services tax	22,583	22,300	22,300	22,300	22,300	22,300	22,300
Other receipts	13,934	5,873	6,777	6,238	6,301	6,365	6,431
Net cash from operating activities.....	(436,144)	(227,441)	(235,705)	(225,467)	(238,626)	(235,422)	(246,005)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(32,623)	(23,454)	(31,451)	(31,748)	(58,953)	(46,160)	(10,500)
Proceeds from sale of non-current assets	35	-	-	-	-	-	-
Net cash from investing activities.....	(32,588)	(23,454)	(31,451)	(31,748)	(58,953)	(46,160)	(10,500)
CASH FLOWS FROM FINANCING ACTIVITIES							
Other payments for financing activities.....	(190)	(211)	(211)	(1,408)	(18,591)	(18,896)	(19,114)
Net cash from financing activities	(190)	(211)	(211)	(1,408)	(18,591)	(18,896)	(19,114)
NET INCREASE/(DECREASE) IN CASH HELD	11,026	(211)	(9,086)	-	-	-	-
Cash assets at the beginning of the reporting period	13,967	8,186	10,493	1,407	1,407	1,407	1,407
Net cash transferred to/from other agencies.....	(14,500)	-	-	-	-	-	-
Cash assets at the end of the reporting period.....	10,493	7,975	1,407	1,407	1,407	1,407	1,407

(a) 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) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

**RECONCILIATION RELATING TO REMOVAL OF CAPITAL USER CHARGE AND
CREATION OF THE DEPARTMENT OF THE ATTORNEY GENERAL ON 1 FEBRUARY 2006**

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement	541,267	323,624	343,582	342,147	375,149	373,552	386,755
Less Capital User Charge.....	42,707	18,035	18,035	-	-	-	-
Less 2005-06 Comparability Adjustment ^(a) ...	229,495	-	-	-	-	-	-
Adjusted Total Cost of Services	269,065	305,589	325,547	342,147	375,149	373,552	386,755
APPROPRIATIONS							
Net amount appropriated to deliver services	462,069	242,191	249,618	245,655	275,718	271,631	282,143
Less Capital User Charge.....	42,707	18,035	18,035	-	-	-	-
Less Comparability Adjustment ^(a)	226,660	-	-	-	-	-	-
Adjusted net amount appropriated to deliver services	192,702	224,156	231,583	245,655	275,718	271,631	282,143

(a) 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

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Grants and subsidies ^(a)	12,308	12,669	12,864	13,074	13,298	13,527	13,762
Grants paid from the Confiscation Proceeds Account ^(b)	-	-	600	600	600	600	600
Confiscation expenses paid from the Confiscation Proceeds Account ^(b)	-	-	1,461	1,498	1,535	1,535	1,535
Receipts paid into Consolidated Account ^(c) ..	21,307	16,406	22,048	22,710	23,391	24,093	24,815
Other expenses ^(d)	78,514	47,993	67,433	69,456	71,644	74,016	76,638
TOTAL ADMINISTERED EXPENSES.....	112,129	77,068	104,406	107,338	110,468	113,771	117,350
INCOME							
Grants and subsidies ^(a)	12,308	12,669	12,864	13,074	13,298	13,527	13,762
Confiscation of Assets ^(b)	-	-	2,061	2,098	2,135	2,135	2,135
Fines and penalties ^(c)	40,079	16,656	22,306	22,976	23,665	24,375	25,105
Other revenue ^(d)	67,975	47,743	67,175	69,190	71,370	73,734	76,348
TOTAL ADMINISTERED INCOME.....	120,362	77,068	104,406	107,338	110,468	113,771	117,350

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

(b) Amounts relating to the Confiscation Proceeds Account were transferred from the Office of the Director of Public Prosecutions from 1 July 2006.

(c) Fines and penalties imposed by the Courts.

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

SCHEDULE OF ADMINISTERED ASSETS AND LIABILITIES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
ADMINISTERED CURRENT ASSETS							
Cash and cash equivalents	1,618	1,034	3,832	3,832	3,832	3,832	3,832
Receivables	49,834	39,501	50,018	50,018	50,018	50,018	50,018
Total Administered Current Assets	51,452	40,535	53,850	53,850	53,850	53,850	53,850
TOTAL ADMINISTERED ASSETS.....	51,452	40,535	53,850	53,850	53,850	53,850	53,850
ADMINISTERED CURRENT LIABILITIES							
Payables	3	4	242	242	242	242	242
Amounts due to the Treasurer.....	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Total Administered Current Liabilities.....	1,003	1,004	1,242	1,242	1,242	1,242	1,242
TOTAL ADMINISTERED LIABILITIES..	1,003	1,004	1,242	1,242	1,242	1,242	1,242

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Grants and subsidies ^(a)	(12,308)	(12,669)	(12,864)	(13,074)	(13,298)	(13,527)	(13,762)
Grants paid from the Confiscation Proceeds Account ^(b)	-	-	(600)	(600)	(600)	(600)	(600)
Confiscation expenses paid from the Confiscation Proceeds Account ^(b)	-	-	(1,461)	(1,498)	(1,535)	(1,535)	(1,535)
Receipts paid into Consolidated Account ^(c)	(21,307)	(16,406)	(22,048)	(22,710)	(23,391)	(24,093)	(24,815)
Other ^(d)	(68,540)	(47,993)	(67,433)	(69,456)	(71,644)	(74,016)	(76,638)
TOTAL ADMINISTERED CASH OUTFLOWS	(102,155)	(77,068)	(104,406)	(107,338)	(110,468)	(113,771)	(117,350)
CASH INFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Grants and subsidies ^(a)	12,308	12,669	12,864	13,074	13,298	13,527	13,762
Confiscation of Assets ^(b)	-	-	2,061	2,098	2,135	2,135	2,135
Regulatory fees and fines ^(c)	40,079	16,656	22,306	22,976	23,665	24,375	25,105
Other receipts ^(d)	50,352	47,743	67,175	69,190	71,370	73,734	76,348
TOTAL ADMINISTERED CASH INFLOWS	102,739	77,068	104,406	107,338	110,468	113,771	117,350
NET CASH INFLOWS/(OUTFLOWS) FROM ADMINISTERED TRANSACTIONS	584	-	-	-	-	-	-

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

(b) Amounts relating to the Confiscation Proceeds Account were transferred from the Office of the Director of Public Prosecutions from 1 July 2006.

(c) Fines and penalties imposed by the Courts.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2005-06 Actual ^(a) \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
Legal Aid Assistance Grant	17,679	19,357	19,816	20,716	21,187	21,672	22,201
Criminal Injuries Compensation Payments	19,674	19,419	19,487	19,487	19,487	19,487	19,487
Prisoner Gratuities Payments	2,563	-	-	-	-	-	-
Defendant Costs Payments	2,405	1,213	1,173	1,218	1,260	1,290	1,341
Acts of Grace Payments	90	-	200	-	-	-	-
Grants to Non-Government Organisations	91	213	-	-	-	-	-
Other Grants, Subsidies and Transfer Payments	880	1,876	750	727	752	771	800
TOTAL	43,382	42,078	41,426	42,148	42,686	43,220	43,829

(a) 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 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the Department:

	2005-06 Actual ^(a) \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
Proceeds from Supreme Court fees	5,763	5,958	6,123	6,416
Proceeds from District Court fees	2,787	2,637	2,645	2,800
Proceeds from Magistrates' Court fees	7,189	7,244	7,246	7,737
Proceeds from Fines Enforcement Registry fees	14,450	14,200	15,371	16,415
Proceeds from Family Court fees	1,875	1,768	1,888	1,888
Proceeds from State Administrative Tribunal fees	332	269	318	474
Proceeds from Other Boards and Tribunals fees	199	238	15	16
Proceeds from Sheriff's Office fees	170	204	150	157
Proceeds from Public Trustee estate fees	7,838	7,961	7,961	8,200
Proceeds from Public Trustee common fund management fees	903	1,738	1,738	1,738
Proceeds from Registry of Births, Deaths and Marriages fees	5,873	5,684	6,274	6,380
Proceeds from State Solicitor's fees	2,882	3,150	3,000	3,050
Proceeds from sale of industry goods	1,271	-	-	-
Proceeds from prison canteen sales	2,626	-	-	-
Proceeds from recoup of prisoner telephone calls	868	-	-	-
Proceeds from recoup of residential tenancy payments	1,366	1,236	1,236	1,273
Proceeds from recoup of workers compensation payments	1,884	150	141	150
Proceeds from recoup of criminal injury awards	1,387	1,193	1,193	1,217
Proceeds from recoup of legal costs	1,240	700	1,100	700
Proceeds from recoup of salary costs	1,982	806	1,130	861
Proceeds from recoup of other costs	1,697	261	229	290
Family Court grant received from the Commonwealth	12,308	12,669	12,544	12,760
Indian Ocean Territories grant received from the Commonwealth	140	192	242	249
Schools Assistance grant received from the Commonwealth	57	-	-	-
Other grants received	275	-	78	65
GST receipts on sales	1,221	1,300	1,300	1,300
GST input credits	21,362	21,000	21,000	21,000
Proceeds from other departmental revenue	203	21	162	162
TOTAL	100,148	90,579	93,084	95,298

(a) 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 28

APPROPRIATION AND FORWARD ESTIMATES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 64 Net amount appropriated to deliver services	2,549	2,614	2,630	2,762	2,846	2,899	2,976
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 ^(a)	178	184	194	199	205	211	217
Total appropriations provided to deliver services	2,727	2,798	2,824	2,961	3,051	3,110	3,193
CAPITAL							
Item 152 Capital Contribution	61	23	23	71	56	39	2
GRAND TOTAL	2,788	2,821	2,847	3,032	3,107	3,149	3,195

- (a) The recommendation by the Salaries and Allowances Tribunal of 4 April 2007 in relation to senior public servants' salaries was received after the finalisation of agencies' individual financial projections. Accordingly, a provision for the total cost 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 No. 2 Volume 1). This provision will be reflected in agencies' estimates following the release of the 2007-08 Budget.

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

- Training courses provided by the Equal Opportunity Commission increased overall by 40 per cent. The increase in organisational training courses was mainly due to repeat training sessions requested by organisations.
- Regional outreach training has increased from six sessions in 2006 to 25 in 2007, due to officers including outreach sessions when they visit regional areas to provide fee-for-service training.
- Enquiries and requests for Workplace Culture – Harassment and Bullying sessions have increased.
- Public forums for new and emerging communities about the proposed racially offensive behaviour amendments are being conducted.
- Implementation of the 'Policy Framework for Substantive Equality', endorsed as Government policy, has commenced by conducting a 'Needs and Impact Assessment' to identify systemic barriers to public sector service delivery across 23 government departments. This continues a new strategic direction in public policy to review the effects of practices and/or policies in order to determine their differential impact on clients.
- Significant substantive equality issues identified include the failure to adopt appropriate ethnic descriptors in the collection of data, and the use of descriptors irrelevant to the Australian context to manage and plan services.

- Humanitarian arrivals from African nations represent a rapidly increasing proportion of all humanitarian arrivals. African countries have now replaced the Balkans, which were the focus a decade ago. In 2004-05, 73 per cent of the total number of humanitarian entrants was of African origin, compared to 25 per cent in 2001-02. The Department of Immigration and Citizenship advised in 2005-06 and the foreseeable future, priority for the Australian Humanitarian Program, and therefore the integrated Humanitarian Settlement Scheme, will continue to be Africa.
- There is absence of accredited Interpreting and Translating Services for some new and emerging languages. This unmet demand for appropriate interpreting and translating services is even more evident for Indigenous people. Currently there is no Indigenous interpreter service other than the Kimberly Interpreting Service.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2006-07 Budget to Parliament on 11 May 2006 are outlined below.

	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
Housing Rights project as a result of 'Finding a Place' report	248	257	270	-

SERVICE AND APPROPRIATION SUMMARY

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Provision of Information and Advice Regarding Equal Opportunity and Human Rights	1,691	1,732	1,634	2,007			
<i>Service 2:</i>							
Avenue of Redress for Unlawful Discrimination and Unreasonable Treatment	1,249	1,247	1,531	1,395			
Total Cost of Services	2,940	2,979	3,165	3,402	3,506	3,598	3,431
<i>Less Income</i>	269	185	349	445	454	465	195
Net Cost of Services	2,671	2,794	2,816	2,957	3,052	3,133	3,236
Adjustments ^(a)	56	4	8	4	(1)	(23)	(43)
Appropriation provided to deliver Services.	2,727	2,798	2,824	2,961	3,051	3,110	3,193
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	61	23	23	71	56	39	2
TOTAL CONSOLIDATED ACCOUNT APPROPRIATIONS	2,788	2,821	2,847	3,032	3,107	3,149	3,195

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

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
Enhancing the quality of life and wellbeing of all people throughout Western Australia by providing high quality, accessible services.	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)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 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%	83%	77%	79%	
Proportion of complainants and respondents who believe the Act is a good way to resolve acts of discrimination.....	69%	75%	75%	78%	

(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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	1,691	1,732	1,634	2,007	
Less Income	259	170	286	356	
Net Cost of Service	1,432	1,562	1,348	1,651	
Adjustments ^(a)	13	-	149	(82)	
Appropriation for delivery of Service ^(a)	1,445	1,562	1,497	1,569	

(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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per presentation/seminar/workshop	\$2,558	\$2,074	\$1,874	\$1,885	
Average cost per enquiry	\$105	\$100	\$124	\$130	
Average cost per policy advice and review	\$1,056	\$1,215	\$1,194	\$1,208	
Average cost per publication	\$7,279	\$5,226	\$10,857	\$8,453	Increase in number of publications planned, which decreases the cost.
Full Time Equivalents (FTEs)	15	15	15	16	

Major Achievements For 2006-07

- The Commission hosted an International Women's Day 2007 breakfast (8 March 2007) that attracted 250 guests. The guest speaker was internationally renowned speaker Professor Hilary Charlesworth from the Australian National University. Her topic was 'Human Rights laws – Do They Work?'
- The first of a series of public forums on racially offensive behaviour were held to inform recently arrived communities - African and Muslim - about the proposed amendments to the *Equal Opportunity Act 1984*.
- The Commission published a booklet titled 'Equal Opportunity – Are You Getting It Right?', a plain English guide for employers and the recruitment industry.
- The booklet 'Workplace Bullying For Workers' was translated into Bahasa Malay and Chinese in conjunction with WorkSafe.
- The Grievance Officer course and manual has been revised and updated.
- The Commission has developed a partnership with Office of Multicultural Interests and State Security for the delivery of forums to inform the community of proposed amendments to the Act involving Racially Offensive behaviour.

- Some 73 per cent of participating departments are implementing substantive equality in one service area. Another nine per cent have selected two areas and 18 per cent have selected three areas. Three areas have been selected by the Departments of Community Development, Conservation and Land Management, Consumer and Employment Protection and Planning and Infrastructure. The Department of Racing Gaming and Liquor and the Commission have selected two areas.
- Officers within the Substantive Equality Unit advised Departments represented on the Strategic Management Council on how substantive equality can be achieved and guided them on using the Needs and Impact Assessment in order to review their policies and practices for their equality impact.
- The Commission continued the Program Partnership to provide strategic direction in areas of substantive equality.
- The Commission provided workshops, briefing sessions and specialist training to public sector personnel on the meaning of substantive equality and how it can be translated into public policy and service delivery, and helped all Departments plan the direction of their implementation process over the next five years.
- The Commission conducted an analysis of current equal opportunity and diversity training in order to assess how best to meet the substantive equality training needs of the public sector.
- The Commission is developing a model for an Indigenous Interpreting Service.
- The release of a Joint Statement on Aboriginal Housing by both the Commissioner and the Director General of the Department of Housing and Works, with co-publication on both websites.
- The location of a senior officer for improving services to indigenous people from the Commission to work part-time at the Department of Housing and Works.
- Central and regional workshops were held that involved most Department of Housing and Works staff and focused on the Housing Inquiry recommendations, education and awareness. These workshops introduced staff to the concept of indirect discrimination and the need for operational implementation within the Department of Housing and Works of the 'Finding a Place' Action Plan.
- The Department of Housing and Works 'Finding a Place' Action Plan was agreed to and published on the Department of Housing and Works website as well as the first report of progress made to put the Action Plan in place.
- A major training initiative for the planning and delivery of Aboriginal Cultural Awareness Training related to the Section 80 Housing Inquiry report is underway.

Major Initiatives For 2007-08

- The Department of Housing and Works has entered into a partnership with the Commission to improve public housing and related services. This work is focused on Aboriginal tenants.
- A major review of housing service delivery being conducted by the Department of Housing and Works is dovetailing with this work, producing changes to the way policy is applied and departmental staff are trained.
- The Housing Inquiry Committee chaired by the Commissioner for Equal Opportunity Ms Yvonne Henderson, will continue to meet on a bi-monthly basis to oversee the implementation and monitoring of inquiry recommendations through the Commission and Department of Housing and Works 'Finding a Place' Action Plan.
- On-going review and upgrading of all Commission publications and the Commission's website.
- The Inaugural Equal Opportunity Commission's Human Rights Lecture to be held on or around the United Nations Day of Human Rights on 10 December 2007.
- Publication of a guide for employers on the transition from maternity leave to work.
- Investigation of the possibility of achieving Registered Training Organisation status with the ability to provide nationally accredited training in a range of training programs.

- Revision of all training programs to include racially offensive behaviour when proposed amendments to the *Equal Opportunity Act 1994* are enacted.
- In consultation with Real Estate Institute of Western Australia and the Real Estate and Business Agents Supervisory Board, development of training modules in equal opportunity for real estate agents, and principals.
- In consultation with the Taxi Board and the Department for Planning and Infrastructure, development of a training module in equal opportunity for taxi drivers.
- Strategic targeting of minority groups to increase rights-based training in the metropolitan area.
- Selection by Departments of a new service area for implementation of substantive equality.
- Continuation of support services to participating Departments in order to help define and set out how substantive equality and the Needs and Impact Assessment operate. The aim is to transfer findings across Departments and into whole-of-government processes where relevant.
- Assist Departments to review the effects of practices and or policies in order to determine their equality impact including major new initiatives.
- Delivery of specialist sessions on themes relevant to systemic discrimination and substantive equality.
- Development of standards for the accreditation of substantive equality in training to increase the clarity of equal opportunity, its meaning and application to public policy.
- Improvement of data collection in order to better plan for services and reveal inequalities in services to Indigenous and ethnic clients.

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).

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	1,249	1,247	1,531	1,395	
Less Income.....	10	15	63	89	
Net Cost of Service	1,239	1,232	1,468	1,306	
Adjustments ^(a)	43	4	(141)	86	
Appropriation for delivery of Service	1,282	1,236	1,327	1,392	

- (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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per complaint	\$1,337	\$1,025	\$1,107	\$1,116	Expected increase in complaints handled because of change to criteria for complaint acceptance. Costs relating to this are fixed and therefore the expected increase in complaints handled because of changes to criteria for complaint acceptance will result in a decrease in costs.
Average cost per case referred to the State Administrative Tribunal.....	\$3,177	\$2,885	\$3,019	\$2,571	
Full Time Equivalents (FTEs)	12	12	12	13	

Major Achievements For 2006-07

- There has been a significant decrease in the time taken to close complaints.
- Processes have been put in place to facilitate the earlier listing of conferences, to enable parties to come together and attempt to resolve a complaint more quickly.
- There has been a decrease in the number of lapsed complaints (that is where the complainant does not respond to Commission correspondence).
- A greater percentage of complaints have achieved a conciliated outcome.
- All Conciliation Officers have attended intensive mediation training and are in the process of receiving accreditation.
- The Equal Opportunity Amendment Bill 2006, which amends the *Equal Opportunity Act 1984* to include the new ground of Racially Offensive Behaviour, was passed by the Legislative Assembly in March 2007. It is expected to be considered by the Legislative Council in May 2007.
- The Commission provided advice to the Attorney General in respect to drafting and operation of the Equal Opportunity Amendment Bill 2006.
- Maintaining a high rate of settlement of discrimination complaints in the State Administrative Tribunal.

Major Initiatives For 2007-08

- Due to a change in the threshold for accepting a complaint, the Commission is experiencing a significant increase in the number of complaints being handled. Additional refinements to the current complaint handling process will be undertaken.
- Additional complaints are expected from the imminent amendment to the *Equal Opportunity Act 1984* regarding racially offensive behaviour, and the current review of the Act, which is likely to extend the definitions of unlawful discrimination.
- The Commission's Legal section will continue to implement measures to increase the number of referred complaints resolved through negotiation and mediation in the State Administrative Tribunal.
- Preparation of Cabinet submission seeking approval to draft a bill amending the *Equal Opportunity Act 1984*, in accordance with the recommendations of the review.

CAPITAL WORKS PROGRAM

The Commission's capital expenditure is based on a rolling asset replacement plan that supports the delivery of services.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
COMPLETED WORKS				
Computer Hardware and Software - 2006-07 Program	123	123	123	-
NEW WORKS				
Computer Hardware and Software - 2007-08 Program	109	-	-	109
	232	123	123	109

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	69	61	123	109	92	69	36
	69	61	123	109	92	69	36
LESS							
Drawdowns from the Holding Account	34	38	37	38	36	30	34
Internal Funds and Balances	(26)	-	63	-	-	-	-
Capital Contribution	61	23	23	71	56	39	2

FINANCIAL STATEMENTS**INCOME STATEMENT
(Controlled)**

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(a)	1,839	1,954	2,115	2,222	2,318	2,370	2,293
Superannuation	176	186	211	216	225	234	214
Supplies and services	478	299	299	384	426	461	380
Accommodation	290	329	329	329	334	334	334
Depreciation and amortisation	37	38	38	59	56	52	45
Loss on disposal of non-current assets	4	-	-	-	-	-	-
Other expenses	116	173	173	192	147	147	165
TOTAL COST OF SERVICES	2,940	2,979	3,165	3,402	3,506	3,598	3,431
Income							
User charges and fees	241	150	150	162	162	160	160
Grants and subsidies	26	35	199	283	292	305	35
Other revenue	2	-	-	-	-	-	-
Total Income	269	185	349	445	454	465	195
NET COST OF SERVICES	2,671	2,794	2,816	2,957	3,052	3,133	3,236
INCOME FROM STATE GOVERNMENT							
Service appropriations	2,727	2,798	2,824	2,961	3,051	3,110	3,193
Resources received free of charge	111	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	2,838	2,798	2,824	2,961	3,051	3,110	3,193
SURPLUS/(DEFICIENCY) FOR THE PERIOD	167	4	8	4	(1)	(23)	(43)

(a) The Full Time Equivalents (FTEs) for 2005-06 Actual, 2006-07 Estimated Actual and 2007-08 Estimate are 27, 27 and 29 respectively.

**BALANCE SHEET
(Controlled)**

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CURRENT ASSETS							
Cash and cash equivalents	505	334	446	450	449	426	383
Restricted cash	6	-	6	6	6	6	6
Receivables	83	55	83	83	83	83	83
Amounts receivable for services.....	37	37	38	36	30	34	-
Prepayments.....	12	7	12	12	12	12	12
Total current assets	643	433	585	587	580	561	484
NON-CURRENT ASSETS							
Amounts receivable for services.....	-	-	-	43	96	145	225
Plant and equipment.....	119	172	204	254	290	307	298
Other.....	28	31	28	28	28	28	28
Total non-current assets	147	203	232	325	414	480	551
TOTAL ASSETS	790	636	817	912	994	1,041	1,035
CURRENT LIABILITIES							
Payables	23	61	23	23	23	23	23
Provision for employee entitlements	303	220	303	323	350	381	416
Accrued salaries	31	-	27	27	27	27	27
Other.....	-	1	-	-	-	-	-
Total current liabilities.....	357	282	353	373	400	431	466
NON-CURRENT LIABILITIES							
Provision for employee entitlements	116	173	116	116	116	116	116
Total non-current liabilities	116	173	116	116	116	116	116
TOTAL LIABILITIES	473	455	469	489	516	547	582
EQUITY							
Contributed equity	290	313	313	384	440	479	481
Accumulated surplus/(deficit)	27	(132)	35	39	38	15	(28)
Total equity	317	181	348	423	478	494	453
TOTAL LIABILITIES AND EQUITY	790	636	817	912	994	1,041	1,035

CASHFLOW STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	2,689	2,760	2,786	2,882	2,968	3,027	3,113
Capital contribution	61	23	23	71	56	39	2
Holding account drawdowns	34	38	37	38	36	30	34
Net cash provided by State government	2,784	2,821	2,846	2,991	3,060	3,096	3,149
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(1,785)	(1,954)	(2,118)	(2,202)	(2,291)	(2,339)	(2,258)
Superannuation	(176)	(186)	(212)	(216)	(225)	(234)	(214)
Supplies and services	(367)	(299)	(299)	(384)	(426)	(461)	(380)
Accommodation	(290)	(329)	(329)	(329)	(334)	(334)	(334)
Goods and services tax	(107)	(72)	(72)	(78)	(78)	(78)	(78)
Other.....	(159)	(173)	(173)	(192)	(147)	(147)	(165)
Receipts							
User charges and fees.....	239	150	150	162	162	160	160
Grants and subsidies	-	35	199	283	292	305	35
Goods and services tax	111	72	72	78	78	78	78
Other receipts	4	-	-	-	-	-	-
Net cash from operating activities.....	(2,530)	(2,756)	(2,782)	(2,878)	(2,969)	(3,050)	(3,156)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(69)	(61)	(123)	(109)	(92)	(69)	(36)
Net cash from investing activities.....	(69)	(61)	(123)	(109)	(92)	(69)	(36)
CASH FLOWS FROM FINANCING ACTIVITIES							
Net cash from financing activities	-	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	185	4	(59)	4	(1)	(23)	(43)
Cash assets at the beginning of the reporting period	326	330	511	452	456	455	432
Cash assets at the end of the reporting period.....	511	334	452	456	455	432	389

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the Department:

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
Proceeds from the provision of Community Education Services	239	150	150	162
Proceeds from the provision of services to the Indian Ocean Territories	-	35	35	35
Other grants received	-	-	164	248
GST input credits	87	62	62	61
GST receipts on sale	24	10	10	17
Other receipts	4	-	-	-
TOTAL	354	257	421	523

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 29

APPROPRIATION AND FORWARD ESTIMATES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 65 Net amount appropriated to deliver services ^(a)	24,109	25,005	25,327	26,556	26,896	27,003	28,627
Amount Authorised by Other Statutes - Corruption and Crime Commission Act 2003	130	153	153	155	156	157	162
Total appropriations provided to deliver services	24,239	25,158	25,480	26,711	27,052	27,160	28,789
CAPITAL							
Capital Contribution	-	-	-	-	1,000	1,248	2,985
GRAND TOTAL	24,239	25,158	25,480	26,711	28,052	28,408	31,774

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

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

- The Commission has completed its establishment, marked by the recent recruitment of staff to its approved operating level of 153 Full Time Equivalent staff members, the procurement of essential equipment to achieve its full operational capability and the implementation of systems required for the performance of its functions. The Commission has undertaken, and will continue to perform, ongoing analysis and refinement of its structures, systems and processes to ensure the effective and efficient delivery of its services.
- The training and development of operational staff will become crucial in the forward years. The Commission's recruitment practice of employing well qualified and previously trained officers in its operational areas is complemented by investment in learning and developmental activities, for operational and staff attraction and retention purposes. Specialist areas within the Commission are aligning their competencies against Australian standards that have become the benchmark for law enforcement and oversight agency practices. The practice of utilising limited secondments from, and attachments to, other agencies is also effective in developing the Commission's intellectual capital and maintaining contemporary best practice performance.
- The Commission continues to develop close working relationships with agencies, a consequence of which is the establishment of memoranda of understanding and agreements that allow access to electronic databases and information storage within those agencies. This is well advanced in certain sectors and has proven extremely effective in the investigation of misconduct. Linking into these systems involves the creation of new networks, infrastructure and often the purchase of software and licences. It is anticipated that these arrangements will continue to grow into other parts of the sector.

- Additions to specialist areas include the development of an Integrity Testing Team, which is expected to contribute effectively to the achievement of the Commission's investigative outcomes.
- As the public sector's awareness of the Commission's role has continued to grow, the emphasis of its corruption prevention and education function has shifted from general introductory information presentations to more tailored and audience-specific presentations on such topics as Conflicts of Interest. Additionally, consultations continue to address the particular needs of individual agencies.
- The process of assisting agencies in the development of appropriate misconduct prevention and management mechanisms has commenced. This involves extensive consultation and presentations to senior management on the necessity of a coordinated approach that is integrated into all agency activities.
- The nature of some of the Commission's investigations into serious misconduct may involve the use of sophisticated electronic surveillance collection, Information and Communications Technology interception, and forensic and analytical tools. In an age of rapidly and continually evolving solutions, such capabilities require significant investment and maintenance of both the necessary equipment and professional skills.
- The Commission has recently held, and will continue to hold, further public hearings in support of investigations into several matters in the public interest.
- One of the two main purposes of the *Corruption and Crime Commission Act 2003* is 'to combat and reduce the incidence of organised crime.' To-date, these powers have remained unutilised by the Western Australia Police.
- A review of the operation and effectiveness of the *Corruption and Crime Commission Act 2003* is required to be undertaken by the Minister in 2007-08, pursuant to section 226 of this legislation.

SERVICE AND APPROPRIATION SUMMARY

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
SERVICES							
Service 1:							
Corruption Prevention and Education Programs, Reviews and Consultancy Services to the Public Sector	1,781	2,852	3,140	3,145			
Service 2:							
Oversight and Conduct of Public Sector Misconduct Investigations	20,246	22,030	22,242	23,586			
Service 3:							
Facilitation of Investigations Into Organised Crime	-	178	-	-			
Total Cost of Services ^(a)	22,027	25,060	25,382	26,731	27,072	27,180	28,909
Less Income	96	20	20	20	20	20	50
Net Cost of Services ^(a)	21,931	25,040	25,362	26,711	27,052	27,160	28,859
Adjustments ^(b)	2,308	118	118	-	-	-	(70)
Appropriation provided to deliver Services ^(a)	24,239	25,158	25,480	26,711	27,052	27,160	28,789
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(c)	-	-	-	-	1,000	1,248	2,985
TOTAL CONSOLIDATED ACCOUNT APPROPRIATIONS	24,239	25,158	25,480	26,711	28,052	28,408	31,774

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (c) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

The Commission is not subject to a resource agreement.

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
Developing and maintaining a skilled, diverse and ethical public sector serving the Government with consideration of the public interest.	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)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Outcome: The public sector is better able to prevent misconduct.					
The proportion of the public sector assessed by the Commission to be well informed about corruption risks.	97%	90%	60%	65%	
The proportion of public sector agencies reviewed by the Commission within which misconduct prevention and management processes are evident.	-	60%	60%	65%	
Outcome: The public sector is better able to deal with misconduct.					
Proportion of investigation reviews where investigations completed meet the appropriate standard ^(b)	98%	n/a	98%	98%	
Ratio of misconduct allegations to FTEs.....	1:53	1:56	1:62	1:56	
Ratio of substantiated misconduct allegations to total misconduct allegations ^(b)	-	n/a	1:4.5	1:4.5	
Outcome: Organised crime is combated and its incidence is reduced. ^(b)					
The proportion of applications for exceptional powers findings and fortification warning notices sought, approved and monitored ^(b)	-	n/a	-	-	- The Commission is unable to forecast targets due to the indicators' reliance upon applications from the Commissioner of Police
The proportion of organised crime matters where the use of exceptional powers contribute to a resolution ^(b)	-	n/a	-	-	- The Commission is unable to forecast targets due to the indicators' reliance upon applications from the Commissioner of Police

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

(b) Outcome and effectiveness indicators as approved by the Outcome Structure Review Group after the publication of the 2006-07 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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	1,781	2,852	3,140	3,145	Higher costs due to increased level of service delivery
Less Income	-	-	-	-	
Net Cost of Service ^(a)	1,781	2,852	3,140	3,145	
Adjustments ^(b)	-	-	-	-	
Appropriation for delivery of Service ^(a)	1,781	2,852	3,140	3,145	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per person educated in the metropolitan area	\$115	\$132	\$155	\$194	Increased costs reflect the degree of complexity of delivering education programs to specific groups
Average cost per person educated in the regions	\$642	\$702	\$765	\$959	
Average cost per major inquiry or review conducted.	\$147,870	\$140,046	\$157,000	\$157,250	Increased costs reflect the degree of complexity of delivering education programs to specific groups
Average cost per minor inquiry or review conducted.	-	\$28,009	-	-	
Average cost per major education material produced.....	\$37,341	\$126,042	\$50,645	\$51,106	
Average cost per minor education material produced.....	\$7,468	\$25,208	\$10,129	\$10,007	
Full Time Equivalents (FTEs)	11	17	18	18	

Major Achievements For 2006-07

- Developed Conflicts of Interest information package jointly with the Integrity Coordinating Group.
- Delivered approximately 100 Conflicts of Interest seminars and workshops across the metropolitan area, South West, Mid-West and Gascoyne regions reaching approximately 2,500 public officers, including elected officials. Completed over 160 other general corruption prevention consultations.
- Commenced work with agencies in the establishment of whole-of-agency misconduct prevention and management mechanisms. Several agencies have already committed to reviewing their processes to accommodate this approach.
- Tabled the second report, 'Two Years Out', on Western Australia Police's progress with its reform program and continued to focus on the agency's management of internal investigations of complaints against its police officers.

- Tabled a report concerning the former Government Employees Housing Authority (now Government Regional Officers Housing within the Department of Housing and Works) resulting from a review of 500 tenancies. The review followed an investigation of an allegation concerning eligibility entitlements for the receipt of government accommodation subsidies by a public officer, who was consequently found guilty of fraud.
- Compiled a report on how affected government agencies have responded to the recommendations made by the Commission for changes in relation to the improvement of their corruption prevention and misconduct handling practices and processes.
- Established a new, regular publication in the form of a newsletter concerning current misconduct and corruption prevention issues.
- Completed reviews of the misconduct management mechanisms used by the Department of Consumer and Employment Protection and the former Department for Community Development.
- Completed inquiries into, and tabled a report about, 'Sexual Contact with Children by Persons in Authority in the Department of Education and Training of Western Australia.'
- Assisted the Department of Education and Training in the design and implementation of an appropriate misconduct management mechanism.

Major Initiatives For 2007-08

- Expansion of the program of agency reviews, with a particular focus on misconduct management mechanisms.
- Participation in the inaugural Australian Public Sector Anti-Corruption Conference in Sydney in October 2007. This conference is being collaboratively planned and run by the Commission in conjunction with the Independent Commission Against Corruption (New South Wales) and the Crime and Misconduct Commission (Queensland).
- Collaboration with the Office of the Auditor General and Notre Dame University in undertaking research towards defining and developing measures of corruption.
- Continuing partnership in the national research project, 'Whistling While They Work: Enhancing the Theory and Practice of Internal Witness Management in the Australian Public Sector', which is due for completion at the end of 2007.

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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	20,246	22,030	22,242	23,586	Higher costs due to increased level of service delivery
Less Income	96	20	20	20	
Net Cost of Service ^(a)	20,150	22,010	22,222	23,566	
Adjustments ^(b)	2,308	118	118	-	
Appropriation for delivery of Service ^(a)	22,458	22,128	22,340	23,566	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per matter assessed, monitored and reviewed	\$564	\$493	\$734	\$783	
Average cost per matter investigated	\$59,059	\$66,733	\$54,383	\$56,473	
Weighted average time taken per matter assessed, monitored and reviewed	49 days	24 days	20 days	20 days	
Average time taken per completed investigation	70 days	54 days	33 days	33 days	
Full Time Equivalents (FTEs)	142	135	135	135	

Major Achievements For 2006-07

- Received and assessed approximately 2,300 complaints and notifications of public sector agencies' internal misconduct investigations.
- Conducted investigations into approximately 340 complaints and notifications, either as section 32(2) of the *Corruption and Crime Commission Act 2003* preliminary investigations or investigations to complete reviews.
- A substantial portion of the Commission's budget has been expended on single inquiries over extended periods due to the complexity and seriousness of the matters under investigation.
- Rolled-out the Commission's Case Management and Intelligence System and back-captured data for over 2,000 complaint and notification matters. The improved reporting available through Case Management and Intelligence System, coupled with other current initiatives, including the Commission's Case Categorisation and Prioritisation Model and operations time attribution application which have been maturing, will progress the intended development of an integrated mechanism by which the agency's investigative outputs and associated costs can be better understood.
- Analysed the criminal histories of teachers employed by the Department of Education and Training and provided advice to the Department about those teachers with respect to the *Working With Children (Criminal Records Checking) Act 2004*.
- Held a series of public hearings as part of investigations into high-profile matters in the public interest.

Major Initiatives For 2007-08

- Analysis of the effectiveness of the misconduct management mechanism within the Department of Health.
- Provision of continued assistance to the Department of Education and Training in the implementation of an appropriate misconduct management mechanism.
- Improve analysis of data about misconduct trends and issues.

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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	-	178	-	-	
Less Income	-	-	-	-	
Net Cost of Service ^(a)	-	178	-	-	
Adjustments ^(b)	-	-	-	-	
Appropriation for delivery of Service ^(a)	-	178	-	-	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(b) 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 ^(a)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated ^(b)	2007-08 Target ^(c)	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per exceptional powers finding application considered, approved and monitored	-	n/a	-	-	
Average cost per fortification warning notice application considered and approved.....	-	n/a	-	-	
Average cost per organised crime examination applied for and conducted.....	-	n/a	-	-	
Full Time Equivalents (FTEs)	0	1	0	0	

(a) Effectiveness indicators as approved by the Outcome Structure Review Group after the publication of the 2006-07 Budget.

(b) To-date no investigations into organised crime were undertaken that involved approving and overseeing the use of exceptional powers and fortification warning notices by the Western Australia Police.

(c) The Commission is unable to forecast targets due to the indicators' reliance upon applications from the Commissioner of Police.

Major Achievements For 2006-07

- At the time of reporting, no application had been received during 2006-07 from the Commissioner of Police for the authorisation of the use of exceptional powers, nor for fortification warning notices, available under the *Corruption and Crime Commission Act 2003*.
- The Commission continued to engage the Western Australia Police in respect of the availability and use of the exceptional and fortification removal powers to facilitate Western Australia Police's investigations of organised crime.

Major Initiatives For 2007-08

- The Minister is required to conduct a review of the operation and effectiveness of the *Corruption and Crime Commission Act 2003* in 2007-08, pursuant to section 226 of this legislation.

CAPITAL WORKS PROGRAM

The Commission's planned capital works program of \$2.1 million is mainly to accommodate the replacement of its operational equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Computing Hardware - 2004-05 to 2008-09	1,059	893	601	83
Financial Management Information System	284	190	81	50
Network Infrastructure Project - 2004-05 to 2008-09	743	527	75	-
Office Equipment Replacement.....	796	496	207	150
Payroll System	284	175	110	109
Replacement of Operational Support Equipment.....	4,838	876	876	1,597
COMPLETED WORKS				
Case Management System - Investigations.....	800	800	719	-
New Operational Support Equipment	6,841	6,841	1,830	-
Office Fit-Out for 186 St Georges Terrace.....	5,723	5,723	891	-
NEW WORKS				
Minor Works	150	-	-	150
	21,518	16,521	5,390	2,139

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	5,349	1,583	5,390	2,139	2,858	2,047	3,647
	5,349	1,583	5,390	2,139	2,858	2,047	3,647
LESS							
Drawdowns from the Holding Account	1,698	876	876	1,597	1,365	799	662
Internal Funds and Balances	3,651	707	4,514	542	493	-	-
Capital Contribution	-	-	-	-	1,000	1,248	2,985

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(a)	12,695	14,364	14,657	15,119	15,498	15,938	16,284
Superannuation	1,071	1,199	1,228	1,243	1,268	1,317	1,585
Consultancies expense	375	210	350	350	350	350	350
Supplies and services	2,733	3,225	2,985	3,077	3,326	4,049	4,793
Accommodation	1,939	2,044	2,144	2,235	2,210	2,305	2,365
Capital user charge ^(b)	1,259	2,167	2,167	-	-	-	-
Depreciation and amortisation	2,839	3,766	3,766	4,452	4,165	2,966	2,970
State taxes	-	25	25	25	25	25	25
Other expenses	375	227	227	230	230	230	537
TOTAL COST OF SERVICES	23,286	27,227	27,549	26,731	27,072	27,180	28,909
Income							
Interest revenue	1	-	-	-	-	-	-
Other revenue	95	20	20	20	20	20	50
Total Income	96	20	20	20	20	20	50
NET COST OF SERVICES ^(b)	23,190	27,207	27,529	26,711	27,052	27,160	28,859
INCOME FROM STATE GOVERNMENT							
Service appropriations ^(b)	25,498	27,325	27,647	26,711	27,052	27,160	28,789
Resources received free of charge	65	-	-	-	-	-	70
TOTAL INCOME FROM STATE GOVERNMENT	25,563	27,325	27,647	26,711	27,052	27,160	28,859
SURPLUS/(DEFICIENCY) FOR THE PERIOD	2,373	118	118	-	-	-	-

(a) The Full Time Equivalents (FTEs) for 2005-06 Actual, 2006-07 Estimated Actual and 2007-08 Estimate are 153, 153 and 153 respectively.

(b) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

**BALANCE SHEET
(Controlled)**

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CURRENT ASSETS							
Cash and cash equivalents	6,253	1,287	2,183	1,946	1,758	2,063	2,063
Restricted cash	47	1,333	653	1,360	1,124	1,257	1,257
Receivables	725	274	725	725	745	745	745
Amounts receivable for services	-	1,597	1,597	1,365	799	662	-
Prepayments	88	-	88	88	88	88	88
Total current assets	7,113	4,491	5,246	5,484	4,514	4,815	4,153
NON-CURRENT ASSETS							
Amounts receivable for services	6,368	6,594	7,661	10,748	14,114	16,418	19,428
Land and buildings	3,826	4,087	3,899	3,210	2,371	1,533	1,533
Plant and equipment	780	7,371	1,383	1,600	1,088	1,007	1,684
Intangibles	665	248	1,575	1,734	1,778	1,778	1,778
Other	4,206	-	4,244	2,244	2,244	2,244	2,244
Total non-current assets	15,845	18,300	18,762	19,536	21,595	22,980	26,667
TOTAL ASSETS	22,958	22,791	24,008	25,020	26,109	27,795	30,820
CURRENT LIABILITIES							
Payables ^(a)	511	101	511	511	511	511	511
Provision for employee entitlements	2,043	2,094	2,542	3,036	3,043	3,176	3,326
Other	297	297	298	298	298	298	298
Total current liabilities	2,851	2,492	3,351	3,845	3,852	3,985	4,135
NON-CURRENT LIABILITIES							
Provision for employee entitlements	732	1,070	849	1,062	819	819	819
Other	1,757	3,938	2,072	2,377	2,702	3,007	2,897
Total non-current liabilities	2,489	5,008	2,921	3,439	3,521	3,826	3,716
TOTAL LIABILITIES	5,340	7,500	6,272	7,284	7,373	7,811	7,851
EQUITY							
Contributed equity	12,503	12,370	12,503	12,503	13,503	14,751	17,736
Accumulated surplus/(deficit)	5,115	2,921	5,233	5,233	5,233	5,233	5,233
Total equity	17,618	15,291	17,736	17,736	18,736	19,984	22,969
TOTAL LIABILITIES AND EQUITY	22,958	22,791	24,008	25,020	26,109	27,795	30,820

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

CASHFLOW STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	21,098	23,559	23,881	22,259	22,887	24,194	24,694
Capital contribution	-	-	-	-	1,000	1,248	2,985
Holding account drawdowns	1,698	876	876	1,597	1,365	799	662
Net cash provided by State government	22,796	24,435	24,757	23,856	25,252	26,241	28,341
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(11,600)	(13,757)	(14,050)	(14,412)	(15,734)	(15,805)	(16,134)
Superannuation	(984)	(1,199)	(1,228)	(1,231)	(1,268)	(1,317)	(1,585)
Consultancies payments.....	(308)	(210)	(350)	(350)	(350)	(350)	(350)
Supplies and services	(2,263)	(2,976)	(2,733)	(2,859)	(3,096)	(3,844)	(4,154)
Accommodation.....	(2,255)	(1,969)	(2,069)	(2,160)	(2,135)	(2,205)	(2,236)
Capital user charge ^(a)	(1,259)	(2,167)	(2,167)	-	-	-	-
State taxes	-	(25)	(25)	(25)	(25)	(25)	(25)
Goods and services tax	(1,262)	(325)	(328)	(305)	(305)	(305)	(305)
Other.....	(961)	(227)	(227)	(230)	(230)	(230)	(230)
Receipts							
User charges and fees.....	-	20	20	20	20	20	20
Interest received.....	1	-	-	-	-	-	-
Goods and services tax	768	325	325	305	305	305	305
Other receipts	80	-	-	-	-	-	-
Net cash from operating activities.....	(20,043)	(22,510)	(22,832)	(21,247)	(22,818)	(23,756)	(24,694)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(5,349)	(1,583)	(5,390)	(2,139)	(2,858)	(2,047)	(3,647)
Proceeds from sale of non-current assets	30	-	-	-	-	-	-
Net cash from investing activities.....	(5,319)	(1,583)	(5,390)	(2,139)	(2,858)	(2,047)	(3,647)
NET INCREASE/(DECREASE) IN CASH HELD	(2,566)	342	(3,465)	470	(424)	438	-
Cash assets at the beginning of the reporting period	8,867	2,278	6,301	2,836	3,306	2,882	3,320
Cash assets at the end of the reporting period.....	6,301	2,620	2,836	3,306	2,882	3,320	3,320

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

RECONCILIATION RELATING TO REMOVAL OF CAPITAL USER CHARGE

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	23,286	27,227	27,549	26,731	27,072	27,180	28,909
<i>Less Capital User Charge</i>	1,259	2,167	2,167	-	-	-	-
Adjusted Total Cost of Services	22,027	25,060	25,382	26,731	27,072	27,180	28,909
APPROPRIATIONS							
Net amount appropriated to deliver services	25,498	27,325	27,647	26,711	27,052	27,160	28,789
<i>Less Capital User Charge</i>	1,259	2,167	2,167	-	-	-	-
Adjusted net amount appropriated to deliver services	24,239	25,158	25,480	26,711	27,052	27,160	28,789

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the Department:

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
Goods and Services Tax	768	325	325	305
User Charges and Fees.....	-	20	20	20
Other Receipts.....	81	-	-	-
TOTAL	849	345	345	325

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 30

APPROPRIATION AND FORWARD ESTIMATES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 66 Net amount appropriated to deliver services ^(a)	366	404	391	414	425	431	439
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	106	109	123	127	131	134	138
Total appropriations provided to deliver services	472	513	514	541	556	565	577
CAPITAL							
Capital Contribution	10	-	-	-	-	-	-
GRAND TOTAL	482	513	514	541	556	565	577

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

MISSION

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

SERVICE AND APPROPRIATION SUMMARY

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
SERVICES							
Service 1:							
Evaluation of the Effectiveness and Appropriateness of Corruption and Crime Commission Operations.....	328	580	581	608			
Total Cost of Services ^(a)	328	580	581	608	623	632	644
Less Income	-	-	-	-	-	-	-
Net Cost of Services ^(a)	328	580	581	608	623	632	644
Adjustments ^(b)	144	(67)	(67)	(67)	(67)	(67)	(67)
Appropriation provided to deliver Services ^(a)	472	513	514	541	556	565	577
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(c)	10	-	-	-	-	-	-
TOTAL CONSOLIDATED ACCOUNT APPROPRIATIONS	482	513	514	541	556	565	577

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (c) Supporting details are disclosed in the Capital Contribution Statement.

OUTCOMES, 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
Developing and maintaining a skilled, diverse and ethical public sector serving the Government with consideration of the public interest.	An informed Parliament on the integrity of the Corruption and Crime Commission.	1. Evaluation of the Effectiveness and Appropriateness of Corruption and Crime Commission Operations

Outcomes and Key Effectiveness Indicators ^(a)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Outcome: An informed Parliament on the integrity of the Corruption and Crime Commission					
Number of investigations completed where no breaches of legislation were found	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

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	328	580	581	608	
Less Income	-	-	-	-	
Net Cost of Service ^(a)	328	580	581	608	
Adjustments ^(b)	144	(67)	(67)	(67)	
Appropriation for delivery of Service ^(a)	472	513	514	541	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per investigation/case	\$17,263	n/a	\$17,421	\$17,900	New efficiency indicator.
Cost of audit function as a percentage of total cost of operations	n/a	n/a	n/a	41%	New efficiency indicator.
Full Time Equivalents (FTEs)	1	1	1	2	

Major Achievements For 2006-07

- The Inspector received 32 referrals, of which 19 required investigation and were finalised satisfactorily.

Major Initiatives For 2007-08

- Establish an audit system of the Corruption and Crime Commission.

CAPITAL WORKS PROGRAM

The Inspector's planned capital works expenditure in 2007-08 is for the purchase of computer and office equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Office Equipment.....	50	10	10	10
	50	10	10	10

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	-	10	10	10	10	10	10
	-	10	10	10	10	10	10
LESS							
Drawdowns from the Holding Account	-	10	10	10	10	10	10
Internal Funds and Balances	(10)	-	-	-	-	-	-
Capital Contribution	10	-	-	-	-	-	-

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(a)	127	167	168	171	176	187	191
Superannuation	16	16	16	16	16	16	16
Supplies and services	44	313	313	335	345	343	351
Accommodation	32	56	56	57	57	57	57
Capital user charge ^(b)	33	16	16	-	-	-	-
Depreciation and amortisation	89	17	17	17	17	17	17
Other expenses	20	11	11	12	12	12	12
TOTAL COST OF SERVICES	361	596	597	608	623	632	644
NET COST OF SERVICES ^(b)	361	596	597	608	623	632	644
INCOME FROM STATE GOVERNMENT							
Service appropriations ^(b)	505	529	530	541	556	565	577
Resources received free of charge	24	67	67	67	67	67	67
TOTAL INCOME FROM STATE GOVERNMENT	529	596	597	608	623	632	644
SURPLUS/(DEFICIENCY) FOR THE PERIOD	168	-	-	-	-	-	-

(a) The Full Time Equivalents (FTEs) for 2005-06 Actual, 2006-07 Estimated Actual and 2007-08 Estimate are 1, 1 and 2 respectively.

(b) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

BALANCE SHEET
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CURRENT ASSETS							
Cash and cash equivalents	441	188	441	441	441	441	441
Receivables	1	4	1	1	1	1	1
Amounts receivable for services	10	10	10	10	10	10	10
Total current assets	452	202	452	452	452	452	452
NON-CURRENT ASSETS							
Amounts receivable for services	14	21	21	28	33	33	33
Plant and equipment	19	10	12	5	-	-	-
Other	-	86	-	-	-	-	-
Total non-current assets	33	117	33	33	33	33	33
TOTAL ASSETS	485	319	485	485	485	485	485
CURRENT LIABILITIES							
Payables ^(a)	1	2	1	1	1	1	1
Provision for employee entitlements	-	16	-	-	-	-	-
Total current liabilities	1	18	1	1	1	1	1
NON-CURRENT LIABILITIES							
Total non-current liabilities	-	-	-	-	-	-	-
TOTAL LIABILITIES	1	18	1	1	1	1	1
EQUITY							
Contributed equity	160	160	160	160	160	160	160
Accumulated surplus/(deficit)	324	141	324	324	324	324	324
Total equity	484	301	484	484	484	484	484
TOTAL LIABILITIES AND EQUITY	485	319	485	485	485	485	485

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

CASHFLOW STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	488	512	513	524	539	548	560
Capital contribution	10	-	-	-	-	-	-
Holding account drawdowns	-	10	10	10	10	10	10
Net cash provided by State government	498	522	523	534	549	558	570
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(132)	(167)	(168)	(171)	(176)	(187)	(191)
Superannuation	(12)	(16)	(16)	(16)	(16)	(16)	(16)
Supplies and services	(23)	(246)	(246)	(268)	(278)	(276)	(284)
Accommodation	(17)	(56)	(56)	(57)	(57)	(57)	(57)
Capital user charge ^(a)	(33)	(16)	(16)	-	-	-	-
Other.....	(30)	(11)	(11)	(12)	(12)	(12)	(12)
Receipts							
Goods and services tax	2	-	-	-	-	-	-
Net cash from operating activities.....	(245)	(512)	(513)	(524)	(539)	(548)	(560)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	-	(10)	(10)	(10)	(10)	(10)	(10)
Net cash from investing activities.....	-	(10)	(10)	(10)	(10)	(10)	(10)
NET INCREASE/(DECREASE) IN CASH HELD	253	-	-	-	-	-	-
Cash assets at the beginning of the reporting period	188	188	441	441	441	441	441
Cash assets at the end of the reporting period.....	441	188	441	441	441	441	441

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

RECONCILIATION RELATING TO REMOVAL OF CAPITAL USER CHARGE

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	361	596	597	608	623	632	644
<i>Less Capital User Charge</i>	33	16	16	-	-	-	-
Adjusted Total Cost of Services	328	580	581	608	623	632	644
APPROPRIATIONS							
Net amount appropriated to deliver services	505	529	530	541	556	565	577
<i>Less Capital User Charge</i>	33	16	16	-	-	-	-
Adjusted net amount appropriated to deliver services	472	513	514	541	556	565	577

LAW REFORM COMMISSION OF WESTERN AUSTRALIA

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

DIVISION 31

APPROPRIATION AND FORWARD ESTIMATES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 67 Net amount appropriated to deliver services^(a)	805	875	879	901	918	933	957
Total appropriations provided to deliver services	805	875	879	901	918	933	957
CAPITAL							
Item 153 Capital Contribution	-	-	-	6	-	-	-
GRAND TOTAL	805	875	879	907	918	933	957

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

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 primary issue for the Commission is to assist in keeping the law up-to-date and relevant to the needs of society.
- A significant issue is to endeavour to make law reform as meaningful and effective as possible. The objective raises the related issues of:
 - striving to ensure the research and analysis of the subject of the reference is wide-ranging and unbiased;
 - aiming to broadcast the subject of references to a widespread audience;
 - seeking to achieve effective communication and consultation with the public and stakeholders;
 - undertaking to maintain a comprehensive and user friendly website allowing easy access to current and past references; and
 - producing publications which do not exclude sections of the community by use of plain English.
- An important issue for the Commission is to attract people, with expertise in the area of law under review, to serve on Advisory Committees to inform Commissioners and comment on proposals.

SERVICE AND APPROPRIATION SUMMARY

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Publications on Law Reform	1,020	878	882	901			
Total Cost of Services ^(a)	1,020	878	882	901	918	933	957
<i>Less Income</i>	-	-	-	-	-	-	-
Net Cost of Services ^(a)	1,020	878	882	901	918	933	957
Adjustments ^(b)	(215)	(3)	(3)	-	-	-	-
Appropriation provided to deliver Services ^(a)	805	875	879	901	918	933	957
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(c)	-	-	-	6	-	-	-
TOTAL CONSOLIDATED ACCOUNT APPROPRIATIONS	805	875	879	907	918	933	957

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (c) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

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

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
Enhancing the quality of life and wellbeing of all people throughout Western Australia by providing high quality, accessible services.	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)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Outcome: The law is reviewed as requested by the Attorney General and stakeholders are kept informed.					
Progress of Aboriginal Customary Laws reference against target timelines	95.65%	n/a	100%	n/a	ACL reference was completed September 2006
Progress of Problem Oriented Courts and Judicial Case Management against target timelines	56.76%	100%	70%	100%	The anticipated completion date has been revised to June 2008
Progress of Review of Law of Homicide reference against target timelines	70%	n/a	100%	n/a	The anticipated completion date has been revised to June 2007
Progress of Compensation for Injurious Affection against target timelines	35%	95%	86.36%	100%	The anticipated completion date has been revised to September 2007

(a) 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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	1,020	878	882	901	The Commission undertook the final writing and editing stages of three references in 2006-07. In 2007-08 the Commission will work on one new reference. The variation in costs reflects this change in the nature and volume of the work.
Less Income	-	-	-	-	
Net Cost of Service ^(a)	1,020	878	882	901	
Adjustments ^(b)	(215)	(3)	(3)	-	
Appropriation for delivery of Service ^(a)	805	875	879	901	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per publication	\$122,056	\$396,450	\$264,600	\$429,750	Reduction in number of references undertaken.
Total community contacts.....	16,080	15,000	15,000	12,000	
Average cost per contact.....	\$6.75	\$5.87	\$5.88	\$7.96	
Number of publications on Law Reform.....	8	2	3	2	
Full Time Equivalents (FTEs)	4	4	6	4	

Major Achievements For 2006-07

- Completed and published the *Aboriginal Customary Laws Final Report*:
 - the Final Report made 131 recommendations for legislative, constitutional, administrative and policy reform, to provide practical and effective recognition of Aboriginal customary laws and of the cultural concerns of Aboriginal people in Western Australia; and
 - many of the recommendations also apply to non-Aboriginal people and if adopted will result in a more just and accessible legal system thereby enhancing the quality of life and wellbeing of Western Australians.
- Launch of the *Aboriginal Customary Laws Final Report*. The Aboriginal and Torres Strait Islander Social Justice Commissioner, Mr Tom Calma, launched the Report on 27 October 2006. Mr Calma praised the Commission for the extensive process of consultation with Indigenous peoples and communities undertaken during the inquiry.
- The Aboriginal Customary Laws Project received a 2006 Premiers Award for Excellence in Public Sector Management.
- Dr Hands, Principal Project writer of the *Aboriginal Customary Laws Report*, was invited to attend the 35th Australian Legal Convention and participate, as a member of the Customary Law Panel, in the Indigenous Legal Issues Forum.
- Research, consultation and formulation of proposals continued for the Reference on *Compensation for Injurious Affection*.
- Release in June 2007 of the *Report of the Inquiry Into the Law of Homicide*.
- Rationalising and reducing historic materials of the Commission held in an out-sourced storage facility. It will be a significant cost cutting exercise.
- The March 2007 edition of the *Alternative Law Journal* published an article by Dr Hands titled *Aboriginal Customary Law: The Challenge of Recognition*.
- The Commission hosted the Parliamentary delegation from Nigeria in January 2007. Dr Hands presented an overview of the project and discussed specific recommendations.
- Met and advised Australian Crime Commission taskforce on Indigenous family violence.

Major Initiatives For 2007-08

- The Commission intends to consult with interested parties to identify areas of law as suitable subjects of a Reference.
- Undertake to identify and compile a register of persons interested in participating on an Advisory Committee relevant to a Reference.
- Write a regular column in BRIEF to inform the legal profession of current and future references. The wide circulation of BRIEF is an effective way to gauge interest in possible tenders for References as well as to attract members to a specific reference advisory committee.

- Continue to monitor and update website information as well as publishing all reports and discussion papers utilising CD-ROM technology wherever possible.
- Maintain database of organisations and individuals who wish to receive the Commission's materials electronically.
- Continue to review the processes and practices of the Commission to ensure cost effective service provision.

CAPITAL WORKS PROGRAM

The Commissions capital works expenditure for 2007-08 of \$20,000 is for the purchase of new and replacement office equipment and computers.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
COMPLETED WORKS				
Computer and Equipment Purchases 2006-07	27	27	27	-
NEW WORKS				
Computer and Equipment Purchases 2007-08	20	-	-	20
	47	27	27	20

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	3	20	27	20	10	10	10
	3	20	27	20	10	10	10
LESS							
Drawdowns from the Holding Account	10	20	20	14	10	10	10
Internal Funds and Balances	(7)	-	7	-	-	-	-
Capital Contribution	-	-	-	6	-	-	-

FINANCIAL STATEMENTS**INCOME STATEMENT
(Controlled)**

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(a)	561	338	342	315	321	323	333
Superannuation.....	49	31	31	27	27	27	27
Supplies and services	214	381	381	410	410	410	418
Accommodation.....	53	60	60	70	75	75	80
Capital user charge ^(b)	64	3	3	-	-	-	-
Depreciation and amortisation	9	12	12	12	12	12	13
Other expenses	134	56	56	67	73	86	86
TOTAL COST OF SERVICES	1,084	881	885	901	918	933	957
NET COST OF SERVICES ^(b)	1,084	881	885	901	918	933	957
INCOME FROM STATE GOVERNMENT							
Service appropriations ^(b)	869	878	882	901	918	933	957
Resources received free of charge	74	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	943	878	882	901	918	933	957
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(141)	(3)	(3)	-	-	-	-
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(141)	(3)	(3)	-	-	-	-

(a) The Full Time Equivalents (FTEs) for 2005-06 Actual, 2006-07 Estimated Actual and 2007-08 Estimate are 4, 6 and 4 respectively.

(b) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

**BALANCE SHEET
(Controlled)**

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CURRENT ASSETS							
Cash and cash equivalents	734	259	732	732	732	732	732
Restricted cash	-	5	-	-	-	-	-
Receivables	9	11	9	9	9	9	9
Amounts receivable for services	20	14	14	10	10	10	-
Prepayments	-	7	-	-	-	-	-
Total current assets	763	296	755	751	751	751	741
NON-CURRENT ASSETS							
Amounts receivable for services	3	1	1	3	5	7	20
Plant and equipment	10	21	25	33	31	29	26
Total non-current assets	13	22	26	36	36	36	46
TOTAL ASSETS	776	318	781	787	787	787	787
CURRENT LIABILITIES							
Payables ^(a)	11	18	19	19	19	19	19
Provision for employee entitlements	47	25	47	47	47	47	47
Total current liabilities	58	43	66	66	66	66	66
NON-CURRENT LIABILITIES							
Provision for employee entitlements	17	21	17	17	17	17	17
Total non-current liabilities	17	21	17	17	17	17	17
TOTAL LIABILITIES	75	64	83	83	83	83	83
EQUITY							
Contributed equity	11	11	11	17	17	17	17
Accumulated surplus/(deficit) and Reserves	690	243	687	687	687	687	687
Total equity	701	254	698	704	704	704	704
TOTAL LIABILITIES AND EQUITY	776	318	781	787	787	787	787

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

CASHFLOW STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	856	866	870	889	906	921	944
Capital contribution	-	-	-	6	-	-	-
Holding account drawdowns	10	20	20	14	10	10	10
Net cash provided by State government	866	886	890	909	916	931	954
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(561)	(338)	(342)	(315)	(321)	(323)	(333)
Superannuation	(49)	(31)	(31)	(27)	(27)	(27)	(27)
Supplies and services	(213)	(381)	(381)	(410)	(410)	(410)	(418)
Accommodation	(53)	(60)	(60)	(70)	(75)	(75)	(80)
Capital user charge ^(a)	(64)	(3)	(3)	-	-	-	-
Goods and services tax	(10)	(20)	(20)	(30)	(35)	(35)	(35)
Other	(52)	(48)	(48)	(67)	(73)	(86)	(86)
Receipts							
Goods and services tax	27	20	20	30	35	35	35
Other receipts	1	-	-	-	-	-	-
Net cash from operating activities	(974)	(861)	(865)	(889)	(906)	(921)	(944)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(3)	(20)	(27)	(20)	(10)	(10)	(10)
Net cash from investing activities	(3)	(20)	(27)	(20)	(10)	(10)	(10)
NET INCREASE/(DECREASE) IN CASH HELD	(111)	5	(2)	-	-	-	-
Cash assets at the beginning of the reporting period	845	259	734	732	732	732	732
Cash assets at the end of the reporting period	734	264	732	732	732	732	732

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

RECONCILIATION RELATING TO REMOVAL OF CAPITAL USER CHARGE

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	1,084	881	885	901	918	933	957
<i>Less Capital User Charge</i>	64	3	3	-	-	-	-
Adjusted Total Cost of Services	1,020	878	882	901	918	933	957
APPROPRIATIONS							
Net amount appropriated to deliver services	869	878	882	901	918	933	957
<i>Less Capital User Charge</i>	64	3	3	-	-	-	-
Adjusted net amount appropriated to deliver services.....	805	875	879	901	918	933	957

OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS

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

DIVISION 32

APPROPRIATION AND FORWARD ESTIMATES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 68 Net amount appropriated to deliver services	16,746	20,752	21,399	22,882	23,163	23,635	24,080
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	1,479	1,700	1,879	2,003	2,063	2,129	2,262
Total appropriations provided to deliver services	18,225	22,452	23,278	24,885	25,226	25,764	26,342
CAPITAL							
Item 154 Capital Contribution	427	3,605	3,200	658	-	-	-
GRAND TOTAL	18,652	26,057	26,478	25,543	25,226	25,764	26,342

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 changing of listing practices by the District Court, including the increasing level of cases over-listed together with rolling lists, continues to increase the workload of the Office of the Director of Public Prosecutions.
- The *Dangerous Sexual Offenders Act 2006* has since May 2006 resulted in significant additional workload for the Office, principally involving senior prosecutors evaluating evidence and assessments to determine if sexual offenders nearing the end of their terms of imprisonment still pose a threat to the community. The impact of this legislation on the Office is being closely monitored to assess resource implications.
- In December 2006, the Office assumed all Children's Court prosecution responsibilities from the Western Australia Police. The Office will continue to quantify the longer-term impact of this change and determine whether any organisational, operational or resource issues emerge.
- In 2007, the Director of Public Prosecutions agreed with the Commissioner of Police to increase the Office's involvement in the management of police prosecutions in the Magistrates Court. This will be facilitated by the appointment of a Consultant State Prosecutor (funded via a transfer from Western Australia Police) to oversee the Magistrates Court prosecutorial function. This change will be evaluated during 2007-08 to determine its contribution towards improving the criminal justice system.

SERVICE AND APPROPRIATION SUMMARY

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Criminal Prosecutions.....	19,232	23,581	24,606	26,190			
<i>Service 2:</i>							
Confiscation of Assets	1,529	1,462	1,461	1,498			
Total Cost of Services	20,761	25,043	26,067	27,688	28,129	28,667	29,245
<i>Less Income.....</i>	<i>1,614</i>	<i>1,675</i>	<i>1,675</i>	<i>1,717</i>	<i>1,760</i>	<i>1,760</i>	<i>1,760</i>
Net Cost of Services	19,147	23,368	24,392	25,971	26,369	26,907	27,485
Adjustments ^(a)	(922)	(916)	(1,114)	(1,086)	(1,143)	(1,143)	(1,143)
Appropriation provided to deliver Services.	18,225	22,452	23,278	24,885	25,226	25,764	26,342
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(b)	427	3,605	3,200	658	-	-	-
TOTAL CONSOLIDATED ACCOUNT APPROPRIATIONS.....	18,652	26,057	26,478	25,543	25,226	25,764	26,342

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

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 outcome and the most appropriate government goal.

Government Goal	Desired Outcome	Services
Enhancing the quality of life and wellbeing of all people throughout Western Australia by providing high quality, accessible services.	A fair and independent criminal prosecution service for the State of Western Australia.	<ol style="list-style-type: none"> 1. Criminal Prosecutions 2. Confiscation of Assets

Outcomes and Key Effectiveness Indicators ^(a)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Outcome: A fair and independent criminal prosecution service for the State of Western Australia.					
Establishing a case to answer	98%	98%	98%	98%	
Successful applications for confiscations freezing orders	100%	95%	95%	95%	

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

Service 1: Criminal Prosecutions

The Office conducts prosecutions against people accused of serious breaches of the State's criminal laws. These prosecutions are principally conducted on 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's prosecution policy and guidelines.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	19,232	23,581	24,606	26,190	
Less Income	85	213	214	219	
Net Cost of Service	19,147	23,368	24,392	25,971	
Adjustments ^(a)	(922)	(916)	(1,114)	(1,086)	
Appropriation for delivery of Service	18,225	22,452	23,278	24,885	

(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 ^(a)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Establishing a case to answer	98%	98%	98%	98%	
Average cost per criminal prosecution	\$8,531	\$9,400	\$10,883	\$11,525	
Full Time Equivalents (FTEs)	157	187	203	203	

(a) In view of additional resources provided by Government in October 2005, the Office has been developing revised performance indicators during 2006-07 to more appropriately measure the extent to which its service delivery meets desired outcomes. It is expected that the revised indicators will be approved for implementation in the 2008-09 Budget.

Major Achievements For 2006-07

- Following increased funding from Government, the Office continued the extensive recruitment program for prosecutors that commenced in 2005-06. The dearth of available prosecutors at senior levels has necessitated the adoption of a longer term perspective to recruitment, by the appointment of a greater number of junior level 4/5 prosecutors with the intention of providing them with appropriate mentoring and experience to facilitate their development into more senior prosecutors. It is anticipated that this strategy will provide greater benefits over the longer-term.

- The recruitment drive during 2006-07 has enabled a substantial reduction in the Office's reliance on brief-out prosecutors, such that the percentage of cases briefed out in 2006-07 has reduced to 22 per cent compared to 43 per cent in 2005-06.
- In December 2006, the Office assumed all Children's Court prosecution responsibilities from the Western Australia Police. The transition has so far been smooth and should continue to provide a positive benefit for the Western Australian criminal justice system.
- The Office relocated from Westralia Square to International House, 26 St Georges Terrace in April 2007. The new location is in the 'Courts Precinct', being adjacent to the Central Law Courts and proximate to the new District Courthouse, providing logistical benefits for prosecutors while simultaneously meeting the need for additional accommodation to house the expanded prosecutorial, paralegal and support teams.

Major Initiatives For 2007-08

- Following a review of its information technology and records management requirements in the latter half of 2006, the Office will during 2007-08, replace the current case management system and upgrade the electronic records management facilities to create a comprehensive, integrated and compliant electronic records retention and case management system. The implementation of this new infrastructure will significantly contribute towards improving relationship management and information sharing with other external stakeholders impacted by the criminal justice system.

Service 2: Confiscation of Assets

The Office acts 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. The cost of the Confiscations Unit is fully recouped from the Confiscation Account (Proceeds of Crime), administered by the Department of the Attorney General.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	1,529	1,462	1,461	1,498	
Less Income	1,529	1,462	1,461	1,498	
Net Cost of Service	-	-	-	-	
Adjustments ^(a)	-	-	-	-	
Appropriation for delivery of Service	-	-	-	-	

(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 ^(a)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per freezing order/notice issued ^(b)	\$2,538	\$10,082	\$2,213	\$2,270	
Full Time Equivalents	10	10	12	12	

(a) In view of additional resources provided by Government in October 2005, the Office has been developing revised performance indicators during 2006-07 to more appropriately measure the extent to which its service delivery meets desired outcomes. It is expected that the revised indicators will be approved for implementation in the 2008-09 Budget.

(b) 2006-07 Budget reflects the former 'cost per freezing order issued' basis. Under the current basis, revised 2006-07 Budget is \$2,215.

Major Achievements For 2006-07

- An increase of more than 40 per cent is evident in the total value of proceeds paid into the Confiscation Proceeds Account during 2006-07 compared to 2005-06. A number of factors have contributed to this increase, including more outstanding matters being finalised as a result of employing additional staff, and the realisation of proceeds from a number of significant (non-drug trafficker based) successful confiscation actions.

CAPITAL WORKS PROGRAM

In 2007-08 the Office plans to invest in a new Case Management System and a new Records System to create an integrated and compliant electronic records retention and management system.

The balance of the capital works program reflects the ongoing replacement of computing and office equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
COMPLETED WORKS				
Computer and Office Equipment Replacement				
2005-06 Program	575	575	247	-
2006-07 Program	148	148	148	-
Relocation to International House - CBD accommodation.....	3,000	3,000	3,000	-
Replacement of IT services currently shared with the Department of the Attorney General at Westralia Square	200	200	200	-
NEW WORKS				
Computer and Office Equipment Replacement				
2007-08 Program	148	-	-	148
IT and Records Systems Upgrade				
Case Management System Replacement, IT and Records Upgrade and Compliance	658	-	-	658
	4,729	3,923	3,595	806

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	360	3,753	3,595	806	365	148	-
	360	3,753	3,595	806	365	148	-
LESS							
Drawdowns from the Holding Account	150	148	148	148	365	148	-
Internal Funds and Balances	(217)	-	247	-	-	-	-
Capital Contribution	427	3,605	3,200	658	-	-	-

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(a)	12,859	16,782	17,180	18,200	18,642	18,997	19,504
Superannuation	1,102	1,581	1,604	1,645	1,685	1,720	1,763
Supplies and services	2,602	2,719	3,124	3,349	3,117	3,157	3,194
Accommodation	1,506	1,642	1,642	2,064	2,145	2,231	2,232
Depreciation and amortisation	192	285	285	534	600	600	600
Witness expenses	840	951	951	666	690	705	705
Legal briefing expenses	1,317	562	562	576	591	600	600
Loss on disposal of non-current assets	12	-	198	-	-	-	-
Other expenses	331	521	521	654	659	657	647
TOTAL COST OF SERVICES	20,761	25,043	26,067	27,688	28,129	28,667	29,245
Income							
Grants and subsidies	1,529	1,461	1,461	1,498	1,535	1,535	1,535
Other revenue	85	214	214	219	225	225	225
Total Income	1,614	1,675	1,675	1,717	1,760	1,760	1,760
NET COST OF SERVICES	19,147	23,368	24,392	25,971	26,369	26,907	27,485
INCOME FROM STATE GOVERNMENT							
Service appropriations	18,225	22,452	23,278	24,885	25,226	25,764	26,342
Resources received free of charge	944	928	928	951	975	975	975
Liabilities assumed by the Treasurer	14	-	-	-	-	-	-
Change in equity arising from transfer of assets/liabilities	-	100	100	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	19,183	23,480	24,306	25,836	26,201	26,739	27,317
SURPLUS/(DEFICIENCY) FOR THE PERIOD	36	112	(86)	(135)	(168)	(168)	(168)

(a) The Full Time Equivalents (FTEs) for 2005-06 Actual, 2006-07 Estimated Actual and 2007-08 Estimate are 167, 215 and 215 respectively.

**BALANCE SHEET
(Controlled)**

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CURRENT ASSETS							
Cash and cash equivalents	1,721	324	1,686	1,734	1,750	1,765	1,790
Restricted cash	78	115	140	203	268	334	390
Receivables	91	71	91	91	91	91	91
Amounts receivable for services	148	148	148	365	148	-	-
Prepayments	9	4	9	9	9	9	9
Total current assets	2,047	662	2,074	2,402	2,266	2,199	2,280
NON-CURRENT ASSETS							
Amounts receivable for services	1,237	1,376	1,374	1,360	1,629	2,046	2,463
Plant and equipment	607	769	1,272	1,795	1,811	1,610	1,261
Other	233	3,749	2,680	2,429	2,178	1,927	1,676
Total non-current assets	2,077	5,894	5,326	5,584	5,618	5,583	5,400
TOTAL ASSETS	4,124	6,556	7,400	7,986	7,884	7,782	7,680
CURRENT LIABILITIES							
Payables	257	243	257	257	258	258	258
Provision for employee entitlements	2,258	1,604	2,324	2,324	2,324	2,324	2,324
Accrued salaries	-	115	62	125	190	256	322
Total current liabilities	2,515	1,962	2,643	2,706	2,772	2,838	2,904
NON-CURRENT LIABILITIES							
Provision for employee entitlements	993	959	1,027	1,027	1,027	1,027	1,027
Total non-current liabilities	993	959	1,027	1,027	1,027	1,027	1,027
TOTAL LIABILITIES	3,508	2,921	3,670	3,733	3,799	3,865	3,931
EQUITY							
Contributed equity	834	4,439	4,034	4,692	4,692	4,692	4,692
Accumulated surplus/(deficit)	(218)	(804)	(304)	(439)	(607)	(775)	(943)
Total equity	616	3,635	3,730	4,253	4,085	3,917	3,749
TOTAL LIABILITIES AND EQUITY	4,124	6,556	7,400	7,986	7,884	7,782	7,680

CASHFLOW STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	17,984	22,167	22,993	24,534	24,809	25,347	25,925
Capital contribution	427	3,605	3,200	658	-	-	-
Holding account drawdowns	150	148	148	148	365	148	-
Net cash provided by State government	18,561	25,920	26,341	25,340	25,174	25,495	25,925
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(12,070)	(16,620)	(17,018)	(18,137)	(18,577)	(18,931)	(19,438)
Superannuation	(1,088)	(1,581)	(1,604)	(1,645)	(1,685)	(1,720)	(1,763)
Supplies and services	(1,671)	(1,792)	(1,792)	(2,398)	(2,142)	(2,182)	(2,219)
Accommodation	(1,506)	(1,641)	(1,641)	(2,064)	(2,144)	(2,231)	(2,232)
Witness expenses	(840)	(951)	(951)	(666)	(690)	(705)	(705)
Legal briefing expenses	(1,317)	(562)	(562)	(576)	(591)	(600)	(600)
Goods and services tax	(581)	(592)	(592)	(606)	(621)	(629)	(629)
Other	(311)	(521)	(926)	(654)	(659)	(657)	(647)
Receipts							
Grants and subsidies	1,529	1,461	1,461	1,498	1,535	1,535	1,535
Goods and services tax	546	592	592	606	621	629	629
Other receipts	101	214	214	219	225	225	225
Net cash from operating activities	(17,208)	(21,993)	(22,819)	(24,423)	(24,728)	(25,266)	(25,844)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(360)	(3,753)	(3,595)	(806)	(365)	(148)	-
Net cash from investing activities	(360)	(3,753)	(3,595)	(806)	(365)	(148)	-
NET INCREASE/(DECREASE) IN CASH HELD	993	174	(73)	111	81	81	81
Cash assets at the beginning of the reporting period	806	165	1,799	1,826	1,937	2,018	2,099
Net cash transferred to/from other agencies	-	100	100	-	-	-	-
Cash assets at the end of the reporting period	1,799	439	1,826	1,937	2,018	2,099	2,180

SCHEDULE OF ADMINISTERED EXPENSES AND INCOME

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Grants and subsidies	573	600	-	-	-	-	-
Supplies and services	1,759	1,461	-	-	-	-	-
Receipts paid into Consolidated Account.....	505	100	100	100	100	100	100
TOTAL ADMINISTERED EXPENSES ^(a) ..	2,837	2,161	100	100	100	100	100
INCOME							
Other revenue	2,316	2,161	100	100	100	100	100
TOTAL ADMINISTERED INCOME ^(b)	2,316	2,161	100	100	100	100	100

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

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

SCHEDULE OF ADMINISTERED ASSETS AND LIABILITIES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
ADMINISTERED CURRENT ASSETS							
Cash and cash equivalents	2,214	2,081	-	-	-	-	-
Receivables	184	896	-	-	-	-	-
Total Administered Current Assets	2,398	2,977	-	-	-	-	-
TOTAL ADMINISTERED ASSETS ^(a)	2,398	2,977	-	-	-	-	-
ADMINISTERED CURRENT LIABILITIES							
Payables	239	297	-	-	-	-	-
Total Administered Current Liabilities.....	239	297	-	-	-	-	-
TOTAL ADMINISTERED LIABILITIES ^(a)	239	297	-	-	-	-	-

(a) Responsibility for management of the Confiscation Account transferred to the Department of the Attorney General with effect from 1 July 2006.

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Grants and subsidies	(617)	(600)	-	-	-	-	-
Supplies and services	(1,715)	(1,461)	-	-	-	-	-
Receipts paid into Consolidated Account.....	(505)	(100)	(100)	(100)	(100)	(100)	(100)
Transfer of Assets/Liabilities ^(a)	-	-	(2,214)	-	-	-	-
TOTAL ADMINISTERED CASH OUTFLOWS	(2,837)	(2,161)	(2,314)	(100)	(100)	(100)	(100)
CASH INFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Other receipts	2,316	2,161	100	100	100	100	100
TOTAL ADMINISTERED CASH INFLOWS.....	2,316	2,161	100	100	100	100	100
NET CASH INFLOWS/(OUTFLOWS) FROM ADMINISTERED TRANSACTIONS.....	(521)	-	(2,214)	-	-	-	-

(a) Responsibility for management of the Confiscation Account transferred to the Department of the Attorney General with effect from 1 July 2006.

DETAILS OF THE ADMINISTERED TRANSACTIONS EXPENSES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
OTHER STATE SERVICES							
Receipts paid to the Consolidated Account.....	100	100	100	100	100	100	100
Confiscations expenses paid out of the Confiscation Account.....	1,529	1,461	-	-	-	-	-
Receipts paid from the Confiscation Account..	1,208	600	-	-	-	-	-
TOTAL	2,837	2,161	100	100	100	100	100

DETAILS OF THE ADMINISTERED TRANSACTIONS INCOME

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
OTHER							
Confiscation of Assets	2,216	2,061	-	-	-	-	-
Proceeds of Crime - (Misuse of Drugs Act 1981)	100	100	100	100	100	100	100
TOTAL	2,316	2,161	100	100	100	100	100

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the Office:

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
Employee contributions to the Executive Vehicle Scheme	17	28	28	28
GST receipts on sales	5	2	5	5
GST input credits	541	590	587	601
Miscellaneous legal revenue	84	186	186	191
Contribution from the Confiscation Account	1,529	1,461	1,461	1,498
TOTAL	2,176	2,267	2,267	2,323

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

OFFICE OF THE INFORMATION COMMISSIONER

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

DIVISION 33

APPROPRIATION AND FORWARD ESTIMATES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 69 Net amount appropriated to deliver services ^(a)	948	1,067	1,083	980	996	1,014	1,044
Amount Authorised by Other Statutes - Freedom of Information Act 1992 ^(b)	155	160	164	169	174	179	183
Total appropriations provided to deliver services	1,103	1,227	1,247	1,149	1,170	1,193	1,227
CAPITAL							
Item 155 Capital Contribution	-	-	-	2	5	5	-
GRAND TOTAL	1,103	1,227	1,247	1,151	1,175	1,198	1,227

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) The recommendation by the Salaries and Allowances Tribunal of 4 April 2007 in relation to senior public servants' salaries was received after the finalisation of agencies' individual financial projections. Accordingly, a provision for the total cost 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 No. 2 Volume 1). This provision will be reflected in agencies' estimates following the release of the 2007-08 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* (Act). 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, a website including an e-advice service, among other services. Although the number of applications made to agencies under the Act continues to increase, the number of complaints to the Information Commissioner remains steady so the rate of matters requiring external review continues to decrease, suggesting improved responses by government agencies to applications.
- Following the review last year of agencies' compliance with the requirements of sections 94, 96 and 97 of the Act to publish an up-to-date 'information statement', follow up with non-compliant State and Local Government agencies is being undertaken to ensure that all agencies have published, up-to-date information statements. Information contained in 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 other things.

- The Government has introduced into the Parliament the Information Privacy Bill 2007 and the Freedom of Information Amendment Bill 2007. When these two pieces of legislation are enacted, the Office of Information Commissioner will be abolished and replaced by the Office of Privacy and Information Commissioner, who will have functions under both pieces of legislation. All current staff of the Information Commissioner will become staff of the Privacy and Information Commissioner and the legislation will allow, but not require, concurrent appointment of the Ombudsman to the new office.

SERVICE AND APPROPRIATION SUMMARY

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Resolution of Complaints	838	910	922	856			
<i>Service 2:</i>							
Advice and Awareness	359	391	395	367			
Total Cost of Services ^(a)	1,197	1,301	1,317	1,223	1,244	1,267	1,301
<i>Less Income</i>	2	4	4	4	4	4	4
Net Cost of Services ^(a)	1,195	1,297	1,313	1,219	1,240	1,263	1,297
Adjustments ^(b)	(92)	(70)	(66)	(70)	(70)	(70)	(70)
Appropriation provided to deliver Services ^(a)	1,103	1,227	1,247	1,149	1,170	1,193	1,227
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(c)	-	-	-	2	5	5	-
TOTAL CONSOLIDATED ACCOUNT APPROPRIATIONS	1,103	1,227	1,247	1,151	1,175	1,198	1,227

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (c) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

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

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
Developing and maintaining a skilled, diverse and ethical public sector serving the Government with consideration of the public interest.	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)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 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	85%	88%	80%	85%	

(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*.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	838	910	922	856	
Less Income	1	3	3	3	
Net Cost of Service ^(a)	837	907	919	853	
Adjustments ^(b)	(64)	(48)	(46)	(50)	
Appropriation for delivery of Service ^(a)	773	859	873	803	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Applications for external review resolved by conciliation.....	72%	70%	74%	75%	
Average cost per complaint and external review finalised.....	\$5,270	\$5,548	\$7,336	\$6,692	
Full Time Equivalents (FTEs)	8	8	8	8	

Major Achievements For 2006-07

- A further increase in the percentage of complaints resolved by conciliation.
- Continued high level of satisfaction of participants.
- Reduction of the average time taken to deal with complaints.
- Input into the government's proposed privacy legislation and amended Freedom of Information (FOI) legislation and proposed structure of new Commissioner's office.

Major Initiatives For 2007-08

- Preparation for changed role of the office under privacy legislation and amended FOI legislation presently before the Parliament.

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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	359	391	395	367	
Less Income.....	1	1	1	1	
Net Cost of Service ^(a)	358	390	394	366	
Adjustments ^(b)	(28)	(22)	(20)	(20)	
Appropriation for delivery of Service ^(a)	330	368	374	346	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost of service per application lodged	\$105	\$120	\$152	\$152	
Full Time Equivalents (FTEs)	2	2	2	2	

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

Major Achievements For 2006-07

- Analysis of all State and Local Government Agencies' published information statements for compliance with the *Freedom of Information Act 1992* and follow-up on non-compliance to ensure all agencies have current, compliant information statements.
- Amendment of Regulations to update 'related agencies'.
- Input into the Government's proposed privacy legislation and amended FOI legislation.

Major Initiatives For 2007-08

- Preparation for changed role of the office under amended FOI legislation and new role under privacy legislation, both presently before the Parliament.

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 services.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
COMPLETED WORKS				
Computer and Office Equipment Replacement - 2006-07 Program.....	35	35	35	-
NEW WORKS				
Computer and Office Equipment Replacement - 2007-08 Program.....	35	-	-	35
	70	35	35	35

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	30	35	35	35	35	40	-
	30	35	35	35	35	40	-
LESS							
Drawdowns from the Holding Account	30	35	35	33	30	30	-
Internal Funds and Balances	-	-	-	-	-	5	-
Capital Contribution	-	-	-	2	5	5	-

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(a)	772	877	892	919	941	981	1,015
Superannuation	83	104	106	106	106	106	106
Supplies and services	200	89	89	90	90	82	82
Accommodation	91	146	146	15	15	15	15
Capital user charge ^(b)	-	2	-	-	-	-	-
Depreciation and amortisation	18	30	30	30	30	30	30
Other expenses	33	55	54	63	62	53	53
TOTAL COST OF SERVICES	1,197	1,303	1,317	1,223	1,244	1,267	1,301
Income							
Other revenue	2	4	4	4	4	4	4
Total Income	2	4	4	4	4	4	4
NET COST OF SERVICES ^(b)	1,195	1,299	1,313	1,219	1,240	1,263	1,297
INCOME FROM STATE GOVERNMENT							
Service appropriations ^(b)	1,103	1,229	1,247	1,149	1,170	1,193	1,227
Resources received free of charge	42	38	38	37	37	37	37
Liabilities assumed by the Treasurer	2	33	33	33	33	33	33
TOTAL INCOME FROM STATE GOVERNMENT	1,147	1,300	1,318	1,219	1,240	1,263	1,297
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(48)	1	5	-	-	-	-

(a) The Full Time Equivalents (FTEs) for 2005-06 Actual, 2006-07 Estimated Actual and 2007-08 Estimate are 10, 10 and 10 respectively.

(b) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

**BALANCE SHEET
(Controlled)**

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CURRENT ASSETS							
Cash and cash equivalents	-	31	-	-	-	-	-
Restricted cash	-	6	-	-	-	-	-
Receivables	5	5	6	6	6	6	6
Amounts receivable for services	35	33	33	30	30	-	-
Prepayments	4	7	5	5	5	5	5
Total current assets	44	82	44	41	41	11	11
NON-CURRENT ASSETS							
Amounts receivable for services	3	-	-	-	-	30	60
Plant and equipment	33	36	38	43	48	53	23
Restricted cash	3	-	3	3	3	3	3
Total non-current assets	39	36	41	46	51	86	86
TOTAL ASSETS	83	118	85	87	92	97	97
CURRENT LIABILITIES							
Payables ^(a)	29	10	26	23	23	23	23
Provision for employee entitlements	163	131	163	163	163	163	163
Accrued salaries	11	6	11	14	14	14	14
Total current liabilities	203	147	200	200	200	200	200
NON-CURRENT LIABILITIES							
Provision for employee entitlements	77	118	77	77	77	77	77
Total non-current liabilities	77	118	77	77	77	77	77
TOTAL LIABILITIES	280	265	277	277	277	277	277
EQUITY							
Contributed equity	25	25	25	27	32	37	37
Accumulated surplus/(deficit)	(222)	(172)	(217)	(217)	(217)	(217)	(217)
Total equity	(197)	(147)	(192)	(190)	(185)	(180)	(180)
TOTAL LIABILITIES AND EQUITY	83	118	85	87	92	97	97

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

CASHFLOW STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	1,073	1,199	1,217	1,119	1,140	1,163	1,197
Capital contribution	-	-	-	2	5	5	-
Holding account drawdowns	30	35	35	33	30	30	-
Net cash provided by State government	1,103	1,234	1,252	1,154	1,175	1,198	1,197
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(770)	(860)	(878)	(901)	(923)	(950)	(984)
Superannuation	(81)	(41)	(43)	(43)	(43)	(43)	(43)
Supplies and services	(159)	(88)	(88)	(90)	(90)	(90)	(90)
Accommodation	(92)	(146)	(146)	(15)	(15)	(15)	(15)
Capital user charge ^(a)	-	(2)	-	-	-	-	-
Goods and services tax	(27)	(22)	(22)	(22)	(22)	(22)	(22)
Other	(33)	(56)	(55)	(64)	(63)	(54)	(59)
Receipts							
Goods and services tax	26	12	12	12	12	12	12
Other receipts	2	4	4	4	4	4	4
Net cash from operating activities	(1,134)	(1,199)	(1,216)	(1,119)	(1,140)	(1,158)	(1,197)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(20)	(35)	(35)	(35)	(35)	(40)	-
Net cash from investing activities	(20)	(35)	(35)	(35)	(35)	(40)	-
NET INCREASE/(DECREASE) IN CASH HELD	(51)	-	1	-	-	-	-
Cash assets at the beginning of the reporting period	50	37	(1)	-	-	-	-
Cash assets at the end of the reporting period	(1)	37	-	-	-	-	-

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

RECONCILIATION RELATING TO REMOVAL OF CAPITAL USER CHARGE

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	1,197	1,303	1,317	1,223	1,244	1,267	1,301
<i>Less Capital User Charge</i>	-	2	-	-	-	-	-
Adjusted Total Cost of Services	1,197	1,301	1,317	1,223	1,244	1,267	1,301
APPROPRIATIONS							
Net amount appropriated to deliver services	1,103	1,229	1,247	1,149	1,170	1,193	1,227
<i>Less Capital User Charge</i>	-	2	-	-	-	-	-
Adjusted net amount appropriated to deliver services	1,103	1,227	1,247	1,149	1,170	1,193	1,227

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the Department:

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
GST Input Credits.....	26	12	12	12
Revenues from the Executive Vehicle Scheme.....	2	3	2	2
Other Revenue	-	1	2	2
TOTAL	28	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 34

APPROPRIATION AND FORWARD ESTIMATES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 70 Net amount appropriated to deliver services^(a)	543,576	633,124	633,236	680,366	726,682	787,278	829,149
Item 71 Contribution to Hospital Fund	2,312,461	2,472,302	2,511,354	2,661,970	2,818,513	2,949,154	3,135,974
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975 ^(b)	649	491	503	531	560	591	591
- Lotteries Commission Act 1990	81,833	82,013	84,477	88,900	91,381	93,933	96,558
Total appropriations provided to deliver services	2,938,519	3,187,930	3,229,570	3,431,767	3,637,136	3,830,956	4,062,272
CAPITAL							
Item 156 Capital Contribution^(c)	48,723	94,368	77,165	168,698	85,315	26,014	13,327
GRAND TOTAL	2,987,242	3,282,298	3,306,735	3,600,465	3,722,451	3,856,970	4,075,599

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actuals. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) The recommendation by the Salaries and Allowances Tribunal of 4 April 2007 in relation to senior public servants' salaries was received after the finalisation of agencies' individual financial projections. Accordingly, a provision for the total cost 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 No. 2 Volume 1). This provision will be reflected in agencies' estimates following the release of the 2007-08 Budget.
- (c) Item 156 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 Delivery

- 2006-07 has been another year of progress of the broad-based program of health reform for the Western Australian health system, against the challenge of meeting increased demand for hospital and other health services.

- Key activity trends in the first nine months of 2006-07, compared to the same period in 2005-06 include the following:
 - inpatient services, as measured by the number of separations, provided by metropolitan public hospitals have increased by 0.8 per cent; and
 - attendances at metropolitan public hospital emergency departments have increased by 5.8 per cent. The largest proportionate increases have occurred in triage categories 1 (up 13.4 per cent on the previous year) and 2 (up 12.3 per cent on the previous year), which is indicative of increased acuity of patients presenting to emergency departments.

(Note that metropolitan public hospital services include public patient activity at Joondalup Health Campus for inpatient services and attendances at emergency departments, and Peel Health Campus for inpatient services.)
- Key activity trends in the first six months of 2006-07, compared to the same period in 2005-06 include:
 - productivity improvements at metropolitan public hospitals have included a 5.4 per cent decrease in the average length of stay (from 5.6 days to 5.3 days) for acute admitted multi-day patients. The percentage of elective surgery patients who are admitted to hospital on the day of their surgery has increased to 89 per cent, and same day elective surgery as a percentage of total elective surgery has increased to 57.6 per cent; and
 - in the country, the number of inpatient services has remained steady in 2006-07 compared to the same period in 2005-06. The number of attendances at Western Australian country hospital emergency departments over the comparative six month period has increased by 1.2 per cent.
- The focus in hospital service delivery remains on ensuring that the resources and capacity of the health system are applied to meet both demands for emergency services and access to elective surgery. In 2006-07, two surgi-centres were established at Kaleeya (East Fremantle) and Osborne Park Hospitals to provide dedicated capacity to increase throughput of high volume surgical cases. The two centres are an integral part of the Department's response to the Government's targets for guaranteeing access to elective surgery within acceptable waiting times for Western Australians.
- During 2006-07, further expansion of the Ambulatory Surgery Initiative (ASI) occurred. The ASI is a joint initiative with the Commonwealth Government that enables public patients on the elective surgery waitlist for a range of common, low-risk procedures, to receive treatment as private patients in a public hospital at no cost to themselves. The number of ASI cases per month increased over the course of 2006-07 to reach 776 in February 2007. The target for 2007-08 is to deliver 1,000 cases per month.
- The expansion of capacity through the surgi-centres and ASI has contributed to a significant improvement in the waiting list and waiting times for elective surgery. Despite increasing demand for elective surgery from a growing and ageing population, the number of people on the waiting list for elective surgery at the end of March 2007 was 14,375 and the median waiting time for elective surgery was 3.75 months.
- To further free capacity and release resources for the priority areas of emergency demand management and elective surgery, WA Health is pursuing an expansion of the care awaiting placement (CAP) program and arrangements for public patients to access private facilities. The CAP program provides temporary accommodation pending permanent placement in residential aged care facilities for elderly patients who are ready for discharge from a public hospital following an acute episode of care.

Priorities for 2007-08

- WA Health's Strategic Directions 2005-10 provide the framework for strategic and operational planning for the health system. The strategic intent is to apply the recommendations and principles of the Health Reform Committee to deliver a 'Healthy WA'. The strategic directions being followed to deliver this intent are:
 - Healthy Workforce;
 - Healthy Hospitals;
 - Health Services and Infrastructure;
 - Healthy Partnerships;
 - Healthy Communities;
 - Healthy Resources; and
 - Healthy Leadership.
- WA Health's Operational Plan 2007-08 identifies the program of work that WA Health will implement in 2007-08 in relation to each of these strategic directions. The priorities for 2007-08 for each strategic direction follow.

Healthy Workforce

- The Healthy Workforce strategic direction recognises the importance of the workforce to WA Health.
- WA Health will increasingly find itself under pressure to retain, renew and reform the workforce as the median age rises and the workforce depletes due to accelerating retirement rates. WA Health's response is to anticipate the changes occurring in the workforce and position itself as an employer of choice. The Healthy Workforce Strategic Framework 2006-16 has been developed to provide the basis for all future health workforce planning and strategy deployment.
- Workforce priorities for 2007-08 are:
 - *family friendly initiatives*: WA Health's Work Life Balance, Creating Family Friendly Workplace initiatives, will be implemented and action will be taken to create family friendly workplaces including implementing WA Health's Child Care Strategy;
 - *workforce planning*: targets have been established to improve workforce attraction and retention. Key targets include achieving a 10 per cent reduction in lost time injuries and ensuring that 80 per cent of employees undergo performance development reviews. Strategies to increase the representation of Aboriginal and Torres Strait Islander people in the health professionals' workforce will also be undertaken;
 - *service delivery roles*: new and expanded roles for health service delivery will be developed. Work roles will need to develop, respond and adapt to the changing models of care resulting from clinical and infrastructure reform and from current and future workforce strategies. Examples include the expansion of the nurse practitioner model and nursing hours per patient day model, and the development of new and emerging clinical roles in the delivery of patient-centred care; and
 - *workforce satisfaction*: strategies will be implemented to address priority workforce satisfaction issues, including work-life balance, improved leadership and management, development of a problem-solving culture, safer work environments and common values for WA Health.

Healthy Hospitals, Health Services and Infrastructure

- WA Health aims to improve access to, and efficiency in, hospitals and health care services, based on defined population needs. Achieving this aim means progressing WA Health's record hospital building and infrastructure redevelopment program over the next 13 years. This will enable better alignment and integration between facilities, clinical services and health networks.

Achieving key service and care targets

- To ensure that the focus remains on delivering services to the community during this time of rapid transition for WA Health key targets for service performance have been established:
 - *elective surgery*: the targets for elective surgery are:
 - all category 1 cases are to be admitted within 30 days;
 - all category 2 cases are to be admitted within 90 days; and
 - all category 3 cases are to be admitted within 365 days (180 days from 1 April 2008)
 The aim is that no patient will experience three hospital-initiated cancellations for their elective surgery.
 - *day surgery*: a target of 60 per cent of all surgery cases being performed on a same day basis in metropolitan health services has been set.
 - *day of surgery admissions*: 95 per cent of elective surgery will be conducted on the day the patient is admitted to hospital in metropolitan health services.
 - *Ambulatory Surgery Initiative*: set to target 1,000 cases per month.
 - *length of stay*: an overall average length of stay of 3.4 days for multi-day surgical cases is targeted, compared with 3.9 days in 2006-07.
 - *emergency care*: national benchmarks for accessing treatment in emergency departments by triage category have been adopted. The aim is to ensure that no patient waits longer than eight hours for admission to an inpatient bed from the emergency department.

Ensuring infrastructure developments are delivered on time and within budget

- Implementation of WA Health's approved capital works program (as shown in the accompanying table) will be progressed during 2007-08, including the following major metropolitan and country developments:
 - detailed planning for the new Fiona Stanley Hospital will be well advanced;
 - construction will commence on the major expansion of Joondalup Health Campus;

- the major redevelopment of Rockingham Kwinana Hospital will continue;
- design work on the new Swan District Hospital will commence;
- design work will be substantially completed on Osborne Park Reconfiguration Stage 1 and Sir Charles Gairdner Hospital's cancer, research, mental health and pathology facilities; and
- construction of regional resource centres at Broome and Port Hedland will continue, and planning will be finalised and design commenced for the Albany Regional Resource Centre, Kalgoorlie Regional Resource Centre, and Busselton Integrated District Health Service.

	TOTAL	Prior Actuals	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	Out-years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>WORKS IN PROGRESS</u>													
<u>COMMENCED BEFORE</u>													
<u>30 JUNE 2008</u>													
Equipment													
- Equipment Replacement Program	241,40	50,631	39,081	37,500	10,000	5,000	5,000	25,000	25,000	25,000	19,188	-	-
Hospitals, Health Centres and Community Facilities													
Metropolitan													
- Armadale Kelmscott Hospital – Development	15,970	-	200	2,600	6,350	221	66	620	4,500	1,368	45	-	-
- Central Tertiary Hospital - Development Stage 1	530,672	-	-	1,495	20,000	90,000	115,000	100,000	135,000	62,000	7,177	-	-
- Fremantle Hospital - Holding	15,000	-	465	3,720	3,720	2,790	2,790	1,515	-	-	-	-	-
- Graylands Hospital - Redevelopment Planning	600	34	66	500	-	-	-	-	-	-	-	-	-
- Joondalup Health Campus - Development Stage 1	122,672	400	2,000	15,740	41,700	49,800	10,000	3,000	32	-	-	-	-
- Joondalup Health Campus - Inpatient Mental Health Unit -Expansion	8,650	-	810	5,500	2,310	30	-	-	-	-	-	-	-
- King Edward Memorial Hospital - Holding	20,000	-	200	3,500	2,500	2,500	2,500	2,500	2,500	2,500	1,300	-	-
- Mandurah Community Health Centre - Development Stage 2	3,200	-	-	792	2,283	125	-	-	-	-	-	-	-
- New Swan Health Campus (Buildings)	181,200	-	-	200	6,000	57,000	90,000	25,000	2,950	50	-	-	-
- North Perth Dental Extension	300	11	10	279	-	-	-	-	-	-	-	-	-
- Osborne Park Hospital - Reconfiguration Stage 1	79,039	-	-	1,000	5,800	15,000	4,009	5,000	20,300	23,800	3,740	390	-
- Peel Health Campus - Emergency Department Expansion	3,000	-	512	2,046	442	-	-	-	-	-	-	-	-
- Princess Margaret Hospital - Holding	15,000	-	600	5,600	4,000	3,500	1,300	-	-	-	-	-	-
- Rockingham Kwinana Hospital - Redevelopment Stage 1	92,136	1,070	3,000	45,000	34,000	8,816	250	-	-	-	-	-	-
- Fiona Stanley Hospital - New Stage 1	1,092,421	-	3,836	15,150	56,579	106,142	297,136	391,910	190,668	29,000	2,000	-	-
- Kalamunda Hospital - Redevelopment Stage 2	15,439	-	-	500	2,300	500	4,300	7,700	139	-	-	-	-
- Royal Perth Hospital - Holding	10,000	-	2,325	3,255	2,788	1,632	-	-	-	-	-	-	-
- SCGH Neurosciences Centre - Radiological Services	5,505	-	4,000	1,505	-	-	-	-	-	-	-	-	-
- Shenton Park - Holding	5,000	-	-	1,860	928	978	1,234	-	-	-	-	-	-
Country													
- Albany Regional Resource Centre - Redevelopment - Stage 1	26,800	-	-	1,800	7,140	12,250	5,560	50	-	-	-	-	-
- Broome Regional Resource Centre - Redevelopment Stage 1	42,000	1,156	2,591	22,261	13,100	2,892	-	-	-	-	-	-	-
- Bunbury - Replacement Dental Clinic	3,186	-	896	2,206	84	-	-	-	-	-	-	-	-
- Busselton Integrated District Health Service - Replacement	65,000	-	930	3,720	10,600	38,600	10,750	400	-	-	-	-	-
- Carnarvon Integrated Health Service - Redevelopment - Stage 1	2,300	193	143	1,950	14	-	-	-	-	-	-	-	-
- Carnarvon Sobering Up Centre	500	-	-	500	-	-	-	-	-	-	-	-	-
- Country Staff Accommodation - Stage 3	24,068	3,548	4,520	6,000	4,000	2,500	2,500	1,000	-	-	-	-	-
- Denmark Multi-purpose Centre - Replacement	18,000	121	1,757	12,610	3,512	-	-	-	-	-	-	-	-
- Harvey Hospital - Redevelopment	6,200	-	-	33	630	5,277	220	40	-	-	-	-	-
- Hedland Regional Resource Centre - Replacement Stage 2	114,000	-	1,780	10,253	52,438	47,529	2,000	-	-	-	-	-	-
- Kimberley - Various Health Project Developments	45,300	18,581	12,009	13,247	1,463	-	-	-	-	-	-	-	-

	TOTAL	Prior Actuals	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	Out-years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
- Kununurra Integrated District Health Service - Development (incl New Dental Clinic)	6,800	896	4,747	1,157	-	-	-	-	-	-	-	-	-
- Morawa and Perenjori Multi-purpose Centre - Replacement	9,130	-	279	6,700	2,151	-	-	-	-	-	-	-	-
- Murray District Health Centre	5,470	-	170	3,810	1,490	-	-	-	-	-	-	-	-
- South West Health Campus -- Inpatient Mental Health Unit Expansion -- Controlled	7,604	345	3,183	3,956	120	-	-	-	-	-	-	-	-
- South West Health Campus - Intensive Care Unit	300	-	-	300	-	-	-	-	-	-	-	-	-
- South West Health Campus -- New Mental Health Clinic	3,754	162	1,886	1,706	-	-	-	-	-	-	-	-	-
- South West Health Campus - New Radiotherapy Facility	8,500	-	-	660	5,908	1,932	-	-	-	-	-	-	-
- Wyndham Multi-purpose Centre -- Development	4,500	22	196	1,464	2,680	138	-	-	-	-	-	-	-
Other													
- Land Acquisition	5,750	3,992	858	900	-	-	-	-	-	-	-	-	-
- Mental Health Initiatives - Controlled	7,980	-	7,580	400	-	-	-	-	-	-	-	-	-
- Pathways Home Program	23,000	225	3,000	11,000	7,000	1,775	-	-	-	-	-	-	-
Imaging													
- Picture Archive and Communication System - Stage 1 - Metro and Country	6,500	4,369	831	1,300	-	-	-	-	-	-	-	-	-
- WA Country Health Service Picture Archive Computerised System	6,500	-	500	3,000	3,000	-	-	-	-	-	-	-	-
Information, Communication and Shared Services													
- Corporate and Shared Services Reform - Health Corporate Network	12,813	5,789	3,024	4,000	-	-	-	-	-	-	-	-	-
- Information and Communication Technology	335,000	2,235	2,000	26,000	16,600	15,000	30,000	26,700	35,000	35,000	33,300	46,506	66,659
Other Projects													
- Carryover -- Various	1,857	980	196	164	164	164	189	-	-	-	-	-	-
- Country - Transport Initiatives	3,326	-	-	47	517	982	1,780	-	-	-	-	-	-
- Infrastructure Planning	11,700	4,559	2,666	1,088	1,344	1,240	752	51	-	-	-	-	-
- Minor Buildings Works	253,430	32,885	18,701	34,500	23,000	18,000	13,518	28,600	30,800	33,375	20,051	-	-
Total Works in Progress commenced before 30 June 2008	3,518,472	132,204	131,548	324,474	358,655	492,313	600,854	619,086	446,889	212,093	86,801	46,896	66,659
COMPLETED WORKS													
Equipment													
- SCGH - State Cancer Centre Stage 1 - Linear Accelerator	12,271	11,079	1,192	-	-	-	-	-	-	-	-	-	-
Hospitals, Health Centres and Community Facilities -													
Metropolitan													
- Fremantle Hospital - Developments	5,400	4,413	987	-	-	-	-	-	-	-	-	-	-
- Joondalup Dental Clinic	2,200	1,609	591	-	-	-	-	-	-	-	-	-	-
- New Swan Health Campus - Land	11,300	3,375	7,925	-	-	-	-	-	-	-	-	-	-
- RPH and Shenton Park Hospital -- Developments	24,500	19,438	5,062	-	-	-	-	-	-	-	-	-	-
- South Metropolitan Obstetrics (Woodside Hospital)	830	-	830	-	-	-	-	-	-	-	-	-	-
Metropolitan Plan Implementation:													
- Swan Hospital - Obstetrics Unit		1,903	1,900	3	-	-	-	-	-	-	-	-	-
Country													
- Albany Regional Resource Centre - Rehabilitation Day Centre -- Refurbishment	820	39	781	-	-	-	-	-	-	-	-	-	-
- Country Hospitals Ultrasound machines	67	-	67	-	-	-	-	-	-	-	-	-	-
- Denmark Multi-purpose Centre - Planning and Upgrade	500	470	30	-	-	-	-	-	-	-	-	-	-
- Geraldton Regional Resource Centre - Redevelopment	49,000	47,445	1,555	-	-	-	-	-	-	-	-	-	-

	TOTAL	Prior Actuals	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	Out-years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
- Hedland Regional Resource Centre - Replacement Stage 1 - Residential Care	14,650	9,986	4,664	-	-	-	-	-	-	-	-	-	-
- Margaret River Hospital - Upgrade	3,430	2,505	925	-	-	-	-	-	-	-	-	-	-
- Moora Multi-purpose Centre - Redevelopment	8,687	7,562	1,125	-	-	-	-	-	-	-	-	-	-
- Morawa Multi-purpose Centre - Fees and Initial Works	890	237	653	-	-	-	-	-	-	-	-	-	-
- Port Hedland Regional Resource Centre - Interim Works	2,505	1,994	511	-	-	-	-	-	-	-	-	-	-
<i>Other</i>													
- Community Health Facilities Expansion State-wide	6,202	5,647	555	-	-	-	-	-	-	-	-	-	-
- Energy Smart Program	76	39	37	-	-	-	-	-	-	-	-	-	-
- Mental Health Initiatives	3,920	3,920	-	-	-	-	-	-	-	-	-	-	-
Information, Communication and Shared Services													
- Communication Infrastructure	11,000	7,548	3,452	-	-	-	-	-	-	-	-	-	-
- ICT Shared Services - Relocation	500	40	460	-	-	-	-	-	-	-	-	-	-
Other Projects													
- Hedland New Accommodation	745	639	106	-	-	-	-	-	-	-	-	-	-
- State-wide Condition Audit - Stage 2	18,032	17,149	883	-	-	-	-	-	-	-	-	-	-
- Western Australian Country Health Service - Refurbishment Stage 2	1,100	600	500	-	-	-	-	-	-	-	-	-	-
Total Completed Works to 30 June 2007	180,528	147,634	32,894	-	-	-	-	-	-	-	-	-	-
Total Capital Works Program to 30 June 2008	3,699,000	279,838	164,442	324,474	358,655	492,313	600,854	619,086	446,889	212,093	86,801	46,896	66,659
NEW WORKS COMMENCING AFTER 30 JUNE 2008													
Hospitals, Health Centres and Community Facilities													
<i>Metropolitan</i>													
- Fremantle Hospital - Reconfiguration Stage 1	13,211	-	-	-	-	-	465	2,002	8,771	1,973	-	-	-
- Princess Margaret Hospital - Redevelopment/Replacement	206,799	-	-	-	-	-	520	7,800	26,000	98,800	59,328	11,440	2,911
Metropolitan Plan Implementation:													
- Bentley Hospital - Development	22,841	-	-	-	-	-	1,920	2,820	10,200	7,741	160	-	-
- Graylands Hospital - Development Stage 1	16,084	-	-	-	-	800	1,850	8,700	4,624	110	-	-	-
- Peel Health Campus - Development Stage 1	7,659	-	-	-	370	4,834	2,455	-	-	-	-	-	-
<i>Country</i>													
- Carnarvon Integrated District Health Service - Redevelopment Stage 2	6,000	-	-	-	-	-	200	757	4,248	769	26	-	-
- Eastern Wheatbelt District (including Merredin) - Development and Restructuring	9,000	-	-	-	93	540	4,386	3,354	627	-	-	-	-
- Esperance Integrated District Health Service - Redevelopment	13,000	-	-	-	-	900	4,500	7,000	600	-	-	-	-
- Kalgoorlie Regional Resource Centre - Redevelopment Stage 1	40,000	-	-	-	2,800	10,720	17,730	8,680	70	-	-	-	-
- Upper Great Southern District (including Narrogin) - Development and Restructuring	9,000	-	-	-	-	90	534	4,437	3,219	720	-	-	-
- WACHS and SWAHS Rural Various - 12 Year program for Allocation	29,226	-	-	-	-	-	3,800	8,000	5,100	6,226	6,100	-	-
Other Projects													
- Country - Staff Accommodation- Stage 4	10,000	-	-	-	-	1,500	1,500	3,000	3,000	1,000	-	-	-
Total New Works Commencing after 30 June 2008	382,820	-	-	-	3,263	19,384	39,860	56,550	66,459	117,339	65,614	11,440	2,911
TOTAL CAPITAL WORKS PROGRAM	4,081,820	279,838	164,442	324,474	361,918	511,697	640,714	675,636	513,348	329,432	152,415	58,336	69,570

Focusing on safety and quality

- Western Australia is progressing the Western Australian Strategic Plan for Safety and Quality in Health Care 2003-2008, and in 2007-08 will commence planning for the next five year strategy covering the period 2009-2013.
- The focus on safety and quality will be maintained through implementation of the Safety and Quality Investment in Reform (SQuIRE) program in 2007-08.
- The Clinical Practice Improvement program under SQuIRE aims to promote evidence-based practice where there is a demonstrated relationship with improving patient outcomes. Eight priority areas will be the focus for 2007-08: falls prevention; treatment of acute myocardial infarction (heart attack); venous thrombo-embolism prevention; pressure ulcer prevention; accurate medication reconciliation; surgical site infection prevention; central line associated blood stream infection prevention; and appropriate hand hygiene.
- Specific initiatives under the Clinical Governance Framework for 2007-08 include supporting the Patient First Program, upgrading the Western Australian incident reporting and management system, developing a state policy framework for Clinical Handover and supporting implementation of the Western Australian Credentialing and Defining the Scope of Clinical Practice policy.

Improving non-inpatient services

- A new reporting framework is being established to more accurately measure the waiting time for outpatient appointments. Access targets have been set to reduce the time between referral and first appointment and are determined by the patient's clinical urgency.
- Initiatives will be implemented to reduce waiting times for patients attending outpatient clinics. These include better scheduling, timelier triaging, and audit and review to ensure the patient is seen in the most appropriate place in a timely manner.

Healthy Partnerships

- WA Health's intent is to create stronger links and partnerships with other government agencies, non-government organisations, consumers, community groups, private providers, health professionals and the Commonwealth Government, all of whom have an interest and stake in the future of Western Australia's health system.
- Key priorities for 2007-08 include:
 - improving primary care in partnership with General Practice through implementing the Western Australian Directions for Primary Care 2007-2021;
 - implementing integrated models of care that have been developed by WA Health's health networks. Models of care define directions for service delivery within individual clinical streams, and are informed by expert clinicians and consumer input;
 - integrating Home and Community Care and non-government organisations into new models of care. The development of new models of care by WA Health's health networks recognise that the challenges of improving the health system's response to disease are shared with partner organisations, whose contribution, expertise and resources must be included in broad-based service planning;
 - increasing consumer participation in care planning and delivery. The 'Patient First' program launched in November 2006 will continue to be implemented, involving participation by District Health Advisory Councils and Community Advisory Councils; and
 - the State Health Research Advisory Council promotes the translation of research results into health and industry outcomes. The focus in 2007-08 will be on working with health networks to achieve better outcomes through the integration of research outcomes into health care service delivery.

Healthy Communities

- WA Health's intention is to focus on improving lifestyles, working on the prevention of ill health and the implementation of a long-term, integrated health promotion program. This will be done in collaboration with government and non-government agencies, general practitioners and community groups. Priority will be given to community-based management of chronic and long-term conditions and improving access to services in the community.

- Key priorities for 2007-08 include:
 - *focusing on health promotion and disease prevention*: through promotion of good health, wellbeing and healthier lifestyles, particularly good diet, physical activity, smoking cessation, healthy weight and low-risk alcohol consumption. The priorities and approaches outlined in the Western Australian Health Promotion Strategic Framework 2007-11 will be implemented across WA Health;
 - *delivering effective screening programs*: key aims are to achieve 70 per cent screening rate of the target population for breast cancer every two years; and ensuring 90 per cent of children are fully immunised at 12 and 24 months;
 - *obesity*: the prevention of obesity and overweight among children and adults is a priority area for the purchasing of health promotion programs and campaigns from non-government agencies;
 - *targeting illicit drug use*: the 'Drug Aware' public health campaign will focus on amphetamines as a priority and, in combination with community action and school drug education, will aim to maintain the downward trend in rates of illicit drug use; and
 - *improving community-based Aboriginal health services*: a partnership approach involving Area Health Services and Aboriginal community controlled Health Services will be taken to deliver preventative programs to reduce the incidence of chronic diseases as well as to improve self management.

Healthy Resources

- A key rationale for reform in Western Australia's public health system is the need to deliver a sustainable, equitable and accountable health care service to all Western Australians. WA Health's intention is to deliver sustainable resourcing and world-class management of health budgets. Accountability measures for health system resourcing and performance will be transparent and reported to the community in order to reinforce this accountability.
- Key priorities for 2007-08 include:
 - disciplined budget management will continue to be applied to ensure that WA Health delivers its services and meets cost and demand pressures within approved budget parameters. Improved budget management will be assisted by the progressive implementation of the Resource Allocation Model;
 - progress the Information and Communications Technology Strategy for WA Health; and
 - develop long-term asset management planning systems to inform asset reconfiguration in WA Health by enabling the integration of asset planning processes with strategic and operational planning decisions. This discipline will focus on strategically significant asset stocks under the responsibility of Area Chief Executives.

Healthy Leadership

- Healthy leadership is a vital factor that will take WA Health into the future. The intention is to continue to develop the leadership capacity and capability in WA Health and to identify and promote strong leadership at every level within health care services.
- Key priorities for 2007-08 include:
 - focus on the development of future and emerging leaders;
 - continue to develop leadership capacity and capability in WA Health; and
 - implement a comprehensive leadership development program.
- The Institute for Healthy Leadership will be established in 2007-08 to lead the delivery of the Healthy Leadership Strategic Framework. New strategies focused on performance development and succession planning will enhance and build upon those leadership development programs already conducted by WA Health. The participation of clinicians in health system improvement will be encouraged with the aim that 10 per cent of all clinicians employed with WA Health actively participate in health network activity.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2006-07 Budget to Parliament on 11 May 2006 are outlined below:

	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
Mental Health Initiatives	20,024	29,531	32,387	35,369
State Matched Funding for Joint State/Commonwealth Programs	7,488	13,211	10,382	12,296

SERVICE AND APPROPRIATION SUMMARY

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Admitted Patient Services.....	1,963,848	2,063,540	2,122,013	2,218,791			
<i>Service 2:</i>							
Specialised Mental Health Services	155,575	163,954	168,583	179,369			
<i>Service 3:</i>							
Hospital In The Home Services.....	5,616	16,953	10,906	16,206			
<i>Service 4:</i>							
Palliative Care.....	15,905	16,273	16,422	17,341			
<i>Service 5:</i>							
Emergency Department Services.....	112,922	118,936	122,436	128,112			
<i>Service 6:</i>							
Non-admitted Patient Services	490,593	492,129	536,717	570,322			
<i>Service 7:</i>							
Patient Transport Services	64,246	64,727	67,024	69,309			
<i>Service 8:</i>							
Prevention and Promotion Services.....	181,071	212,081	190,266	196,837			
<i>Service 9:</i>							
Health Protection Services.....	54,542	53,784	57,415	57,415			
<i>Service 10:</i>							
Dental Health Services	56,382	54,920	58,387	60,816			
<i>Service 11:</i>							
Home and Community Care Service	141,035	153,248	153,248	166,248			
<i>Service 12:</i>							
Aged Care Assessment Services.....	18,997	20,029	20,575	21,264			
<i>Service 13:</i>							
Community Mental Health Services	127,977	144,756	137,367	149,045			
<i>Service 14:</i>							
Residential Care	79,472	77,789	89,367	96,168			
<i>Service 15:</i>							
Residential Mental Health Care.....	5,964	6,063	6,511	6,728			
<i>Service 16:</i>							
Chronic Illness and Continuing Care Support..	24,626	22,098	28,026	34,838			
<i>Service 17:</i>							
Drug and Alcohol Services	37,759	39,887	42,491	45,746			
Total Cost of Services ^(a)	3,536,530	3,721,167	3,827,754	4,034,555	4,250,085	4,463,074	4,716,383
<i>Less Income</i>	568,459	531,747	589,621	594,225	604,386	623,555	645,548
Net Cost of Services ^(a)	2,968,071	3,189,420	3,238,133	3,440,330	3,645,699	3,839,519	4,070,835
Adjustments ^(b)	(29,552)	(1,490)	(8,563)	(8,563)	(8,563)	(8,563)	(8,563)
Appropriation provided to deliver Services ^(a)	2,938,519	3,187,930	3,229,570	3,431,767	3,637,136	3,830,956	4,062,272

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(c)	48,723	94,368	77,165	168,698	85,315	26,014	13,327
TOTAL CONSOLIDATED ACCOUNT APPROPRIATIONS.....	2,987,242	3,282,298	3,306,735	3,600,465	3,722,451	3,856,970	4,075,599

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (c) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

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

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
Enhancing the quality of life and wellbeing of all people throughout Western Australia by providing high quality, accessible services.	Restoration of patient health, safe delivery of newborns and support for patients and families during terminal illness.	<ol style="list-style-type: none"> 1. Admitted Patient Services 2. Specialised Mental Health Services 3. Hospital In The Home 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.	<ol style="list-style-type: none"> 8. Prevention and Promotion Services 9. Health Protection Services 10. Dental Health Services
	Enhanced wellbeing and environment of those with chronic illness or disability.	<ol style="list-style-type: none"> 11. Home and Community Care Service 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 17. Drug and Alcohol

Outcomes and Key Effectiveness Indicators

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

Outcome: Restoration of patients' health, safe delivery of newborns and support for patients and families during terminal illness.

Key Effectiveness Indicators

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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target ^(b)	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Rate of unplanned hospital readmissions within 28 days to the same hospital for a related condition	1.3%	<2.8%	1.5%	<2.8%	

- (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 2005 as reported in Report on Government Services 2007.

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

Birth weight (grams)	2005-06 Actual	2006-07 Budget	2006-07 Estimated ^(b)	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
0-1499	10.1%	≤14.5%	6.0%	≤16.6%	
1500-1999	1.4%	≤0.8%	0.0%	≤0.7%	
2000-2499	0.3%	≤0.5%	0.2%	≤0.5%	
2500 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 score at five minutes' is an outcome indicator of the Government's objective to deliver maternity services that are safe and of high quality. 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) Estimates for 2006-07 are based on available information. Target is based on the most recently published national rates for participating hospitals in 2005 as reported in Report on Government Services 2007.

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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated ^(b)	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Triage category 1(immediately)	97.9%	100%	96.9%	100%	
Triage category 2 (within 10 minutes)	74.3%	80%	70.3%	80%	
Triage category 3 (within 30 minutes)	60.6%	75%	53.7%	75%	
Triage category 4 (within 60 minutes)	54.2%	70%	48.0%	70%	
Triage category 5 (within 2 hours)	7.3%	70%	75.4%	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 that 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 Australian Council on Healthcare Standards (ACHS) indicator and Report on Government Services 2007 indicator.

Outcome: Improved health of the people of Western Australia 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 ten 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 (in Western Australia) ^{(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 WA Health has screening or health promotion programs. Premature deaths from these conditions should be largely preventable. Although WA 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 WA Health's jurisdiction.
- (c) Target is 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 ABS 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)

Birth weight (grams)	2005-06 Actual	2006-07 Budget	2006-07 Estimated ^(b)	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Rate per 1,000 target population	355	363	362	376	

- (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. 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)**

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target ^(b)	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Within 7 days	60%	60%	60%	60%	
Within 14 days	75%	74%	75%	75%	

- (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.

Service 1: Admitted Patient Services

Admitted patient services are provided for the care of inpatients in public hospitals (excluding specialised mental health wards) and public patients treated in private facilities under contract to WA Health. Care during an admission to hospital can be for periods of one or more days. Care includes medical and surgical treatment, renal dialysis, oncology services, mental health and obstetric care.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	1,963,848	2,063,540	2,122,013	2,218,791	Growth in patient fees and Commonwealth revenue.
Less Income	270,889	240,856	281,340	275,131	
Net Cost of Service ^(a)	1,692,959	1,822,684	1,840,673	1,943,660	
Adjustments ^(b)	(16,252)	(820)	(4,710)	(4,710)	
Appropriation for delivery of Service ^(a)	1,676,707	1,821,864	1,835,963	1,938,950	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actuals. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and accrual items such as resources received free of charge, receivables, payables and superannuation.

Key Efficiency Indicators

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per casemix adjusted separation for teaching hospitals (excluding designated mental health wards)	\$4,459	\$4,796	\$4,566	\$4,794	
Average cost per casemix adjusted separation for non-teaching hospitals	\$3,670	\$3,685	\$3,841	\$4,033	
Average cost per occasion of service for PathWest functions performed at, or managed by, the QEII site of PathWest	\$22	\$22	\$21	\$22	
Average cost of admitted public patient treatment episodes in private hospitals	\$1,882	\$2,526	\$1,985	\$2,036	
Cost per capita of supporting treatment of patients in public hospitals	\$64	\$64	\$65	\$65	
Average cost per bed day for admitted patients (selected small rural hospitals)	\$794	\$838	\$844	\$887	
Full-time Equivalents (FTEs) ^(a)	19,914	0	20,183	20,514	

(a) FTEs were not aligned to the new service structure in the 2006-07 Budget Statements, and so no budget for FTEs by service group in 2006-07 was set.

Major Achievements For 2006-07**Elective surgery**

- The ASI is a waitlist reform strategy that aims to increase the throughput of low risk day procedures, reduce waiting times and improve the use of public hospital facilities. Advantages of the ASI are:
 - improved utilisation of secondary hospital resources;
 - improved utilisation of tertiary hospital resources;
 - reduced waitlists and waiting times; and
 - endoscopy services are better able to manage colonoscopy procedures arising from the National Bowel Cancer Screening Program.
- Seven metropolitan secondary hospitals and one regional hospital are now part of the ASI. From commencement in July 2004 to December 2006, ASI completed cases totalled 11,129. ASI activity in February 2007 was 776, which is 83 per cent more than at the same time in 2006. Other health sites throughout the State are also working towards establishing the ASI.
- A shared general surgeon has been appointed to work at both Fremantle Hospital and Rockingham Kwinana District Hospital. This has reduced transfers to Fremantle Hospital and enabled transfer of some patients for care at Rockingham Kwinana District Hospital.
- Joint appointments within the South Metropolitan Area Health Service have occurred between Fremantle Hospital and secondary hospitals in ear, nose and throat surgery, plastic surgery, general surgery and orthopaedic surgery.
- A 47 hour ward (DO47) commenced at Sir Charles Gairdner Hospital in July 2006 to provide for up to 10 elective surgery patients requiring less than 47 hours hospitalisation. Between July and November 2006 the ward saw 222 elective surgery cases.

Service planning and development

- The expansion of fracture clinic operations at Swan District Hospital has improved local access to orthopaedic services. The hospital now holds two orthopaedic clinics per week and it is projected that 1,750 attendances will be achieved during 2006-07.

- The South Metropolitan Area Health Service has completed its clinical services planning. Part of this planning involved reviewing models of care. This was undertaken with a view to integrating appropriate services between Fremantle Hospital and Royal Perth Hospital.
- Patient Flow Units have been established at Royal Perth and Fremantle Hospitals to improve bed management, admission, discharge practices and processes, and clinical practice. These are expected to improve patient flow and access to emergency departments.
- Royal Perth Hospital and Fremantle Hospital have introduced:
 - criteria-led discharges in a number of specialties;
 - allied health weekend discharge services (including CAP and a diversion service from emergency departments); and
 - a CAP social work service to reduce length of stay for CAP patients.
- To reduce the number of non-acute patients occupying beds in tertiary hospitals, Royal Perth Hospital purchased 14 beds and Fremantle Hospital purchased 10 beds from private residential aged care facilities. These beds provide temporary accommodation for aged care patients who have been waiting in an acute hospital bed for permanent accommodation in a residential aged care facility.
- Plans have progressed for the development of a new health centre facility in Pinjarra, with the appointment of architects in March 2007.
- The WA Country Health Service Specialist Services Plan is being implemented, including the recruitment of salaried medical officers and resident specialists in general medicine, general surgery, obstetrics, paediatrics and psychiatry. New and expanded services have been established through the Medical Specialist Outreach Program, including general surgery, gastroenterology and gynaecology at Merredin District Hospital, a sleep apnoea service in the Great Southern and additional orthopaedics and cardiology services in the Mid-West.
- The deployment of enhanced information technology based clinical systems to country regions commenced in 2006-07, including the implementation of computed radiography at Geraldton Regional Resource Centre and pathology systems at Northam Regional Hospital.
- A clinical equipment program has enhanced medical and surgical capacity in country services, including the installation of beds and trolleys for overweight patients at all regional hospitals, 12 new anaesthetic gas monitoring machines in theatres across various sites, and the replacement and upgrading of foetal monitors.
- A significant investment has been made in housing for doctors and other staff in the Pilbara with the acquisition of 22 new properties across the region, either by purchase or lease arrangements, including the Mirtanya Maya Hostel which will be converted to staff accommodation. In addition, another 14 houses will be constructed or purchased.
- A detoxification service has been established at the Halls Creek District Hospital.

Specialist services

- Interventional Neuroradiology is a sub-specialty of radiology that offers clinical services for the treatment of neurovascular disorders. Sir Charles Gairdner Hospital is becoming a fully integrated neuroscience centre, providing a hub for research activities and treatment of patients with neurological disorders. The Neurosurgical Clinical Reference Group is coordinating a smooth transition of this service from Royal Perth Hospital to Sir Charles Gairdner Hospital including:
 - supervision of building renovations;
 - provision of advice on capital equipment purchases; and
 - facilitation of staffing requirements.
- Major redevelopment of the Radiology Department at Sir Charles Gairdner Hospital was required to provide an Interventional Neuroradiology State Service. This will house two state-of-the-art biplane units and a trans-cranial doppler service for patients who require interventional neuroradiology treatment. The work for this commenced in December 2006 and will be completed by July 2007.

- To maintain continuity of first class care for patients using the Interventional Neuroradiology State Service, the high dependency unit at Sir Charles Gairdner Hospital has been upgraded to accommodate an extra four bed monitored facility.
- The Child and Adolescent Health Service has continued implementation of the Cerebral Palsy Mobility Service, including:
 - provision of an additional upper limb Botox injection on its weekly operating list;
 - development of the brokerage arrangement for post-interventional care by community providers; and
 - continuation of Cerebral Palsy Mobility Service database development.
- Fremantle Hospital commenced a primary angioplasty service when a second cardiac catheter theatre was commissioned in February 2007, resulting in best practice management of patients presenting with a heart attack.
- The Level One neonatal nursery within the paediatric ward at Fremantle Hospital has been launched with four cots in operation. This nursery manages neonates transferred from King Edward Memorial Hospital requiring weight gain and establishment of oral feeding.
- The Rockingham Kwinana District Hospital commenced a diabetic service and clinic in March 2007.
- The Cannington satellite renal dialysis unit opened in March 2007.

Obstetrics

- Implementation of the State-wide Obstetric Support Unit has continued including:
 - development of educational material on perinatal depressive and anxiety disorders;
 - development of an education program;
 - development and piloting of a program for assessing overseas trained doctors' obstetrics skills before they are employed as district medical officers;
 - development and piloting of a mentoring program for general practitioner obstetricians;
 - establishment of an educational telehealth program to rural Western Australia; and
 - development of the obstetric emergencies' 'In Time' program.
- The \$1.9 million upgrade of the antenatal clinic and maternity ward at Swan District Hospital was completed in December 2006. It is projected that the facility will achieve 1,050 births by 30 June 2007.
- The relocation of maternity and obstetric services from Woodside Hospital to Kaleeya Hospital was completed on schedule and within budget. Kaleeya Hospital was the winner of the 2006 Statewest Achievement Award for Excellence in the Workplace, including for its management of the transfer of maternity services from Woodside Hospital. Services are being consolidated at Kaleeya Hospital following the transfer. A home visiting midwifery service has been introduced and provides excellent support to new mothers and babies following their discharge from Kaleeya Hospital.
- A partnership is being developed with King Edward Memorial Hospital to support the model of care provided at Kaleeya Hospital to ensure the long-term viability of the service.

Workforce

- Medical cover in the North-West has been enhanced with the creation of two district medical officer positions in the Pilbara and an additional district medical officer position and junior doctor position in Broome.
- A urology/continence nurse practitioner position has been created at Fremantle Hospital.

Major Initiatives For 2007-08

Elective surgery

- The ASI target for 2007-08 is to achieve 1,000 cases per month.

- Surgical Fellows in ear, nose and throat and urology at Fremantle Hospital and Kaleeya Hospital will facilitate the achievement of waitlist targets.
- The establishment of a centrally coordinated surgical service across Fremantle Hospital, Rockingham Kwinana District Hospital, Bentley Hospital and Armadale Kelmscott Memorial Hospital will be evaluated.
- The WA Country Health Service will implement initiatives to ensure country residents receive elective surgery within the Department's recommended timeframes, including:
 - flexible theatre allocations to accommodate changing demands for elective services;
 - expansion of day hospital services; and
 - trials of more flexible theatre scheduling for general practitioners.
- The North Metropolitan Area Health Service will develop criteria led discharge guidelines for all specialties that flow through Sir Charles Gairdner Hospital's DO23 ward, which is for patients requiring less than 23 hours hospitalisation. This will ensure timely discharge and provide vacant beds earlier in the day for incoming patients.

Service planning and development

- A new after hours orthopaedic service will support the emergency department at Swan District Hospital.
- The Child and Adolescent Health Service will introduce a further operating list per week for Botox injections, as part of the Cerebral Palsy Mobility Service and clinics for orthopaedics and obstructive pulmonary disease.
- Development of a Fiona Stanley Hospital project design brief, transition plans and detailed service plans for major patient groups will take place.
- A renal nurse practitioner will be appointed at Armadale Kelmscott Memorial Hospital and nurse practitioner positions will be established at Fremantle Hospital in the specialist areas of wound care, emergency department and acute pain management.
- The South Metropolitan Area Health Service will implement new initiatives including:
 - early identification of CAP and 'at-risk' elderly patients and integrated pathways for care resulting in reduced length of stay; and
 - conducting a gap analysis to aid preparation of actions to enhance integrated service provision for elderly patients.
- A clinical services redesign unit will be established within the South Metropolitan Area Health Service to facilitate change over the next three years.
- A vascular theatre is being constructed in the main theatre area at Royal Perth Hospital to provide facilities for endoluminal work by vascular surgeons.
- Outpatient clinics are being constructed at the former Perth Dental Hospital site to accommodate podiatry and diabetes. Completion is expected in July 2007.
- Fremantle Hospital will commence the Intensive Care Unit Expansion Project, with the intended outcome of an additional eight intensive care/high dependency beds.
- The construction of the Murray District Health Centre at Pinjarra will be undertaken and the centre is planned to be operational by the last quarter of 2008.
- The WA Country Health Service's clinical equipment upgrade program in 2007-08 will further enhance capacity at regional resource centres to cater for overweight patients, replace transport ventilators, upgrade sterilising equipment and progress a bed replacement program.

Specialist services

- The neonatal nursery service provided by Fremantle Hospital for the management of neonates transferred from King Edward Memorial Hospital will be extended from four cots, to up to eight cots. This initiative provides facilities closer to home for the parents of infants from the South Metropolitan Area Health Service. It also relieves pressure on the King Edward Memorial Hospital neonatal unit.
- The new burns and trauma unit at Royal Perth Hospital will be completed in December 2007. This will result in an additional 40 purpose built beds.
- An expansion of the Melville renal dialysis service is planned and a new renal dialysis service is planned for Rockingham as part of the Rockingham Kwinana District Hospital redevelopment. A satellite haemodialysis unit will also be established at Bunbury Regional Resource Centre in conjunction with St John of God Hospital.
- Increased access by country residents to regionally based and visiting specialist services will be increased including paediatrics, anaesthetics, oncology, geriatrics, obstetrics and gynaecology and psychiatry.
- A mental health therapy program will be expanded in Bunbury to provide a broader scope of therapeutic services for both inpatients and community clients.

Obstetrics

- Recruitment and selection of medical and nursing directors for the State-wide Obstetric Support Unit will be undertaken. The Obstetric Support Unit will continue to support the education, recruitment, assessment and training needs of clinicians involved in the provision of obstetric services throughout the State.
- The Kaleeya Hospital visiting midwifery service will be reviewed to evaluate its effectiveness and efficiency with a view to continuing to improve quality of service.

Workforce

- The 'Ocean to Outback' program, which allows nurses to work in four country health sites for three months at each site, will be increased from eight to 12 placements in 2007-08 for Level One and Level Two nurses. A second innovative rotation program will be established for up to 12 new placements in 2007-08.
- Nursing graduate placements will be increased across all country health regions.
- The WA Country Health Service will establish a workforce unit to develop consistent and innovative approaches to workforce strategy, clinical employment and new clinical roles including extending the use of therapy assistants, clinical support workers and patient care assistants.

Service 2: Specialised Mental Health Services

Specialised mental health services include authorised mental health units that are hospitals or hospital wards devoted to the specialised treatment and care of patients with psychiatric, mental or behavioural disorders. Specialised mental health care is also provided in designated mental health wards in acute hospitals.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	155,575	163,954	168,583	179,369	Service growth under Mental Health Strategy
Less Income	420	-	-	-	
Net Cost of Service ^(a)	155,155	163,954	168,583	179,369	
Adjustments ^(b)	(1,314)	(66)	(381)	(381)	
Appropriation for delivery of Service ^(a)	153,841	163,888	168,202	178,988	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actuals. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

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

Key Efficiency Indicators

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per bed-day in specialised mental health units for adults, children and adolescents	\$812	\$873	\$832	\$874	
Average cost per bed-day in older persons mental health inpatient units	\$732	\$655	\$748	\$786	
Full-time Equivalents (FTEs) ^(a)	2,594	0	2,699	2,753	

(a) FTEs were not aligned to the new service structure in the 2006-07 Budget Statements, and so no budget for FTEs by service group in 2006-07 was set.

Major Achievements For 2006-07

- A number of initiatives have been funded through the Mental Health Strategy 2004-2007 to increase access to adult inpatient beds for people with severe mental illness.
- 12 additional adult secure beds and four observation beds at Graylands Hospital were opened in February 2007. 16 intermediate beds at Hawthorn House were commissioned in December 2006.
- Construction of the eight bed Mother and Baby Unit at King Edward Memorial Hospital will be completed by 30 June 2007.
- Planning and design of the 15 public beds and 15 private beds in the adult inpatient facility on the Joondalup Health Campus has progressed. Architects have been appointed and the design and cost estimates for this extension are complete. It is expected that the construction contract will be awarded by August 2007.
- Planning for a new adult intermediate care facility and an acute inpatient facility for adults and older people at Rockingham Kwinana District Hospital has progressed with the development of an operational plan and the identification of a suitable site.

- Construction of 18 additional beds for the acute psychiatric unit at the South West Health Campus in Bunbury has commenced, with completion expected around October 2007.

Major Initiatives For 2007-08

- Planning and construction of the 15 public beds and 15 private beds in the adult inpatient facility on the Joondalup Health Campus will continue. The anticipated completion is September 2008.
- Construction of the new adult intermediate care facility and an acute inpatient facility for adults and older people at the Rockingham Kwinana District Hospital will continue. The inpatient facility is expected to be completed in January 2009 followed by the intermediate care facility in March 2009.
- Construction of the 18 additional beds for the acute psychiatric unit at the South West Health Campus in Bunbury will be completed.
- The North Metropolitan Area Health Service Mental Health Clinical Pathways Unit will be established to facilitate the development and implementation of evidence-based practice.
- Full implementation of a governance and performance unit for specialised mental health services in the North Metropolitan Area Health Service will be achieved.
- 10 private beds for voluntary public mental health patients will be purchased as a strategy to divert patients from Sir Charles Gairdner Hospital Emergency Department and as an option for admission from community clinics.
- Ward Nine in the Bentley Mental Health Inpatient Unit will be redeveloped, providing 18 additional rehabilitation beds in mid 2007.

Service 3: Hospital in the Home Services

Hospital in the Home (HITH) is the delivery of short-term acute services in the patient's home for conditions that traditionally required hospital admission and inpatient treatment. HITH services are based on daily home visits by nurses with medical governance usually by a hospital-based doctor. Patients who may receive HITH services include those who can be safely cared for without constant monitoring, such as those who may require regular intravenous drug treatments or wound dressings.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	5,616	16,953	10,906	16,206	Expansion of ambulatory reform initiatives
Less Income	-	-	-	-	
Net Cost of Service ^(a)	5,616	16,953	10,906	16,206	
Adjustments ^(b)	(119)	(6)	(34)	(34)	
Appropriation for delivery of Service ^(a)	5,497	16,947	10,872	16,172	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actuals. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

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

Key Efficiency Indicators

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per HITH patient day.....	\$191	\$177	\$239	\$225	Efficiency gain from increased throughput
Full-time Equivalents (FTEs) ^(a)	58	0	80	120	

(a) FTEs were not aligned to the new service structure in the 2006-07 Budget Statements, and so no budget for FTEs by service group in 2006-07 was set.

Major Achievements For 2006-07

- HITH is a key component of WA Health's objective of better managing demand. In February 2007 HITH averaged 114 patients per day.
- During February 2007, HITH achieved 21 patients per day in the North Metropolitan Area Health Service, 87 patients per day in the South Metropolitan Area Health Service and six patients per day through the Princess Margaret Hospital service. The North Metropolitan Area Health Service aims to increase Hospital in the Home in line with forecasts to 40 patients per day by June 2007.
- King Edward Memorial Hospital women's health HITH commenced in November 2006 in partnership with Silver Chain Nursing Association. Silver Chain Nursing Association Hospital in the Home achieved 30 patients per day.
- The HITH service for the South Metropolitan Area Health Service was further integrated and expanded with the incorporation of Rehabilitation in the Home (RITH). In February 2007, combined South Metropolitan Area Health Service HITH and RITH activity averaged 125 beds per day.
- A Residential Outreach Assessment Medical Service trial commenced in January 2007. This service uses the Residential Care Line to prioritise clinical response. The Residential Outreach Assessment Medical Service is currently being monitored with formal evaluation to be undertaken six months from commencement.
- The WA Health Country Health Service has commenced expansion of HITH services across all seven regional centres. Reporting mechanisms for home-based care services are being established and will be fully operational in June 2007.

Major Initiatives For 2007-08

- The expanded service provision target for HITH for 2007-08 is 220 patients per day or 79,200 bed days. This total incorporates both the HITH and RITH programs.
- During the 2007-08 financial year the North Metropolitan Area Health Service aims to achieve a combined HITH/RITH total of 55 beds per day.
- The North Metropolitan Area Health Service Mental Health Hospital at Home trial will expand to 10 beds per day.
- HITH services for Fremantle Hospital and Sir Charles Gairdner Hospital will expand to provide pre-operation prophylaxis and post-operative wound care.
- Princess Margaret Hospital will provide 20 HITH beds per day.
- HITH services for the metropolitan area will be further integrated under the direction of the Ambulatory Care Steering Committee. Options for satellite HITH units at other hospital sites within the metropolitan area will be examined to meet or increase HITH bed days above forecasts.
- Hospital in the Home/Hospital in the Nursing Home pilot services across the Great Southern will be evaluated prior to service expansion across other West Australian country regions.

- The evaluation of the Residential Outreach Assessment Medical Service trial will determine the expansion of the initiative across the metropolitan area.

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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	15,905	16,273	16,422	17,341	
Less Income	2,615	1,350	1,636	1,406	
Net Cost of Service ^(a)	13,290	14,923	14,786	15,935	
Adjustments ^(b)	(127)	(6)	(37)	(37)	
Appropriation for delivery of Service ^(a)	13,163	14,917	14,749	15,898	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actuals. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and accrual items such as resources received free of charge, receivables, payables and superannuation.

Key Efficiency Indicators ^(a)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per client receiving palliative care services	\$4,279	\$4,265	\$4,440	\$4,700	

- (a) The alignment of FTEs in this service group is being progressed

Major Achievements For 2006-07

- 70 clinicians from both the public health system and non-government organisations attended the first Palliative Care Network meeting held on 8 December 2006. The Palliative Care Network Advisory Committee identified key projects to address the Palliative Care in Western Australia report recommendations. The following projects have been identified:
 - *Future Planning:* work with Area Health Service planners to develop future inpatient palliative care units and integrated services in Perth;
 - *Rural Issues:* a State-wide palliative care audit of rural and remote health services will be undertaken;
 - *Paediatric Palliative Care:* this project aims to recommend a State model for paediatric palliative care and respite needs; and
 - *Pathways and Protocols:* an 'End of Life Care Pathway' is being developed, with the aim that it will be recommended for State-wide implementation.
- As part of the South Metropolitan Area Health Service's review of palliative care at Armadale Kelmscott Memorial Hospital:
 - an evaluation of patient satisfaction was held;
 - staff education was provided, including the 'Programme of Experience in the Palliative Approach' course; and

- strategies to evaluate palliative care standards were formulated and will be implemented in 2007-08.
- The pilot of the Respecting Patient Choices Program was extended to June 2007.

Major Initiatives For 2007-08

- During 2007-08, an integrated palliative care model will be developed.
- Further roll-out of the Respecting Patient Choices Program will occur subject to passage of the Acts Amendment (Consent to Medical Treatment) Bill 2006, through Parliament.
- The South Metropolitan Area Health Service will develop a multi-disciplinary admission and assessment process that integrates with other palliative care providers in order to provide seamless entry into Area Health Services.

Service 5: Emergency Department Services

Emergency department services are provided by some 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 general practitioner, or for which their general practitioner has referred them for treatment. Emergency departments provide a range of services from immediate resuscitation to urgent medical advice. An emergency department presentation may result in an admission or treatment without admission.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	112,922	118,936	122,436	128,112	
Less Income	1,773	1,350	1,350	1,350	
Net Cost of Service ^(a)	111,149	117,586	121,086	126,762	
Adjustments ^(b)	(938)	(47)	(272)	(272)	
Appropriation for delivery of Service ^(a)	110,211	117,539	120,814	126,490	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actuals. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and accrual items such as resources received free of charge, receivables, payables and superannuation.

Key Efficiency Indicators

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per emergency department presentation for Metropolitan Health Service hospitals.....	\$356	\$382	\$365	\$384	
Full-time Equivalents (FTEs) ^(a)	1,115	0	1,192	1,216	

- (a) FTEs were not aligned to the new service structure in the 2006-07 Budget Statements, and so no budget for FTEs by service group in 2006-07 was set.

Major Achievements For 2006-07

- Capital works have been completed for five mental health observation beds in the Fremantle Hospital Emergency Department.
- A new mental health emergency response service for the North Metropolitan Area Health Service and South Metropolitan Area Health Service is now operational. This service includes community-based Emergency Response Teams and a Mental Health Emergency Response Line. Response targets have been met on all occasions.
- During its first four months of operation, South Metropolitan community-based Emergency Response Teams received 576 referrals, of which 330 contacts were provided as face-to-face responses. The North Metropolitan community-based Emergency Response Teams had 248 contacts with consumers in the first three months.
- The Mental Health Emergency Response Line receives about 3,700 calls and makes about 1,400 outbound calls a month to consumers, clinicians and other services, such as police.
- The Armadale Kelmscott Memorial Hospital Emergency Department was staffed with an additional mental health registrar and mental health liaison nurses for two shifts per day enabling quicker patient assessment and treatment or transfer.
- The North Metropolitan Area Health Service appointed a Patient Flow Nurse Director in March 2007 to improve patient access to mental health facilities.
- Royal Perth Hospital and Fremantle Hospital Emergency Departments have:
 - introduced a discharge coordinator;
 - improved allied health services, promoting diversion from emergency departments and early identification of Care Awaiting Placement, complex, at-risk patients; and
 - improved falls and at-risk screening for elderly patients, with improved linkages to ambulatory services.
- Fast tracking for selected emergency presentations was introduced in the Rockingham Kwinana District Hospital Emergency Department in August 2006. This initiative assists in reducing wait times for lower acuity patients.
- Rockingham Kwinana District Hospital has introduced the Picture Archive and Communication System into Medical Imaging. This has reduced the reporting time of patient diagnosis and enabled timely referral and review by a clinician in a tertiary hospital without the need to transfer the patient.

Major Initiatives For 2007-08

- Increased use of ambulatory care strategies will continue to be a major focus in managing demand across the metropolitan area. A new initiative will be used in emergency departments to promote linkages with existing ambulatory services, involving Medicare incentives, Home Care Packages and Rehabilitation in the Home/Hospital in the Home for patients aged over 65 or Aboriginal patients aged over 45.
- The emergency department at Royal Perth Hospital will undergo renovation to increase its capacity from 43 to 53 beds. Emergency department services at Royal Perth Hospital will also be enhanced with the addition of a new burns and trauma unit at the hospital in December 2007.
- Rockingham Kwinana District Hospital Emergency Department will introduce the following initiatives:
 - the nurse practitioner role;
 - increased medical staffing during peak periods; and
 - Aged Care Assessment Team staff to coordinate demand and streamline referrals for care.
- The redevelopment of Armadale Kelmscott Memorial Hospital Emergency Department will commence in 2007-08 by temporarily relocating the current emergency department and commencing capital works for completion in 2008-09. This will enable the throughput of patients to increase from the current annual presentations of 41,000 to 60,000.
- A metropolitan wide mental health bed management project will facilitate the rapid transfer of patients from emergency departments to available mental health beds.

- Equitable distribution of ambulances will be provided to the three tertiary sites under the 'No Ramping, No Diversion' trial.
- The North Metropolitan Area Health Service will develop systems to identify appropriate patients who can be referred to Healthy at Home initiatives. Identified patients will be routinely referred to these programs to decrease avoidable presentations and admissions.
- In the North Metropolitan Area Health Service, hospital wide patient flow initiatives will be expanded to decrease length of stay, decrease access block and ensure patients are safely discharged. These initiatives include:
 - introduction of a float team to ensure bed spaces are cleaned and patients moved in a timely manner;
 - extension of Strategic Winter Allied Team cover, to streamline discharge and improve response time to referrals;
 - continuation of the emergency department discharge coordinator position for winter 2007 to assist with patient turnaround;
 - establishment of a discharge team, consisting of a discharge coordinator and a resident medical officer, for winter 2007; and
 - expansion of criteria led discharge.
- The North Metropolitan Area Health Service anticipates that initiatives to improve patient discharge will have a positive flow-on effect on throughput and the ability to manage emergency demand.

Service 6: Non-admitted Patient Services

Medical officers, nurses and allied health staff provide non-admitted services. Services include outpatient health and medical care as well as similar emergency services as described for metropolitan emergency department but provided in smaller country hospitals.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	490,593	492,129	536,717	570,322	Additional public patient activity in private hospitals.
Less Income	134,464	123,378	132,795	134,919	
Net Cost of Service ^(a)	356,129	368,751	403,922	435,403	
Adjustments ^(b)	(4,177)	(211)	(1,210)	(1,210)	
Appropriation for delivery of Service ^(a)	351,952	368,540	402,712	434,193	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actuals. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

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

Key Efficiency Indicators

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per doctor attended outpatient episode for Metropolitan Health Service hospitals.....	\$192	\$198	\$197	\$207	
Average cost per non-admitted occasion of service for Metropolitan Health Service hospitals (excludes emergency and doctor attended).....	\$108	\$111	\$111	\$117	
Average cost of non-admitted public patient treatment episodes in private hospitals	\$302	\$288	\$307	\$248	Change in patient mix
Average cost per non-admitted hospital based occasion of service for rural hospitals	\$155	\$170	\$166	\$174	
Full-time Equivalents (FTEs) ^(a)	357	0	361	368	

(a) FTEs were not aligned to the new service structure in the 2006-07 Budget Statements, and so no budget for FTEs by service group in 2006-07 was set.

Major Achievements For 2006-07

- A new collection of information about outpatient services provided in Western Australian public hospitals has commenced. The Outpatient Data Collection will draw on information from metropolitan 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 North and South Metropolitan Area Health Services are promoting the option of privately referred non-inpatient (PRNI) services that run in parallel with traditional public outpatients. PRNI services are outpatient services provided to patients in a private capacity by participating specialists at public hospitals.
- Rescheduling of outpatient appointments through WA Health's 'Outpatient Direct' telephone line has helped reduce the number of patients who do not attend their outpatient appointments.
- 73 sites within WA Country Health Service have been designated nurse practitioner sites for emergency care. 12 nurse practitioners will function in country regions by mid 2007. Scholarships have been offered to increase the available pool of nurse practitioners for recruitment in 2007.
- Telehealth services for the provision of specialty care to rural and remote communities across the State have been enhanced in the areas of psychiatry, neurology, developmental paediatrics, and geriatric medicine. Pain management, paediatric burns, gastroenterology and hepatology clinics for regional Western Australia via telehealth video-conferencing have been successfully established and expanded. A trial of a telehealth wound management program was undertaken in conjunction with Royal Perth Hospital in the Mid-West region to assist with the discharge of country wound patients.
- Access to services for maternity patients at Kalgoorlie Regional Resource Centre has been improved with an expansion of midwifery based antenatal clinics.
- Computed radiography has been introduced at Geraldton Regional Resource Centre and Carnarvon Regional Hospital.
- Medical imaging capacity in WA Country Health Service has been enhanced with the installation of computerised tomography scanners at Port Hedland, Northam and Albany, the replacement of general x-ray machines at Carnarvon, Northam, Esperance, Merredin, Narrogin, Geraldton, Collie and Bridgetown, ultrasound equipment at Albany and Port Hedland, and the installation of digital screening combined x-ray at Kalgoorlie.
- In partnerships with BHP Billiton, the Royal Flying Doctor Service and the Commonwealth Government, access to outpatient and allied health services in the Pilbara has been improved with the establishment and enhancement of outreach services to Newman, Onslow, Tom Price and Paraburdoo.

- Additional non-admitted services have been introduced in the Pilbara, including a regional eye health program, a regional sexual health team and, in conjunction with the Drug and Alcohol Office and the Commonwealth Government, an indigenous drug and alcohol program.

Major Initiatives For 2007-08

- Audit and redesign of the metropolitan outpatient clinic appointment system will aim to reduce waiting times and increase the number of appointments available for new patients.
- The major specialties at teaching hospitals will commence rescheduling through WA Health's call centre 'Outpatient Direct' telephone line by June 2008.
- Better timing on advice of appointment date, 'Outpatient Direct' and Princess Margaret Hospital's SMS messaging reminders will assist in reducing the rate of non-attendance and free appointment spaces for new patients.
- The North and South Metropolitan Area Health Services will commence an audit of orthopaedic outpatient waitlists with the aim of reducing the waiting time for routine appointments. Other areas for review include ear, nose and throat and neurosurgery.
- WA Health Clinical Service Framework will be used to develop an integrated emergency medical services model for country health services that describes the level of emergency services to be provided at each site.
- Telehealth skills will be developed at the Geraldton Regional Resource Centre emergency service to provide improved support to health centres where medical support is not immediately available.
- Management of the emergency on-call system in the Eastern Wheatbelt will be improved with the addition of three salaried doctors.
- Improvements in the management and coordination of transfers of critically ill patients from country emergency services to the appropriate health facilities will be implemented in collaboration with the Royal Flying Doctors Service and St John Ambulance Association. This will include establishing a single point of coordination, standardised transfer protocols and improved monitoring and reporting systems.
- Recruitment of nurse practitioners to designated nurse practitioner sites in country Western Australia that provide emergency care will take place.
- Aboriginal health services in the Wheatbelt region will be expanded through the recruitment of a senior podiatrist, senior social worker and Aboriginal health worker. Recruitment of Aboriginal health professionals to general practitioner sites at Pingelly, Merredin and Dalwallinu will be progressed.
- A trial for delivering oncology education and clinical services to regional hospitals via telehealth will be undertaken in a partnership between WA Country Health Service and Sir Charles Gairdner Hospital.
- Expansion of telehealth burns management services to all country regions in a partnership between the Department's Country Health Service, Princess Margaret Hospital and Royal Perth Hospital will be undertaken.
- Investment in country medical imaging will continue with computed radiography and the Picture Archiving and Communication System to be installed in all regional resource centres, the Radiological Information System to be implemented across WA Country Health Service sites and the upgrading of ultrasound equipment at regional resource centres.
- A rural home link 1800 telephone number will be established to enable better coordinated discharge planning for country patients who are leaving metropolitan hospitals. This will be supported by the establishment of HITH services in Kalgoorlie, Albany, Geraldton, Broome, Port Hedland, and in the Wheatbelt and South West regions to enable patients to return home earlier.

Service 7: Patient Transport Services

Patient transport services are those services provided by St John Ambulance Australia, the Royal Flying Doctor Service (Western Operations) (RFDS) and the Patient Assisted Travel Scheme (PATS). 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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	64,246	64,727	67,024	69,309	
Less Income	2,601	2,289	2,348	2,444	
Net Cost of Service ^(a)	61,645	62,438	64,676	66,865	
Adjustments ^(b)	(508)	(26)	(147)	(147)	
Appropriation for delivery of Service ^(a)	61,137	62,412	64,529	66,718	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actuals. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and accrual items such as resources received free of charge, receivables, payables and superannuation.

Key Efficiency Indicators

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per trip of PATS	\$256	\$280	\$272	\$286	
Cost per capita of RFDS, St John Ambulance Australia - Western Australian Ambulance Service agreements	\$25	\$26	\$26	\$26	
Full-time Equivalents (FTEs) ^(a)	6	0	6	6	

- (a) FTEs were not aligned to the new service structure in the 2006-07 Budget Statements, and so no budget for FTEs by service group in 2006-07 was set.

Major Achievements For 2006-07

- Flexible reimbursement options have been introduced for rural and remote patients using the PATS. These include:
 - payment processing at the time of PATS approval rather than on completion of travel; and
 - the implementation of a fuel card scheme.
- A support service for Aboriginal patients from remote communities arriving in Perth for specialist appointments has been developed and expanded.

Major Initiatives For 2007-08

- More flexible and simplified PATS application processes will be developed and implemented. PATS coordination capacity in the Pilbara region will also be increased.
- Arrangements for the Royal Darwin Hospital to accept inter-hospital patient transfers from the East Kimberley will be finalised and implemented.

- The WA Country Health Service, in partnership with the RFDS, will develop a 10 year joint plan for inter-hospital transport services. The plan will determine the most effective and efficient aeromedical service configuration to meet the demand for inter-hospital transport, and the capital and recurrent cost implications of the reconfiguration.
- St John Ambulance Australia will introduce five day ambulances and an additional four career paramedics in the greater metropolitan area. This will assist the maintenance of timely responses.

Service 8: Prevention and Promotion Services

Prevention and promotion services include genomics, the management and development of health information, Aboriginal health, breast screening services, child and community health and health promotion.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	181,071	212,081	190,266	196,837	
Less Income.....	18,896	18,115	18,256	18,536	
Net Cost of Service ^(a)	162,175	193,966	172,010	178,301	
Adjustments ^(b)	(1,442)	(73)	(418)	(418)	
Appropriation for delivery of Service ^(a)	160,733	193,893	171,592	177,883	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actuals. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and accrual items such as resources received free of charge, receivables, payables and superannuation.

Key Efficiency Indicators

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Cost per capita of providing preventative interventions and health promotion activities	\$21	\$35	\$22	\$21	
Cost per capita of supporting individuals, families and communities to increase control over and improve their health via Population Health Units	\$65	\$67	\$66	\$68	
Average cost per breast screening	\$88	\$98	\$94	\$98	
Full-time Equivalents (FTEs) ^(a)	243	0	257	262	

- (a) FTEs were not aligned to the new service structure in the 2006-07 Budget Statements, and so no budget for FTEs by service group in 2006-07 was set.

Major Achievements For 2006-07

Genomics

- Community education information has been developed in respect of the family history project. This project raises community awareness of family history and how this information can be used to prevent future disease. Developing an electronic family history and risk assessment tool will allow general practitioners to record and identify a family history of disease as a means of disease prevention.

- A collaborative team has been established to progress the program of work to describe the burden of genetic disease in Western Australia. The work will initially focus on single gene and chromosome disorders.
- A framework to determine the addition and/or removal of tests from the suite of diseases tested in newborns has been developed based on international genetic assessment tools.
- Congenital adrenal hyperplasia is a rare inborn error of metabolism, occurring in 1:12,000 births. Over the next three years a pilot-screening program will establish cost data and determine the feasibility of screening for this condition as an additional component of the newborn screening program in Western Australia.
- In conjunction with the Telethon Institute of Child Health Research, work has progressed on the appropriate level of folate to be added to food to reduce neural tube defects. The resulting Food Standards Australia and New Zealand (FSANZ) report was published in October 2006. Expert monitoring has been established in Western Australia to collect baseline data.

Health information

- Consultation has taken place and amendments finalised regarding the review of information collection by the Western Australian Cancer Registry.
- Community Data Awareness resources, including a pamphlet, booklet, poster and training material, were produced to raise community awareness about data collected by WA Health. Training of hospital staff in the delivery of this information commenced in November 2006.
- Linkages between information held by WA Health, the Department of Education and Training and the Disability Services Commission have been completed. Linkage to the Department for Child Protection records will be completed in June 2007. The result of this work will provide information for research aimed at improving the health and wellbeing of Western Australian children.

Aboriginal health

- The Aboriginal Health Worker Association has been established in Western Australia and a review of Aboriginal health worker competencies has been completed. Development work commenced on the feasibility of accreditation for Aboriginal health workers.
- A Western Australian Health Aboriginal Employment Strategy was developed to increase the level of employment of Aboriginal people within the health system at all levels and to improve the delivery of a culturally secure service.
- Outsourcing of major health promotion programs and campaigns to the non-government sector have been undertaken. A minimum of 10 per cent of the total budget is allocated for outsourced health promotion programs or campaigns that specifically target Aboriginal populations.
- All Area Health Services and WA Health received presentations outlining the purpose of the Cultural Respect Implementation Framework and the role of Area Health Services in delivering these objectives. The principles of the Cultural Respect Implementation Framework inform contracting activity with non-government organisations undertaken by the Office of Aboriginal Health.
- State and Commonwealth Government health agencies have arranged to conduct reviews of at-risk non-government Aboriginal health services. The resultant recommendations will be shared by both State and Commonwealth agencies and distributed to the relevant governing bodies.
- Funding of \$5.5 million over a four year period has been allocated to four sites; Halls Creek, Kwinana, Norseman and the Western Desert Communities (Jigalong, Punmu, Parnngurr and Kunawarritji) to address chronic disease. Service arrangements are being finalised and service delivery is scheduled to begin in all communities before 30 June 2007.
- Primary medical care services for Aboriginal people are being enhanced in seven Wheatbelt towns: Dalwallinu, Moora, Merredin, Quairading, Northam, Pingelly and Brookton. Aboriginal health professionals have been recruited for Northam, Quairading and Moora, while other sites are recruiting staff. A service manager, administration officer,

clinical nurse manager, community child health nurse, and health promotion officer have been employed in the Northam office. Programs underway include antenatal services, men's and women's health clinics, camps and elders programs, and improving access to mainstream primary care services. Aboriginal health workers are co-located with general practitioners wherever possible and negotiations with all general practitioners within the Wheatbelt region will be completed in 2006-07.

- Australian Hearing is providing otoscopy, tympanometry and audiometry testing and diagnosis through a screening program for Aboriginal communities in the Wheatbelt, Midwest, Great Southern and Goldfields. The target group has been increased to include three to five year olds in addition to school aged children. A dedicated and fully equipped audiology room has been established in the Warburton clinic to enable testing to be done in the region.
- A new position has been funded in Albany to maintain sexual health and blood borne virus programs targeting Aboriginal people in the Great Southern region.

BreastScreen WA

- BreastScreen WA is on course to deliver 87,000 screenings for 2006-07. The service has provided extended hours clinics in areas of high demand and reminder calls for appointments have been made, thereby minimising the number of missed appointments.
- Breast screening services were provided to Christmas Island with four women being referred to assessment for further investigations. Educational talks were held and promotional material was distributed to all women on the island aged over 40 years. It is expected that twice yearly visits will continue in future.

Child and Community Health

- The Community Child Health Universal Contact Schedule was released in May 2006. During 2006 a series of information sessions and clinical skill updates were held to inform staff of the changes to the schedule and address clinical skill training needs.
- The Youth Health Strategy aims to provide guidance to WA Health and non-government organisations in planning health services and programs for young people aged 15 to 25 years across the continuum of care. The Youth Health Strategy development has progressed, and the following activities have been undertaken:
 - an extensive consultation process with young people and a final report of the outcomes;
 - an audit of services for young people with approximately 110 youth organisations providing a response;
 - a detailed literature review and preparation of a background paper; and
 - a number of key action areas have been identified and these are being used to inform the final plan.
- A review of community health training was conducted with advice from a stakeholder reference group. The results have informed the 2007 training calendar. The training program includes 20 clinical updates and professional development opportunities. A service agreement with Family Partnerships Training Inc. has ensured State-wide access to this program by community health staff. Five scholarships to assist allied health staff undertake the Graduate Certificate in Diabetes Education was also awarded.

Health Promotion

- The Minister for Health endorsed the five year Western Australian Health Promotion Strategic Framework 2007-2011 in February 2007. The framework outlines key strategic directions for action by WA Health to prevent injury and chronic disease through health promotion approaches.
- During 2006-07 non-government agencies have delivered a range of comprehensive health promotion campaigns and programs funded by WA Health. These have included major campaigns and programs targeting smoking, physical inactivity, fruit and vegetable consumption, healthy nutrition, diabetes education, obesity in adults and children, regional physical activity and healthy eating, safety in the home, falls among seniors and toddler drowning. Priorities for the next three years have been outlined in the Western Australian Health Promotion Strategic Framework 2007-2011. The competitive process to select non-government agencies to provide health promotion programs and campaigns will be completed by June 2007.

- Falls prevention has been included in WA Health's Safety and Quality Investment in Reform program. Its goal is to prevent falls and injuries from falls in hospitals. Health services are required to make the necessary changes to reach 100 per cent compliance with falls risk assessment and falls prevention interventions.
- A Falls Prevention Network was established to promote injury prevention and coordinate intersectoral health promotion activities.
- The Injury Control Council has continued to provide community awareness and social marketing aimed at reducing falls in the community. 'Stay on Your Feet Week' was run successfully with significant media and community attention. Requests for publications and resources remain high.
- Obesity prevention is identified as a key strategic direction in the Western Australian Health Promotion Strategic Framework 2007-2011. A range of health promotion programs and campaigns, with the capacity to impact on childhood obesity, has been delivered in 2006-07 by non-government agencies funded by WA Health under the plan to promote good health. These include the:
 - 'Go for 2 n 5' fruit and vegetable campaign, the 'Crunch n Sip' fruit and water policy, parent education programs and support for school canteens to offer healthier options;
 - 'Growing Healthy Children' project (promoting healthy breakfasts in remote and Aboriginal communities);
 - Red Cross 'Foodcents' food budgeting program;
 - 'Find 30' physical activity media campaign, supported by a range of activities, including encouraging parents to support physical activity in children; and
 - 'Kimberley Active' Indigenous whole of community physical activity program.
- Under the Australian Better Health Initiative, funding has been provided to support the implementation of healthier school canteens and to establish dedicated school health promotion coordinators in Area Health Services.
- The Mentally Healthy Western Australia health promotion program was established in the WA Country Health Service sites in a collaborative project with universities and non-government organisations.
- The Safety and Quality Council Resource Suite for preventing falls and harm in older people is being progressively implemented in the WA Country Health Service with the Falls Prevention Clinical Practice Improvement Program having been implemented in four regions and implementation expected in the final three regions in the second half of 2007.
- The South Metropolitan Area Health Service delivered priority health promotion programs targeting the risk factors for chronic disease namely smoking, nutrition, alcohol and lack of physical activity. Specific initiatives included:
 - a partnership with the Town of Kwinana to increase local government investment in physical activity and tobacco cessation initiatives for the Kwinana community;
 - consultation with Diabetes WA, the Canning Division of General Practice and Aboriginal Community Controlled Health Services to develop a diabetes self management program and associated resources which are customised for the local Aboriginal population;
 - participation in the intersectoral Maddington Kenwick Sustainable Communities Partnership. Multiple chronic disease prevention activities have resulted from this partnership; and
 - collaboration with the City of Gosnells and Canning Division of General Practice to develop an Active Communities Strategic Plan to systematically increase physical activity levels in the Gosnells community.

Major Initiatives For 2007-08

Genomics

- As part of the family history project, a family history awareness program will be developed for the community, allied health professionals and general practitioners to identify individuals who are at increased risk of developing common chronic diseases in Western Australia.
- A familial hypercholesterolaemia (high blood cholesterol) cascade screening pilot study will take place to identify cases of familial hypercholesterolaemia and initiate appropriate treatment to reduce cardiovascular disease.

Health information

- A new information system for the Western Australian Cancer Registry will be implemented.
- A Western Australian Health Data Council will be established to advise WA Health on the collection, linkage, use and disclosure of information in State-wide health data collections. This data is used for the planning, management and monitoring of health services in Western Australia. The Council will include representatives of health consumers and other stakeholders.
- An enhanced road safety information resource will be developed. This initiative will draw information from WA Health, the Office of Road Safety, the Western Australia Police, Main Roads Western Australia and the Insurance Commission of Western Australia, and provide a comprehensive resource for use by agencies in reducing road trauma.
- Linkage to the Department of Corrective Services data for the Developmental Pathways in Children program will commence in July 2007. This will allow significant progress to be made with research projects related to child abuse and neglect, socio-demographic factors, education outcomes, suicide and self-harm, and contact with the criminal justice system.

Aboriginal health

- Service delivery arrangements will be negotiated and implemented in support of Australian Better Health Initiatives in Halls Creek, Jigalong, Norseman and Kwinana. The service delivery will support the reduction or improved management of chronic disease in Aboriginal communities through improved service coordination, lifestyle modification and improved service capacity.
- Frameworks will be developed to ensure broad-based input by Aboriginal people, clinicians involved in providing services to the Aboriginal community and Aboriginal health organisations, to Western Australian health networks.
- In collaboration with the Commonwealth Government, Area Health Services and Aboriginal Community Controlled Health organisations, organisational and service delivery that allow for improved or innovative service delivery will be trialled.

BreastScreen WA

- BreastScreen WA aims to perform 95,000 screenings in 2007-08, including its 1,000,000th screening. This will include screenings performed at the new Padbury Breast Screening Clinic. This clinic is a step in the strategic expansion of services needed to meet the needs of the growing population of Perth over the next five to 15 years.
- BreastScreen WA is due for re-accreditation in early 2008. The 172 accreditation standards cover all areas of clinical performance, customer service, management accountability and staff development.
- BreastScreen WA is planning to install a digital mammographic workstation to integrate with the Assessment Centres located at Royal Perth and Sir Charles Gairdner Hospitals.
- As part of improving efficiency, a SMS reminder system is being developed to remind women of their appointment, thereby minimising the number of missed appointments.

Child and Community Health

- Additional strategies will be developed to actively support the uptake and maintenance of breastfeeding.
- Culturally appropriate and acceptable service models will be developed and supported to meet the needs of disadvantaged groups, particularly Aboriginal children and young people and their families.
- Community health services will continue to contribute to the delivery of childhood immunisation services and targets, as discussed under Health Protection Services (Service Nine).

Health Promotion

- Non-government agencies will commence three year health promotion programs and campaigns in line with the Western Australian Health Promotion Strategic Framework 2007-2011. Over the next three years, \$21.5 million will be spent on programs addressing:
 - smoking and related harm prevention;
 - healthy diet;
 - physical activity;
 - healthy weight for adults and children; and
 - injury prevention, with a key focus on falls reduction in older people, reducing injuries to children from falls, burns and accidental poisoning, reducing harm due to violence and assault and reducing drowning.
- Falls prevention network activities will continue with the development of an Information Resources Network across the health sector. 'Stay on Your Feet Week' will be held again and expanded to the hospital and residential aged care sector to target the frail elderly population.
- A food and nutrition policy for WA Health's services and facilities will be completed and implemented. This will direct the provision of healthier food and drinks in all Western Australian health services.
- Promotion of the 'Go for 2 n 5' fruit and vegetable campaign will continue, through the maintenance of the license agreement with non-government agencies, private enterprise and other state and territory governments.
- WA Health will continue to support the national depression initiative through a partnership with Beyondblue.
- The 'Pit Stop' health promotion program, which encourages men to get regular health check ups, will be extended across the WA Country Health Service.
- Health promotion programs targeting children and high risk groups in country areas will be implemented. These programs aim to prevent chronic disease, promote healthy eating and healthy food purchasing, injury prevention and increased physical activity.
- The Goldfields and Great Southern regions will be the initial areas to:
 - use the Department's Health Promoting Hospitals Framework to develop regional health promotion and prevention policies and education programs in consultation with hospital and health service staff and local communities; and
 - undertake brief intervention training to assist the WA Country Health Service staff to better approach alcohol, tobacco and other drug issues.
- Albany, Esperance, Kalgoorlie, Geraldton, Karratha, Northam and Toodyay will implement the 'Act, Belong, Commit' Mentally Healthy Western Australia strategy which aims to improve mental health through encouraging people to undertake activities that build individual resilience and community cohesion.
- The Kimberley, Pilbara, Goldfields and Mid-West will implement the recently updated Canning Stock Route Challenge program that seeks to improve nutrition and physical activity among children.
- A 'Women's Checkout' health promotion program, which encourages women to get regular health check ups, will be implemented in the Wheatbelt. The program will be run in Wongan Hills and will include the development of a manual for other regions to use.
- The 'Healthy Belt' lifestyle program, which aims to teach people how to maintain a healthy weight, will be implemented in the Wheatbelt.
- The Goldfields 'Healthy Food in Hospitals' program will be completed in 2008. The region will also employ a rural youth coordinator to implement the 'Promoting Adolescent Sexual Health' and 'Resourceful Adolescent Program' initiatives and young mothers' health and wellbeing groups.
- A coordinated trachoma review targeting Aboriginal children in the Goldfields will occur in August 2007. Trachoma is a chronic infection of the eye, which, if left untreated, can lead to blindness.
- The South Metropolitan Area Health Service will:
 - collaborate with health networks to develop prevention and health promotion strategies related to chronic disease;

- support the implementation of the Western Australian Health Promotion Strategic Framework 2007-2011;
- continue to develop partnerships with local governments and non-government organisations to implement the Western Australian Health Promotion Strategic Framework 2007-2011, with particular emphasis on disadvantaged groups;
- deliver lifestyle risk reduction projects (such as tobacco cessation);
- evaluate and report on the effectiveness of the Aboriginal and Torres Strait Islander diabetes health education program;
- deliver communicable disease control services; and
- support area wide implementation of the Western Australian Health Aboriginal Cultural Respect Implementation Framework.

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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	54,542	53,784	57,415	57,415	
Less Income	24,211	19,409	21,509	20,428	
Net Cost of Service ^(a)	30,331	34,375	35,906	36,987	
Adjustments ^(b)	(421)	(21)	(122)	(122)	
Appropriation for delivery of Service ^(a)	29,910	34,354	35,784	36,865	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actuals. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and accrual items such as resources received free of charge, receivables, payables and superannuation.

Key Efficiency Indicators

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Cost per capita of health protection services	\$27	\$27	\$28	\$27	
Full-time Equivalent (FTEs) ^(a)	769	0	819	835	

- (a) FTEs were not aligned to the new service structure in the 2006-07 Budget Statements, and so no budget for FTEs by service group in 2006-07 was set.

Major Achievements For 2006-07

Immunisation

- There was a strong focus on immunisation, including:
 - a review of immunisation provider training, including content, delivery models, practical training and accreditation;
 - production of a monthly newsletter for immunisation service providers;
 - provision of training for immunisation service providers;
 - enhancement of the electronic Western Australian Notifiable Infectious Diseases Database; and
 - formation of a State-wide Expert Advisory Committee to assist immunisation policy review.

- Targeting of immunisation providers including those in poor coverage areas was achieved, with the target of over 90 per cent fully vaccinated status for one year old children met for the first time. Western Australia is also above the 90 per cent target for two year olds and working towards the same status for six year olds.

Pandemic influenza

- Further attention was given to the Western Australian Health Management Plan for Pandemic Influenza including:
 - contributing to the development of the National Action Plan and State Action Plan;
 - enhancing the protocols underpinning the Western Australian Management Plan for Pandemic Influenza;
 - conducting the Western Australian component of 'Exercise Cumpston';
 - conducting 'Exercise Perinthus';
 - developing the protocols for fever clinic conduct, including the development of a training video; and
 - running monthly public update sessions.

Tobacco control

- In line with the Western Australia Tobacco Action Plan 2006, WA Health:
 - implemented new restrictions on tobacco smoking and control, which commenced on 31 July 2006;
 - implemented the new *Tobacco Products Control Act 2006*, which commenced in two phases in July 2006 and February 2007; and
 - progressed the development and dissemination of a new Western Australia Tobacco Action Plan 2006-2010.

Disaster preparedness and response

- In the area of disaster preparedness and response:
 - the Hospital Surge Capacity Plan has been updated;
 - procurement of stockpiles of syringe drivers and physiological monitors has commenced;
 - the Disaster Medical Assistance Team website was established;
 - a volunteers/Disaster Medical Assistance Team database was built and implemented;
 - Disaster Medical Assistance Team policy development is progressing and was used in the Cyclone George response;
 - four medical staff have completed Category 1 training with the Fire and Emergency Services Authority Urban Search and Rescue team, which involves the training of personnel for rescue operations following a structural collapse; and
 - the Introduction to Emergency Management course was successfully piloted in July 2006 and is now incorporated into the 2007 training calendar.
- WA Health was a major participator in the three week National Counter Terrorism Exercise that consisted of several tabletop exercises and a three day field exercise. This exercise went ahead despite the concurrent work involved in deploying a 12 person team to respond to the real earthquake in Yogyakarta.
- The State Health Coordinator endorsed a new Command and Control structure in December 2006, which included the development of an around the clock roster of senior medical staff to cover the position of State Health Coordinator and more streamlined processes for activating a health response to an emergency situation through a central point of contact. A formal evaluation of the new State Health Coordinator structure will be conducted following Cyclone George.

Other health protection issues

- During the consultation period for the establishment of a framework for health impact assessment, awareness raising presentations and workshops were conducted across Western Australia.
- An investigation was completed into requirements for the establishment of monitoring and reporting regimes on future climate change health impacts.
- In line with continuing legislative reform of the *Health Act 1911*, roles of local government and State Government were established and a Local Government Planning and Reporting Framework were agreed.
- A review was conducted in relation to the workforce training needs regarding sexual health and blood borne viruses.

- There was an improved focus on emerging or re-emerging areas of Human Immunodeficiency Virus (HIV) transmission, including overseas acquired cases and HIV present in arriving migrants, by enhancing point of contact advertising.
- An evaluation of the State needle and syringe distribution program was conducted.

Major Initiatives For 2007-08

Immunisation

- The focus on immunisation will continue, including the roll-out of:
 - a new vaccination program for human papilloma virus, preventing cervical cancer;
 - a new vaccination program for rotavirus, when the vaccine becomes available; and
 - the new Western Australian Sentinel Practitioner Network surveillance.
- Innovative service models to increase the coverage of immunisation, particularly in disadvantaged population groups, will be developed and implemented. This initiative will be supported by the review and implementation of a new self directed learning package for immunisation certification and by research in the Peel and Rockingham Kwinana areas on ways to assist Aboriginal families to access immunisation services.

Pandemic influenza

- As part of the ongoing planning for the management of pandemic influenza:
 - the Departmental Management Plan for Pandemic Influenza will be rewritten;
 - vaccination clinic protocols and an enhanced stockpile distribution plan will be developed;
 - protocols underpinning the Departmental Management Plan for Pandemic Influenza will be enhanced; and
 - metropolitan planning for acute response to pandemic influenza will be enhanced.

Tobacco control

- In accordance with the Western Australia Tobacco Plan 2006, a new legislative regime will be implemented including:
 - licensing of tobacco retailers and wholesalers;
 - a State-wide compliance program in relation to education and training of retailers, wholesalers and their staff; and
 - inspections across metropolitan and regional areas including compliance surveys and a range of enforcement activities.

Disaster preparedness and response

- Disaster preparedness and management arrangements will be enhanced including:
 - identifying and obtaining a suitable warehouse for the Disaster Preparedness and Management Unit stockpile of medical supplies;
 - continued enhancement of the Disaster Preparedness and Management Unit's equipment cache;
 - development of a Disaster Medical Assistance Team deployment framework;
 - roll-out of a Disaster Preparedness and Management Unit coordinated and facilitated education, training and exercise calendar;
 - development of the WA Country Health Service command and communications strategies, surge capacity targets and disaster response targets;
 - transfer of operational management of the metropolitan hospitals' business continuity and disaster plan to the Disaster Preparedness and Management Unit; and
 - facilitation of hospital pandemic planning and development of activation procedures for the isolation facility.
- WA Health's command and control structure will be finalised and formalised, including robust plans for around the clock coverage of the State Health Coordinator position.

Other health protection issues

- Development and publication of further documentation will take place in relation to health impact assessment covering issues such as:
 - air quality;
 - asbestos; and
 - mosquito management.
- A public discussion paper on Health and Climate Change in Western Australia will be developed and released.
- A new Public Health Bill will be drafted.
- The Licensing Standards and Review Unit will commence monitoring of arrangements for management, staffing and equipment standards in public sector health facilities.
- Sexual health and blood borne virus workforce training will be provided, including efforts to:
 - enhance the uptake of Hepatitis C treatment by rolling out nurse and general practitioner training programs;
 - support the implementation of proposed changes to the law regulating sex workers through enhanced focus on safe practices for sex industry workers and broader occupational health issues;
 - initiate social marketing of the safe sex campaign;
 - continue development of advanced practice sexual health nursing role; and
 - implement HIV training for general practitioners and nurses.
- A review will be conducted of sexual health strategies in culturally and linguistically diverse groups.
- The final report evaluating the State needle and syringe distribution program is expected to be completed in September 2007. Following this evaluation, contributions will be made to the development of models of care for Hepatitis C and HIV through the health networks.

Service 10: Dental Health Services

Dental health services include the school dental service, providing dental health assessment and treatment for school children; 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 and through private dental practitioners participating in the metropolitan, country and orthodontic patient dental subsidy schemes.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	56,382	54,920	58,387	60,816	
Less Income	5,206	5,390	5,974	6,124	
Net Cost of Service ^(a)	51,176	49,530	52,413	54,692	
Adjustments ^(b)	(445)	(22)	(129)	(129)	
Appropriation for delivery of Service ^(a)	50,731	49,508	52,284	54,563	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actuals. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and accrual items such as resources received free of charge, receivables, payables and superannuation.

Key Efficiency Indicators

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per enrolled child for school dental service.....	\$90	\$90	\$88	\$89	
Average cost per dental service provided by Oral Health Centre of Western Australia	\$93	\$94	\$106	\$110	
Average cost of completed courses of adult dental care	\$251	\$294	\$274	\$279	
Full-time Equivalents (FTEs) ^(a)	597	0	582	594	

(a) FTEs were not aligned to the new service structure in the 2006-07 Budget Statements, and so no budget for FTEs by service group in 2006-07 was set.

Major Achievements For 2006-07

- Approximately 241,000 school children are enrolled in the school dental program across the State. These children continue to access free oral health treatment.
- Government funding of \$1 million to maintain waiting list levels resulted in approximately 2,300 patients receiving general dental care. The average waiting time has been maintained at approximately 12.5 months.
- The new Joondalup Dental Clinic opened in September 2006. Construction of the new Kununurra clinic will be completed by June 2007.
- During 2006-07 dental health services have continued recruitment initiatives to attract overseas trained dentists. An improved criteria progression classification system has been implemented and is now used to attract and retain dentists in the public health system.

Major Initiatives For 2007-08

- The school dental program will continue its focus on providing enrolled 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 2007-08.
- Funding of \$1 million has been allocated to the dental waiting list initiative in 2007-08. This will provide general dental care for approximately 2,000 patients and maintain the average waiting time at 12.5 months.
- The new Bunbury Dental Clinic is planned to open in November 2007. New dental clinics in Broome and Fitzroy Crossing are planned to open in 2007-08. Each clinic will improve access and service provision to eligible patients in the local area and surrounding districts.
- Development of a workforce plan will be undertaken during 2007-08 to address a number of risks identified regarding the future viability of dental programs.

Service 11: Home and Community Care Service

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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	141,035	153,248	153,248	166,248	Additional State and Commonwealth revenue
Less Income.....	85,594	93,007	92,889	100,896	
Net Cost of Service ^(a)	55,441	60,241	60,359	65,352	
Adjustments ^(b)	(1,218)	(61)	(353)	(353)	
Appropriation for delivery of Service ^(a)	54,223	60,180	60,006	64,999	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actuals. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and accrual items such as resources received free of charge, receivables, payables and superannuation.

Key Efficiency Indicators

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost of HACC services per person with long-term disability.....	\$2,000	\$1,822	\$2,101	\$2,171	
Full-time Equivalents (FTEs) ^(a)	254	0	255	260	

- (a) FTEs were not aligned to the new service structure in the 2006-07 Budget Statements, and so no budget for FTEs by service group in 2006-07 was set.

Major Achievements For 2006-07

- The number of HACC clients continues to grow, in line with WA Health policy. Increased investment has allowed HACC funded agencies to expand their client base and ensure broad and equitable coverage.
- Strategies implemented to assist providers of care in the community include training support to agencies to meet the requirements of the *Carers Recognition Act 2004*. The 'Prepare to Care' program operates as the interface between acute and community care, working with hospital staff and family members to ensure carers have the tools necessary to care for clients following discharge from hospital.
- In 2006-07, \$150,000 was provided for a training package to be delivered in the acute care sector to hospital staff, family members and carers supporting people with dementia in and beyond the acute care environment.

Major Initiatives For 2007-08

- The review agreement for the operation of the Western Australian HACC program will be signed by State and Federal Ministers before June 2007.

- Access Networks, which meet the Council of Australian Governments requirements to simplify access for clients into HACC services, will be developed and trialled. The networks will incorporate improved assessment processes with a 'wellness' focus to promote independence and a quality reporting framework to improve agency performance and client satisfaction.
- Western Australia will continue to progress dementia strategies and actions through the adoption of the National Framework for Action on Dementia 2006-10.

Service 12: Aged Care Assessment Services

Aged care assessment services determine eligibility for, and the level of care required by frail aged people. They include assessments for those who require permanent care in an appropriate residential aged care facility including the Care Awaiting Placement program, and eligibility for community-based aged care services.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	18,997	20,029	20,575	21,264	
Less Income	7,393	7,301	8,408	8,812	
Net Cost of Service ^(a)	11,604	12,728	12,167	12,452	
Adjustments ^(b)	(156)	(8)	(45)	(45)	
Appropriation for delivery of Service ^(a)	11,448	12,720	12,122	12,407	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actuals. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and accrual items such as resources received free of charge, receivables, payables and superannuation.

Key Efficiency Indicators

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per completed Aged Care Assessment Team (ACAT) assessment	\$453	\$449	\$494	\$504	
Average cost per care awaiting placement (CAP) day	\$253	\$260	\$256	\$269	
Full-time Equivalents (FTEs) ^(a)	121	0	129	132	

- (a) FTEs were not aligned to the new service structure in the 2006-07 Budget Statements, and so no budget for FTEs by service group in 2006-07 was set.

Major Achievements For 2006-07

- Development of the Aged Care Assessment Team (ACAT) training framework is complete. This framework details the core domains of ACAT practice to enable better configuration of training requirements.
- In the context of developing ACAT training and quality frameworks, the review of the Aged Care Assessment Team Towards Best Practice Manual is complete. A framework addressing quality issues for ACAT Practice will now be developed, based on the Towards Best Practice Manual, the Aged Care Assessment Guidelines and the Australian Council on Healthcare Standards Evaluation and Quality Improvement Program.
- Exploration of common referral documentation commenced as part of the ACAT quality framework.

Major Initiatives For 2007-08

- WA Health is pursuing an expansion of the CAP program and arrangements for public patients to access private facilities.
- The ACAT quality framework will be developed based on the Australian Council on Healthcare Standards Evaluation and Quality Improvement Program to identify and promote good practice across Western Australian Aged Care Assessment Teams.
- An ACAT Quality and Training Reference Group will be formed to implement the Western Australian training and quality frameworks.
- State-wide implementation of the ACAT training framework will commence, including key areas of policy, operations and direct clinical/assessment practice.
- ACAT Managers Groups will be formed to develop policies and procedures in relation to ACAT performance, particularly in reference to timeliness, quality and consistency of ACAT assessments.

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 services also provide support to long-term mental health patients living in the community.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	127,977	144,756	137,367	149,045	Planned service expansion under Mental Health Strategy
Less Income	1,270	567	1,247	647	
Net Cost of Service ^(a)	126,707	144,189	136,120	148,398	
Adjustments ^(b)	(1,092)	(55)	(316)	(316)	
Appropriation for delivery of Service ^(a)	125,615	144,134	135,804	148,082	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actuals. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

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

Key Efficiency Indicators

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per person receiving care from public community-based mental health services	\$3,158	\$3,541	\$3,229	\$3,390	
Average cost per hour for community support provided by non-government organisations to people with a severe and persistent psychiatric disability	\$57	\$59	\$60	\$62	
Full-time Equivalents (FTEs) ^(a)	430	0	458	488	

(a) FTEs were not aligned to the new service structure in the 2006-07 Budget Statements, and so no budget for FTEs by service group in 2006-07 was set.

Major Achievements For 2006-07

- Stage one of the State-wide consumer participation framework has progressed with the development of a consumer participation plan and the appointment of a consumer coordinator in December 2006. The consumer coordinator will promote consumer participation in State-wide public mental health services.
- Initiatives to address postnatal depression have been implemented including:
 - development of video/DVD resources for Aboriginal perinatal workers;
 - development of culturally and linguistically diverse video/DVD resources; and
 - distribution of translated versions of the Edinburgh Postnatal Depression Scale.
- Nine training workshops were held to assist non-government organisations in the community mental health sector to implement WA Health's new Service Standards for Non-Government Providers of Community Mental Health Services. The standards cover the following areas: Rights and Responsibilities; Safety, Privacy and Confidentiality, Consumer Participation; Carer Participation; Organisational Governance and Management; Accessible Inclusive Service Provision; and Delivery of Services. In addition, a mentoring system was established to assist these organisations to comply with the new standards and identify areas for improvement.
- The Dialectical Behavioural Therapy program for adolescents and their parents has been implemented after evaluation of the pilot program demonstrated positive outcomes. A clinical model to work with under five-year-olds has been further developed and links have been established with child health and paediatric services.
- In order to increase access to acute mental health services in country Western Australia:
 - medical/psychiatric staff have been appointed to Bunbury, Albany, Kalgoorlie and Geraldton Regional Resource Centres;
 - an emergency department mental health liaison nurse has been appointed to Geraldton Regional Resource Centre;
 - the Wheatbelt Community Mental Health Service in Northam and the North West Community Mental Health Service in Broome have been expanded and are fully operational; and
 - two mental health support workers have been permanently appointed to the Kimberley and Pilbara regions.

Major Initiatives For 2007-08

- Further initiatives to address postnatal depression will be undertaken, including:
 - the Western Australian perinatal mental health symposium to be held in August 2007;
 - circulation of postnatal training packages;
 - enhancement of regional Aboriginal perinatal services;
 - enhancement of metropolitan perinatal services for women from culturally and linguistically diverse backgrounds; and
 - extension of home-visiting services for women with postnatal depression.
- The Dialectical Behaviour Therapy Program will be further developed to provide an ongoing program in the Fremantle/Rockingham area.
- Additional video conferencing equipment will be installed in regions to enable enhanced telepsychiatry and specialist mental health services for country people and increased professional development opportunities for health staff in country regions.
- Commonwealth Government funding of \$650,000 provided under the Quality Through Outcomes in Mental Health Care 2006-2008 initiative will be used by Western Australian public mental health services to better integrate consumer outcome measurement in clinical practice and further improve consumer participation in outcome measurement.

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 provided by the State, nursing home type care provided in public hospitals and hostel care.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	79,472	77,789	89,367	96,168	Expansion of the Transition Care Program
Less Income	4,430	9,730	10,767	13,088	
Net Cost of Service ^(a)	75,042	68,059	78,600	83,080	
Adjustments ^(b)	(704)	(36)	(204)	(204)	
Appropriation for delivery of Service ^(a)	74,338	68,023	78,396	82,876	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actuals. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

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

Key Efficiency Indicators ^(a)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per bed-day for specified residential care facilities, flexible care (hostels) and nursing home type residents	\$354	\$357	\$378	\$396	Change in service mix
Average cost per day of care for non-acute admitted continuing care	\$34	\$36	\$47	\$67	

(a) The alignment of FTEs in this service group is being progressed

Major Achievements For 2006-07

- The transition care program is a jointly funded initiative of the Commonwealth and State Governments that provides time-limited, goal oriented therapeutic care in a non-hospital environment for frail older people at the conclusion of their hospital stay. The aim of transition care is to improve or maintain levels of independence while assisting older people and their family to make longer-term care arrangements.
- The provision of transition care in the South Metropolitan area has been enhanced with the commencement of the Southern Transition Care Service, which provides 30 residential places and 20 flexible community packages. This service commenced operating on 1 July 2006.
- A provisional allocation of 60 transition care places across the WA Country Health Service was received from the Commonwealth Government in January 2007.

Major Initiatives For 2007-08

- During 2007-08, WA Health will commence implementation of transition care in the South-West, Mid-West and Great Southern regions.

- Coordination and effectiveness of aged care services in country areas will be improved through the employment of aged care coordinators in each region, enhancement of discharge planning and better support for patients in the community. This will be supported by establishing access to the Residential Care Line in the Wheatbelt and the South West regions.
- The Health Consumer's Council will be engaged to assist in the preliminary planning and development of a consumer-focused brochure on transition care options for older people in Western Australia.

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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	5,964	6,063	6,511	6,728	
Less Income	1,345	1,514	1,526	1,564	
Net Cost of Service ^(a)	4,619	4,549	4,985	5,164	
Adjustments ^(b)	(49)	(2)	(14)	(14)	
Appropriation for delivery of Service ^(a)	4,570	4,547	4,971	5,150	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actuals. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and accrual items such as resources received free of charge, receivables, payables and superannuation.

Key Efficiency Indicators ^(a)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average Department of Health subsidy per bed-day provided to support people with psychiatric illness living in community residential accommodation provided by non-government organisations	\$88	\$90	\$91	\$94	
Average Department of Health subsidy per bed-day to support residents in metropolitan licensed private psychiatric hostels	\$15	\$15	\$17	\$17	
Average Department of Health subsidy per bed-day provided to aged care nursing homes to manage people who have a psychiatric illness and significant behavioural problems	\$174	\$161	\$199	\$209	
Full-time Equivalents (FTEs) ^(a)	0	0	0	8	

- (a) FTEs were not aligned to the new service structure in the 2006-07 Budget Statements, and so no budget for FTEs by service group in 2006-07 was set.

Major Achievements For 2006-07

- A number of initiatives have been funded through the Mental Health Strategy 2004-2007 to expand community supported accommodation services for people with severe mental illness throughout Western Australia. These include the Independent Living Program, Community Supported Residential Units, accommodation for homeless people and Community Options. These models vary in the level of support provided to residents based on resident functioning and behaviour. All models aim to minimise the risk of re-hospitalisation for people with severe and persistent mental illness, by providing up to 24 hour, seven day a week, daily rehabilitation and clinical support.
- The Independent Living Program has been expanded through the addition of 23 residential dwellings.
- A non-government organisation has been awarded a contract to provide metropolitan-wide psychosocial support to 10 young people who are at risk of homelessness and developing serious and persistent mental illness.
- A new purchasing framework have been developed and implemented for private licensed psychiatric hostels to link the level of subsidy paid to the level of personal care provided to each hostel resident.
- Planning and design have progressed for Community Supported Residential Units in Osborne Park, Kalamunda, Bentley, Peel, Armadale, Albany, Geraldton, Bunbury, Busselton and Middle Swan. Community consultations have commenced in all areas and will be ongoing to ensure community and stakeholder concerns continue to be addressed. Construction of Community Supported Residential Units has commenced in Albany, Geraldton and Busselton with expected completion in the second half of 2007.
- Planning and design for adult homeless accommodation in East Perth have progressed with the tender for the building contract due for release in July 2007.
- Planning and design for the Community Options group homes in Mount Claremont and Osborne Park have progressed with community consultation being continued. Construction of the Kelmscott Community Options group home is planned for completion by mid July 2007.
- A purpose-built facility on the Armadale Kelmscott Health Service campus, Jacaranda House, was completed in March 2007 to accommodate the Whitby Falls Hostel residents.

Major Initiatives For 2007-08

- Planning and construction of the Community Supported Residential Units in Osborne Park, Kalamunda, Bentley, Peel, Armadale, Albany, Geraldton, Bunbury, Busselton and Middle Swan will continue. Scheduled completion dates are as follows:
 - Albany and Geraldton in September 2007;
 - Busselton in December 2007;
 - Bentley in March 2008;
 - Bunbury in April 2008;
 - Armadale and Middle Swan in May 2008;
 - Kalamunda in June 2008; and
 - Osborne Park and Peel in December 2008.
- Planning and construction of the Community Options group homes in Kelmscott, Mount Claremont, Bentley and Osborne Park will continue. Planned completion dates are as follows:
 - Kelmscott in mid 2007;
 - Mount Claremont and Bentley in June 2008; and
 - Osborne Park in December 2008.
- Planning and construction of the transitional accommodation in East Perth for 34 homeless people with a mental illness will continue. Planning and development approvals with the Department of Housing and Works will be progressed for the Fremantle transitional homeless accommodation for 16 homeless young people. Construction for both services is expected to commence in September 2007.

Service 16: Chronic Illness and Continuing Care Support

Chronic illness and continuing care support services are provided to people with a chronic condition, enabling them to remain healthy at home. The services offered include the chronic disease management program. These services reduce unplanned and avoidable admissions and presentations to emergency departments as well as reducing length of stay for patients requiring inpatient care.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	24,626	22,098	28,026	34,838	Expansion of ambulatory reform initiatives
Less Income	1,773	1,350	1,350	1,350	
Net Cost of Service ^(a)	22,853	20,748	26,676	33,488	
Adjustments ^(b)	(255)	(13)	(74)	(74)	
Appropriation for delivery of Service ^(a)	22,598	20,735	26,602	33,414	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actuals. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

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

Key Efficiency Indicators ^(a)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per client in a chronic disease management program	\$2,071	\$750	\$1,950	\$1,506	Efficiency gain from increased throughput
Average cost to support patients who suffer specific chronic illness and other clients who require continuing care	\$36	\$20	\$37	\$37	

(a) The alignment of FTEs in this service group is being progressed

Major Achievements For 2006-07

- Eight Chronic Disease Management Teams (CDMTs) are operational across the metropolitan area. The South Metropolitan Area Health Service has commissioned a ninth team in Mandurah. Implementation of a communication strategy has contributed to an increase in referrals. The target of 3,000 clients enrolled in the program will be met by the end of the financial year.
- Consultant specialists and general practitioners have been engaged to ensure evidence-based practice and good process across the CDMTs. Collaboration has resulted in:
 - learning forums to increase capacity to handle more complex clients in the primary care setting;
 - system redesign to improve integration; and
 - development of operational and educational resources.
- Preliminary findings in individual case histories indicate a reduction in hospital utilisation for those who have received CDMT interventions. Longer-term data will compare admissions, length-of-stay and health service utilisation 12 months pre- and post-intervention.

- A chronic heart failure advisory group has been established to provide disease specific input and ensure alignment with models of care being developed through the health networks.
- An Ambulatory Care Service Inventory of non-inpatient services is being created. Non-government organisations and government agencies are being surveyed and data collated to inform strategic planning and avoid service duplication.
- WoundsWest is a three year project that has successfully been established to provide coordinated prevention and management of wounds in the community and acute sector. This project includes the use of digital imaging, surveillance, education and interventions to ensure wound care in Western Australia achieves best practice. The first year, 2006-07, focused on infrastructure development, testing, refinement and wound prevalence monitoring.
- A general medical physician has commenced covering the Royal Perth Hospital/Bentley corridor. This position is supported by the multi-disciplinary CDMTs operating from Bentley and Armadale. A coastal service is also due to commence, supported by CDMTs operating in Rockingham Kwinana and Mandurah. These teams will target patients with co-morbidity who experience avoidable admission to hospital.
- The Respiratory Health Network has convened a Clinical Service Improvement Framework taskforce with representatives from Area Health Services, respiratory physicians and Divisions of General Practice. The taskforce aims to develop strategies to progress the implementation of standards for chronic obstructive pulmonary disease and asthma. The taskforce has sought support from the Western Australian General Practice Network to improve services provided by general practitioners and primary health care providers.
- The Respiratory Health Network is also reviewing the prescription and provision of home oxygen in Western Australia and is the lead agency for the Smoke Free Western Australia Health Working Party. This will enhance services for people with chronic obstructive pulmonary disease and asthma.
- The Royal Perth Hospital Residential Care Line service has provided education to staff working within residential aged care facilities. Areas of education have encompassed topics such as basic life support and clinical updates of various medical and nursing topics.
- The Albany Residential Care Line pilot service is currently being evaluated prior to service expansion across the Wheatbelt and the South-West regions. This will provide residential aged care services with telephone advice and support that will assist them to better manage elderly patients and decrease unnecessary presentations to hospitals and emergency departments.

Major Initiatives For 2007-08

- CDMTs will target a reduction of 25 per cent in hospital utilisation in groups that have graduated from the program in 2007-08. Each individual's hospital utilisation will be compared 12 months pre and post intervention.
- Chronic obstructive pulmonary disease and diabetes advisory groups will be established to ensure continuing evidence based practice and alignment with models of care developed by WA Health's health networks.
- An Ambulatory Care Service Inventory database and website will be implemented.
- The WoundsWest project will:
 - report on the first State-wide wound prevalence survey;
 - conduct a second State-wide wound prevalence survey to track improvements;
 - develop a Core Wound Management Module and four wound sub-specialty education modules for State-wide access;
 - recruit the WoundsWest Consultant Team to operate as a clinical support resource for health practitioners State-wide; and
 - trial the wound imaging and documentation system.
- The Smoke Free WA Health Working Party will continue to develop policy and employ guidelines to ensure the implementation of a Western Australian Smoke Free Health System by 1 January 2008.

- The following initiatives will be implemented to enhance residential aged care:
 - stronger links will be made with the Royal Perth Hospital Emergency Department Care Coordinating Team, a multi-disciplinary team identifying high risk patients over the age of 65 who are risk-screened and may require follow-up when discharged back to their residential aged care facility;
 - stronger partnerships with general practice divisions;
 - stronger links with Silver Chain; and
 - streamlined Residential Care Line data collection to ensure all services are reporting the same information.
- A model of chronic disease management will be established to improve access to services for people with chronic disease who live in country areas.
- Ambulatory care services will be established in Kalgoorlie, Albany, Geraldton, Broome and Port Hedland and Regional Resource Centres in the Wheatbelt and South-West regions to enable patients to return home earlier.
- Access to nurse led continence clinics in Albany will be increased to provide advanced level of practice and care for patients with continence problems.
- Current chronic heart disease and diabetes self-management pilot programs in the South West region will be evaluated. These programs aim to enable people with these chronic diseases to live more independently, self manage their illness at home, and reduce the need for inpatient admissions.
- The National Action Plan for Dementia will be adopted to continue the work commenced under the State Aged Care Plan, Dementia Action Plan.

Service 17: Drug and Alcohol Services

The Drug and Alcohol Office is responsible for drug and alcohol strategies and services in Western Australia. The agency provides or contracts a State-wide network of treatment services, a range of prevention programs, professional education and training and research activities. It coordinates whole-of-government policies and strategies in conjunction with State and Commonwealth Government agencies.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	37,759	39,887	42,491	45,746	NGO contract transfer
Less Income.....	5,579	6,141	8,226	7,530	
Net Cost of Service ^(a)	32,180	33,746	34,265	38,216	
Adjustments ^(b)	(335)	(17)	(97)	(97)	
Appropriation for delivery of Service ^(a)	31,845	33,729	34,168	38,119	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actuals. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

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

Key Efficiency Indicators ^(a)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost of client episodes for non-residential and residential alcohol and other drug services	\$890	\$939	\$1,000	\$1,052	
Full-time Equivalents (FTEs) ^(a)	172	0	178	178	

(a) FTEs were not aligned to the new service structure in the 2006-07 Budget Statements, and so no budget for FTEs by service group in 2006-07 was set.

Major Achievements For 2006-07

- Implementation of the Western Australian Alcohol Plan 2005-09 has been expanded to include a program of regional forums focussing on alcohol supply and reducing alcohol related harm. The Drug and Alcohol Office and the Local Government Association have jointly published an alcohol management resource and are supporting the introduction of recommended initiatives.
- The 'Enough is Enough' and 'Drug Aware' public health campaigns, aiming to reduce alcohol related harm and illicit drug abuse respectively, were conducted in conjunction with local community action. Both campaigns are continuing.
- The State-wide network of community drug service teams and other key specialist alcohol and drug services have developed Memoranda of Understanding with local mental health services across the State, addressing liaison and consultation, referral pathways and integrated care protocols.
- The South Metropolitan Community Drug Service has been established through the integration of the services operated by the Palmerston Association and the Drug and Alcohol Office. This has enabled a new centre to be opened in Rockingham.
- The Drug and Alcohol Office has provided training related to volatile substance misuse to alcohol and other drug workers in the government and non-government sectors, with particular focus on developing the skills and knowledge of Aboriginal workers. Additionally, a taskforce on butane misuse established by the Minister for Health has led to the introduction of a Code of Conduct to reduce the supply of solvents.
- Key government departments have contributed to the annual report on the Western Australian Drug and Alcohol Strategy and are developing annual agency action plans in conjunction with the Drug and Alcohol Office.
- Dedicated Aboriginal beds with Aboriginal staff and culturally secure programs have been established in the Drug and Alcohol Office inpatient detoxification service and the Cyrenian House residential rehabilitation service in the North Metropolitan region.
- The 'Strong Spirit Strong Mind' Aboriginal cultural awareness-training program has been provided to the Drug and Alcohol Office prevention and treatment staff in conjunction with service reviews to better meet the needs of Aboriginal people. Introductory training has been provided to the broader alcohol and other drug sector.

Major Initiatives For 2007-08

- Comprehensive and expanded services will be provided to all metropolitan regions by integrating the medical services provided by the Drug and Alcohol Office with non-government drug and alcohol services.
- The mental health skill base of the drug and alcohol sector will be developed to extend case management to include mental health status assessments, interventions for anxiety and depression, and effective shared case management.
- Formal arrangements for service coordination between alcohol and drug services and child protection services will be developed across the State. This will include arrangements for shared case management.

- New dedicated beds and a culturally secure program will be established for Aboriginal clients at the Palmerston residential rehabilitation program in the South Metropolitan region.
- The Drug and Alcohol Office will support the introduction of basic drug and alcohol interventions in acute and general health services including brief intervention for alcohol and smoking.
- Amphetamine abuse will be the focus of the 'Drug Aware' public health campaign that addresses the prevention of illicit drug abuse.
- Expanded prevention and treatment interventions to address cannabis use will be developed in conjunction with the statutory review of the *Cannabis Control Act 2004* to be completed by November 2007.

CAPITAL WORKS PROGRAM

The capital works program facilitates remodelling and development of current health infrastructure, as defined by the health reform agenda, and identifies future areas of need. The planned capital expenditure for 2007-08 is \$324.5 million. Program initiatives include the continuation of key reform strategies to develop the major projects of metropolitan general and tertiary hospitals, regional resource centres and enhance existing mental health facilities.

North Metropolitan Area Health Service:

- commence development of the Joondalup Health Campus to expand the emergency centre and associated support services, plus provides additional acute hospital and mental health beds;
- finalise planning and commence development of the Osborne Park Hospital, Stage 1 development that will include satellite renal dialysis, expanded day rehabilitation and refurbishment of existing acute inpatient rehabilitation facilities;
- complete construction and commence operation of the State Neurosciences Centre at Sir Charles Gairdner Hospital;
- continue development of the new Central Tertiary Hospital Stage 1, which will include research, education, pathology facilities, State Cancer Centre Stage 2, and remodelling/refurbishing of existing inpatient facilities; and
- finalise planning and commence development of the new Swan District General Hospital 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.

South Metropolitan Area Health Service:

- continue development of the Armadale Kelmscott Memorial Hospital to expand emergency department capacity and provide enhanced facilities for rehabilitation services;
- complete construction and commence operation of the burns /trauma unit at Royal Perth Hospital;
- continue construction 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 new Fiona Stanley (Southern Tertiary) Hospital, which will contain the new State Trauma Centre and Burns Centre and major cancer services including radiotherapy, paediatric and neonatal facilities and acute mental health care;
- continue development of the expansion of Peel Health Campus, to double the capacity of the emergency department;
- commence development of 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
- continue development of the Murray District Health Centre to accommodate general practitioner services, and provide enhanced community-based aged care, mental health and Aboriginal health services.

Womens and Childrens Health Services:

- continue construction of modifications at Princess Margaret Hospital and King Edward Memorial Hospital to ensure existing facilities are safe and appropriate to meet operational requirements.

Western Australian Country Health Services:

- complete construction of a new mental health clinic and additional mental health beds at the South West Health Campus;
- complete construction of a replacement ten chair dental clinic at Bunbury;
- finalise planning and commence development of a new facility to replace the Busselton District Hospital;
- continue construction of the Stage 1 redevelopment of Broome Hospital as the regional resource centre for the Kimberley that 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 (multi-purpose centre development) and replacement hospital/multi-purpose centre at Fitzroy Crossing;
- continue construction of new health facilities at Denmark, which will include hospital inpatient and outpatient services and residential aged care services;
- continue construction of the Morawa and Perenjori Multi-purpose Centre – replacement;
- continue the ongoing \$24 million program (\$6 million in 2007-08) for renewal of country housing to attract and retain country staff;
- finalise planning and commence development of the Albany Regional Hospital Redevelopment Stage 1;
- continue development of the Hedland Regional Resource Centre Replacement Stage 2 that will accommodate hospital inpatient and outpatient services, allied health and support services and replace the ageing facility at Port Hedland;
- continue planning and commence development of the Kalgoorlie Regional Resource Centre, which will include an upgrade and expansion of emergency department, medical imaging, day surgery and theatres.

Mental Health Services:

Complete the expansion of mental health facilities which, 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 program of \$241.0 million to upgrade and replace hospital equipment (\$37.5 million in 2007-08) to provide better services for patients and a better work environment for staff;
- continue the ongoing program of \$253.0 million to maintain the existing capital infrastructure of health facilities (\$34.5 million in 2007-08), including the replacement of building services components, hospital plant and equipment and the undertaking of other minor building works; and
- develop the information management capital plan that outlines the key investments and operational budgets required to deliver effective and efficient information management support for WA Health's clinical and administrative business.

The capital works program table details capital projects completed in 2006-07, and those to continue or expected to commence in 2007-08. The table excludes all projects commencing beyond 2007-08.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Equipment:				
Equipment Replacement Program – Controlled	26,149	-	-	21,297
Hospitals, Health Centres and Community Facilities:				
<i>Metropolitan</i>				
Armadale Kelmscott Hospital – Development	8,972	-	-	2,335
Graylands Hospital - Redevelopment Planning	600	100	66	500
King Edward Memorial Hospital – Holding	150	-	-	150
North Perth Dental Extension	300	21	10	279
Peel Health Campus - Emergency Department Expansion	3,000	512	512	2,046
Rockingham Kwinana Hospital - Redevelopment Stage 1	92,136	4,070	3,000	45,000
Metropolitan Plan Implementation:				
SCGH Neurosciences Centre - Radiological Services	5,505	4,000	4,000	1,505
<i>Country</i>				
Broome Regional Resource Centre - Redevelopment Stage 1	42,000	3,747	2,591	22,261
Bunbury - Replacement Dental Clinic	3,186	896	896	2,206
Carnarvon Integrated Health Service - Redevelopment Stage 1	2,300	336	143	1,950
Country Staff Accommodation - Stage 3	24,068	8,068	4,520	6,000
Denmark Multi-purpose Centre – Replacement	18,000	1,878	1,757	12,610
Kimberley - Various Health Project Developments	45,300	30,590	12,009	13,247
Kununurra Integrated District Health Service - Development (incl New Dental Clinic)	6,800	5,643	4,747	1,157
Morawa and Perenjori Multi-purpose Centre – Replacement	9,130	279	279	6,700
Murray District Health Centre	4,300	-	-	2,810
South West Health Campus - Inpatient Mental Health Unit Expansion	6,584	2,508	2,508	3,956
South West Health Campus - New Mental Health Clinic	3,274	1,568	1,568	1,706
Wyndham Multi-purpose Centre – Development	4,500	218	196	1,464
<i>Other</i>				
Land Acquisition	5,750	4,850	858	900
Mental Health Initiatives	7,980	7,580	7,580	400
Pathways Home Program	23,000	3,225	3,000	11,000
Imaging:				
Picture Archive and Communication System - Stage 1 Metro and Country	6,500	5,200	831	1,300
Other Projects:				
Carryover – Various	1,857	1,176	196	164
Infrastructure Planning	4,500	4,098	1,186	402
Minor Buildings Works	19,237	-	-	4,633
Corporate and Shared Services Reform - Health Corporate Network	1,113	1,113	-	-
COMPLETED WORKS				
Equipment				
SCGH - State Cancer Centre Stage 1 - Linear Accelerator	12,271	12,271	1,192	-
Hospitals, Health Centres and Community Facilities:				
<i>Metropolitan</i>				
Fremantle Hospital – Developments	5,400	5,400	-	-
Joondalup Dental Clinic	2,200	2,200	591	-
New Swan Health Campus – Land	11,300	11,300	7,925	-
RPH and Shenton Park Hospital – Developments	24,500	24,500	5,062	-
Metropolitan Plan Implementation:				
Swan Hospital - Obstetrics Unit	1,903	1,903	3	-
<i>Country</i>				
Albany Regional Resource Centre - Rehabilitation Day Centre - Refurbishment	820	820	781	-
Community Health Facilities Expansion State-wide	6,202	6,202	555	-
Country Hospitals Ultrasound machines	67	67	67	-
Denmark Multi-purpose Centre - Planning and Upgrade	500	500	30	-
Energy Smart Program	76	76	37	-
Geraldton Regional Resource Centre – Redevelopment	49,000	49,000	1,555	-
Hedland Regional Resource Centre - Replacement Stage 1 - Residential Care ...	14,650	14,650	4,664	-
Margaret River Hospital – Upgrade	3,430	3,430	925	-
Moora Multi-purpose Centre - Redevelopment	8,687	8,687	1,125	-
Morawa Multi-purpose Centre - Fees and Initial Works	890	890	653	-
Port Hedland Regional Resource Centre - Interim Works	2,505	2,505	511	-
Information and Communication and Infrastructure:				
Communication Infrastructure	11,000	11,000	3,452	-
ICT Shared Services – Relocation	500	500	460	-
<i>Other Projects</i>				
Hedland New Accommodation	745	745	106	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
State-wide Condition Audit - Stage 2	18,032	18,032	883	-
WA Country Health Service - Refurbishment Stage 2	1,100	1,100	500	-
NEW WORKS ^(a)				
Hospitals, Health Centres and Community Facilities:				
Carnarvon Sobering Up Centre	500	-	-	500
Sub Total of Non Administered Projects ^(b)	552,469	267,454	84,517	168,478
HEALTH REFORM AND BROADER HEALTH INITIATIVES FUNDING INCLUDED IN DEPARTMENT OF TREASURY AND FINANCE ADMINISTERED ITEM ^(c)				
Equipment:				
Equipment Replacement Program	215,251	89,712	39,081	16,203
Hospitals, Health Centres and Community Facilities:				
<i>Metropolitan</i>				
Armadale Kelmscott Hospital – Development	6,998	200	200	265
Fremantle Hospital – Holding	15,000	465	465	3,720
Joondalup Health Campus - Development Stage 1	122,672	2,400	2,000	15,740
Joondalup Health Campus - Inpatient Mental Health Unit – Expansion	8,650	810	810	5,500
King Edward Memorial Hospital – Holding	19,850	200	200	3,350
Princess Margaret Hospital – Holding	15,000	600	600	5,600
Fiona Stanley Hospital - New Stage 1	1,092,421	3,836	3,836	15,150
Metropolitan Plan Implementation:				
Royal Perth Hospital - Holding	10,000	2,325	2,325	3,255
<i>Country</i>				
Busselton Integrated District Health Service – Replacement	65,000	930	930	3,720
Hedland Regional Resource Centre - Replacement Stage 2	114,000	1,780	1,780	10,253
Murray District Health Centre	1,170	170	170	1,000
South West Health Campus - Inpatient Mental Health Unit Expansion	1,020	1,020	675	-
South West Health Campus - New Mental Health Clinic	480	480	318	-
Information and Communication Equipment and Infrastructure:				
Corporate and Shared Services Reform - Health Corporate Network	11,700	7,700	3,024	4,000
Information and Communication Technology	335,000	4,235	2,000	26,000
Other Projects -				
Infrastructure Planning	7,200	3,127	1,480	686
Minor Buildings Works	234,193	51,586	18,701	29,867
Mental Health Initiatives	3,920	3,920	-	-
WA Country Health Service Picture Archive Computerised System	6,500	500	500	3,000
COMPLETED WORKS				
Hospitals, Health Centres and Community Facilities:				
South Metropolitan Obstetrics (Woodside Hospital)	830	830	830	-
NEW WORKS ^(d)				
Hospitals, Health Centres and Community Facilities:				
<i>Metropolitan</i>				
Central Tertiary Hospital - Development Stage 1	530,672	-	-	1,495
Fremantle Hospital - Reconfiguration Stage 1	13,211	-	-	-
Mandurah Community Health Centre - Development Stage 2	3,200	-	-	792
New Swan Health Campus (Buildings)	181,200	-	-	200
Osborne Park Hospital - Reconfiguration Stage 1	79,039	-	-	1,000
Princess Margaret Hospital - Redevelopment / Replacement	206,799	-	-	-
Metropolitan Plan Implementation:				
Bentley Hospital - Development	22,841	-	-	-
Graylands Hospital - Development Stage 1	16,084	-	-	-
Kalamunda Hospital - Redevelopment Stage 2	15,439	-	-	500
Peel Health Campus - Development Stage 1	7,659	-	-	-
Shenton Park – Holding	5,000	-	-	1,860
<i>Country</i>				
Albany Regional Resource Centre - Redevelopment Stage 1	26,800	-	-	1,800
Carnarvon Integrated District Health Service - Redevelopment Stage 2	6,000	-	-	-
Eastern Wheatbelt District (incl Merredin) - Development and Restructuring	9,000	-	-	-
Esperance Integrated District Health Service – Redevelopment	13,000	-	-	-
Harvey Hospital – Redevelopment	6,200	-	-	33
Kalgoorlie Regional Resource Centre - Redevelopment Stage 1	40,000	-	-	-
South West Health Campus - Intensive Care Unit	300	-	-	300
South West Health Campus - New Radiotherapy Facility	8,500	-	-	660
Upper Great Southern District (inc Narrogin) - Development and Restructuring	9,000	-	-	-
WACHS and SWAHS Rural Various - 12 Year program for allocation	29,226	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
Other Projects:				
Country - Staff Accommodation- Stage 4	10,000	-	-	-
Country - Transport Initiatives.....	3,326	-	-	47
Sub Total of Administered Projects ^(e)	3,529,351	176,826	79,925	155,996
GRAND TOTAL	4,081,820	444,280	164,442	324,474

(a) Comprises new works commencing in 2007-08 Budget year.

(b) Prior year expenditure includes expenditure funded from Administered Appropriations where relevant.

(c) Global funding for these projects is appropriated to the Department of Treasury and Finance Administered Item 127.

(d) Comprises new works commencing in 2007-08 Budget year.

(e) The 2006-07 Department of Treasury and Finance Administered Item projects total of \$79.9 million includes a carryover amount of \$18.2 million.

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	121,255	278,031	164,442	324,474	361,918	511,697	640,714
Working Capital Requirement							
Loan and Other Repayments	12,181	11,771	12,934	13,619	14,645	15,408	16,222
	133,436	289,802	177,376	338,093	376,563	527,105	656,936
LESS							
Asset Sales	226	900	1,693	900	900	900	900
Commonwealth Grants	3,567	-	2,505	-	-	-	-
Drawdowns from the Holding Account	32,267	13,605	13,605	1,569	-	-	-
Funding Included in Service Appropriations ...	-	-	-	10,930	11,203	11,483	11,770
Funding Included in Department of Treasury and Finance - Administered Item	52,102	178,509	61,743	140,846	222,566	382,566	333,803
Funding Included in Department of Treasury and Finance - Fiona Stanley Hospital	-	-	-	15,150	56,579	106,142	297,136
Internal Funds and Balances	(8,288)	-	18,178	-	-	-	-
Other.....	4,839	2,420	2,487	-	-	-	-
Capital Contribution	48,723	94,368	77,165	168,698	85,315	26,014	13,327

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(a)	1,868,103	1,957,764	2,021,641	2,120,210	2,235,529	2,359,879	2,495,506
Superannuation	163,333	162,133	175,260	183,202	192,288	203,106	215,701
Grants and subsidies ^(b)	343,820	352,492	356,772	391,744	405,109	413,933	435,839
Supplies and services	257,543	301,680	305,587	329,396	344,518	361,346	380,995
Accommodation	44,661	46,263	46,260	48,641	51,372	53,899	56,607
Finance costs	12,577	11,017	11,873	11,011	10,070	9,372	8,874
Capital user charge ^(c)	111,303	168,130	168,130	-	-	-	-
Depreciation and amortisation	91,039	93,963	103,003	99,478	110,719	113,301	118,592
Direct patient support	443,495	461,095	466,365	492,773	519,069	546,622	579,091
Indirect patient support	85,659	93,320	94,588	99,779	105,006	110,299	116,592
Visiting medical practitioners	77,746	86,130	87,409	92,179	96,972	101,742	107,461
Private sector contracts	137,106	146,454	149,475	156,178	169,058	178,629	189,578
Loss on disposal of non-current assets	2,223	-	-	-	-	-	-
Other expenses	9,225	8,856	9,521	9,964	10,375	10,946	11,547
TOTAL COST OF SERVICES	3,647,833	3,889,297	3,995,884	4,034,555	4,250,085	4,463,074	4,716,383
Income							
User charges and fees	123,681	125,152	135,234	147,706	154,748	161,727	168,969
Gain on disposal of non-current assets	399	-	1,030	288	288	288	288
Grants and subsidies	305,562	283,224	313,430	321,523	324,200	333,480	346,460
Interest revenue	12,191	9,713	12,264	11,416	11,416	11,416	11,416
Rent	681	853	579	579	579	579	579
Donations	7,725	6,457	8,335	5,427	5,473	5,521	5,570
Health fees and recoveries	84,707	57,215	86,056	90,436	90,089	90,591	91,109
Proceeds from disposal of non-current assets ..	-	910	-	-	-	-	-
Other revenue	33,513	48,223	32,693	16,850	17,593	19,953	21,157
Total Income	568,459	531,747	589,621	594,225	604,386	623,555	645,548
NET COST OF SERVICES ^(c)	3,079,374	3,357,550	3,406,263	3,440,330	3,645,699	3,839,519	4,070,835
INCOME FROM STATE GOVERNMENT							
Service appropriations ^(c)	3,049,822	3,356,060	3,397,700	3,431,767	3,637,136	3,830,956	4,062,272
Resources received free of charge	1,437	1,490	1,490	1,490	1,490	1,490	1,490
Liabilities assumed by the Treasurer	7,703	-	7,073	7,073	7,073	7,073	7,073
Change in equity arising from transfer of assets/liabilities	363	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	3,059,325	3,357,550	3,406,263	3,440,330	3,645,699	3,839,519	4,070,835
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(20,049)	-	-	-	-	-	-
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(20,049)	-	-	-	-	-	-

(a) The Full-time Equivalents (FTEs) for 2005-06 Actual, 2006-07 Estimated Actual and 2007-08 Estimate are 26,630, 27,199 and 27,734 respectively.

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

(c) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

**BALANCE SHEET
(Controlled)**

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CURRENT ASSETS							
Cash and cash equivalents	117,166	82,804	92,176	92,176	92,176	91,276	90,376
Restricted cash	73,051	71,577	73,051	73,051	73,051	73,051	73,051
Receivables	77,937	63,969	79,812	81,756	83,411	85,114	86,014
Inventories	27,761	24,058	27,761	27,761	27,761	27,761	27,761
Interest receivable	255	569	283	315	349	385	385
Amounts receivable for services	13,605	1,569	1,569	-	-	-	-
Prepayments	4,593	7,769	4,610	4,628	4,644	4,661	4,661
Total current assets	314,368	252,315	279,262	279,687	281,392	282,248	282,248
NON-CURRENT ASSETS							
Amounts receivable for services	311,226	436,235	445,275	577,413	720,837	868,378	1,023,093
Land and buildings	1,918,136	1,838,226	1,971,845	2,008,180	2,074,433	2,113,568	2,049,777
Investments	1,216	1,006	1,216	1,216	1,216	1,216	1,216
Plant and equipment	207,329	234,769	219,649	174,598	164,877	129,789	64,058
Intangibles	511	14,539	8,680	11,930	10,374	9,588	8,853
Other	79,053	225,831	87,000	259,870	445,245	828,897	1,468,606
Total non-current assets	2,517,471	2,750,606	2,733,665	3,033,207	3,416,982	3,951,436	4,615,603
TOTAL ASSETS	2,831,839	3,002,921	3,012,927	3,312,894	3,698,374	4,233,684	4,897,851
CURRENT LIABILITIES							
Payables ^(a)	116,265	105,778	108,204	95,367	96,844	98,365	98,365
Provision for employee entitlements	321,205	342,738	345,415	368,025	392,180	417,449	446,719
Borrowings	9,287	10,270	9,687	10,127	10,590	11,024	11,024
Interest payable	2,035	2,202	2,035	2,035	2,035	2,035	2,035
Finance leases	3,579	3,100	3,502	3,424	3,424	3,424	3,424
Accrued salaries	56,887	49,278	62,849	77,455	77,479	77,504	77,504
Other	3,199	6,817	3,423	3,648	3,852	4,062	4,062
Total current liabilities	512,457	520,183	535,115	560,081	586,404	613,863	643,133
NON-CURRENT LIABILITIES							
Provision for employee entitlements	75,314	82,525	83,619	93,669	102,219	111,190	118,043
Borrowings	184,698	179,171	175,017	165,020	154,674	144,043	133,523
Finance leases	76,774	56,332	74,090	71,363	67,858	62,647	56,945
Total non-current liabilities	336,786	318,028	332,726	330,052	324,751	317,880	308,511
TOTAL LIABILITIES	849,243	838,211	867,841	890,133	911,155	931,743	951,644
EQUITY							
Contributed equity	578,419	860,394	720,694	1,045,388	1,409,848	1,924,570	2,568,836
Accumulated surplus/(deficit)	(113,322)	(104,450)	(113,322)	(113,322)	(113,322)	(113,322)	(113,322)
Reserves	1,517,499	1,408,766	1,537,714	1,490,695	1,490,693	1,490,693	1,490,693
Total equity	1,982,596	2,164,710	2,145,086	2,422,761	2,787,219	3,301,941	3,946,207
TOTAL LIABILITIES AND EQUITY	2,831,839	3,002,921	3,012,927	3,312,894	3,698,374	4,233,684	4,897,851

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

CASHFLOW STATEMENT (Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	2,928,171	3,229,482	3,262,082	3,299,629	3,493,712	3,683,415	3,907,557
Capital contribution	48,723	94,368	77,165	168,698	85,315	26,014	13,327
Holding account drawdowns	32,267	13,605	13,605	1,569	-	-	-
Net cash provided by State government	3,009,161	3,337,455	3,352,852	3,469,896	3,579,027	3,709,429	3,920,884
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(1,807,467)	(1,918,115)	(1,983,164)	(2,072,944)	(2,202,823)	(2,325,639)	(2,459,383)
Superannuation	(156,385)	(159,435)	(165,528)	(173,461)	(185,215)	(196,033)	(208,628)
Grants and subsidies	(343,820)	(351,872)	(356,772)	(391,744)	(405,109)	(413,933)	(435,839)
Supplies and services	(245,502)	(291,681)	(296,704)	(315,647)	(338,608)	(356,115)	(375,445)
Accommodation.....	(44,661)	(46,433)	(46,430)	(48,943)	(51,372)	(53,899)	(56,607)
Finance costs	(12,744)	(11,852)	(11,873)	(11,011)	(10,070)	(9,372)	(8,874)
Capital user charge ^(a)	(111,303)	(168,130)	(168,130)	-	-	-	-
Direct patient support.....	(428,718)	(462,118)	(467,388)	(505,923)	(519,069)	(546,622)	(579,091)
Indirect patient support	(82,805)	(96,082)	(97,350)	(104,919)	(105,004)	(110,299)	(116,592)
Visiting medical practitioners	(75,156)	(86,130)	(87,409)	(92,179)	(96,972)	(101,742)	(107,461)
Private sector contracts	(137,106)	(150,454)	(153,695)	(160,178)	(169,058)	(178,629)	(189,578)
Goods and services tax	(138,129)	(148,575)	(148,795)	(148,575)	(148,575)	(156,747)	(165,368)
Other.....	(9,225)	(9,247)	(9,173)	(8,878)	(9,755)	(8,645)	(10,057)
Receipts							
User charges and fees.....	107,689	125,152	135,234	147,707	154,748	161,727	168,969
Grants and subsidies	301,297	283,224	313,430	321,523	324,200	333,480	346,460
Interest received.....	12,450	9,713	12,264	11,416	11,416	11,416	11,416
Rent receipts.....	681	852	578	579	579	579	579
Donations receipts.....	7,725	6,457	8,335	5,427	5,473	5,521	5,570
Goods and services tax	136,467	148,575	148,795	148,575	148,575	156,747	165,368
Health fees and recoveries	84,707	57,216	86,057	90,436	90,089	90,591	91,109
Other receipts	34,848	48,437	32,234	16,445	19,319	19,331	20,535
Net cash from operating activities.....	(2,907,157)	(3,220,498)	(3,255,484)	(3,292,294)	(3,487,231)	(3,678,283)	(3,902,917)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(153,837)	(278,031)	(165,051)	(313,544)	(350,715)	(500,214)	(628,944)
Proceeds from sale of non-current assets	226	910	1,703	910	910	910	910
Equity contribution receipts.....	52,102	178,509	61,743	155,996	279,145	488,708	630,939
Net cash from investing activities.....	(101,509)	(98,612)	(101,605)	(156,638)	(70,660)	(10,596)	2,905
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(8,955)	(6,017)	(9,245)	(9,557)	(9,883)	(10,197)	(10,520)
Other payments for financing activities.....	(11,324)	(14,638)	(11,408)	(11,407)	(11,253)	(11,253)	(11,252)
Net cash from financing activities	(20,279)	(20,655)	(20,653)	(20,964)	(21,136)	(21,450)	(21,772)
NET INCREASE/(DECREASE) IN CASH HELD	(19,784)	(2,310)	(24,890)	-	-	(900)	(900)
Cash assets at the beginning of the reporting period	210,213	156,992	190,429	165,439	165,439	165,439	164,539
Net cash transferred to/from other agencies	-	(100)	(100)	-	-	-	-
Cash assets at the end of the reporting period.....	190,429	154,582	165,439	165,439	165,439	164,539	163,639

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

RECONCILIATION RELATING TO REMOVAL OF CAPITAL USER CHARGE

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	3,647,833	3,889,297	3,995,884	4,034,555	4,250,085	4,463,074	4,716,383
Less Capital User Charge.....	111,303	168,130	168,130	-	-	-	-
Adjusted Total Cost of Services	3,536,530	3,721,167	3,827,754	4,034,555	4,250,085	4,463,074	4,716,383
APPROPRIATIONS							
Net amount appropriated to deliver services	3,049,822	3,356,060	3,397,700	3,431,767	3,637,136	3,830,956	4,062,272
Less Capital User Charge.....	111,303	168,130	168,130	-	-	-	-
Net amount appropriated to deliver services	2,938,519	3,187,930	3,229,570	3,431,767	3,637,136	3,830,956	4,062,272

SCHEDULE OF ADMINISTERED EXPENSES AND INCOME

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Receipts paid into consolidated account.....	817,100	869,562	866,343	915,412	967,769	1,023,597	1,082,675
TOTAL ADMINISTERED EXPENSES ^(a) ..	817,100	869,562	866,343	915,412	967,769	1,023,597	1,082,675
INCOME							
Grants and subsidies	817,100	869,562	866,343	915,412	967,769	1,023,597	1,082,675
TOTAL ADMINISTERED INCOME ^(b)	817,100	869,562	866,343	915,412	967,769	1,023,597	1,082,675

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

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

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Receipts paid into Consolidated account.....	(817,100)	(869,562)	(866,343)	(915,412)	(967,769)	(1,023,597)	(1,082,675)
TOTAL ADMINISTERED CASH OUTFLOWS	(817,100)	(869,562)	(866,343)	(915,412)	(967,769)	(1,023,597)	(1,082,675)
CASH INFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Grants and subsidies	817,100	869,562	866,343	915,412	967,769	1,023,597	1,082,675
TOTAL ADMINISTERED CASH INFLOWS.....	817,100	869,562	866,343	915,412	967,769	1,023,597	1,082,675
NET CASH INFLOWS/(OUTFLOWS) FROM ADMINISTERED TRANSACTIONS.....	-	-	-	-	-	-	-

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
Admitted patient services	24,521	25,140	25,444	27,802	28,755	29,385	30,947
Specialised mental health services	2,332	2,390	2,420	2,644	2,734	2,794	2,943
Hospital in the home (HITH) services.....	3,684	3,777	3,822	4,177	4,320	4,414	4,649
Palliative care.....	4,289	4,397	4,451	4,863	5,030	5,140	5,413
Emergency department services	240	246	249	272	281	287	303
Non-admitted patient services	32,603	33,426	33,831	38,889	40,158	40,994	43,069
Patient transport services	50,393	51,664	52,292	57,135	59,094	60,387	63,598
Prevention and promotion services	11,314	11,599	11,740	12,827	13,267	13,557	14,278
Health protection services.....	8,598	8,815	8,922	9,749	10,083	10,304	10,852
Dental health services	9,145	9,375	9,489	10,368	10,723	10,958	11,541
Home and community care service	138,402	141,893	143,616	156,919	162,299	165,851	174,669
Aged Care Assessment	269	277	280	306	316	323	341
Community mental health services.....	16,804	17,228	17,437	19,052	19,705	20,137	21,207
Residential care.....	12,003	12,305	12,455	13,608	14,075	14,383	15,148
Residential mental health care	6,250	6,408	6,486	7,087	7,330	7,490	7,888
Chronic illness and continuing care support	2,793	2,863	2,898	3,166	3,275	3,347	3,525
Drug and alcohol services.....	20,180	20,689	20,940	22,880	23,664	24,182	25,468
TOTAL	343,820	352,492	356,772	391,744	405,109	413,933	435,839

DETAILS OF THE ADMINISTERED TRANSACTIONS EXPENSES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
OTHER STATE SERVICES							
Receipts paid into Consolidated Fund	817,100	869,562	866,343	915,412	967,769	1,023,597	1,082,675
TOTAL	817,100	869,562	866,343	915,412	967,769	1,023,597	1,082,675

DETAILS OF THE ADMINISTERED TRANSACTIONS INCOME

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
COMMONWEALTH GRANTS							
Grants and Subsidies.....	817,100	869,562	866,343	915,412	967,769	1,023,597	1,082,675
TOTAL	817,100	869,562	866,343	915,412	967,769	1,023,597	1,082,675

AGENCY SPECIAL PURPOSE ACCOUNT DETAILS**Hospital Special Purpose Account**

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

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
Opening Balance	8,880	-	-	-
Receipts:				
Appropriations	2,304,141	2,486,766	2,542,426	2,525,253
Other.....	110,668	82,013	84,477	88,900
	2,423,689	2,568,779	2,626,903	2,614,153
Payments	2,423,689	2,568,779	2,626,903	2,614,153
CLOSING BALANCE	-	-	-	-

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the Department:

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
Proceeds from services provided by Health Statistics Branch.....	4	-	1	1
Proceeds from services provided by Environmental Health Services	1,244	1,021	1,051	1,039
Proceeds from services provided by Community Support Services	2,827	1,514	3,058	3,134
Proceeds from services provided by Health Promotion Services	570	722	-	-
Proceeds from services provided by Miscellaneous Services	2,513	2,327	2,480	2,436
Proceeds for services provided by the Drug and Alcohol Office (DAO)	41	120	150	100
GST input credits	55,315	58,406	57,686	60,518
GST receipts on sales	1,969	2,491	1,995	2,154
Commonwealth Specific Purpose Programs: ^(a)				
Australian Immunisation Agreement	11,481	11,790	13,745	12,243
Building Solid Families	803	803	803	803
Civilian Disaster Medical Assistance Program	6	-	4	-
Clinical Preceptor Program	86	59	59	59
Council of Australian Governments (COAG) Commonwealth funded initiatives and programs relating to the Western Australian Drug Abuse Strategy Office	4,254	4,735	6,037	5,993
DAO - Ministerial Council on Drug Strategy	126	-	-	-
DAO - Tough on Drugs Program	312	-	1,271	888
HealthConnect	500	-	-	-
Home and Community Care	80,794	87,791	87,673	95,230
Home and Community Care - Veterans Home Care	1,277	1,309	1,305	1,342
Kutjunka Nursing Funding	-	-	206	-
Mental Health - National Benchmarking Program	420	-	-	-
Mental Health - Quality Through Outcome	760	-	650	-
Other Commonwealth Programs	-	-	500	500
Post Graduate Medical Council	41	-	-	-
Public Health - Breast Cancer Counselling	122	116	116	-
Public Health - COAG Needle and Syringe Program	1,003	1,029	1,029	1,068
Public Health - Foodborne Disease Sentinel Site (OZFood Net)	187	-	130	130
Public Health - Hepatitis C - Education and Prevention	253	260	260	266
Public Health - Human Quarantine Program	18	19	19	20
Public Health - Data Linkage	100	-	123	123
Public Health - Geriatric Evaluation and Management Rehabilitation Program ..	174	-	75	-
Public Health - Identifying Indigenous Hospital Patients	-	-	32	-
Public Health - Outpatient Care Services	175	-	-	-
Public Health - National Indigenous Immunisation	454	448	460	474
Public Health - Pandemic Influenza Program	-	-	200	-
Public Health - Pneumococcal Disease Program	-	15	-	-
Public Health - Trachoma Surveillance Program	-	-	100	-
Public Health - Vaccine Preventative Disease	61	-	75	136
Public Health Outcome Funding Agreement	6,957	7,053	7,153	7,439
Strengthening Cancer Care - Rural Programs	580	-	257	56
WA Indigenous Family Healing Program	68	150	136	68
TOTAL	175,495	182,178	188,839	196,220

(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 35

APPROPRIATION AND FORWARD ESTIMATES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 72 Net amount appropriated to deliver services ^(a)	2,635	7,596	5,284	6,119	21,349	5,388	5,218
Amount Authorised by Other Statutes							
- Electoral Act 1907 ^(b)	360	743	903	1,163	277	3,085	294
- Industrial Relations Act 1979	56	56	56	56	56	56	56
Total appropriations provided to deliver services	3,051	8,395	6,243	7,338	21,682	8,529	5,568
CAPITAL							
Item 157 Capital Contribution	-	173	23	150	136	172	-
GRAND TOTAL	3,051	8,568	6,266	7,488	21,818	8,701	5,568

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) The recommendation by the Salaries and Allowances Tribunal of 4 April 2007 in relation to senior public servants salaries was received after the finalisation of agencies' individual financial projections. Accordingly, a provision for the total cost 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 No. 2 Volume 1). This provision will be reflected in agencies' estimates following the release of the 2007-08 Budget.

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

- Substantial changes have been made to the *Electoral Act 1907*, including public funding of political advertising, changes to the Legislative Council count method, tighter privacy controls over elector information and operational changes to electoral practices. Implementation will take full effect during the next State general election in 2009.
- A change to the *Local Government Act 1995* has moved the local government ordinary election date from May to October. This will have a practical effect of further separating the State general election and local government elections.
- Parliament is considering a change to the local government voting system from the first past the post to a proportional preferential system. If enacted, the Commission will be required to revise systems and processes to count, collate, record and report results.
- The 2007 electoral boundary distribution will be finalised. This is the first distribution following changes to the *Electoral Act 1907* implementing 'one vote one value' principles, which will affect representation in Parliament in districts and regions. There will likely be a significant change to electoral boundaries throughout the State. An electoral boundary distribution will now occur every four years instead of every eight years. The new electoral boundaries will apply to the next State general election in 2009.

- The client base for fee for service elections continues to increase, reflecting confidence in the Commission's efficiency and independence.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2006-07 Budget to Parliament on 11 May 2006 are outlined below.

	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
Referendum on Daylight Saving	-	5,000	-	-
Provision of public funding for candidates contesting State elections	235	85	2,865	65

SERVICE AND APPROPRIATION SUMMARY

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
SERVICES							
Service 1:							
Provision of Independent, Impartial and Efficient Electoral Services to Electors for Parliament and other Electoral Clients.	6,460	8,519	6,667	9,662			
Total Cost of Services ^(a)	6,460	8,519	6,667	9,662	22,270	10,721	6,074
Less Income	686	2,543	43	2,543	43	2,543	43
Net Cost of Services ^(a)	5,774	5,976	6,624	7,119	22,227	8,178	6,031
Adjustments ^(b)	(2,723)	2,419	(381)	219	(545)	351	(463)
Appropriation provided to deliver Services ^(a)	3,051	8,395	6,243	7,338	21,682	8,529	5,568
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(c)	-	173	23	150	136	172	-
TOTAL CONSOLIDATED ACCOUNT APPROPRIATIONS	3,051	8,568	6,266	7,488	21,818	8,701	5,568

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (c) Supporting details are disclosed in the Capital Contribution Statement.

OUTCOMES, 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
Developing and maintaining a skilled, diverse and ethical public sector serving the Government with consideration of the public interest.	Western Australian electors participate in independent and impartial elections or referenda conducted by the Commission as part of democratic processes.	1. Provision of Independent, Impartial and Efficient Electoral Services to Electors for Parliament and other Electoral Clients

Outcomes and Key Effectiveness Indicators ^(a)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Outcome: Western Australian electors participate in independent and impartial elections or referenda conducted by the Commission as part of democratic processes.					
The number of relevant breaches of 'Declaration by Officer' (Forms 1) upheld by a Court of Disputed Returns	Nil	Nil	Nil	Nil	New indicator for 2007-08.
Percentage of eligible Western Australian electors on the State Electoral Roll.....	91%	95%	90%	95%	New indicator for 2007-08.
Percentage of enrolled electors voting in State general elections (or by-elections) or referenda	64%	n/a	80%	n/a	No State elections in 2007-08. Victoria Park by-election in 2005-06. Peel by-election in 2006-07.
Average percentage of enrolled electors voting in local government ordinary (or extraordinary) postal elections or referenda conducted by the Commission	29%	38%	34%	38%	Local government ordinary elections moved from May to October.

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

Service 1: Provision of Independent, Impartial and Efficient Electoral Services to Electors for Parliament and Other Electoral Clients.

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

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	6,460	8,519	6,667	9,662	Local government ordinary elections to be conducted in 2007-08. Reflects cost recovery of local government ordinary elections.
Less Income	686	2,543	43	2,543	
Net Cost of Service ^(a)	5,774	5,976	6,624	7,119	
Adjustments ^(b)	(2,723)	2,419	(381)	219	
Appropriation for delivery of Service ^(a)	3,051	8,395	6,243	7,338	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per elector of providing electoral services (enrolment and election management)	\$4.56	\$4.74	\$4.60	\$4.50	One by-election conducted in 2006-07. 2007-08 contains preliminary expenditure for next State general election.
Average cost per elector of conducting State general elections (or by-elections) or referenda events	\$0.24	n/a	\$0.24	\$0.48	
Average cost per elector of conducting local government ordinary (or extraordinary) elections conducted by the Commission	\$1.67	\$2.48	\$1.48	\$2.50	Local government ordinary elections deferred from May 2007 to October 2007.
Full Time Equivalents (FTEs)	43	43	48	48	

Major Achievements For 2006-07

- A 'proof of concept' trial on Internet voting was conducted very successfully for a commercial customer. Opportunities to expand this method of voting are being considered.
- The office of the Electoral Distribution Commissioners was established on a semi-permanent basis, and preparatory work to support the Distribution Commissioners was completed.
- Work commenced on the first phase of the redevelopment of the Electoral Roll Maintenance System (ERMS). This included election related components (declaration vote processing, non-voters), which will be implemented in 2008.

Major Initiatives For 2007-08

- The setting of new electoral boundaries by the Electoral Distribution Commissioners will be finalised by the end of 2007. This distribution will see major changes in district and region boundaries, as it is the first distribution following the introduction of 'one vote, one value' legislation. This will involve the creation of two additional districts to now total 59. The number of members in the Legislative Council will increase by two, to 36, as a result of this legislative amendment.
- Local government ordinary elections, originally scheduled to be conducted in May 2007, will now be conducted in October 2007 following an amendment to the *Local Government Act 1995*.
- The major redevelopment of the election related components of the ERMS will be completed. This will provide a more efficient system together with improved interfaces with the Election Management System. Work on phase two which will redevelop the core components of ERMS, is scheduled to commence in 2008.
- Preparatory work on the conduct of the next State election, scheduled for early 2009, will commence.

CAPITAL WORKS PROGRAM

The Commission's planned capital works expenditure in 2007-08 is for the continuation of the redevelopment of the Electoral Roll Maintenance System, a four year program that commenced in 2006-07. Due to the immediate requirement to develop a computerised count system for the Legislative Council in 2006-07, as initiated by an amendment to the *Electoral Act 1907*, some expenditure allocated for 2006-07 has been carried over to 2007-08.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Electoral Roll Maintenance System Upgrade	790	190	133	500
IT System Upgrade 2006-07 Program	400	250	250	150
COMPLETED WORKS				
Asset Replacement 2006-07 Program	50	50	50	-
Election Management System	275	275	60	-
NEW WORKS				
Asset Replacement 2007-08 Program	50	-	-	50
	1,565	765	493	700

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	328	930	493	700	400	450	50
	328	930	493	700	400	450	50
LESS							
Drawdowns from the Holding Account	110	277	277	50	164	278	50
Funding Included in Service Appropriations ^(a)	215	480	190	500	100	-	-
Internal Funds and Balances	3	-	3	-	-	-	-
Capital Contribution	-	173	23	150	136	172	-

(a) Capital works expensed through the Income Statement.

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(a)	2,900	1,943	2,376	2,584	7,620	2,761	2,545
Superannuation	391	337	404	419	607	419	423
Grants and subsidies ^(b)	-	-	30	-	-	2,800	-
Consultancies expense	57	300	130	500	100	-	-
Supplies and services	2,452	5,157	3,004	5,391	13,145	3,965	2,307
Accommodation	461	487	459	459	489	459	502
Capital user charge ^(c)	-	54	-	-	-	-	-
Depreciation and amortisation	111	164	164	164	164	164	164
Other expenses	88	131	100	145	145	153	133
TOTAL COST OF SERVICES	6,460	8,573	6,667	9,662	22,270	10,721	6,074
Income							
User charges and fees	683	2,543	43	2,543	43	2,543	43
Gain on disposal of non-current assets	3	-	-	-	-	-	-
Total Income	686	2,543	43	2,543	43	2,543	43
NET COST OF SERVICES ^(c)	5,774	6,030	6,624	7,119	22,227	8,178	6,031
INCOME FROM STATE GOVERNMENT							
Service appropriations ^(c)	3,051	8,449	6,243	7,338	21,682	8,529	5,568
Resources received free of charge	36	42	42	42	42	42	43
Liabilities assumed by the Treasurer	122	31	31	31	31	31	120
TOTAL INCOME FROM STATE GOVERNMENT	3,209	8,522	6,316	7,411	21,755	8,602	5,731
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(2,565)	2,492	(308)	292	(472)	424	(300)

(a) The Full Time Equivalents (FTEs) for 2005-06 Actual, 2006-07 Estimated Actual and 2007-08 Estimate are 43, 48 and 48 respectively.

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

(c) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

**BALANCE SHEET
(Controlled)**

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CURRENT ASSETS							
Cash and cash equivalents	272	1,294	337	329	157	281	273
Restricted cash	9	16	17	25	33	41	49
Receivables	345	1,687	255	255	255	255	255
Amounts receivable for services	277	50	50	164	278	50	50
Prepayments	33	55	33	33	33	33	33
Total current assets	936	3,102	692	806	756	660	660
NON-CURRENT ASSETS							
Amounts receivable for services	102	250	250	284	204	352	500
Plant and equipment	239	479	325	361	497	783	669
Other	-	50	50	50	50	50	50
Total non-current assets	341	779	625	695	751	1,185	1,219
TOTAL ASSETS	1,277	3,881	1,317	1,501	1,507	1,845	1,879
CURRENT LIABILITIES							
Payables ^(a)	110	126	106	106	106	106	106
Provision for employee entitlements	113	394	167	201	235	269	303
Accrued salaries	50	16	58	66	74	82	82
Amounts due to the Treasurer	13	-	300	-	300	-	300
Other	32	-	32	32	32	32	32
Total current liabilities	318	536	663	405	747	489	823
NON-CURRENT LIABILITIES							
Provision for employee entitlements	266	247	246	246	246	246	246
Total non-current liabilities	266	247	246	246	246	246	246
TOTAL LIABILITIES	584	783	909	651	993	735	1,069
EQUITY							
Contributed equity	568	741	591	741	877	1,049	1,049
Accumulated surplus/(deficit)	125	2,357	(183)	109	(363)	61	(239)
Total equity	693	3,098	408	850	514	1,110	810
TOTAL LIABILITIES AND EQUITY	1,277	3,881	1,317	1,501	1,507	1,845	1,879

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

CASHFLOW STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	2,888	8,251	6,045	7,140	21,484	8,331	5,370
Capital contribution	-	173	23	150	136	172	-
Holding account drawdowns	110	277	277	50	164	278	50
Net cash provided by State government	2,998	8,701	6,345	7,340	21,784	8,781	5,420
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(3,044)	(1,901)	(2,334)	(2,542)	(7,578)	(2,719)	(2,511)
Superannuation	(268)	(337)	(373)	(388)	(576)	(388)	(303)
Grants and subsidies	-	-	(30)	-	-	(2,800)	-
Consultancies payments.....	(27)	(300)	(130)	(500)	(100)	-	-
Supplies and services	(2,399)	(5,089)	(2,936)	(5,368)	(13,122)	(3,942)	(2,307)
Accommodation.....	(461)	(487)	(459)	(459)	(489)	(459)	(502)
Capital user charge ^(a)	-	(54)	-	-	-	-	-
Goods and services tax	-	(80)	(84)	(80)	(80)	(80)	(90)
Other.....	(95)	(126)	(126)	(126)	(126)	(134)	(90)
Receipts							
User charges and fees.....	1,322	1,043	43	2,543	43	2,543	43
Goods and services tax	-	80	170	80	80	80	90
Other receipts	4	-	-	-	-	-	-
Net cash from operating activities.....	(4,968)	(7,251)	(6,259)	(6,840)	(21,948)	(7,899)	(5,670)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(89)	(450)	(300)	(200)	(300)	(450)	(50)
Proceeds from sale of non-current assets	3	-	-	-	-	-	-
Net cash from investing activities.....	(86)	(450)	(300)	(200)	(300)	(450)	(50)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(107)	-	(143)	(2,500)	-	(2,500)	-
Proceeds from borrowings	120	-	430	2,200	300	2,200	300
Net cash from financing activities	13	-	287	(300)	300	(300)	300
NET INCREASE/(DECREASE) IN CASH HELD	(2,043)	1,000	73	-	(164)	132	-
Cash assets at the beginning of the reporting period	2,324	310	281	354	354	190	322
Cash assets at the end of the reporting period.....	281	1,310	354	354	190	322	322

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

RECONCILIATION RELATING TO REMOVAL OF CAPITAL USER CHARGE

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	6,460	8,573	6,667	9,662	22,270	10,721	6,074
Less Capital User Charge.....	-	54	-	-	-	-	-
Adjusted Total Cost of Services	6,460	8,519	6,667	9,662	22,270	10,721	6,074
APPROPRIATIONS							
Net amount appropriated to deliver services	3,051	8,449	6,243	7,338	21,682	8,529	5,568
Less Capital User Charge.....	-	54	-	-	-	-	-
Adjusted net amount appropriated to deliver services.....	3,051	8,395	6,243	7,338	21,682	8,529	5,568

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
Public Funding of Political Parties and Candidates in State Elections.....	-	-	30	-	-	2,800	-
TOTAL	-	-	30	-	-	2,800	-

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the Department:

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
Extraneous Election Recoups	138	20	20	20
Sale of Rolls and Maps	20	20	20	20
Local Government Ordinary Recoups.....	917	1,000	-	2,500
Sundries.....	251	3	3	3
GST Input Credits.....	-	80	170	80
TOTAL	1,326	1,123	213	2,623

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

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Part 8

Minister for Employment Protection; Housing and Works; Indigenous Affairs; Heritage; Land Information

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
653	Consumer and Employment Protection			
	– Delivery of Services	61,789	65,864	66,589
	– Administered Grants, Subsidies and Other Transfer Payments.....	-	30,000	-
	– Capital Contribution	2,950	2,950	4,753
	Total	64,739	98,814	71,342
673	Registrar, Western Australian Industrial Relations Commission			
	– Delivery of Services	10,753	10,874	11,080
	Total	10,753	10,874	11,080
681	Housing and Works			
	– Delivery of Services	18,594	20,434	19,489
	– Administered Grants, Subsidies and Other Transfer Payments.....	31,710	31,710	80,984
	– Capital Contribution	30,450	21,000	95,524
	Total	80,754	73,144	195,997
694	Housing Authority	-	-	-
702	Country Housing Authority	-	-	-
703	Indigenous Affairs			
	– Delivery of Services	25,710	26,184	22,135
	– Capital Contribution	-	-	12
	Total	25,710	26,184	22,147

Page	Agency	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
715	Heritage Council of Western Australia			
	– Delivery of Services	4,767	6,872	4,936
	Total	4,767	6,872	4,936
724	National Trust of Australia (WA)			
	– Delivery of Services	2,304	2,341	2,326
	– Capital Contribution	618	618	531
	Total	2,922	2,959	2,857
733	Western Australian Land Information Authority			
	– Delivery of Services	27,451	27,442	22,199
	Total	27,451	27,442	22,199
	GRAND TOTAL			
	– Delivery of Services	151,368	160,011	148,754
	– Administered Grants, Subsidies and Other Transfer Payments	31,710	61,710	80,984
	– Capital Contribution	34,018	24,568	100,820
	Total	217,096	246,289	330,558

CONSUMER AND EMPLOYMENT PROTECTION

PART 8 - MINISTER FOR EMPLOYMENT PROTECTION; HOUSING AND WORKS; INDIGENOUS AFFAIRS; HERITAGE; LAND INFORMATION

DIVISION 36

APPROPRIATION AND FORWARD ESTIMATES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 73 Net amount appropriated to deliver services ^(a)	64,467	61,664	65,601	66,316	67,235	71,170	72,425
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 ^(b)	142	125	263	273	283	293	302
Total appropriations provided to deliver services	64,609	61,789	65,864	66,589	67,518	71,463	72,727
ADMINISTERED TRANSACTIONS							
Compensation Fund for Finance Broker Victims	-	-	30,000	-	-	-	-
CAPITAL							
Item 158 Capital Contribution	3,150	2,950	2,950	4,753	2,770	1,420	-
GRAND TOTAL	67,759	64,739	98,814	71,342	70,288	72,883	72,727

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) The recommendation by the Salaries and Allowances Tribunal of 4 April 2007 in relation to senior public servants' salaries was received after the finalisation of agencies' individual financial projections. Accordingly, a provision for the total cost 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 No. 2 Volume 1). This provision will be reflected in agencies' estimates following the release of the 200708 Budget.

MISSION

To create an employment and trading environment that provides for the growth, safety and protection of the community by:

- *enhancing capacity;*
- *ensuring an effective regulatory environment; and*
- *enforcing the law.*

SIGNIFICANT ISSUES AND TRENDS

Consumer Protection

- The expected passage through Parliament of legislation in the areas of public collections and incorporated associations, and the operational commencement of trade measurement and the residential park living legislation will require new procedures and processes to support the administration of the legislation.
- The statutory review of the *Residential Tenancies Act 1987* has been completed. Its implementation will impact on a number of State Government agencies responsible for tenancy services under the Act, property owners and tenants in addition to the Department.
- The implementation of the review of the *Fair Trading Act 1987* and the *Consumer Affairs Act 1971* will result in a substantial rewrite of the consumer protection legislation that regulates the marketplace in Western Australia.

- Increasing levels of consumer debt, combined with the prospect of higher interest rates, is likely to place greater pressure on consumers to meet loan obligations. Additional policy and compliance options may need to be explored to ensure that consumers obtain quality advice when making credit decisions.
- The introduction of the certification of repairers and the implementation of repair business licensing under the motor vehicle repairers legislation will have administrative and community education implications and will engage a significant portion of the retail motor vehicle industry.
- A national review of the trade measurement system may alter the manner in which trade measurement is regulated within the marketplace. These reforms will substantially change the role of the Department with moves towards national legislation and administration.

Safety and Employment Protection

- The State labour market will be affected by:
 - the State's continuing strong economic performance and its impact on employment growth;
 - the Federal Government's Work Choices industrial relations legislation and its impact on employees;
 - difficulties for employers in attracting and retaining employees driven by the ageing workforce and labour and skills shortages; and
 - an increase in migrant workers.

The Department plays a key role in developing strategies and State legislative responses, and providing advice to Government on labour relations issues.

- EnergySafety will have a continual role in monitoring the upgrading of the electricity distribution infrastructure to guard against structural failures.
- Too many electricians and members of the Western Australian community continue to be injured, sometimes fatally, as a result of electrical accidents. To address this the Department will continue to focus on industry and community education but also strengthen the regulatory regime.
- Western Australia remains committed to national occupational safety and health targets which aim for at least a 20 per cent reduction in fatalities and a 40 per cent reduction in workplace injuries between 2002 and 2012.
- Occupational safety and health regulatory authorities are increasingly aligning key elements of their legislative frameworks to ensure greater national consistency by implementing new or revised national standards in key areas such as construction and licensing of high risk work.
- The Council of Australian Governments (COAG) national reform agenda to reduce the regulatory burden on business will impact on the regulatory framework for occupational safety and health.
- Companies licensed under the Commonwealth workers' compensation scheme (Comcare) are now also subject to Comcare's occupational safety and health laws. This has the potential to cause confusion and duplication in Western Australian workplaces where some parties doing the same work are subject to two sets of laws. The Department is negotiating protocols with Comcare and working with Comcare and those affected to ensure occupational safety and health outcomes are not compromised.
- The national mine safety framework, an agreement between the states and the Commonwealth to advance a national approach to mining safety regulation, represents a significant reform.
- The findings of an independent feasibility study into safety regulation in the mining industry (the Hicks Review) will be published in the second quarter of 2007. This has the potential to drive significant change in the safety regulatory regime for the minerals industry.
- The current skills shortages and strong competition across a number of industry sectors adversely affects the ability to recruit and retain staff with the necessary technical skills and expertise. The Department has implemented strategies to attract and retain appropriate personnel.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2006-07 Budget to Parliament on 11 May 2006 are outlined below.

	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
Employment Law Centre Western Australia.....	250	260	-	-
Fair Employment Advocate for Western Australia.....	431	-	-	-
Incorporated Associations Legislation	530	530	530	530

SERVICE AND APPROPRIATION SUMMARY

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Consumer Protection.....	37,179	35,617	39,096	40,797			
<i>Service 2:</i>							
Safety and Employment Protection	52,857	51,820	55,302	56,725			
Total Cost of Services ^(a)	90,036	87,437	94,398	97,522	102,094	104,816	106,080
<i>Less Income</i>	23,350	23,838	25,625	28,732	32,944	32,341	32,430
Net Cost of Services ^(a)	66,686	63,599	68,773	68,790	69,150	72,475	73,650
Adjustments ^(b)	(2,077)	(1,810)	(2,909)	(2,201)	(1,632)	(1,012)	(923)
Appropriation provided to deliver Services ^(a)	64,609	61,789	65,864	66,589	67,518	71,463	72,727
ADMINISTERED TRANSACTIONS							
Appropriation for Administered Grants, Subsidies and Transfer Payments	-	-	30,000	-	-	-	-
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(c)	3,150	2,950	2,950	4,753	2,770	1,420	-
TOTAL CONSOLIDATED ACCOUNT APPROPRIATIONS.....	67,759	64,739	98,814	71,342	70,288	72,883	72,727

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (c) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

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

Responsible Minister	Services
Minister for Disability Services; Tourism; Culture and the Arts; Consumer Protection.	1. Consumer Protection.
Minister for Employment Protection; Housing and Works; Indigenous Affairs; Heritage; Land Information.	2. Safety and Employment Protection.

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 Outcome	Services
Enhancing the quality of life and wellbeing of all people throughout Western Australia by providing high quality, accessible services.	A community in which members meet their responsibilities and where the rights of all parties are protected in relation to the various areas of the Department's responsibility: consumer protection, labour relations, occupational safety and health, energy safety and resources safety.	1. Consumer Protection. 2. Safety and Employment Protection.
Creating conditions that foster a strong economy delivering more jobs, opportunities and greater wealth for all Western Australians.		

Outcomes and Key Effectiveness Indicators ^(a)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Outcome: A community in which members meet their responsibilities and where the rights of all parties are protected in relation to the various areas of the Department's responsibility: consumer protection, labour relations, occupational safety and health, energy safety and resources safety.					
The extent to which members of the community comply with the requirements of regulation in the various areas of the Department's responsibility.....	85%	80%	80%	85%	
The proportion of key measures exhibiting desirable trends in the various areas of the Department's responsibility.....	80%	80%	80%	80%	

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

Service 1: Consumer Protection

The provision of consumer protection advice, information, education and business regulation services to the Western Australian community.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	37,179	35,617	39,096	40,797	
Less Income.....	14,403	15,592	14,615	16,636	
Net Cost of Service ^(a)	22,776	20,025	24,481	24,161	
Adjustments ^(b)	(856)	(737)	(1,205)	(921)	
Appropriation for delivery of Service ^(a)	21,920	19,288	23,276	23,240	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per response to customer enquiry.....	\$4.57	\$5.22	\$5.90	\$6.04	
Average cost per information and education service	\$1.04	\$1.05	\$1.08	\$1.05	
Average cost per advice or assistance service	\$416.32	\$549.39	\$488.15	\$526.09	
Average cost per major policy project.....	\$333,108.55	\$243,833.83	\$358,264.82	\$367,583.00	
Average cost per policy project.....	\$70,027.89	\$12,750.16	\$15,163.74	\$15,829.00	
Average cost per policy task.....	\$1,259.89	\$1,875.10	\$1,787.41	\$1,777.00	
Average cost per registration service	\$5.71	\$5.88	\$6.00	\$6.62	The target reflects an increased resource allocation for 2007-08.
Average cost per licensing service	\$50.21	\$116.09	\$44.37	\$45.18	
Average cost per inspection and audit.....	\$128.37	\$134.81	\$99.09	\$107.01	
Average cost per investigation	\$1,715.69	\$1,694.58	\$2,000.23	\$1,966.00	
Average cost per prosecution, legal action and proceeding.....	\$9,018.08	\$9,568.09	\$6,782.87	\$6,533.00	
Full Time Equivalents (FTEs)	382	387	402	408	

Major Achievements For 2006-07

- Implemented Indigenous consumer protection strategies identified through the Indigenous Community Education Program and worked as the lead agency in the implementation of the National Indigenous Consumer Strategy Action Plan for 2005-2010.
- Implemented community education initiatives targeted towards young consumers and seniors including 'The Real Deal, Buy My Duck!' film competition, a multimedia project in conjunction with Curtin University and the development of a new seniors resource directory.
- Developed information campaigns to support the passage and implementation of new legislation in the areas of residential parks, motor vehicle repairers and trade measurement.

- Undertook an education campaign to warn the public about credit options such as debt consolidation, credit cards and interest free credit.
- Provided grants to metropolitan and regional service providers from the community sector for the provision of tenancy education and advocacy services under the *Residential Tenancies Act 1987* Rental Accommodation Fund.
- Undertook a review of pre-paid funeral plans and licensing of strata title managers.
- Developed regulations for implementation of new trade measurement and residential parks legislation.
- Undertook a comprehensive review of building legislation within the consumer protection portfolio.
- Implemented a voluntary accreditation scheme for the holiday accommodation industry in partnership with Tourism Western Australia and the Tourism Council of Western Australia.
- Finalised the Finance Brokers Code of Conduct, which provides greater transparency and protection for borrowers in relation to credit advice.
- Undertook an extensive public review of the *Retirement Villages Act 1992* and the Code of Fair Practice for Retirement Villages.
- Implemented a certification scheme for motor vehicle tradespersons and completed the development of a licensing framework for motor vehicle repair businesses.
- Implemented a licensing and compliance regime for motor vehicle repairers (individuals).
- In conjunction with the Real Estate and Business Agents Supervisory Board, implemented compulsory professional development for licensed real estate agents.
- Undertook extensive public consultation on the Co-operatives Bill and Associations Incorporation Green Bill.
- Finalised the review of the *Fair Trading Act 1987* and the *Consumer Affairs Act 1971*.
- Implemented fully integrated proactive compliance regimes in respect of credit providers, debt collectors and finance brokers.
- Opened the Kununurra Regional Office enabling an outreach service targeting remote Kimberley communities.
- In partnership with the University of Western Australia, established and jointly funded the Advanced Consumer Research Centre.

Major Initiatives For 2007-08

- Implement a comprehensive response to the consumer issues presented by 'book-up' to be trialled in the Kimberley region of Western Australia. 'Book-up' is an informal credit system used by some retail traders in remote communities of Western Australia that allows consumers to purchase goods and pay for them later.
- In conjunction with other jurisdictions, establish a suite of information about different credit products such as reverse mortgages, line of credit facilities, and home loan products including no deposit loans, shared appreciation and lo-doc loans.
- Finalise a project to scope the education and support needs of major Indigenous associations.
- Undertake a review of complaint data, with a view to targeting retailers and manufacturers who have exhibited poor customer service.
- Develop unfair contract terms legislation for Western Australia.
- Implement the review of the *Retirement Villages Act 1992* and the Code of Fair Practice for Retirement Villages.

- Implement the recommendations of the review of the *Fair Trading Act 1987* and the *Consumer Affairs Act 1971*.
- Introduce into Parliament new legislation for public collections, incorporated associations and amendments to the *Fair Trading Act 1987* and the *Consumer Affairs Act 1971*.
- Implement new procedures and compliance arrangements to support the administration of legislation in the areas of public collections, residential park living, cooperatives and associations and trade measurement.
- Coordinate a national project to audit Uniform Consumer Credit Code compliance by bank and non-bank lenders, initially focussing on standard and lo-doc home loans.
- Undertake a proactive compliance program to assess finance broker compliance with the newly updated Code of Conduct.
- Initiate the transfer of responsibility for the administration of 'As Constructed Property Drainage Installation Diagrams' from water service providers and local government authorities to the Plumbers Licensing Board.

Service 2: Safety and Employment Protection

The provision of advice, information, education and regulation services to the Western Australian community in the areas of occupational safety and health, labour relations, resources safety and energy safety.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	52,857	51,820	55,302	56,725	
Less Income	8,947	8,246	11,010	12,096	
Net Cost of Service ^(a)	43,910	43,574	44,292	44,629	
Adjustments ^(b)	(1,221)	(1,073)	(1,704)	(1,280)	
Appropriation for delivery of Service ^(a)	42,689	42,501	42,588	43,349	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per client contact to provide information or education.....	\$2.67	\$2.73	\$2.87	\$2.69	The target reflects an increased resource allocation for 2007-08.
Average cost per client contact to provide advice or assistance ^(a)	\$27.37	\$16.94	\$24.85	\$25.02	
Average cost per hour of policy advice ^(b)	\$171.84	\$155.83	\$146.04	\$162.28	
Average cost per inspection or investigation ...	\$1,025.56	\$1,013.16	\$1,147.77	\$1,113.94	Expected proclamation of regulations under the <i>Dangerous Goods Safety Act 2004</i> will introduce a new licensing regime in 2007-08. This will increase registrations and licences, with a resulting reduction in the unit cost of registrations and licences.
Average cost per registration or licence	\$146.14	\$119.98	\$182.47	\$134.72	
Full Time Equivalents (FTEs)	458	464	462	467	

- (a) This indicator reflects the Labour Relations division's responsibilities in providing tailored advice and assistance to public sector agencies in relation to industrial disputes, policies and industrial agreements.
- (b) This indicator reflects the development and amendment of labour relations policy, legislation and regulations, preparing submissions on behalf of the Minister and Government to State and Federal industrial tribunals, Senate Inquiries, etc in relation to the regulatory framework and providing policy advice and support to the Minister.

Major Achievements For 2006-07

- Developed and promoted attraction and retention strategies, such as part time work, job sharing, flexible working hours and flexible leave arrangements, particularly for mature age workers and working parents, to address labour and skill shortages.
- Investigated instances of alleged underpayments of wages and conditions of overseas skilled workers who have come to Australia on special work visas.
- Established a Western Australian Fair Employment Advocate to provide independent advice and assistance to employees, investigate harsh, unfair and exploitative work practices, and mediate and advocate on behalf of employees who are being exploited, particularly low paid and vulnerable employees.
- Developed strategies such as those outlined in Premier's Circular 2006/05, to protect employment conditions for public sector employees in Government Constitutional Corporations now covered by the Federal jurisdiction under the Work Choices legislation, including plans to retain these employees in the State jurisdiction.
- Developed a pay equity resource package containing information and education materials for employers, employees and the community on pay and gender equity and to assist employers in doing pay equity audits.
- Established a 'Fair Go' telephone service to provide information and advice to employers and employees on the impact of Work Choices legislation.
- Provided industrial assistance to the Skills Formation Taskforce to amend awards to reflect changes to the State training system and meet obligations under the COAG Agreement.
- Developed recommendations for the reform of the *Construction Industry Portable Paid Long Service Leave Act 1985*, and the Western Australian Industrial Relations Commission to streamline its operations and broaden its jurisdiction.
- Represented the Government's position in wages negotiations conducted by public sector agencies for agency specific occupational groups.
- Strengthened information and assistance provided to those involved with the supervision, management and practice of work safety.

- Undertook proactive compliance campaigns in the retail industry in the metropolitan area and in regional specific areas.
- Provided industry specific occupational safety and health information to small business as part of the ThinkSafe Small Business Strategy and to the farming sector through a farm safety strategy and targeted assistance to the shearing sector.
- Targeted occupational safety and health intervention activities in line with national priority compliance initiatives and the State priority areas of work. National priority compliance initiatives included activities in the manufacturing, construction, health and community services, agriculture, forestry and fishing, transport and storage, retail and wholesale trade industries. State priority areas of work targeted during the year included work at height, manual handling, electricity, slips and trips, hazardous substances, new and young workers, machine guarding and mobile plant.
- Implemented the regulatory changes required as a result of the declaration of the National Standard for Construction Work and the National Standard for Licensing Persons Performing High Risk Work.
- Improved support for safety and health representatives by organising a major forum to provide them with information necessary to enhance their skills and knowledge.
- Introduced additional Work Safety Awards to recognise outstanding occupational safety and health management, solutions and innovation in Western Australian workplaces that contribute to reducing the risk of work-related injury and disease.
- Introduced the Energy Safety industry levy on 1 July 2006, which aims to ensure that electricity and gas industry participants contribute to meeting the costs of regulating the industry. The new funding is assisting EnergySafety to improve its regulatory services and capacity.
- Reviewed Part VIII of the Electricity Regulations 1947 removing redundant requirements and aligning others with the new regulatory framework of the electricity supply industry.
- Signed Memoranda of Understanding with the Economic Regulation Authority and Energy Ombudsman to strengthen the relationship between EnergySafety and each of these bodies (EnergySafety provides technical support to each body).
- Completed development and stakeholder consultation for regulations and associated Codes of Practice under the *Dangerous Goods Safety Act 2004*, with intended proclamation in mid 2007. These regulations cover explosives, dangerous goods transport, storage and handling, major hazard facilities, ports and security risk substances.
- Significantly improved occupational safety and health awareness levels through industry roadshows, improved liaison with Safety and Health Representatives, enhanced MineSafe magazine, the Resources Safety website, and publication of safety brochures and posters.
- Implemented substantial changes resulting from the amendment of the *Mines Safety and Inspection Act 1994*, including procedural reforms and the new Mining Industry Advisory Committee which included:
 - general alignment between *Mines Safety and Inspection Act 1994* and *Occupational Safety and Health Act 1984*;
 - increases in penalties, including provision for terms of imprisonment in cases involving serious harm or death where the breach constitutes 'gross negligence' and the introduction of enforceable undertakings by offenders in lieu of payment of fines upon conviction;
 - establishment of the Safety and Health Tribunal under the auspices of the Western Australian Industrial Relations Commission, to hear appeals and related matters; and
 - changes to the membership and jurisdiction of the Commission for Occupational Safety and Health (COSH), including the replacement of the Mines Occupational Safety and Health Advisory Board with a Mining Industry Advisory Committee of COSH established under the *Occupational Safety and Health Act 1984*.
- Led the development of the Occupational Safety and Health in the Public Sector Code of Practice and the public sector wide strategy titled 'Government Leading the Way' designed to improve occupational safety and health and injury management outcomes across the public sector.

Major Initiatives For 2007-08

- Support the work of the Fair Employment Advocate by providing policy, legal and investigative services.

- Develop and implement strategies to manage the effects of the Work Choices legislation on public sector employment conditions; preserve the integrity of the State Government's labour relations policies; and facilitate labour relations coordination across the sector.
- Develop State legislative responses to provide greater protection and options for employees adversely affected by the Work Choices legislation.
- Develop strategies to address attraction and retention issues for public sector employees, and develop the public sector as an employer of choice.
- Promote attraction and retention strategies including work life balance and pay equity initiatives to increase workforce participation of women and mature age employees in response to the labour and skills shortages and the ageing workforce.
- Conduct an education and information campaign on pay equity aimed at both public and private sector employers and employees.
- Provide industry specific occupational safety and health information to targeted small business as part of the highly successful ThinkSafe Small Business Strategy.
- Implement the Government's response to the report by Richard Hooker of the statutory review of the *Occupational Safety and Health Act 1984*.
- Monitor the implementation of the new national standard for construction work which includes new requirements for preparation of safe work method statements relating to high risk work and safety and health management plans for larger projects.
- Introduce new licensing arrangements based on the new national standard for licensing persons performing high risk work, which replaces the previous system for issuing certificates of competency.
- Develop a code of practice on safe design in the construction industry and revise information provided as key selected guidance material.
- Determine the need for increased licensing requirements for dealing with asbestos cement products, taking into consideration responses to a 2006 discussion paper released by the Commission for Occupational Safety and Health.
- Participate in national compliance programs developed under the national occupational safety and health strategy.
- Increase the public profile of occupational safety and health through interactive educational forums, targeted awareness campaigns and active participation in Safe Work Australia week.
- Further reduce the incidence of serious electrical accidents amongst electricians by completely revising Part IX of the Electricity Regulations 1947 to set out minimum standards for safe electrical work practices by electricians, particularly when proposing to work on or near live parts of a consumer's installation.
- Change existing regulations under the *Electricity Act 1945* and the *Gas Standards Act 1972* to provide for the mandatory application of 'safety cases' (or 'safety and technical management plans') for the larger electricity and gas networks, so that network operators such as Western Power and Alinta are more proactive in managing their safety compliance obligations.
- Work with the electrical and gas safety regulators of other jurisdictions on various regulatory reform projects such as those reviewing the regimes for electrical appliance safety approvals, gas appliance safety approvals and restricted electrical licensing, to provide a more uniform regulatory framework.
- Bring about significant improvements to the energy efficiency of gas appliances and equipment by regulating gas use efficiency through major changes to the *Gas Standards Act 1972*.
- Implement the *Dangerous Goods Safety Act 2004*, including the publication of supporting guidance material.

- Establish administrative arrangements that meet the terms of the COAG agreement on counter-terrorism measures on explosives and security risk substances.
- Identify and develop agreed changes to the safety regulatory regime for the minerals industry resulting from recommendations of the Hicks feasibility study into safety regulation in the mining industry.
- Support the implementation of the public sector wide strategy titled 'Government Leading the Way' designed to improve occupational safety and health and injury management outcomes across the public sector.

CAPITAL WORKS PROGRAM

The Department's capital works program in 2007-08 will continue to enhance the access by the public to the Department via the web and ongoing asset replacement of computer equipment.

Work is continuing on the enhancement and expansion of the Hazardous Materials Management System enabling the Department to implement the *Dangerous Goods Safety Act 2004*. The project to upgrade and replace supporting safety regulatory services that will enable the capture and analysis of data across all of the resources regulatory disciplines is ongoing.

Another significant project is the relocation of the EnergySafety and Resources Safety Divisions to new premises.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Business Systems Development and Enhancement -				
Business Names System (Western Australia)	2,000	500	500	500
Hazardous Materials Management System	1,470	500	500	730
Safety Regulation System Improvement	3,300	300	300	1,200
Worksafe Information System Environment	3,000	1,000	1,000	1,000
Information Technology Infrastructure				
Business Systems and On-line Infrastructure	1,100	600	350	350
COMPLETED WORKS				
Business Systems Development and Enhancement -				
Integrated Document Management System	1,600	1,600	1,457	-
Computer Hardware and Software				
2003-04 Program	791	791	254	-
Departmental Online Services				
Provision of on-line access for the community	1,540	1,540	432	-
Other Works				
Additional Security at Kalgoorlie and Baldivis Explosive Reserves	1,600	1,600	1,304	-
Upgrading of Security at Kalgoorlie and Baldivis Explosives Reserves	200	200	5	-
PC Replacement Plan				
2004-05 to 2005-06 Program	1,660	1,660	473	-
2006-07 Program	910	910	910	-
NEW WORKS				
Accommodation Infrastructure				
Relocation of Energy Safety and Resources Safety to Cannington	973	-	-	973
PC Replacement Plan				
2007-08 Program	1,120	-	-	1,120
	21,264	11,201	7,485	5,873

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	4,135	3,860	7,485	5,873	3,890	2,540	1,120
	4,135	3,860	7,485	5,873	3,890	2,540	1,120
LESS							
Drawdowns from the Holding Account	990	910	910	1,120	1,120	1,120	1,120
Internal Funds and Balances	(593)	-	3,625	-	-	-	-
Other.....	588	-	-	-	-	-	-
Capital Contribution	3,150	2,950	2,950	4,753	2,770	1,420	-

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(a)	52,195	51,960	55,799	56,203	59,987	59,436	60,010
Superannuation	5,963	4,900	5,118	5,218	5,261	5,265	5,270
Grants and subsidies ^(b)	2,351	670	560	639	649	659	670
Supplies and services	20,091	20,693	23,567	25,016	25,947	29,169	29,483
Accommodation	6,542	5,667	5,807	6,365	6,470	6,484	6,498
Capital user charge ^(c)	1,114	1,696	1,696	-	-	-	-
Depreciation and amortisation	1,856	3,342	3,342	3,623	3,560	3,560	3,560
Loss on disposal of non-current assets	19	-	-	-	-	-	-
Other expenses	1,019	205	205	458	220	243	589
TOTAL COST OF SERVICES	91,150	89,133	96,094	97,522	102,094	104,816	106,080
Income							
User charges and fees	9,523	10,204	10,437	10,436	10,839	11,053	11,048
Regulatory fees and fines	12,359	13,104	14,208	17,306	21,105	20,272	20,361
Grants and subsidies	632	-	435	440	445	450	455
Other revenue	836	530	545	550	555	566	566
Total Income	23,350	23,838	25,625	28,732	32,944	32,341	32,430
NET COST OF SERVICES ^(c)	67,800	65,295	70,469	68,790	69,150	72,475	73,650
INCOME FROM STATE GOVERNMENT							
Service appropriations ^(c)	66,241	63,485	67,560	66,589	67,518	71,463	72,727
Resources received free of charge	909	925	925	930	935	935	935
Liabilities assumed by the Treasurer	152	748	748	758	768	768	768
TOTAL INCOME FROM STATE GOVERNMENT	67,302	65,158	69,233	68,277	69,221	73,166	74,430
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(498)	(137)	(1,236)	(513)	71	691	780

(a) The Full Time Equivalents (FTEs) for 2005-06 Actual, 2006-07 Estimated Actual and 2007-08 Estimate are 840, 864 and 875 respectively.

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

(c) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

**BALANCE SHEET
(Controlled)**

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CURRENT ASSETS							
Cash and cash equivalents	9,741	5,488	4,982	5,042	6,040	6,743	7,446
Restricted cash	823	807	1,497	1,433	821	809	886
Receivables	4,669	3,018	3,969	3,869	3,969	3,969	3,969
Amounts receivable for services	910	1,120	1,120	1,120	1,120	1,120	-
Prepayments	997	489	947	897	847	847	847
Total current assets	17,140	10,922	12,515	12,361	12,797	13,488	13,148
NON-CURRENT ASSETS							
Amounts receivable for services	5,817	8,039	8,039	10,542	12,982	15,422	18,982
Land and buildings	9,007	5,962	9,007	9,007	9,007	9,007	9,007
Plant and equipment	5,033	6,795	4,908	3,883	2,085	1,145	905
Intangibles	139	1,087	2,539	3,124	3,738	4,738	4,738
Restricted cash	300	-	480	660	850	850	850
Other	1,889	3,539	3,757	6,447	7,961	6,881	4,681
Total non-current assets	22,185	25,422	28,730	33,663	36,623	38,043	39,163
TOTAL ASSETS	39,325	36,344	41,245	46,024	49,420	51,531	52,311
CURRENT LIABILITIES							
Payables ^(a)	1,420	1,777	1,558	1,570	1,590	1,590	1,590
Provision for employee entitlements	9,274	7,861	9,470	9,672	9,879	9,879	9,879
Monies in trust	618	748	638	658	678	678	678
Accrued salaries	959	180	690	870	1,050	1,050	1,050
Other	674	11	674	674	674	674	674
Total current liabilities	12,945	10,577	13,030	13,444	13,871	13,871	13,871
NON-CURRENT LIABILITIES							
Provision for employee entitlements	4,181	5,419	4,302	4,427	4,555	4,555	4,555
Other	16	5	16	16	16	16	16
Total non-current liabilities	4,197	5,424	4,318	4,443	4,571	4,571	4,571
TOTAL LIABILITIES	17,142	16,001	17,348	17,887	18,442	18,442	18,442
EQUITY							
Contributed equity	18,677	19,577	21,627	26,380	29,150	30,570	30,570
Accumulated surplus/(deficit)	2,530	766	1,294	781	852	1,543	2,323
Reserves	976	-	976	976	976	976	976
Total equity	22,183	20,343	23,897	28,137	30,978	33,089	33,869
TOTAL LIABILITIES AND EQUITY	39,325	36,344	41,245	46,024	49,420	51,531	52,311

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

CASHFLOW STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	63,226	60,143	64,218	62,966	63,958	67,903	69,167
Capital contribution	3,150	2,950	2,950	4,753	2,770	1,420	-
Holding account drawdowns	990	910	910	1,120	1,120	1,120	1,120
Net cash provided by State government	67,366	64,003	68,078	68,839	67,848	70,443	70,287
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(50,499)	(51,615)	(55,696)	(55,668)	(59,472)	(59,426)	(60,000)
Superannuation	(4,978)	(4,152)	(4,397)	(4,460)	(4,493)	(4,497)	(4,502)
Grants and subsidies	(2,351)	(670)	(560)	(639)	(649)	(659)	(670)
Supplies and services	(19,896)	(19,489)	(22,363)	(24,927)	(25,771)	(28,987)	(29,301)
Accommodation.....	(6,542)	(5,667)	(5,807)	(6,365)	(6,470)	(6,484)	(6,498)
Capital user charge ^(a)	(1,114)	(1,696)	(1,696)	-	-	-	-
Goods and services tax	(2,919)	(1,650)	(1,650)	(1,660)	(1,670)	(1,670)	(1,670)
Other.....	(985)	(216)	(216)	(229)	(236)	(259)	(605)
Receipts							
User charges and fees.....	9,523	8,552	8,797	8,773	9,771	9,935	9,935
Regulatory fees and fines.....	12,658	15,215	15,884	18,972	22,765	21,976	22,060
Grants and subsidies	660	-	435	440	445	450	455
Goods and services tax	2,335	1,683	1,683	1,698	1,713	1,713	1,713
Other receipts	836	650	1,088	1,275	685	696	696
Net cash from operating activities.....	(63,272)	(59,055)	(64,498)	(62,790)	(63,382)	(67,212)	(68,387)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(2,358)	(3,860)	(7,485)	(5,873)	(3,890)	(2,540)	(1,120)
Proceeds from sale of non-current assets	14	-	-	-	-	-	-
Net cash from investing activities.....	(2,344)	(3,860)	(7,485)	(5,873)	(3,890)	(2,540)	(1,120)
NET INCREASE/(DECREASE) IN CASH HELD	1,750	1,088	(3,905)	176	576	691	780
Cash assets at the beginning of the reporting period	8,914	5,207	10,864	6,959	7,135	7,711	8,402
Net cash transferred to/from other agencies.....	200	-	-	-	-	-	-
Cash assets at the end of the reporting period.....	10,864	6,295	6,959	7,135	7,711	8,402	9,182

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

RECONCILIATION RELATING TO REMOVAL OF CAPITAL USER CHARGE

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	91,150	89,133	96,094	97,522	102,094	104,816	106,080
Less Capital User Charge.....	1,114	1,696	1,696	-	-	-	-
Adjusted Total Cost of Services	90,036	87,437	94,398	97,522	102,094	104,816	106,080
APPROPRIATIONS							
Net amount appropriated to deliver services	66,241	63,485	67,560	66,589	67,518	71,463	72,727
Less Capital User Charge.....	1,632	1,696	1,696	-	-	-	-
Adjusted net amount appropriated to deliver services	64,609	61,789	65,864	66,589	67,518	71,463	72,727

SCHEDULE OF ADMINISTERED EXPENSES AND INCOME

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Grants and subsidies	1,683	1,605	31,605	1,610	1,615	1,615	1,615
Supplies and services	2,653	2,900	2,900	3,000	3,100	3,100	3,110
Receipts paid into Consolidated Account.....	7,158	7,472	7,472	7,953	8,461	8,481	8,481
TOTAL ADMINISTERED EXPENSES ^(a) ..	11,494	11,977	41,977	12,563	13,176	13,196	13,206
INCOME							
Regulatory fees and fines.....	7,125	7,045	7,045	7,526	7,573	7,593	7,593
Interest revenue	4,863	4,625	4,625	4,675	4,725	4,725	4,725
Other revenue	-	427	427	427	888	888	888
Administered appropriations ^(c)	-	-	30,000	-	-	-	-
TOTAL ADMINISTERED INCOME ^(b)	11,988	12,097	42,097	12,628	13,186	13,206	13,206

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

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

(c) The administered appropriation of \$30 million is provided to set up an ex gratia fund to help compensate victims of the Finance Broking scandal.

SCHEDULE OF ADMINISTERED ASSETS AND LIABILITIES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
ADMINISTERED CURRENT ASSETS							
Restricted cash	81,148	72,504	84,497	88,191	92,230	92,240	92,240
Receivables	52	77	62	72	82	82	82
Total Administered Current Assets	81,200	72,581	84,559	88,263	92,312	92,322	92,322
TOTAL ADMINISTERED ASSETS.....	81,200	72,581	84,559	88,263	92,312	92,322	92,322
ADMINISTERED CURRENT LIABILITIES							
Payables	4,716	4,697	4,966	5,166	5,366	5,366	5,366
Monies in trust	74,938	65,591	77,927	81,366	85,205	85,205	85,205
Total Administered Current Liabilities.....	79,654	70,288	82,893	86,532	90,571	90,571	90,571
TOTAL ADMINISTERED LIABILITIES..	79,654	70,288	82,893	86,532	90,571	90,571	90,571

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Grants and subsidies	(1,683)	(1,605)	(31,605)	(1,610)	(1,615)	(1,615)	(1,615)
Supplies and services	(1,945)	(2,900)	(2,900)	(3,000)	(3,100)	(3,382)	(3,392)
Goods and services tax	(241)	(260)	(260)	(265)	(270)	(295)	(295)
Rental bonds disbursed	(33,669)	(31,526)	(31,526)	(31,626)	(31,726)	(35,448)	(35,448)
Receipts paid into Consolidated Account.....	(7,158)	(7,472)	(7,472)	(7,953)	(8,461)	(8,481)	(8,481)
TOTAL ADMINISTERED CASH OUTFLOWS	(44,696)	(43,763)	(73,763)	(44,454)	(45,172)	(49,221)	(49,231)
CASH INFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Regulatory fees and fines.....	7,158	7,045	7,045	7,526	7,573	7,593	7,593
Interest received.....	4,863	4,625	4,625	4,675	4,725	4,725	4,725
Goods and services tax	222	260	260	265	270	270	270
Rental bonds received.....	48,994	35,182	35,182	35,682	36,643	36,643	36,643
Administered appropriations.....	-	-	30,000	-	-	-	-
TOTAL ADMINISTERED CASH INFLOWS.....	61,237	47,112	77,112	48,148	49,211	49,231	49,231
NET CASH INFLOWS/(OUTFLOWS) FROM ADMINISTERED TRANSACTIONS.....	16,541	3,349	3,349	3,694	4,039	10	-

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
Asbestos Disease Society	83	83	83	83	83	83	83
Safety and Health - Chamber of Commerce and Industry Western Australia	60	60	70	70	70	70	70
Safety and Health - Unions WA	60	-	-	-	-	-	-
Trades and Labor Council of Western Australia	-	60	70	70	70	70	70
Farmsafe WA Alliance	70	70	70	70	70	70	70
Workplace Reform - Unions and Employer Association	366	315	210	85	85	85	85
Employment Law Centre Western Australia....	-	-	-	250	260	270	281
Other Miscellaneous	212	77	57	11	11	11	11
Transport Forum WA Inc	-	5	-	-	-	-	-
The Union Education Foundation.....	1,500	-	-	-	-	-	-
TOTAL	2,351	670	560	639	649	659	670

DETAILS OF THE ADMINISTERED TRANSACTIONS EXPENSES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
GRANTS TO CHARITABLE AND OTHER PUBLIC BODIES							
Rental Accommodation Fund - Grants.....	1,683	1,605	1,605	1,610	1,615	1,615	1,615
OTHER STATE SERVICES							
Rental Accommodation Fund - Recoup of administration costs	2,653	2,900	2,900	3,000	3,100	3,100	3,110
Receipts paid into Consolidated Account.....	7,158	7,472	7,472	7,953	8,461	8,481	8,481
Compensation Fund - Finance Broker Victims	-	-	30,000	-	-	-	-
TOTAL	11,494	11,977	41,977	12,563	13,176	13,196	13,206

DETAILS OF THE ADMINISTERED TRANSACTIONS INCOME

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
TAXATION							
Business Names Registrations	4,896	4,726	4,726	4,726	4,727	4,727	4,727
Other Registration Fees	115	121	121	135	140	141	141
Credit Providers	496	610	610	711	721	723	723
Employment Agents	133	191	191	210	217	220	220
Finance Brokers	321	259	259	522	535	542	542
Land Valuers	55	167	167	190	186	188	188
Motor Vehicle Dealers	724	705	705	753	759	761	761
Travel Agents	166	205	205	212	218	220	220
Other Regulatory Fees	209	57	57	64	66	67	67
FINES							
Regulatory Fines	10	4	4	3	4	4	4
OTHER							
Rental Accommodation Fund - Interest	4,863	4,625	4,625	4,675	4,725	4,725	4,725
Other Miscellaneous	-	427	427	427	888	888	888
Compensation Fund - Finance Broker Victims	-	-	30,000	-	-	-	-
TOTAL	11,988	12,097	42,097	12,628	13,186	13,206	13,206

AGENCY SPECIAL PURPOSE ACCOUNT DETAILS**Compensation Fund for Finance Broker Victims Special Purpose Account**

The purpose of this account is to facilitate the creation of a compensation fund to assist victims involved in the Finance Broking Scandal.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
Opening Balance	-	-	-	-
Receipts:				
Appropriations	-	-	30,000	-
	-	-	30,000	-
Payments	-	-	30,000	-
CLOSING BALANCE	-	-	-	-

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the Department:

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
Bill of Sale	22	39	20	25
Business Names Searches.....	672	395	657	700
Corporate Fees	100	109	108	115
Licenses and other regulatory fees	10,310	13,224	14,703	15,307
Register of Encumbered Vehicles	1,163	1,054	1,113	1,200
Trade Measurement	320	394	284	350
Federal investigation and advisory service.....	299	265	-	-
Proceeds from services provided to the Commonwealth in respect of Indian Ocean Territories.....	361	112	334	350
Recoups from the Rental Accommodation Fund	2,286	1,765	-	1,949
Reimbursement from the Real Estate and Business Agents Supervisory Board and the Settlement Agents Supervisory Board	6,670	6,352	6,942	7,200
GST Input Tax Credits.....	1,837	1,476	1,476	1,486
GST receipts on sales.....	498	207	207	212
Business Names Certificates	36	43	54	60
Departmental - Miscellaneous	1,438	665	1,989	2,204
TOTAL	26,012	26,100	27,887	31,158

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

REGISTRAR, WESTERN AUSTRALIAN INDUSTRIAL RELATIONS COMMISSION

PART 8 - MINISTER FOR EMPLOYMENT PROTECTION; HOUSING AND WORKS; INDIGENOUS AFFAIRS; HERITAGE; LAND INFORMATION

DIVISION 37

APPROPRIATION AND FORWARD ESTIMATES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 74 Net amount appropriated to deliver services	8,407	8,206	8,307	8,822	9,003	9,347	9,569
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 ^(a)	2,176	2,547	2,567	2,258	2,258	2,258	2,258
Total appropriations provided to deliver services	10,583	10,753	10,874	11,080	11,261	11,605	11,827
GRAND TOTAL	10,583	10,753	10,874	11,080	11,261	11,605	11,827

- (a) The recommendation by the Salaries and Allowances Tribunal of 4 April 2007 in relation to senior public servants' salaries was received after the finalisation of agencies' individual financial projections. Accordingly, a provision for the total cost 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 No. 2 Volume 1). This provision will be reflected in agencies' estimates following the release of the 2007-08 Budget.

MISSION

To support the Western Australian Industrial Relations Commission to provide our community with a means of preventing and resolving conflict in respect to industrial matters.

SIGNIFICANT ISSUES AND TRENDS

- The introduction of the Federal 'Work Choices' legislation continues to impact on the activities of the Western Australian Industrial Relations Commission and consequently upon the Department.
- The Department has recently moved transaction activities for finance and human resources to the Office of Shared Services.
- The Department continues to develop information technology systems to sophisticated levels using in-house resources.

SERVICE AND APPROPRIATION SUMMARY

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
SERVICES							
Service 1:							
Support to the Western Australian Industrial Relations Commission and Industrial Magistrates Court.....	5,072	4,995	5,409	5,274			
Service 2:							
Conciliation and Arbitration by the Western Australian Industrial Relations Commission.	5,434	5,711	5,803	5,887			
Total Cost of Services	10,506	10,706	11,212	11,161	11,338	11,637	11,731
Less Income	378	130	230	80	80	80	80
Net Cost of Services	10,128	10,576	10,982	11,081	11,258	11,557	11,651
Adjustments ^(a)	455	177	(108)	(1)	3	48	176
Appropriation provided to deliver Services	10,583	10,753	10,874	11,080	11,261	11,605	11,827
TOTAL CONSOLIDATED ACCOUNT APPROPRIATIONS.....	10,583	10,753	10,874	11,080	11,261	11,605	11,827

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

RESOURCE AGREEMENT

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

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
Creating conditions that foster a strong economy delivering more jobs, opportunities and greater wealth for all Western Australians.	The prevention and resolution of industrial relations matters.	1. Support to the Western Australian Industrial Relations Commission and Industrial Magistrates Court 2. Conciliation and Arbitration by the Western Australian Industrial Relations Commission

Outcomes and Key Effectiveness Indicators ^(a)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Outcome: The prevention and resolution of industrial relations matters.					
Percentage of employee, employers, representatives and Commission members satisfied with the service provided by the Department of the Registrar in relation to:					
- timeliness	83%	90%	90%	92%	
- accuracy and relevance of information.....	87%	85%	88%	90%	

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

Service 1: Support to the Western Australian Industrial Relations Commission and Industrial Magistrates Court

To provide effective and efficient support to the Western Australian Industrial Relations Commission, allowing that tribunal to provide the community with an efficient means of preventing or resolving industrial relations matters. This output includes the provision of services and support to the Industrial Magistrates Court.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	5,072	4,995	5,409	5,274	
Less Income.....	378	130	230	80	
Net Cost of Service	4,694	4,865	5,179	5,194	
Adjustments ^(a)	45	(43)	(264)	(97)	
Appropriation for delivery of Service.....	4,739	4,822	4,915	5,097	

(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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per application registered and recorded.....	\$2,349	\$5,513	\$5,860	\$6,104	
Full Time Equivalents (FTEs)	46	43	40	36	

Major Achievements For 2006-07

- An electronic Document Management System was successfully introduced and continues to be developed and extended.
- The Department is successfully managing staff resources associated with a downturn in activity since the introduction of the Federal 'Work Choices' legislation.

Major Initiatives For 2007-08

- Develop a communication strategy to better inform the public about the services and role of the Commission in light of the Federal 'Work Choices' legislation.
- Continue to establish automated processes for the publication of all Commission output in a variety of media formats.
- Develop and implement a staff wellness program.
- Redesign and improve the Department's entire risk management program.

Service 2: Conciliation and Arbitration by the Western Australian Industrial Relations Commission

This output relates to the activities of the Western Australian Industrial Relations Commission. The Commission provides processes for dealing with the prevention and resolution of conflict in respect of industrial matters. The Commission relies on the Department to manage its financial affairs but is not subject to any form of operational control by the Department and acts independently.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	5,434	5,711	5,803	5,887	
Less Income.....	-	-	-	-	
Net Cost of Service	5,434	5,711	5,803	5,887	
Adjustments ^(a)	410	220	156	96	
Appropriation for delivery of Service.....	5,844	5,931	5,959	5,983	

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

CAPITAL WORKS PROGRAM

The Department's planned capital works expenditure in 2007-08 is for the replacement of computer hardware and software including assets that service the courts.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
COMPLETED WORKS				
Asset Replacement - Information Technology 2006-07 Program	150	150	150	-
NEW WORKS				
Asset Replacement - Information Technology 2007-08 Program	180	-	-	180
	330	150	150	180

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	351	150	150	180	180	180	250
	351	150	150	180	180	180	250
LESS							
Drawdowns from the Holding Account	150	150	150	180	180	180	250
Other.....	69	-	-	-	-	-	-
Internal Funds and Balances	132	-	-	-	-	-	-
Capital Contribution	-	-	-	-	-	-	-

FINANCIAL STATEMENTS**INCOME STATEMENT
(Controlled)**

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(a)	6,019	5,904	6,130	5,809	5,827	5,843	5,793
Superannuation	791	775	785	783	796	835	835
Consultancies expense	44	42	42	42	42	42	42
Supplies and services	1,291	1,646	1,886	1,487	1,604	1,639	1,699
Accommodation	1,606	1,699	1,699	2,360	2,350	2,709	2,709
Depreciation and amortisation	316	290	320	330	360	210	210
Loss on disposal of non-current assets	1	-	-	-	-	-	-
Other expenses	438	350	350	350	359	359	443
TOTAL COST OF SERVICES	10,506	10,706	11,212	11,161	11,338	11,637	11,731
Income							
User charges and fees	378	130	230	80	80	80	80
Total Income	378	130	230	80	80	80	80
NET COST OF SERVICES	10,128	10,576	10,982	11,081	11,258	11,557	11,651
INCOME FROM STATE GOVERNMENT							
Service appropriations	10,583	10,753	10,874	11,080	11,261	11,605	11,827
Resources received free of charge	6	15	15	15	15	15	15
Liabilities assumed by the Treasurer	151	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	10,740	10,768	10,889	11,095	11,276	11,620	11,842
SURPLUS/(DEFICIENCY) FOR THE PERIOD	612	192	(93)	14	18	63	191

(a) The Full Time Equivalents (FTEs) for 2005-06 Actual, 2006-07 Estimated Actual and 2007-08 Estimate are 73, 65 and 61 respectively.

**BALANCE SHEET
(Controlled)**

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CURRENT ASSETS							
Cash and cash equivalents	916	121	68	59	84	147	316
Receivables	167	123	167	167	167	167	167
Amounts receivable for services	150	180	180	180	180	250	-
Prepayments	347	297	347	372	372	372	372
Total current assets	1,580	721	762	778	803	936	855
NON-CURRENT ASSETS							
Amounts receivable for services	561	671	701	851	1,031	991	1,201
Plant and equipment	496	458	421	366	282	257	302
Intangibles	313	181	223	133	42	42	42
Restricted cash	25	-	45	65	85	105	125
Other	28	29	23	18	13	8	3
Total non-current assets	1,423	1,339	1,413	1,433	1,453	1,403	1,673
TOTAL ASSETS	3,003	2,060	2,175	2,211	2,256	2,339	2,528
CURRENT LIABILITIES							
Payables	63	78	74	76	83	83	61
Provision for employee entitlements	1,936	1,389	1,277	1,277	1,277	1,277	1,277
Accrued salaries	92	44	5	25	45	65	85
Other	54	-	54	54	54	54	54
Total current liabilities	2,145	1,511	1,410	1,432	1,459	1,479	1,477
NON-CURRENT LIABILITIES							
Provision for employee entitlements	289	341	289	289	289	289	289
Other	2	-	2	2	2	2	2
Total non-current liabilities	291	341	291	291	291	291	291
TOTAL LIABILITIES	2,436	1,852	1,701	1,723	1,750	1,770	1,768
EQUITY							
Contributed equity	495	495	495	495	495	495	495
Accumulated surplus/(deficit)	57	(302)	(36)	(22)	(4)	59	250
Reserves	15	15	15	15	15	15	15
Total equity	567	208	474	488	506	569	760
TOTAL LIABILITIES AND EQUITY	3,003	2,060	2,175	2,211	2,256	2,339	2,528

CASHFLOW STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	10,124	10,463	10,554	10,750	10,901	11,395	11,617
Holding account drawdowns	150	150	150	180	180	180	250
Net cash provided by State government	10,274	10,613	10,704	10,930	11,081	11,575	11,867
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(5,828)	(6,191)	(6,875)	(5,789)	(5,807)	(5,823)	(5,773)
Superannuation	(642)	(775)	(786)	(783)	(796)	(835)	(835)
Consultancies payments	(36)	(42)	(42)	(42)	(42)	(42)	(42)
Supplies and services	(1,496)	(1,542)	(1,782)	(1,417)	(1,513)	(1,548)	(1,630)
Accommodation	(1,478)	(1,795)	(1,795)	(2,456)	(2,446)	(2,805)	(2,805)
Goods and services tax	(370)	(314)	(314)	(314)	(314)	(321)	(321)
Other	(408)	(332)	(332)	(332)	(332)	(332)	(416)
Receipts							
User charges and fees	377	130	230	80	80	80	80
Goods and services tax	323	314	314	314	314	314	314
Net cash from operating activities	(9,558)	(10,547)	(11,382)	(10,739)	(10,856)	(11,312)	(11,428)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(351)	(150)	(150)	(180)	(180)	(180)	(250)
Proceeds from sale of non-current assets	2	-	-	-	-	-	-
Net cash from investing activities	(349)	(150)	(150)	(180)	(180)	(180)	(250)
NET INCREASE/(DECREASE) IN CASH HELD	367	(84)	(828)	11	45	83	189
Cash assets at the beginning of the reporting period	574	205	941	113	124	169	252
Cash assets at the end of the reporting period	941	121	113	124	169	252	441

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the Department:

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
Fee for service Australian Industrial Registry	277	-	150	-
GST input credits	290	311	311	311
GST receipts on sales	33	3	3	3
Service charges, transcript and Award sales and other revenue	100	130	80	80
TOTAL	700	444	544	394

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

HOUSING AND WORKS

PART 8 - MINISTER FOR EMPLOYMENT PROTECTION; HOUSING AND WORKS; INDIGENOUS AFFAIRS; HERITAGE; LAND INFORMATION

DIVISION 38

APPROPRIATION AND FORWARD ESTIMATES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 75 Net amount appropriated to deliver services ^(a)	20,053	18,594	20,434	19,489	15,705	27,609	19,644
Total appropriations provided to deliver services	20,053	18,594	20,434	19,489	15,705	27,609	19,644
ADMINISTERED TRANSACTIONS							
Item 76 Housing Authority - Emergency Services Levy	2,100	2,100	2,100	2,100	2,100	2,100	2,100
Item 77 Housing Authority - General Housing Funding	5,000	2,130	2,130	42,834	64,638	62,143	61,148
Item 78 Housing Authority - Indigenous Housing	18,483	24,000	24,000	32,570	32,903	32,999	26,359
Item 79 Housing Authority - Subsidies for Housing	3,480	3,480	3,480	3,480	3,480	3,480	3,480
Total appropriations for Housing Authority	29,063	31,710	31,710	80,984	103,121	100,722	93,087
CAPITAL							
Item 159 Capital Contribution	4,176	30,450	21,000	95,524	180,000	37,000	-
GRAND TOTAL	53,292	80,754	73,144	195,997	298,826	165,331	112,731

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

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 an increase in the number of projects over \$10.0 million, with 64 projects managed by the Department in 2006-07 as compared to 41 in 2005-06 and 30 in 2004-05.
- The tight construction market continues to provide a challenging environment for the delivery of the capital works program.
- Rents for Government tenanted Perth CBD office accommodation increased by 53 per cent in 2006 and are forecast to increase by an additional 31 per cent in 2007 and 15 per cent in 2008.
- The Department is reviewing how building maintenance needs are determined, planned and project managed. The review will have implications for Government and its agencies, as it will better connect the Department's service delivery to other agencies' Strategic Maintenance Plans.

- A review of Fremantle Prison's Conservation Management Plan is being undertaken.
- Fremantle Prison is one of eleven sites throughout Australia being submitted under a serial listing for inscription on the World Heritage Listing in recognition of its convict history.

SERVICE AND APPROPRIATION SUMMARY

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
SERVICES							
Service 1:							
Delivery, Management and Maintenance of Government Buildings, Projects and Office Accommodation	549,868	745,816	754,226	832,875			
Total Cost of Services ^(a)	549,868	745,816	754,226	832,875	894,048	972,545	984,420
Less Income	539,354	727,021	729,377	810,946	874,459	941,256	960,924
Net Cost of Services ^(a)	10,514	18,795	24,849	21,929	19,589	31,289	23,496
Adjustments ^(b)	9,539	(201)	(4,415)	(2,440)	(3,884)	(3,680)	(3,852)
Appropriation provided to deliver Services ^(a)	20,053	18,594	20,434	19,489	15,705	27,609	19,644
ADMINISTERED TRANSACTIONS							
Appropriation for Administered Grants, Subsidies and Transfer Payments	29,063	31,710	31,710	80,984	103,121	100,722	93,087
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(c)	4,176	30,450	21,000	95,524	180,000	37,000	-
TOTAL CONSOLIDATED ACCOUNT APPROPRIATIONS	53,292	80,754	73,144	195,997	298,826	165,331	112,731

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (c) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

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

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
Creating conditions that foster a strong economy delivering more jobs, opportunities and greater wealth for all Western Australians.	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)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 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	66%	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 ongoing management of Government properties. Includes policy development and advice to Government in relation to its building and construction activities.

	2005-06 Actual	2006-07 Budget	2006-07 Estimated Actual	2007-08 Budget Estimate	Reason for Significant Variation
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service ^(a)	549,868	745,816	754,226	832,875	
Less Income	539,354	727,021	729,377	810,946	
Net Cost of Service ^(a)	10,514	18,795	24,849	21,929	
Adjustments ^(b)	9,539	(201)	(4,415)	(2,440)	
Appropriation for delivery of Service ^(a)	20,053	18,594	20,434	19,489	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Cost per million dollars of value of capital works projects delivered	\$25,392	\$24,488	\$26,038	\$26,290	
Cost per million dollars of gross rentals of buildings and office accommodation managed	\$93,050	\$159,611	\$156,759	\$142,032	
Cost per million dollars of value of minor works and maintenance services delivered....	\$99,360	\$117,434	\$113,585	\$114,498	
Full Time Equivalents (FTEs)	246	251	304	319	

Major Achievements For 2006-07

- The Department managed an increasing building works program with anticipated expenditure of \$475 million for 2006-07. This follows \$324 million construction expenditure in 2005-06 and \$320 million in 2004-05.
- The major Government departments of Education and Training; Health; Corrective Services; and Police had unprecedented building programs in various stages of delivery in 2006-07. The projects include hospitals in Denmark, Fitzroy Crossing and Rockingham; Health Campuses in Broome and Busselton; the Kwinana High School; Ellenbrook and Comet Bay Middle Schools; the Midland Police Operations Support Facility; and prison upgrades at Bandyup and Bunbury.
- The Old Treasury Building heritage values were investigated by the removal of extraneous fixtures and fittings in preparation for major redevelopment.
- In February 2006 the Department engaged 40 apprentices in five trade areas in partnership with Skill Hire group training. Of these, 38 have graduated to second year apprentices and will progress to trade completion in 2008 and 2009. In February 2007 the Department engaged a further 20 apprentices and added painting and decorating to the trade groups. The Department is now negotiating apprentice placement in appropriate projects or specific geographic locations. It is anticipated that approximately 25 apprentices will be recruited in early 2008 taking the apprentices numbers to approximately 80.
- The Department streamlined the tender award process to provide a quicker and more efficient process. This incorporates several initiatives such as Builder Financial Due Diligence, Tenders Review Committee and changes to the selection of consultants to Period Consultancy panels.
- The Department identified opportunities for coordinating the management of multiple projects in Fitzroy Crossing to 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. The program of works on schools, hospital, police station and housing are in various stages of delivery.
- The Perth Arena forward site works project is complete. The tenders from short listed design and construct contractors have been received and are being evaluated.
- The Department joined the Cooperative Research Centre for Construction Innovation to participate in industry-based research.
- Completed negotiations for an agreement to lease office accommodation in the building to be constructed above the new railway station at 140 William Street. The building will be constructed to a 4.5 Star Australian Building Greenhouse Rating and 5 Star Green Star sustainability standard. The Government has committed to occupy 22,000m² of office accommodation in the new building with occupancy planned to commence in 2010.
- Completed negotiations for a lease of office accommodation at Westralia Square, 141 St Georges Terrace, Perth for occupancy by the Department of the Attorney General and the Department of Corrective Services.

- Completed negotiations for a lease of office accommodation at International House, 26 St Georges Terrace, Perth for occupancy by the Office of the Director of Public Prosecutions and smaller groups from the Department of the Attorney General and the Department of Corrective Services.
- Completed an office fit-out at International House for occupation by the Office of the Director of Public Prosecutions (ODPP). The relocation of the ODPP from Westralia Square to International House will place ODPP within the 'Courts Precinct' which will include the new District Court building due for completion in 2008.
- As part of the self-serve Building Maintenance business model for agencies, Schedule of Rates (SOR) zone contracting for whole-of-government was introduced for use within the metropolitan area on 1 July 2006. New SOR zone contracts are being progressively rolled out over a two year period.
- The Department established a single whole of health metropolitan lift maintenance contract which, when all lifts are transitioned into the contract, will produce significant savings.
- The 2006-07 Department of Education and Training (DET) 'Fixing our Schools' program has been allocated \$19.7 million of which \$8.9 million is for works procurement in the metropolitan area and \$10.8 million procurement in the country areas. It is being expended on nominated schools determined by DET in collaboration with the Department.
- The Department continues to assist schools with their grant submissions for rounds two and three of the Commonwealth Government's 'Investing In Our Schools' program. The program is worth \$75 million State-wide over four years.
- The Department has initiated a two year contract for the supply of standard transportable buildings to meet the increasing demand from client agencies for short term and emergency accommodation.
- Completed implementation of interim changes to building surveyor qualifications, private certification, retrospective approvals and building license fees.
- Fremantle Prison Heritage Precinct visitor numbers continue to increase which is against the trend for the number of tourists visiting Western Australia. The Fremantle Prison Tunnel Tours soft adventure experience continues to be popular.
- Work commenced on the Fremantle Prison external conservation of the western façade of the Main Cell Block through the restoration of the degraded limestone walls and repairing and painting the windows.
- The Catalpa Escape – from Fremantle to Freedom Exhibition was successfully staged at Fremantle Prison and the exhibition is now touring the state before this fascinating story from the state's convict heritage is promoted to a national audience by touring museums in the eastern states. Adelaide has recently been included on the itinerary as part of the Exhibition's return journey to Perth.

Major Initiatives For 2007-08

- The Department will continue to expand the 'DHW Apprenticeship Initiative Pilot Project' to cover all Departmental contracts.
- The Department will continue with Government departments, the procurement of Works contracts to facilitate their building programs which will include construction tendering for the:
 - Department of Education and Training (ten new primary and secondary schools);
 - Western Australia Police (six police stations);
 - Department of Health (17 major upgrades and new hospitals); and
 - Department of Sport and Recreation (AK Reserve - Basketball and Athletics Stadiums).
- The Department will be managing in 2007-08 an active projects list (projects in planning, design and construction stages from 2006-07) of \$2.5 billion total project cost, as well as the new works projects in 2007-08.
- The Department will implement a Graduate Development program to build industry skills in project management, architecture and engineering.

- The Department will continue to construct a new fit-out at Westralia Square for occupancy by the Department of Corrective Services and the Department of the Attorney General. The refit of the existing premises will facilitate the split of the previous Department of Justice into the two new departments and will be staged to completion in 2009 so that the occupants can remain in the building during the fit-out works.
- The Department will finalise the Perth metropolitan area (non-CBD) and regional office accommodation strategic plans. As a continuation of the strategic planning commenced with the preparation of the 'Perth CBD Office Accommodation Strategic Plan', the Department, in consultation with agencies, will prepare three-year strategic plans for Government office accommodation in the Perth metropolitan area (non-CBD) and regional areas.
- The Department will complete a review of the current 'Office Accommodation Policies'. The policies were developed by the Department to ensure that Government office accommodation is provided as efficiently as possible, while also enabling services to be delivered in an effective manner. The policies also address the Government's concerns in other key areas, such as sustainability and access for people with disabilities.
- The Department will assist schools with their grant submissions for the Commonwealth Government's recently expanded 'Investing In Our Schools' program for the remaining two years of the program which is worth \$75 million over four years.
- The Department will implement the Schedule of Rates zone maintenance contracting in the Perth CBD.
- The Department will continue to ensure the long-term sustainability of the Fremantle Prison Heritage Precinct.

CAPITAL WORKS PROGRAM

The Departments 2007-08 capital works program includes the following significant items:

- the Perth Arena;
- the continuation of refurbishment programs for Dumas House in West Perth and 151 Royal Street in East Perth; and
- the Fremantle Prison's capital works program. This will continue the balanced conservation/adaptive re-use approach, to ensure the long-term sustainability of the Fremantle Prison Heritage Precinct.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Dumas House, West Perth and 151 Royal Street Refurbishment	10,200	5,676	5,000	4,524
Perth Arena	320,000	12,000	10,761	91,000
COMPLETED WORKS				
Computer and Office Equipment Replacement - 2006-07 Program	25	25	25	-
Fremantle Prison Restoration - 2006-07 Program	1,470	1,470	1,470	-
Perth Arena Site Remediation	7,500	7,500	7,500	-
NEW WORKS				
Computer and Office Equipment Replacement - 2007-08 Program	25	-	-	25
Fremantle Prison Restoration - 2007-08 Program	1,070	-	-	1,070
	340,290	26,671	24,756	96,619

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	3,684	31,945	24,756	96,619	180,025	37,025	25
	3,684	31,945	24,756	96,619	180,025	37,025	25
LESS							
Drawdowns from the Holding Account	25	25	25	25	25	25	25
Funding Included in Service Appropriations ^(a) ..	670	1,470	1,470	1,070	-	-	-
Internal Funds and Balances	(1,187)	-	2,261	-	-	-	-
Capital Contribution	4,176	30,450	21,000	95,524	180,000	37,000	-

(a) Capital works expensed through the Income Statement.

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(a)	15,902	16,569	19,692	21,263	20,977	21,824	22,721
Superannuation	2,263	2,400	2,855	3,060	3,049	3,170	3,280
Cost of goods sold	29	-	-	-	-	-	-
Grants and subsidies ^(b)	-	-	194	500	500	500	500
Supplies and services	526,122	722,225	725,212	801,789	863,223	939,722	947,962
Accommodation	1,040	1,109	1,205	1,193	1,229	2,259	4,887
Capital user charge ^(c)	14,658	15,832	15,832	-	-	-	-
Depreciation and amortisation	4,512	3,423	4,978	4,978	4,978	4,978	4,978
Other expenses	-	90	90	92	92	92	92
TOTAL COST OF SERVICES	564,526	761,648	770,058	832,875	894,048	972,545	984,420
Income							
User charges and fees	434,371	623,121	618,477	687,946	738,259	788,656	788,924
Grants and subsidies	375	-	-	-	-	-	-
Rent	100,137	103,900	110,900	123,000	136,200	152,600	172,000
Other revenue	4,471	-	-	-	-	-	-
Total Income	539,354	727,021	729,377	810,946	874,459	941,256	960,924
NET COST OF SERVICES ^(c)	25,172	34,627	40,681	21,929	19,589	31,289	23,496
INCOME FROM STATE GOVERNMENT							
Service appropriations ^(c)	34,711	34,426	36,266	19,489	15,705	27,609	19,644
Resources received free of charge	384	534	393	403	413	424	435
Liabilities assumed by the Treasurer	803	718	823	844	865	886	908
TOTAL INCOME FROM STATE GOVERNMENT	35,898	35,678	37,482	20,736	16,983	28,919	20,987
SURPLUS/(DEFICIENCY) FOR THE PERIOD	10,726	1,051	(3,199)	(1,193)	(2,606)	(2,370)	(2,509)

(a) The Full Time Equivalents (FTEs) for 2005-06 Actual, 2006-07 Estimated Actual and 2007-08 Estimate are 246, 304 and 319 respectively.

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

(c) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

**BALANCE SHEET
(Controlled)**

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CURRENT ASSETS							
Cash and cash equivalents	52,012	33,954	46,452	45,159	42,453	39,983	37,374
Restricted cash	-	77	-	-	-	-	-
Receivables	57,730	33,589	57,531	57,065	56,599	56,133	55,667
Inventories	77	-	77	77	77	77	77
Amounts receivable for services	-	25	-	-	-	-	-
Prepayments	7,965	6	7,965	7,965	7,965	7,965	7,965
Other	7,247	8,020	7,247	7,247	7,247	7,247	7,247
Total current assets	125,031	75,671	119,272	117,513	114,341	111,405	108,330
NON-CURRENT ASSETS							
Amounts receivable for services	13,895	17,268	17,293	20,691	24,089	27,487	30,885
Land and buildings	248,235	166,492	244,973	241,550	238,127	234,704	231,281
Plant and equipment	1,305	3,687	1,330	1,355	1,380	1,405	1,430
Intangibles	161	-	-	-	-	-	-
Restricted cash	51	-	90	130	171	212	253
Other	20,352	28,119	42,058	136,027	314,472	349,917	348,362
Total non-current assets	283,999	215,566	305,744	399,753	578,239	613,725	612,211
TOTAL ASSETS	409,030	291,237	425,016	517,266	692,580	725,130	720,541
CURRENT LIABILITIES							
Payables ^(a)	64,150	1,799	64,150	64,150	64,150	64,150	64,150
Provision for employee entitlements	3,137	2,024	3,037	2,937	2,837	2,737	2,637
Accrued salaries	283	77	322	362	403	444	485
Other	25,830	50,914	25,830	25,830	25,830	25,830	25,830
Total current liabilities	93,400	54,814	93,339	93,279	93,220	93,161	93,102
NON-CURRENT LIABILITIES							
Provision for employee entitlements	1,097	1,445	1,097	1,097	1,097	1,097	1,097
Other	21,955	-	20,201	18,180	16,159	14,138	12,117
Total non-current liabilities	23,052	1,445	21,298	19,277	17,256	15,235	13,214
TOTAL LIABILITIES	116,452	56,259	114,637	112,556	110,476	108,396	106,316
EQUITY							
Contributed equity	40,410	53,189	61,410	156,934	336,934	373,934	373,934
Accumulated surplus/(deficit)	168,702	155,115	165,503	164,310	161,704	159,334	156,825
Reserves	83,466	26,674	83,466	83,466	83,466	83,466	83,466
Total equity	292,578	234,978	310,379	404,710	582,104	616,734	614,225
TOTAL LIABILITIES AND EQUITY	409,030	291,237	425,016	517,266	692,580	725,130	720,541

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

CASHFLOW STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	31,288	31,003	32,843	16,066	12,282	24,186	16,221
Capital contribution	4,176	30,450	21,000	95,524	180,000	37,000	-
Holding account drawdowns	25	25	25	25	25	25	25
Net cash provided by State government	35,489	61,478	53,868	111,615	192,307	61,211	16,246
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(15,079)	(16,630)	(19,753)	(21,323)	(21,036)	(21,883)	(22,780)
Superannuation	(1,436)	(1,682)	(2,032)	(2,216)	(2,184)	(2,284)	(2,372)
Grants and subsidies	-	-	(194)	(500)	(500)	(500)	(500)
Supplies and services	(544,341)	(721,691)	(726,174)	(803,441)	(864,865)	(941,353)	(949,582)
Accommodation.....	(1,040)	(1,109)	(1,205)	(1,193)	(1,229)	(2,259)	(4,887)
Capital user charge ^(a)	(14,658)	(15,832)	(15,832)	-	-	-	-
Goods and services tax	(58,046)	(70,000)	(70,000)	(78,000)	(84,000)	(91,000)	(93,000)
Other.....	(106)	(90)	(90)	(92)	(92)	(92)	(92)
Receipts							
User charges and fees.....	553,775	727,021	729,177	811,446	874,959	941,756	961,424
Grants and subsidies	375	-	-	-	-	-	-
Goods and services tax	59,849	70,000	70,000	78,000	84,000	91,000	93,000
Other receipts	1,888	-	-	-	-	-	-
Net cash from operating activities.....	(18,819)	(30,013)	(36,103)	(17,319)	(14,947)	(26,615)	(18,789)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(7,852)	(30,475)	(23,286)	(95,549)	(180,025)	(37,025)	(25)
Net cash from investing activities.....	(7,852)	(30,475)	(23,286)	(95,549)	(180,025)	(37,025)	(25)
NET INCREASE/(DECREASE) IN CASH HELD	8,818	990	(5,521)	(1,253)	(2,665)	(2,429)	(2,568)
Cash assets at the beginning of the reporting period	43,245	33,041	52,063	46,542	45,289	42,624	40,195
Cash assets at the end of the reporting period.....	52,063	34,031	46,542	45,289	42,624	40,195	37,627

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

RECONCILIATION RELATING TO REMOVAL OF CAPITAL USER CHARGE

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	564,526	761,648	770,058	832,875	894,048	972,545	984,420
Less Capital User Charge.....	14,658	15,832	15,832	-	-	-	-
Adjusted Total Cost of Services	549,868	745,816	754,226	832,875	894,048	972,545	984,420
APPROPRIATIONS							
Net amount appropriated to deliver services	34,711	34,426	36,266	19,489	15,705	27,609	19,644
Less Capital User Charge.....	14,658	15,832	15,832	-	-	-	-
Adjusted net amount appropriated to deliver services.....	20,053	18,594	20,434	19,489	15,705	27,609	19,644

SCHEDULE OF ADMINISTERED EXPENSES AND INCOME

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Grants and subsidies	29,063	31,710	31,710	80,984	103,121	100,722	93,087
Supplies and services	47	-	-	-	-	-	-
Receipts paid into consolidated account.....	14,141	13,600	18,500	18,500	20,300	20,300	22,200
TOTAL ADMINISTERED EXPENSES ^(a)..	43,251	45,310	50,210	99,484	123,421	121,022	115,287
INCOME							
Rent	14,141	13,600	18,500	18,500	20,300	20,300	22,200
Administered appropriations.....	29,063	31,710	31,710	80,984	103,121	100,722	93,087
TOTAL ADMINISTERED INCOME ^(b)	43,204	45,310	50,210	99,484	123,421	121,022	115,287

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

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

SCHEDULE OF ADMINISTERED ASSETS AND LIABILITIES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
ADMINISTERED CURRENT ASSETS							
Cash and cash equivalents	722	784	722	722	722	722	722
Total Administered Current Assets	722	784	722	722	722	722	722
ADMINISTERED NON-CURRENT ASSETS							
Land and buildings	-	25,061	-	-	-	-	-
Other	51,300	52,486	51,300	51,300	51,300	51,300	51,300
Total Administered Non-Current Assets	51,300	77,547	51,300	51,300	51,300	51,300	51,300
TOTAL ADMINISTERED ASSETS	52,022	78,331	52,022	52,022	52,022	52,022	52,022
TOTAL ADMINISTERED LIABILITIES..	-	-	-	-	-	-	-

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Grants and subsidies	(29,063)	(31,710)	(31,710)	(80,984)	(103,121)	(100,722)	(93,087)
Supplies and services	(47)	-	-	-	-	-	-
Receipts paid into consolidated account	(14,141)	(13,600)	(18,500)	(18,500)	(20,300)	(20,300)	(22,200)
Investing Activities							
Purchase of non-current assets	(419)	-	-	-	-	-	-
TOTAL ADMINISTERED CASH OUTFLOWS	(43,670)	(45,310)	(50,210)	(99,484)	(123,421)	(121,022)	(115,287)
CASH INFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Rent receipts	14,141	13,600	18,500	18,500	20,300	20,300	22,200
Administered appropriations	29,063	31,710	31,710	80,984	103,121	100,722	93,087
TOTAL ADMINISTERED CASH INFLOWS	43,204	45,310	50,210	99,484	123,421	121,022	115,287
NET CASH INFLOWS/(OUTFLOWS) FROM ADMINISTERED TRANSACTIONS	(466)	-	-	-	-	-	-

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
Fitzroy Futures program	-	-	194	500	500	500	500
TOTAL	-	-	194	500	500	500	500

DETAILS OF THE ADMINISTERED TRANSACTIONS EXPENSES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
GRANTS TO CHARITABLE AND OTHER PUBLIC BODIES							
Housing Authority	29,063	31,710	31,710	80,984	103,121	100,722	93,087
OTHER STATE SERVICES							
Receipts paid into consolidated account.....	14,141	13,600	18,500	18,500	20,300	20,300	22,200
Supplies and Services	47	-	-	-	-	-	-
TOTAL	43,251	45,310	50,210	99,484	123,421	121,022	115,287

DETAILS OF THE ADMINISTERED TRANSACTIONS INCOME

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
OTHER							
Lease rental receipts from other government agencies	14,141	13,600	18,500	18,500	20,300	20,300	22,200
Appropriations	29,063	31,710	31,710	80,984	103,121	100,722	93,087
TOTAL	43,204	45,310	50,210	99,484	123,421	121,022	115,287

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the Department:

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
Provision of Contract Services	553,153	723,751	725,695	807,832
Fremantle Prison	2,859	3,243	3,455	3,586
Executive Vehicle Scheme	26	27	27	28
Goods and Services Tax	59,849	70,000	70,000	78,000
TOTAL	615,887	797,021	799,177	889,446

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

HOUSING AUTHORITY

CAPITAL WORKS PROGRAM

The Authority has delivered its housing programs and activities in an environment of increasing demand and unprecedented market conditions. The State Government has committed an additional \$417.3 million to affordable housing over the next four years. This investment will ensure the continuation of Western Australia's housing programs through the sustained delivery of a combination of public and community housing, as part of an integrated social housing system.

The Authority is implementing a strategy to build the capacity of the community housing sector, promoting an increased role for not for profit housing providers in the social housing system.

The Housing Authority's Capital Works Program for 2007-08 is more than \$909 million, which incorporates new and refurbished public housing for rental, provision of government regional officers' housing (GROH), 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. To address housing affordability, social housing programs will be maintained and programs including bond assistance and shared equity home loan schemes will be expanded in this budget.

Social Housing

In 2007-08 the Authority plans to continue to procure new properties through construction and spot purchase as well as undertake refurbishment on existing properties. The Authority will sustain a program of 922 dwelling completions, through a combination of community and public housing programs.

The Authority will continue to focus on procuring new properties in areas of greatest demand including the North Central, North Coastal, North East and Fremantle zones in the metropolitan area and Albany, Bunbury, Busselton and Broome in regional areas. The construction program will also seek to promote industry training and employment opportunities.

The Regional Upgrade Strategy will continue with the procurement and refurbishment of properties in regional centres and smaller country towns. The contribution towards the housing element of the Mental Health Strategy will also continue.

The Government has provided \$12.2 million to address social housing priorities in the town of Halls Creek, with expenditure beginning in 2006-07. The Halls Creek program includes the refurbishment of existing dwellings, land infrastructure, the construction of additional public rental and government regional officers' housing (GROH) as well as housing in three Aboriginal Town Based Communities. Delivery of this program will continue in 2007-08.

Government Regional Officers' Housing (GROH)

The GROH business unit of the Housing Authority provides rental dwellings for public officers in regional and remote Western Australia.

In 2007-08, a \$60.0 million government funded program will continue to boost and improve stocks including in areas affected by the resources boom, and in remote Indigenous communities. Some locations covered by the program include Karratha, Newman, Tom Price, Fitzroy Crossing, Halls Creek, Jigalong, Hedland and Ravensthorpe.

Land

The land program continues to meet immediate and future public housing requirements and provide housing opportunities for the broader community. Land development will realise yields of 3,101 lots, which include joint venture projects of 2,374 lots. Significant activity in joint venture development will continue in Wandina, Oyster Harbour, Ellenbrook, Dalyellup, Brighton, Wellard and Banksia Grove.

Broad-hectare land development projects will progress in Armadale, Bertram, Brookdale, Bunbury, Swan View and Albany-MacKail.

The main focus of land activity under the New Living program will be in Queens Park, the New North and South Hedland.

Home Ownership

Keystart's traditional clients now have more industry options, and have also been impacted by higher property market prices. Keystart lending is expected to provide a capital injection of \$420.0 million in 2007-08 into Western Australian housing.

Keystart will continue to offer low deposit full home ownership and shared-equity purchase schemes, which will result in over 3,000 new loans in 2007-08. Approximately \$100 million of home loan capital funding for 2007-08 will go towards the construction of new homes and the balance for established properties.

To address the issue of affordability as a result of increased property prices, the Government introduced the First Start Shared Equity Scheme in February 2007. This loan scheme will continue in 2007-08 assisting 1,000 first home buyers as well as providing low-deposit home loans to people on low to moderate incomes. The Authority will also provide \$100.0 million to purchase its equity share of the properties under that scheme.

Keystart will continue to offer its other shared equity schemes comprising of Aboriginal Loan Scheme, Access Loan Scheme (for people with disabilities), the Goodstart Scheme for the authority's rental tenants and applicants for rental who intend to make the transition from rental to home ownership and the sole parent scheme.

Keystart will provide home ownership opportunities to regional Western Australia and is expected to provide approximately \$200 million in loans to country Western Australia.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
COMPLETED WORKS				
Community Housing - 2006-07 Program.....	8,140	8,140	8,140	-
Computer Hardware and Software - 2006-07 Program.....	2,857	2,857	2,857	-
Construction and Purchase of Houses				
2006-07 Program.....	176,962	176,962	176,962	-
Crisis Accommodation - 2006-07 Program.....	5,415	5,415	5,415	-
Construction and Purchase of Regional Officers Housing				
2006-07 Program.....	18,910	18,910	18,910	-
2006-07 Replacement Program (Borrowings).....	15,000	15,000	15,000	-
Halls Creek Response.....	2,880	2,880	2,880	-
Estate Improvement Land Redevelopment - 2006-07 Program.....	9,721	9,721	9,721	-
First Start Scheme - 2006-07 Program.....	50,000	50,000	50,000	-
Land				
Acquisition 2006-07 Program.....	83,029	83,029	83,029	-
Development - 2006-07 Program.....	111,937	111,937	111,937	-
Holding Costs - 2006-07 Program.....	371	371	371	-
Redevelopment - 2006-07 Program.....	517	517	517	-
Loans to Homebuyers				
Goodstart Scheme - 2006-07 Program.....	12,000	12,000	12,000	-
Keystart Scheme - 2006-07 Program.....	446,778	446,778	446,778	-
Minor Works - 2006-07 Program.....	3,760	3,760	3,760	-
Offices and Shops - 2006-07 Program.....	3,987	3,987	3,987	-
Other - 2006-07 Program.....	658	658	658	-
NEW WORKS				
Community Housing				
2007-08 Program.....	5,205	-	-	5,205
Lodging Houses (2007-08 Project).....	16,800	-	-	16,800
Computer Hardware and Software - 2007-08 Program.....	3,545	-	-	3,545
Construction and Purchase of Houses				
2007-08 Program.....	157,028	-	-	157,028
Crisis Accommodation - 2007-08 Program.....	3,877	-	-	3,877
Stock Growth to Contain Wait List - Capital (2007-08 Program).....	40,400	-	-	40,400
Construction and Purchase of Regional Officers Housing				
2007-08 Program.....	7,423	-	-	7,423
2007-2008 Replacement Program (Borrowings).....	20,000	-	-	20,000
Estate Improvement Land Redevelopment - 2007-08 Program.....	10,430	-	-	10,430
First Start Scheme - 2007-08 Program.....	100,000	-	-	100,000

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
Land				
Acquisition 2007-08 Program	30,223	-	-	30,223
Development - 2007-08 Program	76,466	-	-	76,466
Holding Costs - 2007-08 Program	215	-	-	215
Redevelopment - 2007-08 Program	553	-	-	553
Loans to Homebuyers				
Goodstart Scheme - 2007-08 Program	11,000	-	-	11,000
Keystart Scheme - 2007-08 Program	420,000	-	-	420,000
Minor Works - 2007-08 Program	4,569	-	-	4,569
Offices and Shops - 2007-08 Program	2,000	-	-	2,000
Other - 2007-08 Program	216	-	-	216
	2,012,872	952,922	952,922	909,950

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	958,525	1,044,885	952,922	909,950	1,232,541	1,175,362	1,116,135
	958,525	1,044,885	952,922	909,950	1,232,541	1,175,362	1,116,135
LESS							
Asset Sales	294,568	314,349	358,249	301,856	333,040	375,281	335,235
Borrowings	0	45,000	101,231	130,000	125,000	60,000	-
Commonwealth Grants	144,977	137,199	139,037	138,278	138,143	83,872	83,872
Government Equity Contribution	15,000	15,000	15,000	64,700	73,860	31,720	55,990
Keystart Program	614,518	664,872	446,778	420,000	780,000	781,500	783,000
Internal Funds and Balances	(133,501)	(139,609)	(112,983)	(191,198)	(285,620)	(222,634)	(206,590)
Other	22,963	8,074	5,610	46,314	68,118	65,623	64,628
Capital Contribution	-	-	-	-	-	-	-

The Housing Authority 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 Housing Authority relates to capital works, in particular rental housing procurement, land development, provision of government regional officers housing and provision for home loan assistance. Other significant operational programs include remote Indigenous Housing, Community Housing, New Living and maintenance programs. In order to provide a broader perspective on all the Authority's activities, the following additional information is provided.

Regional Improvements and New Living

The total improvements budget is projected at \$65.1 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 Kalgoorlie, Withers, Bunbury, South Hedland, Bentley, Hamilton Hill, Queens Park and Coolbellup.

Funding is also directed at general regional improvements and refurbishments. Through the refurbishment program, ageing single houses are replaced or refurbished to provide a variety of new housing types which better respond to the changing demographic demand of applicants and existing tenants. The budget allocation will be distributed between both metropolitan and country regions.

A review and update of fire and emergency procedures in Housing Authority complexes will continue. In 2007-08 a five year program for the replacement of smoke detectors that were installed in 1997-98 will commence. The first year of the replacement program will be aimed at properties occupied by tenants with disabilities.

Indigenous Housing

Pursuant to the Commonwealth-State Indigenous Housing and Infrastructure Agreement, the Indigenous housing budget for remote programs is \$77.4 million, with \$13.9 million allocated to remote construction and \$63.6 million allocated to other expenditure, including maintenance on housing, infrastructure works, the Indigenous Housing Management System and the Remote Area Essential Service Program.

The 2007-08 programs will continue to focus on housing quality and overcrowding in large permanent remote communities. This includes major housing construction, essential services infrastructure, maintenance and housing management.

The State Government has committed \$35.3 million over four years to deliver a range of immediate and medium term actions for Aboriginal Town Based Communities. These actions include:

- critical maintenance and repairs for health and safety;
- community cleanup, including demolitions where required;
- major upgrades and refurbishments where required;
- stock replacements and new housing where identified as a high priority; and
- acquisition and establishment of transitional accommodation in towns where community closures result in a high need.

Community Housing

Over the next four years, investment in community housing will aim to build the capacity of the Community Housing sector. In 2007-08, an additional \$30.0 million will be committed to growing the sector by mostly utilising not for profit housing providers under the key provider strategy.

Community Housing includes rental accommodation managed by non-profit community organisations, housing associations and local governments. It provides tenants with an affordable alternative to renting in public or private rental markets. In contrast to public housing, community housing tenants are eligible for Commonwealth Rent Assistance (CRA) affording community housing providers with a revenue stream which they can leverage against to develop more affordable rental properties. An enhanced regulatory regime will support this investment and growth.

In 2007-08, \$16.8 million has also been committed to provide an estimated 150 lodging house beds in the Fremantle area. Faced with an increasing demand and a risk of declining supply of lodging houses, this funding will secure an affordable housing option for lodgers including low-income workers, people on government income support, single men and women, and people with mental illnesses.

Projects to commence in 2007-08 will include:

- Northbridge Lodging House: it is proposed to build 50 lodging house beds, 16 apartments and nine commercial units in Northbridge at an estimated cost of \$9.4 million. The development will utilise the winning design of a 2005 Architectural design competition supervised by the Government Architect, Geoffrey London;
- Helena St/Foundry Rd Midland: it is proposed to build 27 one and two bedroom units and three commercial units at an estimated cost of \$5.6 million on a site located in the old Midland Railway Workshops area; and
- as an alternative approach to seniors' accommodation, the Authority is examining the viability of partnering with providers in the Retirement Village industry.

Maintenance

The maintenance budget continues with strong levels for 2007-08 with \$66.6 million allocated for medium and long-term assets to ensure property standards are preserved.

Major Achievements For 2006-07

Social Housing

- In 2006-07 the Authority is on target to procure 940 new properties through construction and spot purchase, as well as undertake refurbishment and bed-sitter conversions on 669 existing dwellings allowing residents to enjoy a greatly improved amenity level in their home.
- Completion of the 69 unit Goderich Street East Perth development occurred. 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.
- The development of 20 residential units for families and single people as well as four commercial properties at the corner of Hay Street and Tighe Street, Subiaco was completed. This multi storey development provides affordable rental accommodation as part of the government's commitment to social housing in the Subiaco redevelopment area.
- Construction progressed on the 37 unit multi storey development in Summers Street, Perth, which is adjacent to the East Perth Rail Terminal. This development, once completed, will provide housing for seniors, single people, small family households and people with disabilities.
- Under the New Living program substantial refurbishment activity continued in projects at Coolbellup, New North, Hamilton Hill, Eastern Horizons, Midland and Bunbury for retention as public housing and sale to the community.
- Working in partnership with Horizon Power, the Housing Authority has upgraded internal wiring in various Aboriginal and Remote Communities. Ardyaloon, Warmun, Lombadina and Djarindjin are at the final completion stage - with the next step being transition to the new network and power stations. Remaining properties within the communities of Beagle Bay and Bidyadanga will be completed this calendar year.
- The affordability of private rental accommodation was identified as being adversely impacted by continuing low levels of CRA.

Land

- The Authority's land acquisition budget for 2006-07 totalled \$83.0 million. This figure includes acquisition of lots from joint venture developments, general purchases of land for the Authority's social housing program and broad hectare sites for future subdivision.
- Some of the key land acquisitions during the year include:
 - the Authority continued to acquire broadhectare parcels in the Bayonet Head area of Albany in partnership with Heath Development Company;
 - the Authority has acquired 5.18 hectares in conjunction with Gold Estates Holdings at Hammond Park, bringing the total Hammond Park development to 32.5 hectares;
 - the former RAAF Transmitter Station in West Swan (formerly Caversham) has been acquired. This is a 250 hectare land parcel;
 - 13 lots in Stages One and Two of Landcorp's Janaburu Six Seasons Estate in Broome worth over \$2.5 million have been acquired; and
 - two groups sites at Lots 103 and 104 Bernard Way, Broome have been acquired from Landcorp for \$1.8 million.
- In addition, it is anticipated that 127 vacant lots worth \$21.6 million have been acquired from the Authority's joint ventures at Beeliar, Butler, Clarkson, Dalyellup, Ellenbrook, Wandina and Wellard.
- The Authority's land development projects for 2006-07 totalled \$111.9 million. This figure includes joint venture developments and in-house land development.

- The Amarillo farm in Karnup is the Authority's most significant landholding. A 4,000 hectare land parcel, it is estimated the project will eventually house up to 90,000 people. The preparation of the draft Masterplan for Amarillo has advanced.
- Broadhectare development continued in Windsor Hills and Bertam in the Town of Kwinana, Brookdale and also Glen Iris in Bunbury. Sales of the land will be aimed at the first homeowner market.
- The Redevelopment Program continued to provide land for the construction of dwellings for new public rental housing or for purchase by the community in areas across the State such as Ashfield, Bentley, St James, Doubleview, Scarborough and Willagee.
- Joint Venture projects have continued to progress as a result of increased market demand in Albany, Dalyellup, Ellenbrook, Beeliar, Quinns, Clarkson and Wellard, Butler and Ellenbrook.
- During 2006-07 179 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 south metropolitan area and in Queens Park.

Home Ownership

- In 2006-07, Keystart is on target to assist up to 3,000 households enter or maintain home ownership by providing low-deposit home loans through its full home ownership and shared equity home loan schemes to the value of \$446.0 million. This has resulted in \$100.0 million funding for new construction, over \$200 million expended in regional areas and first home owners accessing loans valued at \$280.0 million.
- To improve affordability for first home buyers, the Premier of Western Australia launched the First Start Shared Equity Scheme in February 2007 to provide 1,000 loans per year over three years. This Scheme is based on assisting first home buyers earning up to \$60,000 per annum to enter the home ownership market with the Housing Authority jointly owning a share of their property. Successful applicants for the First Start Shared Equity Scheme can purchase an established property or purchase land to construct a house to suit their needs. The properties can be purchased state wide through the private market or through one of the Authority's sales program.
- The other shared equity schemes comprising of the Aboriginal Loan Scheme, Access Loan Scheme for people with disabilities and the Goodstart Scheme for the Authority's rental tenants and applicants for rental will assist approximately 200 families achieve home ownership.

GROH

- In 2006-07 a \$60.0 million program commenced to boost and improve stocks in regional areas, including those areas experiencing the resources boom and also in remote Indigenous communities. A further \$2.8 million has been provided in 2006-07 by the Government to help fund Halls Creek projects.
- Strategic acquisitions in 2006-07 were undertaken in various towns, including Broome, Boddington, Kunururra, Newman and Karratha.
- Other highlights include the completion of 14 dwellings in Djarindjin, Bidyadanga, Warakurna and Warmun.
- Another 15 dwellings are being built in Fitzroy Crossing Nullagine, Wyndham and Jigalong.

Major Initiatives For 2007-08

Rental

- To ensure the effective continuation of the Authority's Housing program through the delivery of a combined public and community housing program, the State Government has invested an additional \$376.0 million in social housing programs.
- More recently, the Authority has focussed on refurbishing its stock, through the New Living program, and diversifying the location of public housing. As a consequence of this strategy the quality of the Authority's stock has significantly improved and overall stock numbers have been sustained. The additional funding provided by the State Government will ensure that the Authority can deliver a construction program level of 922 dwelling completions per annum over four years.

Development of Community Housing

- In 2007-08, the Authority will provide an additional \$30.0 million to extend the role of community housing in the provision of an integrated social housing system. Community Housing provides social rental housing that is managed by not-for-profit community organisations, housing associations and local Government organisations. Community Housing offers clients security of tenure, affordable housing responsive to local needs and tenant involvement in the management of their housing.
- The Housing Authority will invest in initiatives to underpin the development and capacity of the community housing sector to expand its role in the development, provision and management of affordable social housing. This will include:
 - 2007-08 business improvement;
 - resourcing and training initiatives;
 - mentoring arrangements to enable Key Providers to build expertise as project managers and developers;
 - joint ventures with larger, more sophisticated organisations;
 - establishment of a Regulation and Compliance unit to assess and reduce risk, and
 - initiate business improvement strategies and monitor compliance to protect public and private investment.

Home Ownership

- To improve housing affordability the First Start Shared Equity Scheme was introduced in February 2007. The Scheme will continue assisting 1000 first homebuyers in 2007-08 with a total of 3,000 households to be assisted over three years.
- The Authority and Keystart will continue to work closely with land developers and builders to produce innovative and affordable house and land packages. For example, display homes have been constructed in the Housing Authority's Banksia Grove joint venture project, which can be replicated for approximately \$365,000, and further project homes/group houses are being developed to provide affordable solutions to home ownership. These packages involve the creative design of suitable houses on smaller lots and are targeted mainly at assisting first homebuyers gain entry into the market.
- It is anticipated that Keystart will provide approximately \$290 million for first homebuyers seeking to make the transition from rental to home ownership. The housing industry will also benefit with approximately \$100 million expected to be approved for the construction of new homes.

Private Rental Assistance including Bonds

- \$5.7 million will be invested to expand the bond assistance scheme to increase bond loan limit and increase income eligibility limits. This should result in more families and singles being able to be assisted with entry costs into private rental accommodation. In addition clients in hardship or at risk of being homeless can increase their bond loan to meet ingoing fees that are on top of bond requirements. The ingoing fees loan will cover letting fees and rent in advance.
- Efforts will continue to seek the Commonwealth's commitment to improve the effectiveness of CRA.

Land

- Harrisdale Village (Forrestdale): The Department is in the process of selecting a joint venture partner for its land holdings at Harrisdale, which will yield around 600 lots. The project will facilitate home ownership for low to middle income earners, through the provision of affordable land and housing at a rate of no less than 10 percent of dwellings and to provide land at the ratio of one in nine overall dwellings for public rental and community housing. A key emphasis of the project is to demonstrate sustainability 'best practice' in all areas including water sensitive urban design, density and diversity, land subdivision configuration and solar orientation, integration of land and built form, and town planning.
- Amarillo - the Authority will advance detailed studies which will prove up the site for development. The studies will address issues including environmental management, employment potential, transport connections, community formation and urban design.

Indigenous Housing

- Additional funding will be allocated to Aboriginal town-based communities. There are estimated to be 50 permanent Indigenous town-based communities in Western Australia, with an estimated resident population of 4,000. A \$35.3 million allocation over four years will provide a range of immediate and medium to longer-term actions for Indigenous town-based communities across the State. These include:
 - advancing the normalisation of key services, e.g. power and water;
 - advancing the normalisation of housing management service delivery;
 - stock replacements and new housing;
 - major upgrades and refurbishments;
 - critical maintenance and repairs to address health and safety issues;
 - upgrade of internal roads; and
 - community enhancement strategies.

Government Regional Officers Housing

- In 2007-08 the \$60.0 million program will continue to build momentum. In addition to the Halls Creek and Karratha projects, other locations where GROH dwellings are planned in 2007-08 include Newman, Tom Price, Fitzroy Crossing, Jigalong, Port Hedland and Ravensthorpe.

COUNTRY HOUSING AUTHORITY

CAPITAL WORKS PROGRAM

The Authority provides housing finance to primary producers, businesses and regional services providers in rural and remote Western Australia delivered through its Housing Finance Access Program. The program is funded through borrowings from the Western Australia Treasury Corporation and the Authority's cashflow.

During 2007-08 the Authority is aiming to approve a further 120 loans and advance in excess of \$11 million towards the purchase, construction and renovation of residential accommodation and the installation of environmentally friendly remote area power systems.

In addition, the Authority will distribute approximately \$600,000 through its Housing Development Incentive Program from funding sourced from the Regional Infrastructure Fund Program in 2006. This will facilitate the construction of 12 dwellings for important service providers in rural and remote areas.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Advances for Country Housing - 2006-07 Program	11,988	9,992	9,992	1,996
COMPLETED WORKS				
Advances for Country Housing - 2005-06 Program	11,655	11,655	1,996	-
NEW WORKS				
Advances for Country Housing - 2007-08 Program	11,988	-	-	9,992
	35,631	21,647	11,988	11,988

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	11,655	11,988	11,988	11,988	11,988	11,988	11,988
	11,655	11,988	11,988	11,988	11,988	11,988	11,988
LESS							
Borrowings	4,300	5,700	5,700	4,900	4,500	6,500	6,500
Internal Funds and Balances	7,355	6,288	6,288	7,088	7,488	5,488	5,488
Capital Contribution	-	-	-	-	-	-	-

INDIGENOUS AFFAIRS

PART 8 - MINISTER FOR EMPLOYMENT PROTECTION; HOUSING AND WORKS; INDIGENOUS AFFAIRS; HERITAGE; LAND INFORMATION

DIVISION 39

APPROPRIATION AND FORWARD ESTIMATES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 80 Net amount appropriated to deliver services ^(a)	22,154	25,550	26,020	21,971	21,214	21,191	21,454
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 ^(b)	160	160	164	164	164	169	174
Total appropriations provided to deliver services	22,314	25,710	26,184	22,135	21,378	21,360	21,628
CAPITAL							
Item 160 Capital Contribution	260	-	-	12	-	170	-
GRAND TOTAL	22,574	25,710	26,184	22,147	21,378	21,530	21,628

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) The recommendation by the Salaries and Allowances Tribunal of 4 April 2007 in relation to senior public servants' salaries was received after the finalisation of agencies' individual financial projections. Accordingly, a provision for the total cost 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 No. 2 Volume 1). This provision will be reflected in agencies' estimates following the release of the 2007-08 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

- The bilateral agreement between the Commonwealth and State is central to improving results in Indigenous social, cultural and economic issues in remote and regional communities. Key future strategies include targeted interventions in selected locations that focus on infrastructure development, home ownership, land tenure reforms and better coordination and utilisation of mainstream services.
- Economic opportunities for Indigenous people are being enhanced through a series of strategies, such as Regional Partnership Agreements that bring together the Commonwealth, State and representatives of the business and resource sector to ensure Indigenous people are job ready by developing employment pathways. The Aboriginal Land Trust estate is a strategic asset for creating economic opportunities for Indigenous people in the future.
- Achieving an appropriate balance between Indigenous heritage and the demand for access to land for resource development and community infrastructure is a challenge for Government. The Department has a role to play in achieving this balance through the administration of the *Aboriginal Heritage Act 1972* and by ensuring that Indigenous people are engaged in achieving that balance.

- Promoting reconciliation continues to be a Government priority to foster better understanding and goodwill between Indigenous and non-Indigenous people. To advance this priority there is a focus on policy 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 2006-07 Budget to Parliament on 11 May 2006 are outlined below.

	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
Halls Creek Response - East Kimberley Priority Initiatives	600	600	600	600

SERVICE AND APPROPRIATION SUMMARY

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Support to Partnerships, Partnering Initiatives	17,689	16,461	20,377	16,573			
<i>Service 2:</i>							
Information and Advice	5,847	6,344	6,093	6,104			
Total Cost of Services ^(a)	23,536	22,805	26,470	22,677	22,181	22,339	22,672
<i>Less Income</i>	734	355	565	502	814	854	854
Net Cost of Services ^(a)	22,802	22,450	25,905	22,175	21,367	21,485	21,818
Adjustments ^(b)	(488)	3,260	279	(40)	11	(125)	(190)
Appropriation provided to deliver Services ^(a)	22,314	25,710	26,184	22,135	21,378	21,360	21,628
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(c)	260	-	-	12	-	170	-
TOTAL CONSOLIDATED ACCOUNT APPROPRIATIONS	22,574	25,710	26,184	22,147	21,378	21,530	21,628

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (c) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

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

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
Enhancing the quality of life and wellbeing of all people throughout Western Australia by providing high quality, accessible services.	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)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Outcome: Sustainable improvement in social, cultural and economic outcomes for Indigenous people.					
Extent to which parties in a sample of partnering arrangements indicate they have been assisted to achieve agreed outcomes, which contribute to government objectives.....	63.5%	65%	43%	55%	The 2006-07 estimate reflects the effects of high staff turnover. The 2007-08 increased target anticipates a resolution of the Department's future and longer term stability.
Extent to which users indicated the policy and/or advice assisted their decision-making...	57.4%	65%	48%	55%	The 2006-07 estimate reflects the effects of high staff turnover. The 2007-08 increased target anticipates a resolution of the Department's future and long-term stability.

(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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	17,689	16,461	20,377	16,573	The Indigenous Multilateral Funding Pool is included in the 2006-07 estimated actual, while the 2007-08 target reflects the disbursement of the pool.
Less Income	550	257	492	351	
Net Cost of Service ^(a)	17,139	16,204	19,885	16,222	
Adjustments ^(b)	(366)	3,260	243	(28)	
Appropriation for delivery of Service ^(a)	16,773	19,464	20,128	16,194	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per land partnership	68,460	93,325	111,610	75,668	The 2007-08 target reflects the reduced funding for the Aboriginal Lands Trust estate and an increased number of smaller projects. The increased 2007-08 cost reflects an additional funding allocation for system development to cater for increased service demand. The 2007-08 target reflects the completion of the Indigenous economic development strategy.
Average cost per heritage and culture partnership	49,802	98,199	36,917	46,604	
Average cost per coordination partnership	70,244	65,165	123,292	94,398	
Full Time Equivalents (FTEs)	83	83	83	83	

Major Achievements For 2006-07

- Place Management Program was implemented in the East Kimberley and Metropolitan area to work in conjunction with stakeholders to address social issues.
- Concept paper and process for an Indigenous services framework and blueprint for action was commenced.
- Service mapping programmes in Wyndham and Roebourne are scheduled to be completed by June 2007 and ongoing implementation of recommendations from service mapping programmes at Derby and Port Hedland are continuing.
- Participated in the national research project which resulted in the publication of a paper 'Population and Diversity: policy implications of emerging Indigenous demographic trends'.
- Coordinated the State's involvement in the Ngaanyatjarra Regional Partnership Agreement and implemented changes to achieve improvement to service delivery.

- Coordinated the State's participation in the Council of Australian Governments' East Kimberley Trial and completed an evaluation of the trial in partnership with the Commonwealth.
- Coordinated the State's position to establish the Port Hedland and East Kimberley Regional Partnership Agreements and facilitated the State's involvement in the negotiation of additional agreements in Ashburton, Roebourne, Western Desert and Boddington.
- Developed and implemented targeted intervention strategies to address Indigenous disadvantage in Halls Creek and Kalbarri and in other regional and remote centres and communities.
- Implemented, reviewed and monitored service level agreements to ensure the effective operation of Aboriginal Community Patrols.
- Progressed environmental health priorities and initiatives with Remote Community Power Supply, Planning for Aboriginal Communities, Review of Aboriginal Town Based Communities and the Bilateral Agreement on Housing, Infrastructure and Essential Services.
- Completed a feasibility study on the development of a State natural and cultural resource management strategy for Indigenous lands and a review of the State's involvement in the Indigenous Protected Area program. Under the 'Looking After Country' grants program for Indigenous communities 21 projects were funded to undertake natural and cultural resource management works.
- Progressed land and sea management initiatives under the Memorandum of Understanding with Native Title Representative Bodies including the Saltwater Country project, the Mogumber natural and cultural management plan and the Kimberley Ranger Initiative. Completed Stage One of the Bungarun (former Derby Leprosarium) cemetery memorial project.
- Community by-laws were enacted for Parnpajinya and launched in December 2006.
- Regional heritage planning conferences were held, priority heritage areas were identified and projects agreed to be implemented through 2007-08. Work is continuing across the State to progress projects at the local level.
- Progressed tender processes to engage contractors to undertake archaeological surveys of conservation areas in the Dampier Archipelago.
- The master plan for the Swan River Interpretive Trail was completed and arrangements are being finalised to implement signage in 2007-08.
- Maintained a successful partnership with BHP Billiton Iron Ore to enhance school participation in the Partnership, Acceptance, Learning and Sharing project, which included the active participation of about 20,000 students from 100 schools during 2006.
- The Encouraging Reconciliation through Indigenous Culture and Heritage program was promoted at key events such as the Perth Royal Show and at various other events during the year.
- Provided advice to the Minister and allocated funding from the Indigenous Multilateral Funding Pool for Aboriginal Town-Based Communities, Gordon evaluation, development of an Indigenous economic development strategy and an Indigenous sport and recreation services and infrastructure plan.
- The Monitoring Progress report of the Government's action plan for addressing Family Violence and Child Abuse in Aboriginal Communities (Gordon report) was completed in November 2006. Stage One evaluation has commenced and expected to be completed by July 2007.

Major Initiatives For 2007-08

- Coordinate the implementation of the Commonwealth and State bilateral agreement on Indigenous Affairs and progress commitments in the six outcome areas which include economic development, environmental health needs in communities, land sea and culture, strong leadership and governance, healthy and strong people and law and order.
- Complete the whole-of-government Indigenous Affairs services framework, the blueprint for action and the single coordinated Indigenous Affairs budget.
- Implement the State's commitments under Regional Partnership and other agreements between the Commonwealth Government, Indigenous communities and industry in regional areas.
- Undertake a strategic review of the Aboriginal Lands Trust estate program for Government consideration. Identify and facilitate opportunities to derive economic benefits for Indigenous people from the estate and continue the Trust's commitments under memorandum of understandings with Native Title Representative Bodies with regards to prioritised transfers, leasing and land management initiatives.
- Manage Indigenous heritage on the Dampier Archipelago through completion of the archaeological surveys, development of a Heritage Management plan and supporting the Ranger program.
- Promote awareness of Indigenous heritage and culture through priority initiatives. Complete the Swan River Aboriginal Heritage Walk Trail together with local regional heritage initiatives.
- Continue the monitoring and reporting against the Government's response to the Gordon inquiry and complete the Phase One evaluation.

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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	5,847	6,344	6,093	6,104	
Less Income.....	184	98	73	151	
Net Cost of Service ^(a)	5,663	6,246	6,020	5,953	
Adjustments ^(b)	(122)	-	36	(12)	
Appropriation for delivery of Service ^(a)	5,541	6,246	6,056	5,941	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per unit of advice offered	70,114	68,053	46,482	44,151	A higher unit cost is expected in 2007-08 due to fewer information requests and reduced economies of scale.
Average cost per request answered/recommendation made.....	1,570	1,519	1,384	1,428	
Average cost per unit of information supplied.	64	77	42	53	
Full Time Equivalents (FTEs)	49	49	49	49	

Major Achievements For 2006-07

- The Bilateral Agreement on Indigenous Affairs was signed by the Premier and Prime Minister in July 2006. Established administrative structures to implement planned achievements in the key outcome areas.
- 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 were integrated into the Commonwealth State bilateral agreement as a key priority for future action.
- Developed the Indicator Frameworks System for Aboriginal community wellbeing in conjunction with the Australian Bureau of Statistics and Department of Treasury and Finance and contributed to the State and National information agenda.
- The Indigenous Community Governance Project findings were presented to the International Advisory Committee meeting in November 2006 as part of the project for developing an improved conceptual and policy framework for supporting Indigenous governance.
- Community Action Groups have been strengthened in the Metropolitan and South West regions. Other representative models have been utilised to best service the needs in other town and remote communities such as the establishment of local justice forums in conjunction with the Office of the Attorney General.
- Timelines and other processes for section 18 *Aboriginal Heritage Act 1972* assessment and approval are being met through continuous improvements to internal processes.
- Progressed an environmental audit on the Aboriginal Lands Trust estate to meet the immediate requirements of the *Contaminated Sites Act 2003*, and established policies addressing issues related to commercial use, local Government charges, water charges, burials and implemented a new transit permit management system.

Major Initiatives For 2007-08

- Address service gaps in local service delivery to Indigenous people by working collaboratively with regional organisations to foster opportunities addressing local issues around governance, capacity building, employment, economic development opportunities and youth. Implement targeted intervention strategies in locations such as Halls Creek and Kalumbaru aimed at improving governance, planning and service delivery.
- Participate in a national research project (sponsored by the Ministerial Council for Aboriginal and Torres Strait Islander Affairs) on understanding the changing Indigenous demographics and the implications for future public policy.
- Encourage and facilitate public sector agencies to develop reconciliation strategies with Indigenous people.
- Provide strategic advice to the Minister on funding initiatives within the East Kimberley region.
- Develop and implement an improved assessment framework applicable to the *Aboriginal Heritage Act 1972* and progress development of an online service for lodging section 18 applications, incorporating process improvements, standards and data quality improvements.

CAPITAL WORKS PROGRAM

The capital works expenditure relates to ongoing information technology update programs of hardware and software as well as minor equipment purchases and regional works.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
COMPLETED WORKS				
Aboriginal Lands Trust - Estate Management 2006-07 Program	500	500	500	-
Asset Replacement - Information Technology 2006-07 Program	240	240	240	-
Asset Replacement - Office Equipment 2006-07 Program	50	50	50	-
Regional Office Works 2006-07 Program	200	200	200	-
NEW WORKS				
Asset Replacement - Information Technology 2007-08 Program	390	-	-	390
Asset Replacement - Office Equipment 2007-08 Program	50	-	-	50
Regional Office Works 2007-08 Program	40	-	-	40
	1,470	990	990	480

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	1,110	990	990	480	280	577	-
	1,110	990	990	480	280	577	-
LESS							
Drawdowns from the Holding Account	300	440	440	418	230	357	-
Funding Included in Service Appropriations ^(a)	500	500	500	-	-	-	-
Internal Funds and Balances	50	50	50	50	50	50	-
Capital Contribution	260	-	-	12	-	170	-

(a) Capital works expensed through the Income Statement.

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(a)	9,900	10,130	10,568	9,742	10,033	10,141	10,381
Superannuation	912	924	996	923	954	969	975
Grants and subsidies ^(b)	4,847	4,195	6,571	3,180	2,365	2,220	1,950
Consultancies expense	11	25	12	13	14	15	16
Supplies and services	5,887	5,267	6,159	6,410	6,333	6,472	6,611
Accommodation	1,425	1,706	1,419	1,727	1,810	1,897	1,986
Capital user charge ^(c)	-	92	92	-	-	-	-
Depreciation and amortisation	232	288	288	358	337	280	398
Loss on disposal of non-current assets	17	-	-	-	-	-	-
Other expenses	305	270	457	324	335	345	355
TOTAL COST OF SERVICES	23,536	22,897	26,562	22,677	22,181	22,339	22,672
Income							
User charges and fees	-	-	-	152	454	454	454
Grants and subsidies	157	55	200	-	-	-	-
Other revenue	577	300	365	350	360	400	400
Total Income	734	355	565	502	814	854	854
NET COST OF SERVICES ^(c)	22,802	22,542	25,997	22,175	21,367	21,485	21,818
INCOME FROM STATE GOVERNMENT							
Service appropriations ^(c)	22,314	25,802	26,276	22,135	21,378	21,360	21,628
Resources received free of charge	92	160	100	106	110	115	120
Liabilities assumed by the Treasurer	42	7	30	25	30	35	40
TOTAL INCOME FROM STATE GOVERNMENT	22,448	25,969	26,406	22,266	21,518	21,510	21,788
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(354)	3,427	409	91	151	25	(30)

(a) The Full Time Equivalents (FTEs) for 2005-06 Actual, 2006-07 Estimated Actual and 2007-08 Estimate are 132, 132 and 132 respectively.

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

(c) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

**BALANCE SHEET
(Controlled)**

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CURRENT ASSETS							
Cash and cash equivalents	335	3,386	335	335	335	335	335
Restricted cash	963	1,402	993	1,023	1,053	1,083	1,113
Receivables	688	353	337	312	287	262	237
Amounts receivable for services	440	418	418	230	357	-	-
Prepayments	140	263	188	193	198	203	208
Total current assets	2,566	5,822	2,271	2,093	2,230	1,883	1,893
NON-CURRENT ASSETS							
Amounts receivable for services	140	20	20	158	148	438	846
Plant and equipment	415	851	688	881	955	1,252	854
Intangibles	-	140	-	-	-	-	-
Other	315	315	315	315	315	315	315
Total non-current assets	870	1,326	1,023	1,354	1,418	2,005	2,015
TOTAL ASSETS	3,436	7,148	3,294	3,447	3,648	3,888	3,908
CURRENT LIABILITIES							
Payables ^(a)	656	570	264	274	284	294	304
Provision for employee entitlements	1,479	895	1,489	1,489	1,489	1,489	1,489
Accrued salaries	199	70	30	70	110	145	185
Other	3	166	3	3	3	3	3
Total current liabilities	2,337	1,701	1,786	1,836	1,886	1,931	1,981
NON-CURRENT LIABILITIES							
Provision for employee entitlements	720	1,017	720	720	720	720	720
Total non-current liabilities	720	1,017	720	720	720	720	720
TOTAL LIABILITIES	3,057	2,718	2,506	2,556	2,606	2,651	2,701
EQUITY							
Contributed equity	1,169	1,169	1,169	1,181	1,181	1,351	1,351
Accumulated surplus/(deficit)	(963)	3,088	(554)	(463)	(312)	(287)	(317)
Reserves	173	173	173	173	173	173	173
Total equity	379	4,430	788	891	1,042	1,237	1,207
TOTAL LIABILITIES AND EQUITY	3,436	7,148	3,294	3,447	3,648	3,888	3,908

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

CASHFLOW STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	22,023	25,504	25,978	21,767	21,031	21,070	21,220
Capital contribution	260	-	-	12	-	170	-
Holding account drawdowns	300	440	440	418	230	357	-
Net cash provided by State government	22,583	25,944	26,418	22,197	21,261	21,597	21,220
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(9,415)	(10,129)	(10,732)	(9,702)	(9,993)	(10,107)	(10,341)
Superannuation	(863)	(917)	(981)	(898)	(924)	(934)	(935)
Grants and subsidies	(4,847)	(4,210)	(6,571)	(3,180)	(2,365)	(2,220)	(1,950)
Consultancies payments.....	(11)	(25)	(12)	(13)	(14)	(15)	(16)
Supplies and services	(5,877)	(5,027)	(6,535)	(6,402)	(6,382)	(6,386)	(6,522)
Accommodation.....	(1,354)	(1,750)	(1,437)	(1,695)	(1,777)	(1,862)	(1,950)
Capital user charge ^(a)	-	(92)	(92)	-	-	-	-
Goods and services tax	(1,212)	(805)	(805)	(810)	(815)	(820)	(820)
Other.....	(309)	(272)	(457)	(329)	(340)	(350)	(360)
Receipts							
User charges and fees.....	-	-	-	152	454	454	454
Grants and subsidies	112	55	200	-	-	-	-
Goods and services tax	844	835	1,054	840	845	850	850
Other receipts	841	300	470	350	360	400	400
Net cash from operating activities.....	(22,091)	(22,037)	(25,898)	(21,687)	(20,951)	(20,990)	(21,190)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(270)	(490)	(490)	(480)	(280)	(577)	-
Net cash from investing activities.....	(270)	(490)	(490)	(480)	(280)	(577)	-
NET INCREASE/(DECREASE) IN CASH HELD	222	3,417	30	30	30	30	30
Cash assets at the beginning of the reporting period	1,076	1,371	1,298	1,328	1,358	1,388	1,418
Cash assets at the end of the reporting period.....	1,298	4,788	1,328	1,358	1,388	1,418	1,448

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

RECONCILIATION RELATING TO REMOVAL OF CAPITAL USER CHARGE

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	23,536	22,897	26,562	22,677	22,181	22,339	22,672
Less Capital User Charge.....	-	92	92	-	-	-	-
Adjusted Total Cost of Services	23,536	22,805	26,470	22,677	22,181	22,339	22,672
APPROPRIATIONS							
Net amount appropriated to deliver services	22,314	25,802	26,276	22,135	21,378	21,360	21,628
Less Capital User Charge.....	-	92	92	-	-	-	-
Adjusted net amount appropriated to deliver services	22,314	25,710	26,184	22,135	21,378	21,360	21,628

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
Aboriginal Community Patrols.....	2,534	1,846	1,804	1,885	1,920	1,935	1,950
Gordon Place Management Grants.....	520	1,420	1,166	-	-	-	-
Heritage Grants	151	100	50	-	-	-	-
Land Management Grants.....	158	500	500	-	-	-	-
Reconciliation Grants	144	100	100	-	-	-	-
Various Indigenous Community Grants	1,340	229	219	65	30	15	-
Indigenous Multilateral Funding Pool.....	-	-	2,732	1,230	415	270	-
TOTAL	4,847	4,195	6,571	3,180	2,365	2,220	1,950

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the Department:

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
User Charges and Fees.....	-	-	-	152
Grants and Subsidies.....	112	55	200	-
GST Input Credits.....	844	835	1,054	840
Other Receipts.....	841	300	470	350
TOTAL	1,797	1,190	1,724	1,342

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

HERITAGE COUNCIL OF WESTERN AUSTRALIA

PART 8 - MINISTER FOR EMPLOYMENT PROTECTION; HOUSING AND WORKS; INDIGENOUS AFFAIRS; HERITAGE; LAND INFORMATION

DIVISION 40

APPROPRIATION AND FORWARD ESTIMATES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 81 Net amount appropriated to deliver services	5,279	4,767	6,872	4,936	4,967	5,045	5,148
Total appropriations provided to deliver services	5,279	4,767	6,872	4,936	4,967	5,045	5,148
GRAND TOTAL	5,279	4,767	6,872	4,936	4,967	5,045	5,148

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 strong Western Australian economy and consequent demand for new commercial office space is placing significant additional pressure on the conservation of heritage places in the Perth CBD as well as Heritage Council resources.
- Private owners' objection to heritage listing, particularly of residential properties continues to increase. This is putting at risk the potential to protect places of cultural heritage value.
- The Heritage Grants Program continues to be oversubscribed with a 5:1 ratio of funding requested, and demand for grant assistance as an effective conservation incentive for significant places will continue to grow, and demand will increase in tandem with an increase in registered places.
- The number and complexity of development referrals continues to grow in response to the growth in the Western Australian economy.
- Heritage tourism is one of the most rapidly expanding tourism segments in terms of visitor numbers globally. Additionally, heritage tourism represents the highest yield tourism group. The potential for heritage tourism in Western Australia to provide significant economic and social benefits to local communities is considerable and unrealised.

SERVICE AND APPROPRIATION SUMMARY

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Cultural Heritage Conservation Services	5,234	4,911	7,036	5,120			
Total Cost of Services	5,234	4,911	7,036	5,120	5,083	5,064	5,159
<i>Less Income</i>	118	80	80	80	80	80	80
Net Cost of Services	5,116	4,831	6,956	5,040	5,003	4,984	5,079
Adjustments ^(a)	163	(64)	(84)	(104)	(36)	61	69
Appropriation provided to deliver Services.	5,279	4,767	6,872	4,936	4,967	5,045	5,148
TOTAL CONSOLIDATED ACCOUNT APPROPRIATIONS.....	5,279	4,767	6,872	4,936	4,967	5,045	5,148

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

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
Protecting and enhancing the unique Western Australian lifestyle and ensuring sustainable management of the environment.	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)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 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.....	61%	70%	64%	68%	
The extent to which registered places are conserved (not demolished).....	100%	99%	100%	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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service	5,234	4,911	7,036	5,120	Restoration costs for St Mary's Cathedral in 2006-07
Less Income.....	118	80	80	80	
Net Cost of Service.....	5,116	4,831	6,956	5,040	
Adjustments ^(a)	163	(64)	(84)	(104)	
Appropriation for delivery of Service.....	5,279	4,767	6,872	4,936	

(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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost of place assessments	\$7,008	\$5,544	\$4,944	\$7,829	Additional assessments in 2006-07 mainly through the government heritage property disposal process have resulted in a lower 2006-07 average cost.
Average cost of maintaining Heritage Register	\$252	\$371	\$335	\$318	
Average cost of development referrals.....	\$577	\$376	\$737	\$707	
Average cost of grants/incentives administered.....	\$2,497	\$1,055	\$2,701	\$2,609	
Full Time Equivalents (FTEs)	26	29	28	30	

Major Achievements For 2006-07

- A significant number of places were added to the State Register over and above the predicted outcome for the year.
- Assisted in the conservation of 42 privately owned heritage listed places through the allocation of \$1.0 million in funding for the 2006-07 Heritage Grants Program.
- The Heritage Loan Scheme was reviewed and enhanced. Participants can now use the financial institution of their choice to obtain a loan, previously the scheme was only offered through Statewest Credit Society. The scheme was renamed the Heritage Loan Subsidy Scheme and relaunched. The scheme expanded to include the Shire of York, bringing the total number of local governments participating to 22.
- Two special allocations of funding were made:
 - \$2.0 million to St Mary's Cathedral for conservation works; and
 - \$105,000 to the Shire of Greenough for conservation works to Maley's Bridge.
- The Regional Heritage Advisory Service was expanded in the Shires of Coolgardie and York. A new heritage advisory service commenced in the metropolitan areas of Subiaco and Cottesloe. A trial service is currently operating in Rockingham.
- Provision of statutory advice for approximately 700 development referrals including major development proposals for the Albany Waterfront, Victoria Quay, the new Performing Arts Centre in Northbridge, Raine Square, and the Old Treasury Buildings.
- Completion of a substantial number of new assessments on heritage places over and above the target of 50 as a consequence of an increase in property disposals from State Government.

Major Initiatives For 2007-08

- Continue to assist private owners in the conservation of heritage places through the Heritage Grants Program and the Heritage Loan Subsidy Scheme.
- Continue with the implementation of the Heritage Tourism Strategy including investigation of the potential for a heritage tourism grants program to be launched in 2007-08, and development of the Heritage Council website to promote Western Australia's heritage tourism places and experiences.
- Provide substantial new online services, including an online heritage listing facility shared with Local Government, an information forum for local planners, and a new image bank showcasing Western Australia's heritage tourism assets.

CAPITAL WORKS PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
COMPLETED WORKS				
Heritage Grant Program				
2006-07 Program	1,000	1,000	1,000	-
Information Technology - Asset Replacement	257	257	50	-
Maley's Bridge Restoration, Greenough.	105	105	105	-
St Mary's Cathedral Restoration	2,000	2,000	2,000	-
NEW WORKS				
Asset Replacement Program 2007-08	70	-	-	70
Heritage Grant Program				
2007-08 Program	1,000	-	-	1,000
Office Fitout Replacement	35	-	-	35
	4,467	3,362	3,155	1,105

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	4,165	1,050	3,155	1,105	1,112	1,000	1,000
	4,165	1,050	3,155	1,105	1,112	1,000	1,000
LESS							
Drawdowns from the Holding Account	50	50	50	70	59	-	-
Funding Included in Service Appropriations ^(a)	1,776	1,000	3,105	1,035	1,053	1,000	1,000
Internal Funds and Balances	2,339	-	-	-	-	-	-
Capital Contribution	-	-	-	-	-	-	-

(a) Capital works expensed through the Income Statement.

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(a)	1,936	1,935	1,935	1,985	2,024	2,105	2,157
Superannuation	190	184	184	184	184	184	184
Grants and subsidies ^(b)	1,714	1,176	3,281	1,276	1,276	1,276	1,276
Supplies and services	1,143	1,387	1,387	1,375	1,300	1,300	1,351
Accommodation	133	131	131	166	173	131	131
Depreciation and amortisation	45	54	44	40	32	24	16
Loss on disposal of non-current assets	2	-	-	-	-	-	-
Other expenses	71	44	74	94	94	44	44
TOTAL COST OF SERVICES	5,234	4,911	7,036	5,120	5,083	5,064	5,159
Income							
Grants and subsidies	91	70	70	70	70	70	70
Other revenue	27	10	10	10	10	10	10
Total Income	118	80	80	80	80	80	80
NET COST OF SERVICES	5,116	4,831	6,956	5,040	5,003	4,984	5,079
INCOME FROM STATE GOVERNMENT							
Service appropriations	5,279	4,767	6,872	4,936	4,967	5,045	5,148
Liabilities assumed by the Treasurer	32	10	10	10	10	10	10
TOTAL INCOME FROM STATE GOVERNMENT	5,311	4,777	6,882	4,946	4,977	5,055	5,158
SURPLUS/(DEFICIENCY) FOR THE PERIOD	195	(54)	(74)	(94)	(26)	71	79

(a) The Full Time Equivalents (FTEs) for 2005-06 Actual, 2006-07 Estimated Actual and 2007-08 Estimate are 26, 28 and 30 respectively.

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

BALANCE SHEET
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CURRENT ASSETS							
Cash and cash equivalents	3,857	633	3,986	428	434	475	516
Receivables	110	11	110	110	110	110	110
Amounts receivable for services	50	70	70	59	-	-	-
Prepayments	17	1	17	17	17	17	17
Total current assets	4,034	715	4,183	614	561	602	643
NON-CURRENT ASSETS							
Amounts receivable for services	96	130	130	195	249	303	357
Plant and equipment	107	106	83	63	51	27	11
Total non-current assets	203	236	213	258	300	330	368
TOTAL ASSETS	4,237	951	4,396	872	861	932	1,011
CURRENT LIABILITIES							
Payables	3,612	565	3,795	295	310	310	310
Provision for employee entitlements	291	332	321	381	341	341	341
Accrued salaries	26	6	26	26	26	26	26
Total current liabilities	3,929	903	4,142	702	677	677	677
NON-CURRENT LIABILITIES							
Provision for employee entitlements	75	90	95	105	145	145	145
Total non-current liabilities	75	90	95	105	145	145	145
TOTAL LIABILITIES	4,004	993	4,237	807	822	822	822
EQUITY							
Contributed equity	389	389	389	389	389	389	389
Accumulated surplus/(deficit)	(156)	(431)	(230)	(324)	(350)	(279)	(200)
Total equity	233	(42)	159	65	39	110	189
TOTAL LIABILITIES AND EQUITY	4,237	951	4,396	872	861	932	1,011

CASHFLOW STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	5,165	4,663	6,768	4,812	4,913	4,991	5,094
Holding account drawdowns	50	50	50	70	59	-	-
Net cash provided by State government	5,215	4,713	6,818	4,882	4,972	4,991	5,094
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(1,924)	(1,929)	(1,929)	(1,979)	(2,012)	(2,104)	(2,156)
Superannuation	(156)	(174)	(174)	(174)	(174)	(174)	(174)
Grants and subsidies	(1,287)	(4,505)	(3,110)	(4,776)	(1,276)	(1,276)	(1,276)
Supplies and services	(1,085)	(1,330)	(1,330)	(1,310)	(1,296)	(1,300)	(1,351)
Accommodation	(135)	(131)	(131)	(166)	(173)	(131)	(131)
Goods and services tax	(240)	(358)	(358)	(358)	(208)	(208)	(208)
Other	(72)	(44)	(74)	(94)	(94)	(44)	(44)
Receipts							
Grants and subsidies	86	70	70	70	70	70	70
Goods and services tax	199	358	358	358	208	208	208
Other receipts	25	9	9	9	9	9	9
Net cash from operating activities	(4,589)	(8,034)	(6,669)	(8,420)	(4,946)	(4,950)	(5,053)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(55)	(50)	(20)	(20)	(20)	-	-
Net cash from investing activities	(55)	(50)	(20)	(20)	(20)	-	-
NET INCREASE/(DECREASE) IN CASH HELD	571	(3,371)	129	(3,558)	6	41	41
Cash assets at the beginning of the reporting period	3,286	4,004	3,857	3,986	428	434	475
Cash assets at the end of the reporting period	3,857	633	3,986	428	434	475	516

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
Heritage Grants Program - Capital Works	937	1,000	1,000	1,000	1,000	1,000	1,000
Heritage Tourism Grants Program	-	-	-	100	100	100	100
Restoration of St Mary's Cathedral.....	-	-	2,000	-	-	-	-
Restoration of Maley's Bridge	-	-	105	-	-	-	-
Restoration of St Patrick's Basilica.....	600	-	-	-	-	-	-
Cossack Townsite	120	120	120	120	120	120	120
Heritage Loan Subsidy Scheme.....	35	35	35	35	35	35	35
Conservation Incentive Program	15	10	10	10	10	10	10
Education/Promotion	7	11	11	11	11	11	11
TOTAL	1,714	1,176	3,281	1,276	1,276	1,276	1,276

NATIONAL TRUST OF AUSTRALIA (WA)

PART 8 - MINISTER FOR EMPLOYMENT PROTECTION; HOUSING AND WORKS; INDIGENOUS AFFAIRS; HERITAGE; LAND INFORMATION

DIVISION 41

APPROPRIATION AND FORWARD ESTIMATES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 82 Net amount appropriated to deliver services ^(a)	1,747	2,304	2,341	2,326	1,750	1,762	1,798
Total appropriations provided to deliver services	1,747	2,304	2,341	2,326	1,750	1,762	1,798
CAPITAL							
Item 161 Capital Contribution	521	618	618	531	435	-	-
GRAND TOTAL	2,268	2,922	2,959	2,857	2,185	1,762	1,798

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

MISSION

To conserve and interpret Western Australia's heritage.

SIGNIFICANT ISSUES AND TRENDS

- While the economic value of cultural heritage tourism has been increasingly recognised, the provision of quality visitor experiences at National Trust and other heritage places is an increasing challenge due to rising recurrent costs including maintenance and the shortage of skilled tradespersons to undertake conservation and interpretation work in an appropriate manner.
- Rising visitor expectations in cultural heritage tourism requires an increasing investment in conservation, interpretation and education and a parallel investment in infrastructure to meet these expectations and to develop a sustainable product.
- Increasing visitor sophistication is demanding an holistic approach to cultural heritage interpretation which includes consideration and culturally appropriate delivery of Indigenous, natural and built heritage.
- Increasing awareness and public debate of climatic and biodiversity issues has opened new opportunities for voluntary nature conservation on private land to compliment existing management programs and to increase the scope of positive conservancy outcomes.
- The Trust will prepare a submission in September 2007 identifying various roles and options for the Trust on exiting Government. The submission will be prepared in conjunction with the Minister's Office.

SERVICE AND APPROPRIATION SUMMARY

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Heritage Conservation and Interpretation	3,705	3,768	3,797	3,745			
Total Cost of Services ^(a)	3,705	3,768	3,797	3,745	3,125	3,137	3,264
<i>Less Income</i>	2,023	1,169	1,169	1,268	1,375	1,409	1,466
Net Cost of Services ^(a)	1,682	2,599	2,628	2,477	1,750	1,728	1,798
Adjustments ^(b)	65	(295)	(287)	(151)	-	34	-
Appropriation provided to deliver Services ^(a)	1,747	2,304	2,341	2,326	1,750	1,762	1,798
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(c)	521	618	618	531	435	-	-
TOTAL CONSOLIDATED ACCOUNT APPROPRIATIONS	2,268	2,922	2,959	2,857	2,185	1,762	1,798

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (c) Supporting details are disclosed in the Capital Contribution Statement.

OUTCOMES, 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
Protecting and enhancing the unique Western Australian lifestyle and ensuring sustainable management of the environment.	Conservation of Western Australia's cultural and natural heritage.	1. Heritage Conservation and Interpretation

Outcomes and Key Effectiveness Indicators ^(a)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Outcome: Conservation of Western Australia's cultural and natural heritage.					
Percentage of places with a conservation plan in place	86%	90%	90%	90%	
Percentage of places with an interpretation plan in place	29%	30%	30%	30%	
Percentage of places with a business plan in place	55%	56%	55%	55%	
Percentage of properties open to the public	69%	70%	68%	70%	

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

Service 1: Heritage Conservation and Interpretation

The 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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	3,705	3,768	3,797	3,745	
Less Income	2,023	1,169	1,169	1,268	
Net Cost of Service ^(a)	1,682	2,599	2,628	2,477	
Adjustments ^(b)	65	(295)	(287)	(151)	
Appropriation for delivery of Service ^(a)	1,747	2,304	2,341	2,326	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per visitor to places	\$132	\$110	\$110	\$107	The estimated decrease is due to the expected increase in visitor numbers. The estimated increase is due to the expected reduction in property numbers.
Average operating cost per place	\$99,000	\$85,000	\$85,000	\$94,000	
Full Time Equivalents (FTEs)	21	24	24	24	

Major Achievements For 2006-07

- Continued exploitation of the regional development potential of the Golden Pipeline project through enhanced facilities, attractions and interpretation at Merredin, Cunderdin, Wooroloo, Mundaring and Clackline.
- Implementation of best practice and cost effective collection management measures through the de-accessioning project for heritage objects not in keeping with the National Trust collection plan.
- Whole-of-process progress in the management of nature-based covenants from initiation through lodgement, stewardship and management with specific focus on areas of identified high biodiversity values or areas linked to other nature conservancy initiatives both public and private.
- Utilisation of partnering arrangements with all levels of government to promote positive heritage outcomes within the communities of Greenough (Central Greenough), Pinjarra (Pinjarra Court House), Cue (Masonic Lodge), Bridgetown (Nunn Block), Jarrahdale (Jarrahdale Heritage Park) and Irwin (Dongara Mill).
- Completion of Stage One of a Strategic Asset Management Plan including a five year maintenance plan for all heritage places and land under National Trust stewardship within the whole-of-government framework.

Major Initiatives For 2007-08

- Final conceptualisation and implementation of a Revolving Fund for the Built Environment to promote, in partnership with government Departments and Agencies, the effective compatible re-use of heritage assets within a management structure focused on this core activity.
- Continued exploitation of the regional development and cultural tourism potential of the Golden Pipeline project through enhanced facilities, attractions and interpretation at Mt Charlotte (Kalgoorlie), Cunderdin, No 8 Pump Station (Dedari) and the Kep Track (Northam to Mundaring).
- Whole-of-process progress in the management of nature based covenants from initiation through lodgement, stewardship and management with specific focus on threatened ecosystems in two Natural Resource Management Regions.
- Implementation of multicultural and immigrant history initiatives through the Australian Research Council, grants and the conservation and interpretive works at Luisini Winery (Wanneroo/Joondalup) including an environmental, education and community resource as an integral component of the Yellagonga Regional Park.
- Evolution of the Strategic Asset Management Plan through the addition to the existing base of processes to identify best-use options for National Trust heritage places and identification of resources necessary for transition to these best use options.

CAPITAL WORKS PROGRAM

The 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 the next two years at this point. The Trust will continue the three year program, this being the final year, 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 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Upgrades				
Heritage Properties	959	768	273	191
COMPLETED WORKS				
Asset Replacement				
2006-07 Program	60	60	60	-
Property Restoration				
2006-07 Program	540	540	540	-
NEW WORKS				
Asset Replacement				
2007-08 Program	40	-	-	40
Property Restoration				
2007-08 Program	560	-	-	560
	2,159	1,368	873	791

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	895	873	873	791	700	-	-
	895	873	873	791	700	-	-
LESS							
Drawdowns from the Holding Account	374	255	255	260	265	-	-
Internal Funds and Balances	-	-	-	-	-	-	-
Capital Contribution	521	618	618	531	435	-	-

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(a)	1,401	1,750	1,775	1,867	1,651	1,663	1,740
Superannuation	132	176	180	187	197	197	217
Supplies and services	1,497	1,099	1,099	962	527	527	475
Accommodation	345	350	350	355	350	350	385
Capital user charge ^(b)	323	304	304	-	-	-	-
Depreciation and amortisation	274	260	260	265	270	270	312
Loss on disposal of non-current assets	4	-	-	-	-	-	-
Other expenses	52	133	133	109	130	130	135
TOTAL COST OF SERVICES	4,028	4,072	4,101	3,745	3,125	3,137	3,264
Income							
User charges and fees	465	376	376	433	476	490	510
Gain on disposal of non-current assets	-	55	55	55	60	60	62
Grants and subsidies	490	328	328	370	350	360	375
Interest revenue	127	90	90	80	80	80	83
Other revenue	941	320	320	330	409	419	436
Total Income	2,023	1,169	1,169	1,268	1,375	1,409	1,466
NET COST OF SERVICES ^(b)	2,005	2,903	2,932	2,477	1,750	1,728	1,798
INCOME FROM STATE GOVERNMENT							
Service appropriations ^(b)	2,070	2,608	2,645	2,326	1,750	1,762	1,798
Change in equity arising from transfer of assets/liabilities	(126)	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	1,944	2,608	2,645	2,326	1,750	1,762	1,798
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(61)	(295)	(287)	(151)	-	34	-
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(61)	(295)	(287)	(151)	-	34	-

(a) The Full Time Equivalents (FTEs) for 2005-06 Actual, 2006-07 Estimated Actual and 2007-08 Estimate are 21, 24 and 24 respectively.

(b) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

BALANCE SHEET
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CURRENT ASSETS							
Cash and cash equivalents	1,893	805	1,598	1,440	1,528	1,616	1,687
Restricted cash	737	1,300	737	737	737	737	737
Receivables	100	37	98	114	114	114	114
Inventories	29	35	29	29	29	29	29
Interest receivable	11	-	11	11	11	11	11
Amounts receivable for services	335	260	340	345	80	80	80
Prepayments	37	26	37	37	37	37	37
Non current assets held for sale	750	940	750	750	750	750	750
Total current assets	3,892	3,403	3,600	3,463	3,286	3,374	3,445
NON-CURRENT ASSETS							
Amounts receivable for services	-	113	33	66	369	672	1,005
Land and buildings	25,702	24,045	26,166	26,523	26,307	26,033	25,721
Plant and equipment	307	389	185	144	126	126	126
Other	1,876	2,644	2,149	2,340	2,990	2,990	2,990
Total non-current assets	27,885	27,191	28,533	29,073	29,792	29,821	29,842
TOTAL ASSETS	31,777	30,594	32,133	32,536	33,078	33,195	33,287
CURRENT LIABILITIES							
Payables ^(a)	165	200	165	165	248	331	423
Provision for employee entitlements	157	149	190	213	225	225	225
Accrued salaries	28	-	20	20	23	23	23
Other	138	33	138	138	138	138	138
Total current liabilities	488	382	513	536	634	717	809
NON-CURRENT LIABILITIES							
Provision for employee entitlements	110	102	110	110	119	119	119
Total non-current liabilities	110	102	110	110	119	119	119
TOTAL LIABILITIES	598	484	623	646	753	836	928
EQUITY							
Contributed equity	2,057	2,675	2,675	3,206	3,641	3,641	3,641
Accumulated surplus/(deficit)	10,663	10,440	10,376	10,225	10,225	10,259	10,259
Reserves	18,459	16,995	18,459	18,459	18,459	18,459	18,459
Total equity	31,179	30,110	31,510	31,890	32,325	32,359	32,359
TOTAL LIABILITIES AND EQUITY	31,777	30,594	32,133	32,536	33,078	33,195	33,287

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

CASHFLOW STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	1,782	2,315	2,352	2,028	1,447	1,459	1,495
Capital contribution	521	618	618	531	435	-	-
Holding account drawdowns	374	255	255	260	265	-	-
Net cash provided by State government	2,677	3,188	3,225	2,819	2,147	1,459	1,495
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(1,378)	(1,717)	(1,750)	(1,834)	(1,617)	(1,663)	(1,740)
Superannuation	(133)	(176)	(180)	(188)	(198)	(198)	(218)
Supplies and services	(1,459)	(1,157)	(1,157)	(1,017)	(504)	(504)	(480)
Accommodation	(298)	(310)	(310)	(310)	(305)	(305)	(338)
Capital user charge ^(a)	(224)	(304)	(304)	-	-	-	-
Goods and services tax	(240)	(260)	(260)	(260)	(260)	(260)	(270)
Other	(241)	(80)	(80)	(50)	(50)	(50)	(52)
Receipts							
User charges and fees	465	376	376	433	476	490	510
Grants and subsidies	458	328	328	370	350	360	375
Interest received	116	90	90	80	80	80	83
Goods and services tax	242	260	260	260	260	260	270
Other receipts	883	340	340	330	409	419	436
Net cash from operating activities	(1,809)	(2,610)	(2,647)	(2,186)	(1,359)	(1,371)	(1,424)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(931)	(873)	(873)	(791)	(700)	-	-
Proceeds from sale of non-current assets	264	-	-	-	-	-	-
Net cash from investing activities	(667)	(873)	(873)	(791)	(700)	-	-
CASH FLOWS FROM FINANCING ACTIVITIES							
Net cash from financing activities	-	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	201	(295)	(295)	(158)	88	88	71
Cash assets at the beginning of the reporting period	2,429	2,400	2,630	2,335	2,177	2,265	2,353
Cash assets at the end of the reporting period	2,630	2,105	2,335	2,177	2,265	2,353	2,424

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

RECONCILIATION RELATING TO REMOVAL OF CAPITAL USER CHARGE

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	4,028	4,072	4,101	3,745	3,125	3,137	3,264
<i>Less Capital User Charge</i>	323	304	304	-	-	-	-
Adjusted Total Cost of Services	3,705	3,768	3,797	3,745	3,125	3,137	3,264
APPROPRIATIONS							
Net amount appropriated to deliver services	2,070	2,608	2,645	2,326	1,750	1,762	1,798
<i>Less Capital User Charge</i>	323	304	304	-	-	-	-
Adjusted Net amount appropriated to deliver services	1,747	2,304	2,341	2,326	1,750	1,762	1,798

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the Department:

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
User charges and fees	465	376	376	433
Grants and subsidies	458	328	328	370
Interest received	116	90	110	80
Goods and services tax	242	260	260	260
Other receipts	883	340	340	330
TOTAL	2,164	1,394	1,414	1,473

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

WESTERN AUSTRALIAN LAND INFORMATION AUTHORITY

PART 8 - MINISTER FOR EMPLOYMENT PROTECTION; HOUSING AND WORKS; INDIGENOUS AFFAIRS; HERITAGE; LAND INFORMATION

DIVISION 42

APPROPRIATION AND FORWARD ESTIMATES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 83 Net amount appropriated to deliver services ^{(a) (b)}	26,441	27,093	27,058	21,808	24,910	25,139	22,759
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975 ^(c)	359	358	384	391	403	414	414
- Transfer of Land Act 1893	110	-	-	-	-	-	-
Total appropriations provided to deliver services	26,910	27,451	27,442	22,199	25,313	25,553	23,173
CAPITAL							
Capital Contribution	133	-	-	-	-	136	-
GRAND TOTAL	27,043	27,451	27,442	22,199	25,313	25,689	23,173

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) From 1 January 2007, the former Department of Land Information became a Statutory Authority trading as Landgate. The 2006-07 Estimated Actual and 2007-08 Budget Estimate and future year Forward Estimates include the new cost of payroll tax.
- (c) The recommendation by the Salaries and Allowances Tribunal of 4 April 2007 in relation to senior public servants' salaries was received after the finalisation of agencies' individual financial projections. Accordingly, a provision for the total cost (estimated to be \$800,000 per year from 2007-08) 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 No. 2 Volume 1). This provision will be reflected in agencies' estimates following the release of the 2007-08 Budget.

MISSION

The Authority is committed to providing access to land information anywhere, anytime to promote a strong and sustainable Western Australia. We are a leading information provider in the knowledge economy, known for our integrity, ingenuity and excellence.

SIGNIFICANT ISSUES AND TRENDS

- The Western Australian Land Information Authority, trading as Landgate, commenced operations on 1 January 2007. It is a new statutory authority with commercial powers replacing the former Department of Land Information. The Authority will continue to deliver the State's land titling, land information and valuation functions and will take a more commercial outlook in the delivery of land information products and services. Its operations will be overseen by a governing board and the Minister for Land Information.
- The Authority will better position Government to meet the State's future needs for land information and will expand the State's innovative Shared Land Information Platform. This platform is setting new standards in the delivery of e-Government by electronically linking datasets held by different government agencies.

- As technology accelerates and converges, government and industry require more efficient means of information access to aid decision-making. Effectively delivering land information services in this rapidly changing environment will require a focus on:
 - increasing electronic access to land and property information held across government through a single entry point;
 - partnering across government and the private sector while improving response times for the development of new products and services; and
 - financially positioning the Authority to deliver a financial return to the State on its land information asset and reinvesting in core systems and new service development.
- The coming period will be characterised by a highly competitive labour market and strong economic conditions with forecasts predicting the property market to continue to be buoyant. These challenges will require innovative approaches to attract and retain suitably qualified and skilled staff, along with a greater emphasis on market and product development. In particular, ongoing attention to data quality and the verification of values will also be needed to avoid the level of dispute and litigation being experienced in other States.
- Landgate's International Services continues to secure new projects, providing consulting services to governments in Indonesia, Vietnam, China and Mauritius. International Services has also developed a new revenue stream in the provision of training services to these countries, securing two major projects from AusAID.

SERVICE AND APPROPRIATION SUMMARY

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Access to Land Information.....	79,427	82,875	88,196	93,566			
<i>Service 2:</i>							
Valuations	17,151	17,862	18,850	19,087			
<i>Service 3:</i>							
Access to Government Geographic Information	1,452	1,586	1,751	1,765			
Total Cost of Services ^{(a) (d)}	98,030	102,323	108,797	114,418	120,829	124,638	128,038
<i>Less Income</i>	82,394	73,235	83,221	93,555	97,333	104,730	113,039
Net Cost of Services ^(a)	15,636	29,088	25,576	20,863	23,496	19,908	14,999
Adjustments ^(b)	11,274	(1,637)	1,866	1,336	1,817	5,645	8,174
Appropriation provided to deliver Services ^(a)	26,910	27,451	27,442	22,199	25,313	25,553	23,173
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(c)	133	-	-	-	-	136	-
TOTAL CONSOLIDATED ACCOUNT APPROPRIATIONS	27,043	27,451	27,442	22,199	25,313	25,689	23,173

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables, superannuation and income tax equivalents.
- (c) Supporting details are disclosed in the Capital Contribution Statement.
- (d) From 1 January 2007, the former Department of Land Information became a Statutory Authority trading as Landgate. The 2006-07 Estimated Actual and 2007-08 Budget Estimate and future year Forward Estimates include the new cost of payroll tax.

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
Creating conditions that foster a strong economy delivering more jobs, opportunities and greater wealth for all Western Australians.	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 government's 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)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 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.					
Extent to which the State Land Information Capture Program is completed according to target.....	100%	100%	100%	100%	
Claims against registered interests as a result of fraud, negligence or errors, settled by the Crown.....	nil	nil	nil	nil	
Outcome: Independent valuations support government's collection of rates and taxes and management of property assets.					
International standards for accuracy and uniformity of rating and taxing values are met: Median Ratio Test:					
- Gross Rental Value; and.....	92.93%	92.5%	92.5%	92.5%	
- Unimproved Value	92.38%	92.5%	92.5%	92.5%	
Coefficient of dispersion:					
- Gross Rental Value; and.....	6.02%	< 7%	< 7%	<7%	
- Unimproved Value	8.67%	< 15%	<15%	< 15%	
Adjustments to Rating and Taxing Values as a result of Objections and Appeals as a percentage of total values in force	0.023%	< 0.2%	< 0.2%	< 0.2%	

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
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.....	20%	5%	56%	25%	
Increase in repeat participants at WALIS functions.....	11%	15%	44%	15%	
Acceptance:					
Increase in the number of first time customers accessing spatial information from WALIS community members.....	0%	2%	1%	2%	
Re-use:					
Increase in the number of return customers accessing spatial information from WALIS community members.....	6%	2%	4%	2%	

(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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^{(a) (c)}	79,427	82,875	88,196	93,566	
Less Income.....	73,742	64,680	73,976	81,080	
Net Cost of Service ^(a)	5,685	18,195	14,220	12,486	Improved result due to buoyant property market
Adjustments ^(b)	5,823	(1,062)	1,038	800	
Appropriation for delivery of Service ^(a)	11,508	17,133	15,258	13,286	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables, superannuation and income tax equivalents.
- (c) From 1 January 2007, the former Department of Land Information became a Statutory Authority trading as Landgate. The 2006-07 Estimated Actual and 2007-08 Budget Estimate include the new cost of payroll tax.

Key Efficiency Indicators

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
1. Average cost per land registration action	\$24.17	\$29.43	\$27.58	\$29.03	Due to buoyant property market
2. Average cost per land information action	\$33.13	\$41.77	\$32.78	\$43.35	
Full Time Equivalents (FTEs)	622	591	625	636	

Major Achievements For 2006-07

- Following bipartisan support for the establishment of the Western Australian Land Information Authority, Parliament passed the *Land Information Authority Act 2006* in November 2006. The former Department of Land Information successfully transitioned to the new Authority, trading as Landgate, on 1 January 2007.
- Significant improvement of data access and quality to the State, local government, emergency services, industry groups, the business community and the public have been achieved through:
 - the completion of several geographic information, spatial integration and digitisation projects;
 - significant revision of the Strata Titles and Survey and Plan Practice Manuals to meet industry requirements;
 - progress towards the *Implementation Plan for National Electronic Conveyancing* and through successful negotiation with industry stakeholders; and
 - successful participation in a consortium bid for Federal funding of the National Collaborative Research Infrastructure Strategy towards the significant upgrade of Australia's geodetic infrastructure.
- Shared Land Information Platform (SLIP):
 - the SLIP Enabling Framework has been implemented to a production capability stage with a formal launch to government users planned for July 2007. As a result, 15 government agencies have been connected and over 100 datasets have been made available;
 - following stakeholder feedback to the prototype of the Interest Enquiry (formerly Register of Interest) system, the project scope was changed to improve the display of what interests are applicable over a customer selected area. As a result, the project will implement an Interest Dictionary in June 2007 with the full production (pilot release) to be implemented in September 2007; and
 - the cross-government collaboration framework that has successfully supported the implementation of SLIP will continue to support the operations of SLIP into the future through its integration with WALIS.

Major Initiatives For 2007-08

- Continue with the improvement of data capture, access and quality to the State, local government, emergency services, industry groups, business community and the public in the areas of:
 - topographic and spatial information;
 - property street addressing;
 - digitisation of archived information (long-term);
 - strategic redevelopment of core business systems;
 - supporting the development of the Geodetic Framework for Western Australia; and
 - the capture and maintenance of data in the Spatial Cadastral Database.
- Expand the online public shopfront to improve availability of land information products to the public.
- Implement the Interest Enquiry application to allow the searching of interests held on a land parcel.

Service 2: Valuations

An impartial valuation and property consultancy service.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^{(a) (c)}	17,151	17,862	18,850	19,087	The impact of the Gross Rental Value General Metropolitan Triennial program
Less Income	8,652	8,425	9,085	12,355	
Net Cost of Service ^(a)	8,499	9,437	9,765	6,732	
Adjustments ^(b)	5,456	(500)	713	431	
Appropriation for delivery of Service ^(a)	13,955	8,937	10,478	7,163	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables, superannuation and income tax equivalents.
- (c) From 1 January 2007, the former Department of Land Information became a Statutory Authority trading as Landgate. The 2006-07 Estimated Actual and 2007-08 Budget Estimate include the new cost of payroll tax.

Key Efficiency Indicators

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per valuation	\$14.73	\$11.53	\$13.22	\$11.96	The impact of the Gross Rental Value General Metropolitan Triennial program
Full Time Equivalents (FTEs)	213	208	224	225	

Major Achievements For 2006-07

- Commenced a data quality improvement project and review of business processes to ensure accuracy of core valuation data. This will improve staff access to the valuation system, including provision of remote access and data download and upload capability, which is planned for 2007-08.
- Reviewed and updated the established protocol between the Valuer General, State Land Services and land development agencies to reflect changing circumstances whilst maintaining existing high standards and transparency.
- Completed a restructure of the Valuation Services Branch. A number of staff-related initiatives are ongoing, including the significant increase of staff development and training opportunities, induction training for valuer and para-valuation staff and a review of the Level 1 to Level 5 Criteria Progression Tool for Valuers.

Major Initiatives For 2007-08

- Investigate the feasibility of expanding clients' ability to request valuations online.
- Commence negotiations with other state jurisdictions to introduce a uniform land use coding system supporting property valuation.
- Develop a strategy for enhancing the corporate computer assisted mass appraisal and property information system.

- Improve staff access to the valuation system, including the provision of remote access and data download and upload capability.
- Continue with the data quality improvement project of core valuation data including the introduction of business process improvements to reduce data entry errors.

Service 3: Access to Government Geographic Information

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

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^{(a) (c)}	1,452	1,586	1,751	1,765	
Less Income	-	130	160	120	
Net Cost of Service ^(a)	1,452	1,456	1,591	1,645	
Adjustments ^(b)	(5)	(75)	115	105	
Appropriation for delivery of Service ^(a)	1,447	1,381	1,706	1,750	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables, superannuation and income tax equivalents.
- (c) From 1 January 2007, the former Department of Land Information became a Statutory Authority trading as Landgate. The 2006-07 Estimated Actual and 2007-08 Budget Estimate include the new cost of payroll tax.

Key Efficiency Indicators

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per Key Result Area	\$251,957	\$264,288	\$291,851	\$294,167	
Full Time Equivalents (FTEs)	10	10	10	10	

Major Achievements For 2006-07

- A successful WALIS forum was held, with 670 participants. This formed part of a 'Spatial Week', which, in addition to the WALIS forum, included a Cooperative Research Centre for Spatial Information conference, an Australian Spatial Industry Business Association workshop, an ANZLIC workshop and a special function of the Spatial Sciences Institute.
- Data quality reviews have been well advanced or completed on key datasets, including stormwater drainage, road centreline, cadastre for lot synchronisation and marine data.
- A new Western Australian Atlas and catalogue system (Interragator +) has been completed, with a smooth transition from the old systems.

Major Initiatives For 2007-08

- Host a successful WALIS International Forum for key land information stakeholders to showcase Western Australia's achievements in the spatial industry (including SLIP) to the world.
- Undertake an audit of marine data and identify appropriate management and custodial responsibilities to facilitate access to, and sharing of, these datasets.
- Lead the development of a strategy to coordinate the broader spatial information industry in Western Australia.

CAPITAL WORKS PROGRAM

The Authority's capital works program for 2007-08 comprises \$10.2 million of new works.

The program continues the Authority's e-Business initiative that will apply the latest Internet technologies and streamline access to the State's wide range of land and property related information. It also addresses the ongoing asset replacement program and business infrastructure requirements in support of the initiative and existing business arrangements.

The funds will be applied towards:

- the provision of government-wide access to land and property information and Spatial Information Infrastructure;
- additional data capture and quality improvement activities; and
- business improvement initiatives.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
COMPLETED WORKS				
Access to Land and Property Improvements.....	1,181	1,181	1,181	-
Business Infrastructure - 2006-07 Program.....	5,906	5,906	5,906	-
Data Quality Improvement - 2006-07 Program	1,926	1,926	1,926	-
Land Market Services	3,740	3,740	3,740	-
SLIP	6,788	6,788	3,543	-
NEW WORKS				
Asset Replacement.....	2,500	-	-	2,500
Business Infrastructure - 2007-08 Program.....	4,653	-	-	4,653
Commercial Products and Services	1,584	-	-	1,584
Data Quality Improvement - 2007-08 Program	1,500	-	-	1,500
	29,778	19,541	16,296	10,237

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	10,614	11,181	16,296	10,237	11,067	8,399	8,260
	10,614	11,181	16,296	10,237	11,067	8,399	8,260
LESS							
Drawdowns from the Holding Account	1,481	1,481	944	1,433	1,350	1,481	655
Funding Included in Service Appropriations ^(a)	1,661	1,062	1,599	1,024	1,107	840	826
Internal Funds and Balances	6,956	8,638	13,753	7,780	8,610	5,942	6,779
Other.....	383	-	-	-	-	-	-
Capital Contribution	133	-	-	-	-	136	-

(a) Capital works expensed through the Income Statement.

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(a)	48,781	47,633	50,149	51,937	55,506	57,790	60,356
Superannuation.....	4,881	6,935	6,510	6,718	7,144	7,490	7,846
Cost of goods sold.....	244	270	270	270	270	270	281
Supplies and services	23,405	24,988	27,437	26,912	28,506	28,746	29,620
Accommodation.....	9,367	9,627	9,627	10,116	10,521	10,942	11,379
Capital User Charge ^(b)	4,947	4,212	2,106	-	-	-	-
Depreciation and amortisation	6,087	6,664	6,529	8,417	9,017	9,074	7,745
State taxes ^(c)	-	-	1,532	3,226	3,446	3,590	3,751
Loss on disposal of non-current assets	17	-	-	-	-	-	-
Other expenses	5,248	6,206	6,743	6,822	6,419	6,736	7,060
TOTAL COST OF SERVICES	102,977	106,535	110,903	114,418	120,829	124,638	128,038
Income							
User charges and fees.....	80,490	71,060	80,140	89,282	90,631	97,703	105,995
Interest revenue	-	-	549	855	937	1,112	1,360
Other revenue	1,904	2,175	2,532	3,418	5,765	5,915	5,684
Total Income	82,394	73,235	83,221	93,555	97,333	104,730	113,039
NET COST OF SERVICES ^(b)	20,583	33,300	27,682	20,863	23,496	19,908	14,999
INCOME FROM STATE GOVERNMENT							
Service appropriations ^(b)	31,857	31,663	29,548	22,199	25,313	25,553	23,173
Resources received free of charge	475	429	429	429	429	429	429
Liabilities assumed by the Treasurer	440	2,351	2,213	2,284	2,429	2,546	2,668
Change in equity arising from transfer of assets/liabilities	-	-	340	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	32,772	34,443	32,530	24,912	28,171	28,528	26,270
SURPLUS/(DEFICIENCY) FOR THE PERIOD	12,189	1,143	4,848	4,049	4,675	8,620	11,271
Income tax equivalent.....	-	-	(569)	(1,215)	(1,403)	(2,586)	(3,381)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	12,189	1,143	4,279	2,834	3,272	6,034	7,890

- (a) The Full Time Equivalents (FTEs) for 2005-06 Actual, 2006-07 Estimated Actual and 2007-08 Budget Estimate are 845, 859 and 871 respectively.
- (b) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.
- (c) From 1 January 2007, the former Department of Land Information became a Statutory Authority trading as Landgate. The 2006-07 Estimated Actual and 2007-08 Budget Estimate and future year Forward Estimates include the new cost of payroll tax.

**BALANCE SHEET
(Controlled)**

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CURRENT ASSETS							
Cash and cash equivalents	27,098	8,047	16,826	16,800	19,364	23,139	28,790
Restricted cash	24	384	208	393	578	763	763
Receivables	8,741	5,327	8,741	12,864	8,741	8,741	13,365
Inventories	231	221	231	231	231	231	231
Amounts receivable for services	1,481	1,481	1,433	1,350	1,481	655	678
Prepayments	493	697	493	493	493	493	493
Other	1,875	800	1,875	1,875	1,875	1,875	1,875
Total current assets	39,943	16,957	29,807	34,006	32,763	35,897	46,195
NON-CURRENT ASSETS							
Amounts receivable for services	17,915	23,098	21,295	22,554	23,869	26,027	27,750
Plant and equipment	4,177	12,154	6,345	8,696	7,575	5,178	4,350
Intangibles	26,385	26,033	32,081	30,526	32,590	33,472	33,989
Restricted cash	190	-	383	583	795	1,017	1,249
Other	1,497	1,296	3,571	-	1,841	4,010	-
Total non-current assets	50,164	62,581	63,675	62,359	66,670	69,704	67,338
TOTAL ASSETS	90,107	79,538	93,482	96,365	99,433	105,601	113,533
CURRENT LIABILITIES							
Payables ^(a)	288	718	288	288	288	288	288
Provision for employee entitlements	10,698	7,087	10,698	10,698	10,698	10,698	10,698
Accrued salaries	851	261	94	291	131	173	215
Other	6,193	5,931	6,193	6,090	6,089	6,045	6,045
Total current liabilities	18,030	13,997	17,273	17,367	17,206	17,204	17,246
NON-CURRENT LIABILITIES							
Provision for employee entitlements	3,595	5,035	3,595	3,595	3,595	3,595	3,595
Other	255	90	107	62	19	19	19
Total non-current liabilities	3,850	5,125	3,702	3,657	3,614	3,614	3,614
TOTAL LIABILITIES	21,880	19,122	20,975	21,024	20,820	20,818	20,860
EQUITY							
Contributed equity	317	317	317	317	317	453	453
Accumulated surplus/(deficit)	67,910	60,099	72,190	75,024	78,296	84,330	92,220
Total equity	68,227	60,416	72,507	75,341	78,613	84,783	92,673
TOTAL LIABILITIES AND EQUITY	90,107	79,538	93,482	96,365	99,433	105,601	113,533

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

CASHFLOW STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	25,690	24,999	25,272	19,590	22,518	22,739	20,772
Capital contribution	133	-	-	-	-	136	-
Holding account drawdowns	1,481	1,481	944	1,433	1,350	1,481	655
Tax equivalent regime	-	-	(569)	(1,215)	(1,403)	(2,586)	(3,381)
Net cash provided by State government	27,304	26,480	25,647	19,808	22,465	21,770	18,046
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(46,229)	(47,542)	(50,906)	(51,740)	(55,666)	(57,748)	(60,314)
Superannuation	(4,409)	(4,584)	(4,297)	(4,434)	(4,715)	(4,943)	(5,179)
Supplies and services	(22,615)	(24,404)	(29,253)	(29,090)	(31,648)	(27,669)	(28,756)
Accommodation	(9,234)	(9,879)	(9,627)	(10,116)	(10,521)	(10,942)	(11,379)
Capital User Charge ^(a)	(4,947)	(4,212)	(2,106)	-	-	-	-
State taxes ^(b)	-	-	(1,532)	(3,226)	(3,446)	(3,590)	(3,751)
Goods and Services Tax	(4,526)	(3,694)	(5,800)	(5,290)	(5,520)	(5,380)	(5,530)
Other	(5,304)	(4,568)	(4,767)	(4,486)	(3,117)	(7,655)	(7,776)
Receipts							
User charges and fees	81,085	66,348	75,347	85,295	91,905	94,852	104,716
Interest received	-	-	549	855	937	1,112	1,360
Goods and Services Tax	4,086	3,739	5,800	5,290	5,520	5,380	5,530
Other receipts	7,079	4,709	5,251	6,854	6,772	6,598	6,350
Net cash from operating activities	(5,014)	(24,087)	(21,341)	(10,088)	(9,499)	(9,985)	(4,729)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(8,953)	(9,819)	(14,393)	(9,213)	(9,960)	(7,559)	(7,434)
Proceeds from sale of non-current assets	4	-	-	-	-	-	-
Net cash from investing activities	(8,949)	(9,819)	(14,393)	(9,213)	(9,960)	(7,559)	(7,434)
CASH FLOWS FROM FINANCING ACTIVITIES							
Other payments for financing activities	(97)	(103)	(148)	(148)	(45)	(44)	-
Net cash from financing activities	(97)	(103)	(148)	(148)	(45)	(44)	-
NET INCREASE/(DECREASE) IN CASH HELD	13,244	(7,529)	(10,235)	359	2,961	4,182	5,883
Cash assets at the beginning of the reporting period	14,068	15,960	27,312	17,417	17,776	20,737	24,919
Net cash transferred to/from other agencies	-	-	340	-	-	-	-
Cash assets at the end of the reporting period	27,312	8,431	17,417	17,776	20,737	24,919	30,802

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

(b) From 1 January 2007, the former Department of Land Information became a Statutory Authority trading as Landgate. The 2006-07 Estimated Actual and 2007-08 Budget Estimate and future year Forward Estimates include the new cost of payroll tax.

RECONCILIATION RELATING TO REMOVAL OF CAPITAL USER CHARGE

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Total Cost Of Services as per Income Statement ^(a)	102,977	106,535	110,903	114,418	120,829	124,638	128,038
Less Capital User Charge.....	4,947	4,212	2,106	-	-	-	-
Adjusted Total Cost of Services	98,030	102,323	108,797	114,418	120,829	124,638	128,038
APPROPRIATIONS							
Net amount appropriated to deliver services	31,857	31,663	29,548	22,199	25,313	25,553	23,173
Less Capital User Charge.....	4,947	4,212	2,106	-	-	-	-
Adjusted net amount appropriated to deliver services	26,910	27,451	27,442	22,199	25,313	25,553	23,173

- (a) From 1 January 2007, the former Department of Land Information became a Statutory Authority trading as Landgate. The 2006-07 Estimated Actual and 2007-08 Budget Estimates and future year Forward Estimates include the new cost of payroll tax.

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Part 9

Minister for Planning and Infrastructure

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
749	Planning and Infrastructure			
	– Delivery of Services	156,015	169,589	169,638
	– Administered Grants, Subsidies and Other Transfer Payments.....	4,190	4,190	400
	– Capital Contribution	16,367	8,178	42,727
	Total	176,572	181,957	212,765
777	Commissioner of Main Roads			
	– Delivery of Services	425,224	424,216	487,609
	– Capital Contribution	196,824	217,529	322,878
	– Administered Capital Contribution	52,679	66,160	83,284
	Total	674,727	707,905	893,771
802	Public Transport Authority of Western Australia			
	– Delivery of Services	544,711	524,530	573,209
	– Capital Contribution	1,347,273	1,316,946	74,647
	Total	1,891,984	1,841,476	647,856
818	Armadale Redevelopment Authority	-	-	-
819	East Perth Redevelopment Authority	-	-	-
820	Midland Redevelopment Authority	-	-	-
821	Subiaco Redevelopment Authority	-	-	-
822	Albany Port Authority	-	-	-
823	Broome Port Authority	-	-	-
824	Bunbury Port Authority	-	-	-

Page	Agency	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
825	Dampier Port Authority	-	-	-
826	Esperance Port Authority	-	-	-
827	Fremantle Port Authority	-	-	-
830	Geraldton Port Authority	-	-	-
831	Port Hedland Port Authority	-	-	-
832	Western Australian Land Authority	-	-	-
834	Eastern Goldfields Transport Board	-	-	-
835	Western Australian Planning Commission			
	– Delivery of Services	61,102	74,102	81,462
	– Capital Contribution	2,900	2,900	5,400
	Total	64,002	77,002	86,862
	GRAND TOTAL			
	– Delivery of Services	1,187,052	1,192,437	1,311,918
	– Administered Grants, Subsidies and Other Transfer Payments	4,190	4,190	400
	– Capital Contribution	1,563,364	1,545,553	445,652
	– Administered Capital Contribution	52,679	66,160	83,284
	Total	2,807,285	2,808,340	1,841,254

PLANNING AND INFRASTRUCTURE

PART 9 - MINISTER FOR PLANNING AND INFRASTRUCTURE

DIVISION 43

APPROPRIATION AND FORWARD ESTIMATES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 84 Net amount appropriated to deliver services ^(a)	148,884	155,797	169,202	169,239	155,392	166,487	161,159
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 ^(b)	307	218	387	399	411	423	436
Total appropriations provided to deliver services	149,191	156,015	169,589	169,638	155,803	166,910	161,595
ADMINISTERED TRANSACTIONS							
Item 85 Western Australian Coastal Shipping Commission	4,201	4,190	4,190	400	437	329	329
CAPITAL							
Item 162 Capital Contribution	9,842	16,367	8,178	42,727	11,557	17,332	15,341
ADMINISTERED CAPITAL							
Amount Authorised by Other Statutes - Perry Lakes Redevelopment Act 2005	1,700	-	-	-	-	-	-
GRAND TOTAL	164,934	176,572	181,957	212,765	167,797	184,571	177,265

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) The recommendation by the Salaries and Allowances Tribunal of 4 April 2007 in relation to senior public servants' salaries was received after the finalisation of agencies' individual financial projections. Accordingly, a provision for the total cost 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 No. 2 Volume 1). This provision will be reflected in agencies' estimates following the release of the 2007-08 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, presenting both opportunities and challenges for the communities of Western Australia.
- Indicators of housing activity in Western Australia point to continued strong demand for dwellings in both the new construction and established markets. As demand for development continues to increase, the Department continues to review and improve its approvals process to meet increasing demand.
- Western Australia's growth is resulting in increased demand for State Government services, such as vehicle and driver licensing, marine safety, commercial and recreational boating facilities, land acquisition for gas pipeline corridors, native title negotiations, land tenure solutions, coastal erosions solutions and taxi supply, as well as for developable land and housing stocks in the Perth metropolitan area.

- The resources boom and resulting economic growth is generating demand for more and better transport infrastructure including road, rail, seaport and airports, as well as more services such as aviation into regional areas. The resources boom in the Pilbara and Kimberley regions is placing unprecedented demand on infrastructure, services, developable land and housing stocks.
- Population in the Peel region and south west of the State has increased by 43 per cent in the past decade. This has been driven in part by improved network infrastructure such as the Southern Suburbs Railway and the Perth-Bunbury Highway, tourism, lifestyle choices and the retirement choices of an ageing population. Mining developments, such as the mineral sands industry at Capel, gold mining at Boddington and iron ore at Ravensthorpe, are also attracting workers to these regions.
- The bulk of the State's natural resources are located in regional areas requiring the Department to work with industry and the community to anticipate and resolve capacity constraints, understand industry requirements and coordinate highly complex infrastructure delivery in natural environments that are often fragile and with Indigenous cultural and heritage values.
- Sufficient employment land (i.e. land used for industrial, commercial, government and other service providers) with the required transport connections and infrastructure provision must be identified to support commerce and industry in metropolitan and outer-metropolitan locations.
- Climate change is increasingly impacting on considerations of land use, urban design and transport infrastructure planning. Coordinated responses to the management of environmental issues with a focus on total water cycle management and water-sensitive urban design are becoming progressively more important in land use planning.
- Increasing population density, increasing fuel costs and climate change will impact on transport systems, transport costs and modal choice in major urban areas. There are significant opportunities around key transport corridors and nodes that can accommodate higher-density dwellings with immediate transport and environment benefits to limit dependence on motor vehicles and ensure that metropolitan growth is coordinated and integrated while quality of life is maintained or improved.
- The Western Australian 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.
- Recent challenges include AusLink road and rail corridors, the Council of Australian Governments including urban congestion as a significant national transport reform area, facilitating implementation and approvals under State Agreements, and planning for new ports at Oakajee and in the Pilbara, including third party access arrangements.
- In a climate of privatisation, deregulation and competition policy, there is an expectation that rail freight should be competitive.
- The geographic distribution of the Western Australian population requires a sustainable and efficient intrastate air service to remote and regional communities. There is a need to balance sustainable competition between air services provided while ensuring that regional Western Australia is adequately serviced. This need is further impacted by the increasing fly-in/fly-out activity of the resource sector.
- Transport security remains a major issue. Security issues are involved for urban passenger transit precincts and the movement of dangerous goods.
- Rising petrol prices, oil scarcity and increasing greenhouse gas emissions are increasing the focus on a need for renewable fuels such as biofuels and hydrogen.
- Pastoral lands operate 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. Pastoral leases also present different issues, such as inappropriate land tenure and non-compliance with lease conditions.
- The demand for taxi services, particularly for multi-purpose taxi customers and for customers in peak periods, continues to attract public criticism, especially through the media.

- The Government has directed that that Licensing services be modernised, be less complex, more flexible, convenient and better meet customer expectations. In addition to this, Western Australia has the highest rate of vehicles for every 1,000 people in the country and licensing activities have increased by 15 per cent across the whole business.
- Rapid growth in vessel registration is placing increased demand on launching facilities, pens and moorings and requires a greater emphasis on safety regulation for waterways.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2006-07 Budget to Parliament on 11 May 2006 are outlined below.

	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
Contribution to the Code Management Company	112	-	-	-
Licensing Business Unit	23,545	14,480	19,622	16,133
LPG Subsidy Scheme	9,435	10,609	11,931	12,291
National Reform Rail Safety Bill	1,228	1,425	1,459	1,485
North West Corridor Coordinating Committee	340	-	-	-
Oakajee Port and Industrial Estate Essential Studies	1,250	-	-	-
Owner/Drivers (Contract and Disputes) Bill 2006	275	150	150	150

SERVICE AND APPROPRIATION SUMMARY

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Transport System Planning and Regulation	85,688	94,307	97,258	98,721			
<i>Service 2:</i>							
Motor Vehicle Registration and Driver							
Licensing Services	86,997	88,025	100,267	110,523			
<i>Service 3:</i>							
Land Accessibility Planning, Tenure and							
Policy Development	41,743	46,218	49,219	51,780			
<i>Service 4:</i>							
Integrated Land and Transport Policy							
Development	26,627	63,506	49,765	42,679			
Total Cost of Services ^(a)	241,055	292,056	296,509	303,703	299,490	306,955	306,759
<i>Less Income</i>	<i>99,989</i>	<i>126,831</i>	<i>105,603</i>	<i>122,359</i>	<i>133,599</i>	<i>132,874</i>	<i>138,702</i>
Net Cost of Services ^(a)	141,066	165,225	190,906	181,344	165,891	174,081	168,057
Adjustments ^(b)	8,125	(9,210)	(21,317)	(11,706)	(10,088)	(7,171)	(6,462)
Appropriation provided to deliver Services ^(a)	149,191	156,015	169,589	169,638	155,803	166,910	161,595
ADMINISTERED TRANSACTIONS							
Appropriation for Administered Grants, Subsidies and Transfer Payments	4,201	4,190	4,190	400	437	329	329
Amount Authorised by Other Statutes							
Perry Lakes Redevelopment Act 2005	1,700	-	-	-	-	-	-

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(c)	9,842	16,367	8,178	42,727	11,557	17,332	15,341
TOTAL CONSOLIDATED ACCOUNT APPROPRIATIONS.....	164,934	176,572	181,957	212,765	167,797	184,571	177,265

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (c) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

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

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
Enhancing the quality of life and wellbeing of all people throughout Western Australia by providing high quality, accessible services.	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
Creating conditions that foster a strong economy delivering more jobs, opportunities and greater wealth for all Western Australians.	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)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Outcome: An accessible and safe transport system.					
Number of public transport journeys per capita per year.....	46	45.2	46	48	
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.....	90%	80%	80%	91%	
- within a 10 minute ride to a railway station	31%	31%	31%	33%	
- within a 10 minute car travel to a railway station	66%	66%	66%	68%	
Sample audited Taxi User Subsidy Scheme applications rejected contrary to the entitlement guidelines	1.1%	0%	1.5%	0%	
Registered recreational vessels involved in an incident (accident) on the water.....	0.1%	0%	0.1%	0%	
Commercial vessels surveyed under the <i>Western Australian Marine Act 1982</i> involved in an incident (accident) on the water.....	3.4%	0%	2.7%	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.....	82%	100%	90%	100%	
Driver licences issued that comply with the Graduated Driver Training and Licensing system assessed by independent audit.....	71%	100%	90%	100%	
Outcome: Accessibility to serviced land and infrastructure.					
Number of lots given preliminary and final approval:					
- residential.....	54,204	60,000	53,000	53,000	
- non-residential	7,522	10,000	7,200	7,200	
Median land price as a percentage of median residential property sales price	51.2%	55.0%	58.0%	58.0%	
Relative affordability of property and land prices	Third lowest quintile	Second lowest quintile	Second highest quintile	Second highest quintile	
Average lot size in the Perth Metropolitan Region.....	560m ²	565m ²	565m ²	565m ²	
Avoided land consumption costs.....	\$136 million	\$130 million	\$138 million	\$138 million	
Determination appeals that are unsuccessful	99%	99%	99%	99%	

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Outcome: Integration of land and transport systems that facilitates economic development.					
Proportion of zoned land in the metropolitan area that is 400m/1 km from major transport systems:					
- less than R20: 400m	78.7%	79.0%	78.8%	79.0%	
- less than R20: 1 km	88.2%	88.0%	88.4%	88.0%	
- R20: 400 metres	89.5%	90.0%	89.5%	90.0%	
- R20: 1 km	97.3%	98.0%	95.8%	98.0%	
- greater than R20: 400 metres	96.0%	96.0%	95.8%	96.0%	
- greater than R20: 1 km	99.1%	99.0%	99.4%	99.0%	
Freight via rail to and from Fremantle Port.....	4.5%	15.0%	8.0%	15.0%	
Area of commercial and industrial land per capita per corridor:					
- Eastern Sector:					
- commercial per capita	18.1m ²	18.1m ²	12.4m ²	12.4m ²	
- industrial per capita	88.9m ²	87.9m ²	82.1m ²	82.1m ²	
- Inner Sector:					
- commercial per capita	35.4m ²	35.4m ²	33.1m ²	33.1m ²	
- industrial per capita	17.1m ²	17.1m ²	14.9m ²	14.9m ²	
- Middle Sector:					
- commercial per capita	28.8m ²	28.8m ²	22.1m ²	22.1m ²	
- industrial per capita	61.7m ²	61.7m ²	61.7m ²	61.7m ²	
- North West Sector:					
- commercial per capita	64.7m ²	63.8m ²	45.5m ²	45.5m ²	
- industrial per capita	79.7m ²	79.7m ²	68.0m ²	68.0m ²	
- South East Sector:					
- commercial per capita	15.3m ²	15.6m ²	15.0m ²	15.0m ²	
- industrial per capita	72.0m ²	71.8m ²	63.8m ²	63.8m ²	
- South West Sector:					
- industrial per capita	210.9m ²	210.9m ²	185.0m ²	185.0m ²	
- commercial per capita	42.5m ²	42.5m ²	25.5m ²	25.5m ²	
- Perth Metropolitan Region:					
- commercial per capita	34.9m ²	34.8m ²	26.5m ²	26.5m ²	
- industrial per capita	79.3m ²	79.1m ²	74.1m ²	74.1m ²	

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

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;
- safe jetties through licensing;
- marine and transport related data collection, analysis and dissemination; and
- provision of cartographic information services.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	85,688	94,307	97,258	98,721	
Less Income	33,875	24,711	31,844	33,732	
Net Cost of Service ^(a)	51,813	69,596	65,414	64,989	
Adjustments ^(b)	14,930	(1,650)	(4,175)	(2,502)	
Appropriation for delivery of Service ^(a)	66,743	67,946	61,239	62,487	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Cost per registered vessel of maritime disaster response	\$40.32	\$38.58	\$38.55	\$37.53	
Average survey cost per commercial vessel	\$1,779	\$1,552	\$1,662	\$1,716	
Average cost per private recreational vessel registration	\$53.43	\$83.09	\$52.12	\$55.11	
Average cost per household contacted under TravelSmart scheme	\$85.49	\$88.53	\$79.11	\$86.64	
Average administrative cost per Taxi User Subsidy processed	\$1.30	\$0.37	\$1.17	\$1.14	Includes the provider's administration costs.
Average cost per vessel accommodated	\$16,283	\$24,667	\$19,450	\$18,564	
Cycling grant administration cost as a percentage of the total value of grants	19.20%	19.96%	19.90%	21.94%	
Average tonnage per North West shipping trip	2,500	2,500	2,857	3,571	
Full Time Equivalents (FTEs) ^(a)	330	339	215	212	

- (a) The significant investment in the Licensing Business Unit that has resulted in a decrease to the allocation of corporate and other overheads FTE allocations. In addition, there have been refinements to methodology of calculating FTEs with the 2006-07 Estimated Actual and 2007-08 Target being more reflective of the actual position.

Major Achievements For 2006-07

- Participated in the national transport forum (managed through the National Transport Commission) making substantial progress including:
 - development of a model Rail Safety Bill and Regulations to harmonise safety regimes across the nation;
 - updating of the Australian Dangerous Goods Code to bring it into line with the new international standards for rail, road, maritime and aviation transport;
 - agreement for a Fatigue Management Package to improve safety for the trucking industry;
 - amending vehicle emission standards to meet health and environmental objectives; and
 - amending Australian Road Rules, thereby keeping pace with changing community needs and developments in technology i.e. those pertaining to scooters.
- With assistance from industry and transport partners, developed a Grain Freight Model to analyse the grain supply chain in order to determine and validate network and funding requirements.
- A Metro Grain Centre (MGC) direct rail trial was completed in December 2006. A new 6-month MGC trial commenced in mid-January 2007 to increase the volume of containers on rail to and from Fremantle Port's Inner Harbour. The Department and Fremantle Ports are working closely with key industry players to develop a permanent rail solution that meets the rail freight targets set by Government.
- The Pilbara Ports Study completed during the year found that iron ore exports from the Pilbara could potentially increase four-fold by 2020 and that provision for a new port in the Pilbara is needed in order to realise export potential. Ronsard Island has been identified as the most promising location for a new port. Further investigation and studies will be required to confirm that Ronsard can successfully be developed as a port.
- A review of the *Port Authorities Act 1999* was completed and a report is currently being drafted for tabling in Parliament.
- A strategic assessment of the four options for the Fremantle Port Outer Harbour was completed. Concept design work has also been completed for road and rail linkages to the port using the Rowley and Anketell Road alignments.
- Concept planning for the future development of the Carnarvons Boat Harbour study was completed to integrate growth of harbour business activity and make it a tourist attraction in its own right.
- The successful TravelSmart Household program achieved its Greenhouse Gas Abatement Program milestone by surveying more than 50,000 households. The program was delivered along rail and activity corridors including the Armadale line (in Canning and Gosnells), Fremantle Line (in Nedlands, Claremont and Cottesloe), Central Perth (Perth, Vincent and Stirling), Midland Line (Bassendean and Swan).
- A development application for the third stage of the redevelopment of the Department's former depot site at Mews Road Fishing Boat Harbour was approved. Development is due to commence in May 2007. This will modernise the area for greater commercial return to Government and address under-utilisation of land assets.
- Construction commenced in 2007 of the Coral Bay Boating Facility at Monck Head to provide a public boat ramp for smaller recreational craft and a service jetty for commercial boats that will remove congested, unsafe and environmentally unacceptable boat usage at the main beach.
- Design for the upgrade of the public boat ramps at Bundegi and Tantabiddi to provide improved trailer boat access to the waters on both sides of Exmouth peninsular was completed. The Shire of Exmouth is managing construction of the Bundegi boat ramp and Tantabiddi construction will follow.
- A study examining the rapid growth in the number of recreational boats in the Perth Metropolitan Area was completed and the findings will be incorporated into the Perth Coastal Planning Strategy for further community consultation about their competing demands, the environment and changing priorities.
- Consultation commenced to implement a marine communication system for domestic non-Safety of Life at Seas vessels in Western Australia. This three year program will ensure compliance to the National Marine Safety Council for marine radio monitoring and greater marine safety in Western Australian waters.

- The Shipping and Pilotage Amendment Bill 2006 was assented. It imposes requirements for ports subject to the *Shipping and Pilotage Act 1967* to have, maintain and implement marine safety plans, the licensing of pilots and setting appropriate standards for licensing. This will ensure greater regional marine safety and port performance.
- The review of the Western Australian omnibus industry was completed and the Department's policies amended to reflect the requirements of the Transport Co-ordination Act 1966 (TCA) Amendment Bill to improve access and competition in the industry and to improve customer service.
- A range of incentives, including Multi Purpose Taxi (MPT) cadetships, subsidising operator training and the cost of lease plates were introduced to encourage participation in the taxi industry.
- A MPT service improvement program for the metropolitan area, including a range of subsidies/incentives to attract new drivers and owner/drivers to the industry (as well as continuing existing subsidies to enhance operator viability) was adopted in late 2006-07 at a cost of \$8.0 million over the next four years. The program will reduce wait times for MPT services for people with disabilities.
- The number of taxis was increased and a peak period 'NightRider' bus service was proposed by the Department, and subsequently introduced by the Public Transport Authority, in Fremantle and Northbridge to reduce wait times, offer bus alternatives and reduce anti social behaviour in queues.

Major Initiatives For 2007-08

- Introduce legislation to improve marine safety by restricting the operation of a vessel whilst under the influence of alcohol.
- Introduce the National Standard for Commercial Vessels into Western Australian legislation and administration to achieve consistency and eliminate confusion caused by different standards.
- Develop a master plan for the Woodman Point recreational boating precinct to accommodate the rapid increase in demand for launching facilities, provide commercial and public facilities and resolve competing land uses in that location.
- Develop a formal master plan for Albany Waterfront Boat Harbour to ensure successful integration of future development and competing land uses.
- Recommend a formal Structure Plan for Fremantle Fishing Boat Harbour, Challenger and Success Harbours to ensure successful integration of future development and competing uses of land and water spaces.
- Commence implementation of an improved management strategy for moorings throughout Western Australia to achieve the fairest and most efficient use of public water assets.
- Complete flood damage repair, dredging and reinstatement of the facility at Esperance (Bandy Creek Boat Harbour) to return the facility to its previous operational status.
- Implement a new *Country Taxi Act* to modernise regulation of the industry throughout regional Western Australia.
- Develop a rationale and policy for contemporary Government involvement in subsidising passenger services (both air and land) in regional areas of Western Australia.
- Develop proposals to address the transport infrastructure deficiencies and priorities for the Perth-Adelaide, Perth-Darwin, Perth-Bunbury and Perth Urban AusLink transport corridors to meet the predicted requirements of Western Australia's economy.
- Negotiate with the Commonwealth and State's railway operators to successfully transition Western Australia's operations to the national system of rail access regulation.
- Develop and progress a community-endorsed strategy to reduce greenhouse gas emissions from the transport sector.

- Implement new regulations to ensure that aircraft, airports, seaports, shipping and railway operators introduce improved security measures.

Major Joint Initiatives with the Western Australian Planning Commission

Economic Infrastructure

- Progress planning for a new port in the Pilbara. More detailed analysis of the feasibility of Ronsard Island is to be undertaken to confirm this site as the preferred location for the new port.
- Undertake studies on ports and related infrastructure, including rail, in the Mid West region to identify the infrastructure requirements to meet the expected increase in iron ore exports from the region. Formulate a State Agreement (Infrastructure) to enable the private sector to construct and operate an export facility at Oakajee together with an open access multi-user freight railway connecting to mines in the region.
- Provide assistance to the Shire of Derby/West Kimberly to investigate location options for supply base facilities in the Kimberley region for the oil and gas industry.
- Review the Western Australian grain freight network to develop a sustainable grain freight network and transport infrastructure to meet predicted needs of the industry for the next 25 years. In particular, consideration will be given to the viability of the narrow gauge rail system and road network for any grain receivable site.

Service 2: Motor Vehicle Registration and Driver Licensing Services

The *Road Traffic Act 1974* confers on the Department 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 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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	86,997	88,025	100,267	110,523	
Less Income.....	41,940	42,117	43,630	52,891	
Net Cost of Service ^(a)	45,057	45,908	56,637	57,632	
Adjustments ^(b)	(12,890)	(1,690)	(457)	(3,441)	
Appropriation for delivery of Service ^(a)	32,167	44,218	56,180	54,191	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per vehicle and driver transaction	\$15.00	\$13.81	\$16.69	\$17.77	
Average cost per vehicle inspection	\$53.31	\$54.67	\$49.79	\$51.08	
Average cost per driver assessment	\$52.69	\$49.82	\$56.74	\$58.96	
Driver licence cards issued within 21 days of completed application	99%	95%	95%	100%	
Vehicle registrations issued within 7 days of completed applications and payment of appropriate fees	100%	100%	100%	100%	
Full Time Equivalents (FTEs) ^(a)	575	575	705	748	

(a) The significant investment in the Licensing Business Unit that has resulted in a decrease to the allocation of corporate and other overheads FTE allocations. In addition, there have been refinements to methodology of calculating FTEs with the 2006-07 Estimated Actual and 2007-08 Target being more reflective of the actual position.

Major Achievements For 2006-07

- Wait times for Practical Driver Assessment and Medical Assessments have been reduced.
- A new multi-purpose office was opened in Albany that allowed the co-location of all the Department's staff from three separate sites and provides a 'one stop' shop for the Albany public.
- Legislation to implement the National Drivers Licensing Scheme recognising interstate licenses and associated infringements was assented to in 2006. The Department is progressing the necessary regulatory amendments to facilitate the operational implementation in 2007-08.
- Responsibility for the Demerit Point Suspension function was successfully transferred to the Department from the Western Australian Police effective November 2006 to improve operational efficiency.
- A comprehensive costing model was developed for the Licensing Business Unit (LBU) to accurately identify its services and associated costs. The costing model provides the basis for a sustainable funding model enabling the LBU to modernise its business practices and to accurately cost user charges.
- Implementation of over the counter credit card facilities was completed and these facilities will be provided at all licensing centres commencing July 2007.
- Through the close cooperation of the Department and the Kimberley Police, licensing services were established at the remote Indigenous communities of Balgo, Kalumburu, Bidyadanga and the Dampier Peninsular.

Major Initiatives For 2007-08

- Commence a reform package of \$73.8 million (Recurrent \$65.9 million and \$7.9 million capital) over four years to modernise the LBU and to implement initiatives to further reduce wait times and to improve the vehicle examination process, practical driver assessments and general service requirements.
- Review and modify licensing systems for the introduction of the National Driver Licensing Scheme.
- Review and amend Western Australia's Road Traffic legislation for the introduction of the draft National Compliance and Enforcement Bill.

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, industrial/employment purposes;
- controlling lot sizes and therefore the costs of infrastructure required to service each lot;
- minimising land supply delays and the attendant costs by making accurate, timely decisions on redevelopment and subdivision proposals;
- 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; and
 - 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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	41,743	46,218	49,219	51,780	
Less Income	11,053	21,746	16,832	19,850	
Net Cost of Service ^(a)	30,690	24,472	32,387	31,930	
Adjustments ^(b)	(2,189)	(2,435)	(6,239)	(4,762)	
Appropriation for delivery of Service ^(a)	28,501	22,037	26,148	27,168	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Cost per subdivision and development application processed	\$2,121	\$2,007	\$1,733	\$2,458	Variance reflects additional investment in business improvement.
Average cost per policy and planning hour	\$85.88	\$83.21	\$52.01	\$54.66	
Statutory planning applications processed within statutory timeframes	62%	80%	69%	80%	
Town Planning Scheme amendments (for final approval) processed within non-statutory timeframes	57%	80%	60%	80%	
Deposited and Strata Plans endorsed within non-statutory timeframes	84%	80%	87%	80%	
Cost per Crown Land action	\$1,365	\$2,550	\$2,889	\$2,841	
Full Time Equivalents (FTEs) ^(a)	400	404	439	460	

(a) The significant investment in the Licensing Business Unit that has resulted in a decrease to the allocation of corporate and other overheads FTE allocations. In addition, there have been refinements to methodology of calculating FTEs with the 2006-07 Estimated Actual and 2007-08 Target being more reflective of the actual position.

Major Achievements For 2006-07

- Structure planning and redevelopment plans are underway for various major activity centres in accordance with Network City objectives.
- The Western Australian Planning Commission approved the Murdoch Activity Centre Structure Plan Part A.
- A draft structure plan was prepared for Burswood Peninsula.
- An agreement has been signed with City of Stirling for the Stirling Regional Centre and planning has commenced.
- A proposal to update the State Planning Strategy was provided to the Western Australian Planning Commission.
- The Department undertook the lead role in coordinating the invitation of tenders for 140 William Street site above the new rail station. This will be the first building in Perth to achieve a 5 Star Green Star sustainable building rating.
- Additional planners have now been recruited to expedite major land release projects.

Major Initiatives For 2007-08

- Work will commence on an Electronic Land Development Process (eLDP) system to provide facilities for developers to lodge applications for approvals on line and link agencies and local government to replace current inefficient paper-based processes. The project will take an estimated 4 to 5 years to complete with delivery of Stage One planned for 2009.
- Develop a new population projection methodology in regional Western Australia by provision of small area forecasts that take into account urban centres and town sites that are not generally well described by local government boundaries.
- Change a number of planning mechanisms to create an improved system of planning for the tourism industry in Western Australia.
- Identify key coastal areas vulnerable to climate change, the data from which will be incorporated into a national assessment model.
- Stimulate land supply and address affordability through negotiation with developers, fast track particular approvals, promote in-fill options, Transit Orientated Development and improve overall efficiency of the approvals process.
- Expedite planning approvals for the release of residential land to assist with the provision of dwellings to provide sufficient and affordable accommodation for Western Australians.
- Negotiations will continue for the purchase of land for conservation under the Bush Forever program and the acquisition of pastoral leases to provide public access to key coastal lands, such as through the Ningaloo Sustainable Development Office.

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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	26,627	63,506	49,765	42,679	Projects completed in 2006-07 offset by new projects.
Less Income	13,121	38,257	13,297	15,886	
Net Cost of Service ^(a)	13,506	25,249	36,468	26,793	
Adjustments ^(b)	8,274	(3,435)	(10,446)	(1,001)	
Appropriation for delivery of Service ^(a)	21,780	21,814	26,022	25,792	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per policy hour for integrated land and transport policy development.....	\$66.98	\$56.29	\$56.42	\$75.27	
Full Time Equivalents (FTEs) ^(a)	222	222	300	272	

- (a) The significant investment in the Licensing Business Unit that has resulted in a decrease to the allocation of corporate and other overheads FTE allocations. In addition, there have been refinements to methodology of calculating FTEs with the 2006-07 Estimated Actual and 2007-08 Target being more reflective of the actual position.

Major Achievements For 2006-07

- A draft State Transport Infrastructure Plan to guide future investment in major state transport infrastructure was prepared for consideration as part of the State Infrastructure Strategy.
- A State Planning Policy developed and adopted by the Western Australian Planning Commission confirmed Network City as the planning strategy for Perth and Peel. General agreement was reached with local government on a methodology for population and job targets. Workshops on population targets commenced with local government and a draft spatial framework and policies on activity centres and corridors commenced.
- A draft State Rail Freight Policy was developed to promote a viable rail freight industry and minimise road freight and associated impacts and the draft policy is being considered by key agencies.

- The Perth and Regions Travel Survey was completed. The survey data has already been used to update Main Roads Western Australia and the department transport models that provide essential information for major transport infrastructure projects in the Metropolitan and Peel regions.
- Planning was completed for the Wellard town centre to enable private sector development.
- A review of locations of future stations between Rockingham and Kwinana was completed to enable detailed planning. Plans for the station precincts at Mandogalup, Success, Canning Bridge and South Perth commenced.
- The Metropolitan Freight Network Strategy Implementation Committee conducted a review of its Six Point Plan, with a view of revitalising the overall Strategy. The Department in conjunction with other agencies is working to secure a new intermodal facility in the Kwinana area to relieve road congestion and facilitate freight movement in the South West Metropolitan corridor.
- Key stakeholder acceptance of the scope and methodology for the upgrade of High Street (between Stirling Highway and Carrington Street) in Fremantle was secured and a preliminary options assessment has been completed. This will improve road freight efficiency and address noise.
- A study to explore rail infrastructure options at Bunbury Port to plan for the development of potential coal exports through Bunbury was completed. The rail infrastructure options identified in the study have been included in the Port Authority's Land Use Structure Plan.
- Planning has commenced to enable negotiation of a State Agreement with the private sector for the development of infrastructure for a deep-water port facility at Oakajee and a railway corridor from the Yilgarn minerals area for the export of iron ore. A project director and team have been appointed to develop a State Agreement.
- Project proposals were approved for the development of the Pilbara's first open access railway. The proposals allow for a multi-berth facility on the western side of Port Hedland Harbour and a 260 km railway to mining operations in the Chichester and the Hamersley Ranges.
- The Owner Drivers Contracts and Disputes Bill was drafted to ensure that truck drivers are treated fairly, including provisions on rates, collective bargaining and unconscionable conduct.

Major Initiatives For 2007-08

- Develop a community-endorsed strategy to reduce greenhouse gas emissions from the transport sector.

Major Joint Initiatives with the Western Australian Planning Commission

Central Perth

- Coordinate and lead major projects within and surrounding the central Perth area to ensure that synergies and linkages between projects are maximised, new opportunities for central city development are identified and the vision for central Perth is realised.
- Provide a policy and planning framework for the future development and enhancement of pedestrian, cyclist, public transport and vehicle access to the central Perth area.
- Identify and harness the opportunities available on the Burswood Peninsula to create a well-planned district that complements the structure of central Perth and the metropolitan region in general. To ensure an all-of-government response to the area's development, the project is being guided by a working group with representatives from key government instrumentalities.
- Plan for the redevelopment of Mounts Bay (the area generally from Barrack Square to the Narrows Interchange) as a vibrant new city waterfront. The Department has undertaken preliminary planning, urban design and feasibility assessment in conjunction with LandCorp and the City of Perth.

Network City

- Network City concepts are to be translated into principles, policies and detailed plans that guide the future development of centres and corridors to support the growth of the Perth and Peel regions.
- Undertake a review of the Metropolitan Development Program to identify opportunities for adoption of a more proactive planning tool that will enable better coordination of land development with infrastructure provision.
- Prepare a new strategic bicycle plan that covers all aspects of cycling policy, planning and facility creation for the Perth metropolitan area, and that reflects the recommendations of the Network City strategy and the State Government's environmental, health and congestion management priorities.
- In conjunction with local governments, implement the Network City 'activity corridor' concept through development of a plan for the revitalisation of key centres on the Perth-Midland activity corridor. The project will identify opportunities for new housing, employment and enhancement of local amenities to improve access to public transport and provide social and economic benefits to the community.
- Undertake, in conjunction with local government, the (Network City) Community Planning Strategy for Perth and Peel. This will include the adoption of population, housing and employment targets and new measures to make fuller use of urban land and ensure an adequate supply and diversity of dwellings to support population growth.
- As part of the Murdoch activities centre, the Fiona Stanley Hospital will require supporting infrastructure and land uses to optimise its function and create a healthy urban environment within which the hospital can operate. To ensure good accessibility, high quality urban design, private investment opportunities and sufficient infrastructure to support the Fiona Stanley Hospital and Murdoch University, these urban designs, transport and access strategies will provide a framework for sustainable growth of the precinct to achieve the planning objectives.
- Prepare a district structure plan to guide future planning and urban development in the Cockburn Coast area, inclusive of providing a vision for the Cockburn Coast, identification of development areas, infrastructure requirements to accommodate predicted growth, prescription for development within the structure plan area and establishing the basis for subsequent Metropolitan Region Scheme amendments.
- Prepare and commence implementation of a growth strategy to ensure an adequate urban land supply for the Peel region and provide a contemporary planning framework for urban growth, development of employment locations, staging of infrastructure and protection of the natural environment.
- Prepare and commence implementation of a growth strategy and review the North West Corridor Structure Plan to ensure an adequate urban land supply for the North-West Corridor and provide a contemporary planning framework for urban growth, development of employment locations, and delivery of supporting infrastructure.
- Implementation of Network City through the development of Activity Corridors, Activity Nodes and Transport Oriented Development areas will enable more efficient use of land with good access to infrastructure and services.

Regional Community

- Improve environmental health outcomes for Aboriginal people living in large, permanent and remote communities through the preparation of community layout plans. These plans will allow decision making by Government for investment in housing and infrastructure to occur in a coordinated, well planned and orderly manner.
- Prepare a strategic plan for the Dampier Peninsula that reflects the long-term land use, infrastructure provision and access providing a sustainable framework for guiding decisions about beneficial economic, social and environmental outcomes.

Economic Infrastructure

- Commence the development of a new simplified approach to South West Regional Planning Framework that will establish a high-level policy on the broader planning needs of the whole of the South West focusing on matters of genuine regional need and importance.

- Examine the Mid-West regional road, rail and port infrastructure, reconvene the regional planning committee and develop a Mid-West Infrastructure Plan.
- Review State Planning Policy 2.4 'Basic Raw Materials' and in particular streamline and coordinate procedures for access to basic raw materials by the development industry.
- The Industrial Land Strategy (ILS) forms a cross-government initiative between the Department, LandCorp and the Department of Industry and Resources, which will set the direction for the future provision of industrial land in the Perth and Peel regions in the short, medium and long-term. The ILS is intended to plan the delivery of 'development ready' land in industrial areas in the medium term (5-10 years), identify Government's heavy and general long-term industrial land bank to meet longer-term demand and investigate a range of options to facilitate the strategic forward planning and securing of industrial sites, such as policy, approval processes and public/private partnerships.

CAPITAL WORKS PROGRAM

The Department's planned capital works for 2007-08 is \$97.8 million comprising \$84.9 million works in progress and \$12.9 million for new works.

Major metropolitan projects include:

- Electronic Land Development Program
The Electronic Land Development Program (eLDP) is a modern, streamlined and transparent electronic subdivision approval management system, which will replace the current paper based system, from the lodgement of applications for initial subdivision approval to the issue of titles. The project also includes a business improvement and reform component.
- Perry Lakes Redevelopment Project:
The Perry Lakes Redevelopment project is for the redevelopment of the existing site for housing, and the construction of new facilities for basketball, athletics and rugby on the site referred to as the AK Reserve. Planning is well advanced with the completion of master plans for the sporting facilities and the redevelopment of the Perry Lakes site.
- Licensing Business Unit (LBU) Reform
This relates to the modernisation of the LBU through system enhancements such as more transactions accessible via the Internet, improved payment facilities, upgrades to the telecommunications infrastructure for the Customer Contact Centre and Metropolitan Business Centres, and the establishment of a new licensing centre in the Rockingham district to replace existing outmoded and unsatisfactory facilities.

Major non-metropolitan projects include:

- Albany Waterfront Project
LandCorp is now delivering the Albany Waterfront project. The Department has been allocated funding to finance the marina component of the project. Works may commence later this year, that will extend the Albany CBD to the waterfront, create mixed-use commercial and community waterfront, providing a focal point for visitors and residents.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Albany Waterfront	12,800	5,400	5,400	7,400
Asset Replacement – State Land Services.....	696	547	457	149
Bremer Bay – Additional Groyne.....	400	60	60	60
Information and Communications Technology Infrastructure.....	6,735	2,645	2,521	2,140
Koondoola Revitalisation Project.....	1,000	500	500	500
Licensing Business Unit				
Consolidation of Accommodation	1,400	400	400	1,000
Fitout Midland Office	500	50	50	450
Marine Oil Pollution Response Equipment - Enhancement/Replacement Program.....	495	178	176	82
Maritime				
Access and Infrastructure - Commercial				

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
Hillarys Boat Harbour - Replacement Pens.....	1,095	95	40	1,000
Access and Infrastructure - Recreation				
Casuarina Harbour Pens Stage 1	976	26	-	950
Hillarys Boat Harbour - Facility Refurbishment	6,232	3,656	781	2,576
Minor Works program	4,639	4,182	445	97
Perry Lakes Redevelopment Project.....	84,990	2,450	2,112	64,245
Vessel Replacement.....	1,175	250	250	250
Wanneroo Revitalisation Project	8,000	300	259	4,000
COMPLETED WORKS				
Licensing Business Unit				
Demerit Point Suspension System.....	1,020	1,020	1,020	-
Credit Card Facilities at Licensing Centres.....	495	495	495	-
National Driver Licensing Scheme.....	365	365	365	-
Maritime				
Access and Infrastructure - Commercial				
Hillarys Boat Harbour - Asset Replacement Program.....	1,063	1,063	160	-
Wyndham Port Deferred Maintenance	2,100	2,100	1,701	-
Access and Infrastructure - Recreation				
Batavia Coast Marina Boardwalk	271	271	257	-
Coral Bay Access Rd and Boat Launching Facility	5,220	5,220	4,089	-
Upgrades to Boat Launching Facilities.....	1,500	1,500	1,485	-
Fremantle Fishing Boat Harbour - Memorial Jetty	100	100	100	-
Mews Road Site Redevelopment - Stage 3	706	706	662	-
Navigation Aids				
2004-05 program	1,367	1,367	1,303	-
2005-06 program	610	610	610	-
2006-07 program	600	600	600	-
Patrol Vessel Replacement	256	256	182	-
Metropolitan - Transport Registration Executive Licensing System - Stage 2	6,030	6,030	638	-
Shared Land Information Platform Infrastructure	1,888	1,888	522	-
NEW WORKS				
Electronic Land Development Program	25,300	-	-	3,225
Geraldton Batavia Coast Marina - Refurbish Floating Pens	500	-	-	500
Licensing Business Unit Reform Package	7,900	-	-	7,900
Maritime				
Access and Infrastructure - Recreation				
Casuarina Boat Harbour - Service Jetty Extension.....	200	-	-	200
Fremantle Fishing Boat Harbour Jetty 1 Extension	500	-	-	500
Navigation Aids - 2007-08 program	600	-	-	600
	189,724	44,330	27,640	97,824

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	12,477	45,020	27,640	97,824	17,617	23,308	22,240
Working capital requirement							
Loan and Other Repayments	2,037	1,906	1,906	12,455	-	-	-
	14,514	46,926	29,546	110,279	17,617	23,308	22,240
LESS							
Drawdowns from the Holding Account	119	119	119	-	-	-	-
Internal Funds and Balances	4,215	3,915	19,137	3,307	460	180	-
Other.....	338	26,525	2,112	64,245	5,600	5,796	6,899
Capital Contribution	9,842	16,367	8,178	42,727	11,557	17,332	15,341

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(a)	87,385	91,908	102,462	110,023	109,131	116,831	117,750
Superannuation	8,231	8,325	9,277	10,383	10,148	10,875	10,572
Grants and subsidies ^(b)	43,700	77,680	66,657	60,295	58,895	58,054	52,983
Supplies and services	50,591	67,536	73,232	85,538	84,070	84,799	87,402
Accommodation	11,435	10,913	11,540	12,013	11,990	11,140	11,728
Finance costs	882	1,296	1,296	-	-	-	-
Capital user charge ^(c)	26,016	26,297	26,297	-	-	-	-
Depreciation and amortisation	10,408	11,324	11,324	11,175	11,147	11,147	11,147
Other expenses	28,423	23,074	20,721	14,276	14,109	14,109	15,177
TOTAL COST OF SERVICES	267,071	318,353	322,806	303,703	299,490	306,955	306,759
Income							
User charges and fees	9,226	9,368	9,506	9,501	9,588	9,677	9,767
Regulatory fees and fines	58,644	62,311	64,819	74,702	80,928	85,936	91,657
Gain on disposal of non-current assets	19	-	-	-	-	-	-
Grants and subsidies	4,743	29,216	2,866	5,050	9,150	2,650	1,650
Interest revenue	425	383	383	383	383	383	383
Rent	8,209	8,177	8,177	8,706	8,706	8,706	8,706
Service delivery agreement	8,342	11,972	14,359	17,948	18,804	19,674	20,688
Other revenue	10,381	5,404	5,493	6,069	6,040	5,848	5,851
Total Income	99,989	126,831	105,603	122,359	133,599	132,874	138,702
NET COST OF SERVICES ^(c)	167,082	191,522	217,203	181,344	165,891	174,081	168,057
INCOME FROM STATE GOVERNMENT							
Service appropriations ^(c)	175,207	182,312	195,886	169,638	155,803	166,910	161,595
Resources received free of charge	5,477	4,363	5,477	5,505	5,534	5,564	5,564
Liabilities assumed by the Treasurer	390	319	319	319	319	319	319
Change in equity arising from transfer of assets/liabilities	6,186	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	187,260	186,994	201,682	175,462	161,656	172,793	167,478
SURPLUS/(DEFICIENCY) FOR THE PERIOD	20,178	(4,528)	(15,521)	(5,882)	(4,235)	(1,288)	(579)

(a) The Full Time Equivalents (FTEs) for 2005-06 Actual, 2006-07 Estimated Actual and 2007-08 Estimate are 1,527, 1,669 and 1,700 respectively.

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

(c) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

BALANCE SHEET
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CURRENT ASSETS							
Cash and cash equivalents	46,744	4,678	14,193	11,013	10,930	9,638	8,524
Restricted cash	3,367	2,141	3,516	3,660	3,838	4,272	5,067
Receivables	9,690	4,774	9,690	9,690	9,690	9,690	9,690
Inventories	478	445	478	478	478	478	478
Interest receivable	106	40	106	106	106	106	106
Amounts receivable for services	119	-	-	-	-	-	-
Prepayments	837	39	837	837	837	837	837
Total current assets	61,341	12,117	28,820	25,784	25,879	25,021	24,702
NON-CURRENT ASSETS							
Amounts receivable for services	73,566	87,115	87,185	101,584	115,955	130,326	144,697
Land and buildings	104,511	102,382	103,720	102,929	102,138	101,347	100,556
Plant and equipment	3,927	7,367	7,185	6,928	6,635	6,134	5,738
Infrastructure	112,560	127,197	123,333	139,389	133,939	128,209	122,479
Intangibles	24,713	21,080	21,627	18,541	15,455	12,369	9,283
Other	14,028	20,460	17,078	21,570	27,520	43,643	57,840
Total non-current assets	333,305	365,601	360,128	390,941	401,642	422,028	440,593
TOTAL ASSETS	394,646	377,718	388,948	416,725	427,521	447,049	465,295
CURRENT LIABILITIES							
Superannuation	-	102	-	-	-	-	-
Payables ^(a)	4,297	2,201	4,297	4,297	4,297	4,297	4,297
Provision for employee entitlements	16,858	13,456	16,858	16,858	16,858	16,858	16,858
Borrowings	2,465	2,616	12,455	-	-	-	-
Interest payable	171	205	171	-	-	-	-
Accrued salaries	1,542	469	1,794	2,128	2,378	2,638	2,898
Other	7,677	2,018	7,677	7,677	7,677	7,677	7,677
Total current liabilities	33,010	21,067	43,252	30,960	31,210	31,470	31,730
NON-CURRENT LIABILITIES							
Payables	98	-	98	98	98	98	98
Provision for employee entitlements	6,640	12,181	8,935	12,159	15,383	18,607	21,831
Borrowings	10,892	9,839	-	-	-	-	-
Other	31	-	31	31	31	31	31
Total non-current liabilities	17,661	22,020	9,064	12,288	15,512	18,736	21,960
TOTAL LIABILITIES	50,671	43,087	52,316	43,248	46,722	50,206	53,690
EQUITY							
Contributed equity	111,547	135,344	119,725	162,452	174,009	191,341	206,682
Accumulated surplus/(deficit)	205,000	171,859	189,479	183,597	179,362	178,074	177,495
Reserves	27,428	27,428	27,428	27,428	27,428	27,428	27,428
Total equity	343,975	334,631	336,632	373,477	380,799	396,843	411,605
TOTAL LIABILITIES AND EQUITY	394,646	377,718	388,948	416,725	427,521	447,049	465,295

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

CASHFLOW STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	162,294	168,693	182,267	155,239	141,432	152,539	147,224
Capital contribution	9,842	16,367	8,178	42,727	11,557	17,332	15,341
Holding account drawdowns	119	119	119	-	-	-	-
Net cash provided by State government	172,255	185,179	190,564	197,966	152,989	169,871	162,565
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(84,121)	(89,362)	(99,916)	(106,465)	(105,657)	(113,347)	(114,266)
Superannuation	(7,931)	(8,006)	(8,958)	(10,064)	(9,829)	(10,556)	(10,253)
Grants and subsidies	(43,934)	(77,679)	(66,656)	(60,295)	(58,895)	(58,054)	(52,983)
Supplies and services	(47,918)	(63,173)	(67,755)	(80,033)	(78,536)	(79,235)	(81,838)
Accommodation.....	(11,316)	(10,913)	(11,540)	(12,013)	(11,990)	(11,140)	(11,728)
Finance costs	(915)	(1,296)	(1,296)	(171)	-	-	-
Capital user charge ^(a)	(26,016)	(26,297)	(26,297)	-	-	-	-
Goods and services tax	(13,212)	(13,299)	(13,299)	(13,299)	(13,299)	(13,299)	(13,299)
Other.....	(14,748)	(23,074)	(20,721)	(14,276)	(14,109)	(14,109)	(15,177)
Receipts							
User charges and fees.....	8,492	9,368	9,506	9,501	9,588	9,677	9,767
Taxation	27,389	-	33,560	41,736	45,543	48,655	52,384
Regulatory fees and fines.....	29,475	62,311	31,259	32,966	35,385	37,281	39,273
Grants and subsidies	4,260	29,216	2,866	5,050	9,150	2,650	1,650
Interest received.....	359	383	383	383	383	383	383
Rent receipts.....	8,286	8,177	8,177	8,706	8,706	8,706	8,706
Goods and services tax	13,008	13,299	13,299	13,299	13,299	13,299	13,299
Service delivery agreement.....	8,475	11,972	14,359	17,948	18,804	19,674	20,688
Other receipts	7,371	5,404	5,493	6,069	6,040	5,848	5,851
Net cash from operating activities.....	(142,996)	(172,969)	(197,536)	(160,958)	(145,417)	(153,567)	(147,543)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(10,290)	(13,295)	(24,528)	(27,589)	(7,477)	(17,162)	(15,341)
Proceeds from sale of non-current assets	70	-	-	-	-	-	-
Net cash from investing activities.....	(10,220)	(13,295)	(24,528)	(27,589)	(7,477)	(17,162)	(15,341)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(2,616)	(2,645)	(2,645)	(12,455)	-	-	-
Proceeds from borrowings	-	1,172	1,743	-	-	-	-
Net cash from financing activities	(2,616)	(1,473)	(902)	(12,455)	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	16,423	(2,558)	(32,402)	(3,036)	95	(858)	(319)
Cash assets at the beginning of the reporting period	28,152	9,377	50,111	17,709	14,673	14,768	13,910
Net cash transferred to/from other agencies	5,536	-	-	-	-	-	-
Cash assets at the end of the reporting period.....	50,111	6,819	17,709	14,673	14,768	13,910	13,591

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

RECONCILIATION RELATING TO REMOVAL OF CAPITAL USER CHARGE

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	267,071	318,353	322,806	303,703	299,490	306,955	306,759
<i>Less Capital User Charge</i>	26,016	26,297	26,297	-	-	-	-
Adjusted Total Cost of Services	241,055	292,056	296,509	303,703	299,490	306,955	306,759
APPROPRIATIONS							
Net amount appropriated to deliver services	175,207	182,312	195,886	169,638	155,803	166,910	161,595
<i>Less Capital User Charge</i>	26,016	26,297	26,297	-	-	-	-
Adjusted net amount appropriated to deliver services	149,191	156,015	169,589	169,638	155,803	166,910	161,595

SCHEDULE OF ADMINISTERED EXPENSES AND INCOME

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Grants and subsidies	4,203	4,190	4,190	400	437	329	329
Supplies and services	500	1,550	1,917	1,533	3,877	4,127	5,500
Accommodation	180	-	-	-	5,000	-	-
Finance costs	-	2,000	20	5,480	2,000	-	-
Depreciation and amortisation	4	3	3	2	-	-	-
Loss on disposal of non-current assets	-	-	-	-	5,745	-	-
Cost of land sold	62,628	-	-	-	-	-	-
Other expenses	5,104	1,000	1,000	1,000	2,000	1,000	1,000
Receipts paid into Consolidated Account	533,699	561,620	575,401	593,919	610,760	627,210	654,751
TOTAL ADMINISTERED EXPENSES ^(a) ..	606,318	570,363	582,531	602,334	629,819	632,666	661,580
INCOME							
User charges and fees	62,637	-	-	-	-	-	-
Regulatory fees and fines	464,618	495,211	506,792	557,014	580,594	607,643	635,204
Gain on disposal of non-current assets	-	31,565	31,565	3,291	-	31,792	44,847
Grants and subsidies	-	6,700	6,700	3,402	-	-	-
Interest revenue	542	-	-	-	-	-	-
Other revenue	7,856	5,435	5,731	5,430	5,420	5,400	5,380
Administered appropriations	4,201	4,190	4,190	400	437	329	329
Initial recognition of assets not previously recognised	705,157	20,035	20,035	20,860	23,167	9,667	9,667
Change in equity arising from transfer of assets/liabilities	49,525	-	2,200	-	-	-	-
TOTAL ADMINISTERED INCOME ^(b)	1,296,236	563,136	577,213	590,397	609,618	654,831	695,427

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

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

SCHEDULE OF ADMINISTERED ASSETS AND LIABILITIES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
ADMINISTERED CURRENT ASSETS							
Cash and cash equivalents	38,692	37,562	45,617	44,139	49,039	48,539	80,994
Restricted cash	730	862	730	730	730	730	730
Receivables	19,555	12,180	19,555	19,555	19,555	19,555	19,555
Interest receivable	25	3	25	25	25	25	25
Other.....	1,080	1,123	1,080	1,080	1,080	1,080	1,080
Total Administered Current Assets	60,082	51,730	67,007	65,529	70,429	69,929	102,384
ADMINISTERED NON-CURRENT ASSETS							
Land and buildings.....	2,682,819	2,025,521	2,668,795	2,645,241	2,592,747	2,577,247	2,571,447
Receivables	-	745	-	-	-	-	-
Plant and equipment.....	5	27	2	-	-	-	-
Other.....	1,035	29,348	3,485	67,730	73,330	79,126	86,025
Total Administered Non-Current Assets	2,683,859	2,055,641	2,672,282	2,712,971	2,666,077	2,656,373	2,657,472
TOTAL ADMINISTERED ASSETS.....	2,743,941	2,107,371	2,739,289	2,778,500	2,736,506	2,726,302	2,759,856
ADMINISTERED CURRENT LIABILITIES							
Payables	3,018	426	3,018	3,018	3,018	3,018	3,018
Interest payable	21	12	21	21	21	21	21
Amounts due to the Treasurer.....	4,641	2,000	2,000	2,000	2,000	2,000	2,000
Other.....	3,227	2,100	3,227	3,227	3,227	3,227	3,227
Total Administered Current Liabilities.....	10,907	4,538	8,266	8,266	8,266	8,266	8,266
ADMINISTERED NON-CURRENT LIABILITIES							
Borrowings.....	-	25,216	3,307	54,455	32,662	293	-
Total Administered Non-Current Liabilities	-	25,216	3,307	54,455	32,662	293	-
TOTAL ADMINISTERED LIABILITIES..	10,907	29,754	11,573	62,721	40,928	8,559	8,266

SCHEDULE OF ADMINISTERED PAYMENTS AND RECEIPTS

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH OUTFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
Grants and subsidies	(4,203)	(4,190)	(4,190)	(400)	(437)	(329)	(329)
Supplies and services	(821)	(1,550)	(1,917)	(1,533)	(3,877)	(4,127)	(5,500)
Accommodation	(180)	-	-	-	(5,000)	-	-
Finance costs	-	(2,000)	(20)	(5,480)	(2,000)	-	-
Other	(4,895)	(1,000)	(1,000)	(1,000)	(2,000)	(1,000)	(1,000)
Receipts paid into Consolidated Account	(533,699)	(561,641)	(575,422)	(593,940)	(610,781)	(627,210)	(654,751)
Financing Activities							
Repayment of Treasurer's Advance	-	(2,641)	(2,641)	-	-	-	-
Repayment of Borrowings - Perry Lakes special purpose account	-	-	-	(9,530)	(38,470)	(41,492)	(293)
Investing Activities							
Purchase of non-current assets	-	(26,525)	(2,450)	(64,245)	(5,600)	(5,796)	(6,899)
TOTAL ADMINISTERED CASH OUTFLOWS	(543,798)	(599,547)	(587,640)	(676,128)	(668,165)	(679,954)	(668,772)
CASH INFLOWS FROM ADMINISTERED TRANSACTIONS							
Operating Activities							
User charges and fees	65,272	65,645	67,845	38,196	31,467	15,467	15,467
Taxation	374,002	390,807	407,807	441,375	463,982	488,849	514,102
Regulatory fees and fines	91,252	104,404	98,985	115,639	116,612	118,794	121,102
Grants and subsidies	-	6,700	6,700	3,402	-	-	-
Interest received	3	-	-	-	-	-	-
Other receipts	8,075	5,435	5,731	5,430	5,420	5,400	5,380
Administered appropriations	4,201	4,190	4,190	400	437	329	329
Financing Activities							
Proceeds from borrowings	-	25,216	3,307	60,678	16,677	9,123	-
Receipt from Treasurer's Advance	2,641	-	-	-	-	-	-
Investing Activities							
Capital contribution receipts	1,700	-	-	-	-	-	-
Proceeds from sale of non-current assets	-	-	-	9,530	38,470	41,492	44,847
TOTAL ADMINISTERED CASH INFLOWS	547,146	602,397	594,565	674,650	673,065	679,454	701,227
NET CASH INFLOWS/(OUTFLOWS) FROM ADMINISTERED TRANSACTIONS	3,348	2,850	6,925	(1,478)	4,900	(500)	32,455

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
Anzac Peace Park.....	-	-	-	250	-	-	-
Aviation (Public Air) Subsidies.....	1,326	852	852	852	852	852	852
Better Beaches Policy.....	249	250	250	-	-	-	-
Coastal Projects and Zone Management	592	1,199	1,869	1,224	1,100	1,100	1,100
Community Police	695	695	695	695	695	695	695
Code Management Group.....	-	-	112	112	-	-	-
Concession To Probationary Drivers.....	-	654	-	-	-	-	-
Daddow Road Project.....	-	1,500	-	3,000	7,500	4,000	-
Eastern Goldfields Railway Project.....	-	25,100	-	-	-	-	-
Emergency Vehicle Insurance	-	120	120	120	120	120	120
Fare Subsidies	1,235	2,120	2,075	2,075	2,120	2,120	2,120
Fire Risk Management	300	211	211	211	211	211	211
Fremantle Port Rail Service.....	-	-	520	1,000	1,000	480	-
LPG Subsidy Scheme	1,354	1,200	7,556	9,435	10,609	11,931	12,291
Maddington Kenwick Sustainability	-	4,000	339	3,616	-	-	-
Marine Communication	-	513	513	439	454	469	469
Marine Safety.....	205	207	205	205	205	205	205
Mirraboooka Shopping Centre	-	-	2,987	-	-	-	-
National Transport Commission.....	228	228	235	228	228	228	228
North Greenbushes Intermodal Terminal.....	-	5,750	14,450	-	-	-	-
North West Shipping	5,295	8,573	8,573	8,463	8,573	10,073	8,573
Ocean Reef Boat Harbour.....	-	-	175	525	-	-	-
Other Grants and Subsidies	302	160	221	146	146	146	146
Perth Bicycle Network/Country Pathways	5,484	1,479	2,662	2,389	2,389	2,389	2,389
Port of Wyndham Management.....	2,138	1,800	1,800	1,886	1,980	1,980	2,202
Public Transport Authority - Perth Parking Levy - CAT Replacement, Depot and Service Extension.....	14,807	8,762	8,762	9,023	9,296	9,578	9,836
Recreational Boating Facilities.....	707	1,064	1,064	1,000	870	870	870
Regional Airport Development Scheme.....	460	1,940	1,005	4,785	1,940	1,940	1,940
Rockingham Redevelopment Office	244	-	-	-	-	-	-
Sea Freight/Land Freight	73	-	-	-	-	-	-
Student Fare Concessions	1,080	1,472	1,472	1,472	1,472	1,472	1,472
Taxi User Subsidy Scheme.....	6,481	7,318	7,318	6,578	6,799	6,859	6,928
TravelSmart, Pedestrian Projects.....	243	211	211	161	136	136	136
Urban Design Projects	202	302	405	405	200	200	200
TOTAL	43,700	77,680	66,657	60,295	58,895	58,054	52,983

DETAILS OF THE ADMINISTERED TRANSACTIONS EXPENSES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
STATUTORY AUTHORITIES							
Western Australian Coastal Shipping Commission	4,201	4,190	4,190	400	437	329	329
TOTAL	4,201	4,190	4,190	400	437	329	329

DETAILS OF THE ADMINISTERED TRANSACTIONS INCOME

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
TAXATION							
Conservancy Fees	288	282	282	295	310	325	340
Motor Vehicle Licence Fees	338,384	354,000	371,000	401,360	421,736	444,248	467,015
Motor Vehicle Recording Fees	29,668	31,289	32,000	34,134	36,037	38,047	40,168
FINES							
Speed and Red Light Fines	53,245	62,901	57,855	72,100	71,000	71,000	71,000
Final Demand Fees	1,488	1,000	1,000	1,084	1,085	1,086	1,087
Other Fines	6,556	6,134	5,050	5,101	5,152	5,203	5,255
OTHER							
Sale of Land	65,272	65,645	67,845	38,196	31,467	15,467	15,467
Motor Drivers' Licences	34,991	36,807	36,807	40,015	42,246	44,601	47,087
Third-Party Insurance Premiums	442,036	450,000	450,000	463,500	477,000	491,000	505,500
Firearm Licence Fees	2,714	2,798	2,798	2,885	2,986	3,088	3,204
Dealer Plates	-	-	-	40	42	45	48
TOTAL	974,642	1,010,856	1,024,637	1,058,710	1,089,061	1,114,110	1,156,171

AGENCY SPECIAL PURPOSE ACCOUNT DETAILS**Dampier to Bunbury Natural Gas Pipeline Corridor Special Purpose Account**

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

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
Opening Balance	31,160	30,660	31,137	30,634
Receipts:				
Other	1,589	1,300	1,300	1,300
	32,749	31,960	32,437	31,934
Payments	1,612	3,850	1,803	1,800
CLOSING BALANCE	31,137	28,110	30,634	30,134

Perry Lakes Special Purpose Account

The Perry Lakes Special Purpose Account is established under Section 41 of the *Perry Lakes Redevelopment Act 2005* and constituted under Section 16 of the *Financial Management Act 2006*. 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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
Opening Balance.....	-	-	2,405	-
Receipts:				
Other.....	2,743	25,216	3,603	70,208
	2,743	25,216	6,008	70,208
Payments	338	25,216	6,008	70,208
CLOSING BALANCE	2,405	-	-	-

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the Department:

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000
Services Provided to Western Australia Planning Commission	8,342	11,972	14,359	17,948
Indian Ocean Territories	130	161	161	81
Boat Registration Fees	7,144	7,011	7,011	7,787
Jetty Licences	357	441	441	450
Marine Examinations	121	173	173	141
Motor Vehicles	11,591	12,107	12,278	18,729
Motor Drivers	6,911	8,651	8,651	14,407
Proof of Age Card	194	195	195	250
Plate Fees	9,950	10,591	12,510	9,226
Recoups for Services Provided	8,398	8,707	8,707	8,795
Temporary Permits	431	457	457	353
Other Revenue	613	547	587	616
Proceeds from Rental Properties	1,633	1,826	1,826	1,867
Pastoral Leases	1,552	1,464	1,464	1,464
GST Input Credits	4,179	2,317	2,317	2,317
GST Receipts on Sales	8,829	10,982	10,982	10,982
TOTAL	70,375	77,602	82,119	95,413

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 44

APPROPRIATION AND FORWARD ESTIMATES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 86 Net amount appropriated to deliver services^(a)	170,464	124,128	116,176	166,433	158,525	168,812	186,913
Amount Authorised by Other Statutes - Road Traffic Act 1974	258,916	301,096	308,040	321,176	401,961	420,150	435,276
Total appropriations provided to deliver services	429,380	425,224	424,216	487,609	560,486	588,962	622,189
CAPITAL							
Item 163 Capital Contribution	124,413	196,824	217,529	322,878	198,018	114,664	66,689
Amount Authorised by Other Statutes - Road Traffic Act 1974	81,373	52,679	66,160	83,284	22,775	27,098	34,739
GRAND TOTAL	635,166	674,727	707,905	893,771	781,279	730,724	723,617

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

MISSION

To provide safe and efficient 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, has been to build, expand and maintain its road networks. However, there is a major shift occurring towards the assumption of the role of network manager/operator. The need for this new focus is driven by increasing traffic volumes, access issues and community concerns and expectations for the environment. Main Roads' aim in meeting the new challenge is to provide a proactive 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. Main Roads is looking 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 continuing strong economy in Western Australia, combined with a national skills shortage, has meant that there are many significant projects available for civil construction contractors to tender for. This has reduced the competitiveness of tender prices for roadworks resulting, when coupled with increasing commodity prices, 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 desire by 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 road freight task continues to grow as a direct result of the rapid expansion of Western Australia's economy. This is in line with freight forecasts from the Bureau of Transport and Regional Economics that predict that the land freight task in Australia will double between 2000 and 2020 (Twice the Task, National Transport Commission, November 2005). The predicted doubling of the freight task has led the Council of Australian Government to promote a number of efficiencies in the road transport industry. Main Roads will support national transport initiatives, such as Performance Based Standards for vehicles and the Intelligent Access Program for route access. Main Roads will continue working with the road transport industry in Western Australia on local initiatives to use Period Permits, where appropriate, to manage access to the road network. At the same time, the community is expressing concerns about the safety of heavy vehicles mixing with car traffic. Main Roads will respond to these concerns by implementing the forthcoming Compliance and Enforcement (otherwise known as 'Chain of Responsibility') legislation and expanding the Western Australia Heavy Vehicle Accreditation Scheme for permit vehicles, which currently covers Maintenance Management and Fatigue Management to include a new module for Load Management.
- Main Roads and the Department for Planning and Infrastructure are working to secure greater AusLink funding in the future from the Commonwealth under the AusLink program. The AusLink Corridor Strategies presently being developed should demonstrate a strong basis for improved Commonwealth road funding to Western Australia in future AusLink programs.
- In response to the release of the State Sustainability Strategy Main Roads adopted sustainability as one of four key drivers in the Main Roads Business Planning Model. This has led to the development of a Sustainability Policy and the development of a Sustainability Strategy during 2006-07. The Sustainability Strategy focuses on six key areas of implementation. They are: Leadership and Corporate Policy, Education and Awareness, Business Performance, Partnerships, Demonstration Projects and Performance Tracking and Reporting. These programs will be incrementally rolled out with emphasis on promoting cultural change, business process change and the demonstration of practical applications of sustainability during the initial stage of the strategy launch.
- Maintaining and building capability throughout the organisation is a challenge being faced by all in the road industry. Main Roads is working with industry to develop and maintain a highly motivated, skilled and sustainable workforce to respond to key skill shortages being experienced in the construction and road industry throughout Australia.
- A significant trend that is occurring worldwide is the use of new and emerging technologies to optimise the benefits that can be obtained from the existing road network. Within the broader context of the network operator role, Main Roads introduced the Intelligent Transport Systems (ITS) strategy in 2005 and will continue to implement this important initiative. The ITS comprise systems that apply information, communications and control technologies to improve the operation and safety of transport networks. They also increase the capability of existing road networks to carry extra traffic and so enable the deferment of major capital works.

SERVICE AND APPROPRIATION SUMMARY

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Road Network Operations Management	75,631	77,053	76,738	76,982			
<i>Service 2:</i>							
Road-Use Efficiency Improvements	69,497	100,539	157,634	138,618			
<i>Service 3:</i>							
Road Infrastructure for Community Access	102,437	99,540	118,874	85,944			
<i>Service 4:</i>							
Road-Use Safety Improvements	75,573	74,321	82,509	68,350			
<i>Service 5:</i>							
Road Network Maintenance	410,075	396,221	401,681	425,733			
<i>Service 6:</i>							
Road Infrastructure for State Development	134,259	135,526	160,313	359,625			
Total Cost of Services ^{(a)(b)}	867,472	883,200	997,749	1,155,252	1,181,070	1,066,389	957,638
<i>Less Income ^(c)</i>	202,509	153,888	207,402	160,495	190,698	143,164	125,359
Net Cost of Services ^{(a)(b)(c)}	664,963	729,312	790,347	994,757	990,372	923,225	832,279
 Expenditure Capitalised	 (305,551)	 (384,564)	 (457,082)	 (576,665)	 (524,079)	 (385,330)	 (249,984)
	359,412	344,748	333,265	418,092	466,293	537,895	582,295
 Adjustments ^(d)	 69,968	 80,476	 90,951	 69,517	 94,193	 51,067	 39,894
Appropriation provided to deliver Services ^(a)	429,380	425,224	424,216	487,609	560,486	588,962	622,189
 CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(e)	205,786	249,503	283,689	406,162	220,793	141,762	101,428
 TOTAL CONSOLIDATED ACCOUNT APPROPRIATIONS	635,166	674,727	707,905	893,771	781,279	730,724	723,617

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(b) Excludes retired non-current fixed assets expense and income/expenditure relating to non-current fixed assets transferred from/to other agencies or local authorities.

(c) The 2006-07 estimated actual and the 2007-08 estimates include the revenue from super liability assumed by the Treasurer as the expense has been allocated to the services. The 2005-06 actuals exclude the AusLink funding (related to the accelerated funding package) and adjustments for non-current assets transferred out.

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

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

RESOURCE AGREEMENT

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

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
Enhancing the quality of life and wellbeing of all people throughout Western Australia by providing high quality, accessible services.	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
Creating conditions that foster a strong economy delivering more jobs, opportunities and greater wealth for all Western Australians.	Road infrastructure that supports economic and regional development.	6. Road Infrastructure for State Development

Outcomes and Key Effectiveness Indicators ^(a)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Outcome: Efficient road access for road users.					
Community Satisfaction	90%	90%	90%	90%	
Road Network Permitted for Use by Heavy Freight Vehicles:					
- B-Doubles	97.0%	97.1%	96.9%	97%	
- Double Road Trains	96.0%	96.6%	96.3%	96.4%	
- Triple Road Trains	40.0%	40.0%	40.4%	40.4%	
Road Standards	51.4%	52.0%	45.3%	45.3%	The decline compared to prior years is not a reflection of a decline in standards but is attributable to a change in the data used to calculate the indicator.
Bridge Standards	95.3%	96.0%	98.2%	98.2%	
Outcome: Safe road access for road users.					
Road Fatality Rate Per 100 Million Kilometres Travelled	0.75	0.49	1.00	1.00	
Community Perception of Road Safety:					
- Overall Safety of Freeways - Metro	90%	90%	87%	90%	
- Overall Safety of Highways - Metro	92%	90%	87%	90%	
- Overall Safety of Highways - Rural	83%	90%	87%	90%	

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Outcome: A well-maintained road network.					
Smooth Travel Exposure	98.6%	98.0%	98.2%	98.2%	
Community Perception of Ride Quality:					
- Metropolitan Freeways	93%	95%	93%	93%	
- Metropolitan Highways	92%	90%	92%	92%	
- Rural Highways	83%	85%	83%	83%	
Outcome: Road infrastructure that supports economic and regional development.					
Return on Construction Expenditure	3.07	1.40	3.37	3.97	

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

Service 1: Road Network Operations Management

The objective of this program is to optimise real time management of the network, provide traveller information and support delivery of projects. Works include activities of the traffic operation centre, heavy vehicle operation activities, metropolitan and regional road asset management, road user and customer services, emergency telephones, street lighting, intelligent transport systems, traffic signals and road advisory services to the community.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	75,631	77,053	76,738	76,982	
Less Income	765	3,682	6,182	2,632	
Net Cost of Service ^(a)	74,866	73,371	70,556	74,350	
Adjustments ^(b)	7,877	8,096	8,119	5,196	
Appropriation for delivery of Service ^(a)	82,743	81,467	78,675	79,546	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per lane kilometre of network managed	\$2,111	\$2,064	\$2,023	\$2,199	
Full Time Equivalents (FTEs)	631	641	625	646	

Major Achievements For 2006-07

- Network Operations Strategy (Smarter Roads - Better Journeys) - this strategy, under which Main Roads is changing its focus to assume more fully the role of a network operator, has been communicated across the agency and other relevant external stakeholders. Main Roads will strengthen its capabilities as a network operator through the ongoing delivery of the strategy.
- Customer Service - Main Roads was recognised for its Better Services when it achieved the level of Finalist in the 2006 Premier's Award for the establishment of the Customer Contact Centre. The Contact Centre provides a very effective communication channel to the public 24 hours a day, seven days a week. Main Roads continues to improve its customer service through the launch of its Customer Service Charter. The Charter sets a clear standard for customer service by all Main Roads staff to the community.
- Heavy Vehicle Operations - implementing some of the agreed changes to the Western Australian Heavy Vehicle Accreditation System has required a number of legislative changes. These legislative changes will be implemented during the ongoing review of legislation associated with the introduction of the Compliance and Enforcement Bill.
- Incident Management System - a review of Main Roads' incident response capability in the metropolitan area was undertaken. A number of improvement opportunities were identified and are being pursued.
- ITS - as part of the ITS strategy, progress has been made providing network performance information via the Internet and installation of basic levels of real time vehicle detection infrastructure on sections of the metropolitan road network.
- North West Coastal Highway and Great Northern Highway - development and installation of improved road closure warning signage in the Pilbara region.

Major Initiatives For 2007-08

- Community Engagement – a number of community engagement initiatives are underway, which will result in a stronger partnership between Main Roads and its customers into the future. The initiatives build on the Community Engagement Policy that was launched in August 2006 and is being implemented via a suite of demonstration projects. The projects will assist Main Roads to strengthen relationships with its stakeholders and result in the delivery of better solutions to community needs and the improved delivery of projects on time.
- Customer Service - Main Roads will continue to improve its customer service through the development of a new website, which will provide a more customer friendly interface enabling improved access to information.
- Heavy Vehicle Operations - the development of period permits will continue to provide industry with greater flexibility and reduce the administration costs of accessing the road network. This is part of an ongoing process to streamline the management of heavy vehicles while still providing the community with safeguards.
- ITS Strategy - continued investment in the ITS strategy will improve the safety, reliability and efficiency of the road network via innovative use of emerging technologies. Initiatives to be delivered include the 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 signs.
- National Road Transport Reform (Compliance and Enforcement) Bill - the new Bill, being prepared by the Department for Planning and Infrastructure, is based on a nationally agreed legislative framework. The Bill will introduce a 'chain of responsibility' so that all parties in the road transport logistics chain can be held accountable in relation to any breaches of road laws and regulations. The Bill includes enforcement powers, risk-based classification offences, sanctions and penalties. Main Roads will use the powers in the Bill for compliance and enforcement of the road transport industry.
- Network Operations Strategy (Smarter Roads - Better Journeys) - the continued implementation of this strategy will deliver a number of specific project outcomes including a Congestion Management Plan for Perth, a Network Operations Planning Framework, defined user-driven services and an updated website aligned with traveller information services.

Service 2: Road-Use Efficiency Improvements

The objective of this program is to improve the efficiency, capacity and utilisation of the existing road network. Improvements include providing roads of improved standards through geometric improvements, road widening, bridge strengthening and intersection improvements including roundabouts and interchanges.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	69,497	100,539	157,634	138,618	Works on the federally funded AusLink Network were higher in 2006-07.
Less Income	34,958	55,008	79,591	60,425	As above.
Net Cost of Service ^(a)	34,539	45,531	78,043	78,193	
Adjustments ^(b)	3,634	5,024	8,981	5,464	
Appropriation for delivery of Service ^(a)	38,173	50,555	87,024	83,657	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average road improvement cost per lane kilometre	\$512,975	\$353,169	\$379,000	\$619,000	Great Eastern Highway widening and reconstruction works at Kellerberrin are being undertaken at an urban road design standard, which is a significantly higher unit rate than a rural design standard. Works associated with High Wide Loads have a high unit cost and more works were completed in 2006-07 than are anticipated in 2007-08.
Average cost per intersection improvement	191,166	\$147,143	\$280,000	\$249,000	
Average cost for bridge strengthening per square metre	\$993	\$0	\$0	\$0	
Full Time Equivalents (FTEs)	33	34	67	59	

Major Achievements For 2006-07

- Dampier Highway:
 - completion of an upgrade to the intersection of Mooligunn Road to provide a designated right turn lane with a painted median and a designated left turn lane to improve access into the Karratha Light Industrial Area; and
 - upgrade to the intersection of Bayly Avenue to provide a designated right turn lane with a painted median to improve access into the Karratha airport.
- Derby Highway (Great Northern Highway to Derby Airport) - the project to complete the widening, rehabilitation and sealing of 6 km, removal of dangerous crests and realignment of curves was completed in October 2006. 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.
- Eyre Highway (Caiguna East and Balladonia West) - the works on Balladonia West (57 km) and Caiguna East (17 km) were formally opened on 11 December 2006.

- Goldfields Highway (Jeedamya Floodway) - the existing low level floodway was raised and additional culverts installed to improve the safety of the crossing and increase the serviceability of this link between Kalgoorlie and Leonora.
- Great Eastern Highway (Hines Hill to Walgoolan) - completed the reconstruction and widening of 55 km of failing and sub-standard pavement on various sections of the highway between Hines Hill and Walgoolan.
- Great Northern Highway:
 - Muchea and Roe Highway (Midland) - widening/overlay and reconstruction of 4.5 km between Apple Street in Upper Swan and Warbrook Road in Bullsbrook as part of an ongoing upgrade project. The upgraded road provides two 3.5m lanes and 2.0m sealed shoulders; and
 - Muchea to Wubin - completed the reconstruction and realignment of a 3.9 km section of Great Northern Highway just north of Bindoon Hill and a 1.2 km section of the highway at Tee Tree Road including widening and providing turn pockets at Tee Tree Road and Spice Road, which has significantly improved safety for school buses and other traffic using these roads.
- Leach Highway/Orrong Road Interchange - the construction of a first stage diamond interchange with Leach Highway bridged over Orrong Road has been completed. Both Leach Highway and Orrong Road remain as four lane divided carriageways through the interchange. Traffic signals have been installed on Orrong Road at both sets of ramps. 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.
- South Western Highway (Yarloop to Brunswick Junction) - completed the construction of two overtaking lanes north of Harvey and two overtaking lanes south of Harvey. This provides much needed overtaking opportunities thereby improving the efficiency and safety of this section of the South Western Highway.

Major Initiatives For 2007-08

- Dampier Highway – commence construction of the Stage 1A, which includes upgrading to provide new intersections and additional lanes through the urban area of Karratha.
- Derby Highway (Great Northern Highway to Derby Airport) - rehabilitate and widen 10 km to complete the upgrade of this highway providing safer and more efficient access to Curtin Airbase, the town of Derby and the Derby export facility.
- Eyre Highway:
 - Balladonia East Section - a contract to design and construct 46 km of this section was awarded in October 2006. The work is progressing satisfactorily and is expected to be completed ahead of schedule by September 2007; and
 - Heartbreak Ridge Section - a contract to design and construct 46 km of this section was awarded in October 2006. The work, scheduled to commence in April 2007, will be completed in April 2008.
- Great Eastern Highway:
 - Clackline Bypass - complete the construction of a 1.5 km realignment incorporating a separate box culvert structure for the waterway and pedestrian/equestrian underpass and associated road connections to the Clackline Townsite;
 - Walgoolan and Southern Cross - undertake road widening works in conjunction with the maintenance contractor's rehabilitation works on various sections of failing and sub-standard pavement on this section of highway; and
 - Bulla Bulling - installation of culverts to alleviate flooding problems at this location, incorporating design improvements to the drainage system.
- Great Northern Highway:
 - Bow River Section (Kimberley) - this project involves reconstruction, minor realignments and widening works between Halls Creek and the Victoria Highway to improve the standard of approximately 19 km of highway. This will reduce ongoing road maintenance costs, increase road use efficiency and enhance road safety. Advertising and awarding of this contract is proposed in 2007. Preconstruction and design works are proposed for completion in 2008 with construction works to follow. Project completion is expected in 2009;
 - Elvire to Sandy Creek Section (Kimberley) - this project involves reconstruction to an improved standard for an 18 km section where the pavement has severely deteriorated and the seal width is inadequate. This will reduce ongoing road maintenance costs, increase road use efficiency and enhance road safety. Preconstruction and design works are proposed for completion in 2008 with construction works to follow. Project completion is expected in 2009;

- Muchea to Wubin Section - it is proposed to upgrade 93 km of the 130 km between Muchea and Bindi Bindi with preconstruction works planned for the section from Bindi Bindi to Wubin. Works will include reconstruction, realignment or overlay and widening to highway standards of a 9.0m seal on an 11.0m formation and the construction of passing lanes. The project will greatly improve safety and transport efficiency for this important oversize route to the North West. It is proposed to deliver this project through a Program Alliance from July 2007 with completion by 2009;
 - Stock Road to Bullsbrook Road (Section 3B) - final sealing works to be completed in the summer of 2007-08; and
 - West Swan Road and Apple Street (Section 2) - works comprise overlay/widening and reconstruction. The upgraded road will provide two 3.5m lanes, a central median and 2.0m sealed shoulders.
- 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.
 - Muirs Highway (Nyamup to Strachan) - Widen, reconstruct and realign 1.5 km of single lane seal 35 km east of Manjimup to improve safety and efficiency of this road and compliments widening work undertaken in recent years immediately to the west. Following this work only 4 km of single lane seal will remain on this link.

Service 3: Road Infrastructure for Community Access

The objective of this program is to provide infrastructure that will improve personal mobility and community access, including increasing quality of access where appropriate, providing levels of access commensurate with community expectations and meeting the minimum levels of appropriate access. Works include providing access improvement infrastructure, pedestrian facilities, cyclist facilities, vulnerable road users facilities, road user amenities, public transport integration and improvements to address flood closures.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	102,437	99,540	118,874	85,944	Works on the federally funded AusLink Network were higher in 2006-07.
Less Income.....	66,333	20,945	31,903	2,686	As above
Net Cost of Service ^(a)	36,104	78,595	86,971	83,258	
Adjustments ^(b)	3,799	8,673	10,008	5,818	
Appropriation for delivery of Service ^(a)	39,903	87,268	96,979	89,076	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost of road construction per lane kilometre:					
- rural highways	\$754,868	\$341,000	\$438,000	\$660,000	Major floodway works are proposed for 2007-08 at Lake Raeside on the Goldfields Highway. These works have a higher unit rate than standard formation costs.
- rural main roads	\$996,065	\$636,810	\$795,000	\$596,000	
Average cost of treatment undertaken	\$0	\$94,444	\$123,000	\$0	Higher unit costs in 2006-07 relate to works on the Karratha-Tom Price Road. No treatment works are planned for 2007-08.
Average cost for bridge deck constructed per square metre	\$11,833	\$0	\$7,194	\$6,400	Dunham River Bridge is the only project proposed for 2007-08.
Full Time Equivalents (FTEs)	44	44	46	48	

Major Achievements For 2006-07

- Broome Cape Leveque Road - completed the construction and sealing of 27 km of Cape Leveque Road in October 2006. This project improves access to aboriginal communities and results in a reduction in vehicle damage and travel time, improvement in freight efficiency and provision of opportunities for economic development of the northern end of the Dampier Peninsula.
- Carnarvon Floodplain Mitigation Project Phase One - Main Roads has been commissioned by the Water and Rivers Commission to manage the implementation of floodway improvements to North West Coastal Highway and construction of a levee system north and south of the Gascoyne River. Phase one of this project was completed in 2006-07 with floodway improvements at Six Mile Creek and Drag Strip Sections south of Carnarvon, on the North West Coastal Highway.
- Carnarvon-Mullewa Road - further 13 km of road upgrade between Carnarvon and Gascoyne Junction was completed in 2006-07, including improvements to the road formation, culvert installation and upgrades and pavement sealing.
- 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 overlay of 4 km in the Iminji area and 20.8 km of road in the Russ Creek area were completed in August 2006.
- Great Central Road - (Western Australian section of the Outback Highway) - nearly 400 km have been upgraded to a formed gravel road since 1998-99 to increase road safety, provide a smoother running surface and reduce maintenance costs.
- Great Northern Highway:
 - completed construction of two truck bays approximately 40 km north of Munjina to provide improved safety and fatigue management opportunities; and
 - construction of a bridge over the Dunham River plus 6.8 km of roadworks to realign the approaches to the new bridge were completed in February 2007, which will significantly reduce road closures in the East Kimberley.
- Marble Bar Road - completed construction of three cement stabilised pavement floodways and sealing the 600m length of road between them to improve transport efficiency and access to remote communities.
- Mimegarra Road - construction of 15.7 km of gravel road to connect the existing Mimegarra Road to the future Indian Ocean Drive, 23 km north of the Lancelin Road turnoff. This work was completed as a drought relief employment project for farmers in the area disadvantaged by the drought.

- New MetroRail Project - the majority of the railway is located within road reserves under the care of Main Roads, requiring the integration of road and rail systems within a confined corridor. Main Roads' involvement in this project is to ensure that:
 - traffic safety and road network efficiency have been key considerations in both the design and delivery of New MetroRail works; and
 - assets created as part of these works, that will be owned by Main Roads, meet requirements.
- New MetroRail Package E - a design and construct contract was 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. The works include construction of a new southbound railway bridge across the Narrows between the two existing bridges, strengthening and realignment of traffic lanes of the northbound Narrows Bridge to accommodate the northbound railway, and strengthening and widening of the Mount Henry Bridge to accommodate the railway within a median transit corridor. Works south of Mount Henry Bridge were completed in February 2006, and the remainder, except for minor outstanding works, were completed in May 2006. Further landscaping works are scheduled in 2007.
- South Street Peak Hour Bus Lane - one lane in each direction on South Street between Roe Highway and Kwinana Freeway have been converted to a peak period bus lane. This initiative will provide a fast bus connection to the new Perth to Mandurah Railway. Variable message signs will be installed on the route early in 2007-08 to support the operation of the bus lane.

Major Initiatives For 2007-08

- Brookton Highway - upgrade 10 km of single lane seal between Corrigin and Hyden to a two lane standard.
- Broome Cape Leveque Road - works to reconstruct and seal 42.8 km of the northern section of the road. This will complete the sealing of the top 102 km of the road resulting in all weather access to the airstrip at Lombadina and improved access to aboriginal communities. It will also result in a reduction in vehicle damage and travel time, improvement in freight efficiency and provision of opportunities for economic development of the Dampier Peninsula.
- Carnarvon Floodplain Mitigation Project Phase Two - Phase Two of this project, comprising construction of 14 km of levees and various road improvements, is scheduled to commence in mid-2008.
- Carnarvon – Mullewa Road - a further 26 km of road upgrade between Carnarvon and Gascoyne Junction will be completed in 2007-08. This is an ongoing project to upgrade and seal 164 km of this road between the two townsites. Following the completion of these works only 21 km will remain unsealed.
- 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 for 2007-08 are intended to upgrade the road between the Kalumburu Road and the Great Northern Highway (Wyndham) to allow double road train access.
- Goldfields Highway (Lake Raeside) - reconstruct and realign sections of this highway including construction of a new bridge over Lake Raeside to improve serviceability of this section of road and reduce the possibility of highway closure due to flood events.
- Karratha -Tom Price Road Stage Two - design and construction of a 90 km section of new road between Karratha and the Roebourne - Wittenoom Road at Barowanna Hill. Completion of Stage two will provide 115 km out of 270 km of road sealed to a high standard. The project will provide significant benefits to local communities, tourism and the mining industry. Construction commenced in mid-2006 with completion expected by May 2008.

Service 4: Road-Use Safety Improvements

The objective of this program is to reduce the road fatality rate to be the lowest in Australia, minimise road factors contributing to road trauma and reduce the serious crash injury rate. Works undertaken have safety as the foremost factor and include the State and National Black Spot programs and various projects that improve safety on the existing road network including passing lanes.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	75,573	74,321	82,509	68,350	2006-07 estimated actual expenditure includes the completion of works funded in 2005-06.
Less Income.....	2,758	12,122	10,008	12,901	
Net Cost of Service ^(a)	72,815	62,199	72,501	55,449	
Adjustments ^(b)	7,662	6,863	8,344	3,876	
Appropriation for delivery of Service ^(a)	80,477	69,062	80,845	59,325	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost of road construction per lane kilometre (by road type):					No works are planned for 2007-08. 2006-07 includes additional high unit cost passing lane works on the Brand and South Western Highways. Reid Highway extension funded through the Safer Roads Program.
- rural highways	\$465,811	\$236,667	\$0	\$0	
- rural main roads	\$198,762	\$396,000	\$546,000	\$399,000	
- urban highways	\$0	\$0	\$0	\$1,737,000	
Average cost of improvements undertaken	\$188,849	\$130,661	\$327,000	\$273,000	
Full Time Equivalents (FTEs)	35	32	33	35	

Major Achievements For 2006-07

- Black Spot Program (State) – a total of \$20 million was directed towards projects with high safety benefits. A total of 60 projects were funded on State Roads and 169 projects on local roads. Significant projects undertaken include:
 - the installation of double right turn lanes on Wanneroo Road at Marangaroo Drive;
 - the extension of turning lanes north and south of Pinjarra Road on the Mandurah Road;
 - improvements to drainage and geometry at the intersection of Kalgoorlie Eastern Bypass and Boorara Road on the Goldfields Highway to accommodate 53.5m road trains; and
 - construction of a 1.7 km northbound passing lane south of Wooldridge Estate on Lancelin Road.
- Black Spot Program (National) - \$5.2 million of funding from this program enabled nine projects on State roads and 38 projects on local roads across the State to be undertaken.
- Western Australian Safer Roads Program - 2006-07 was the second year of this \$103 million program. Projects completed in 2006-07 include:
 - Brand Highway - construction of 1.7 km northbound and 1.9 km southbound passing lanes south of Cataby;
 - Brookton Highway - upgrade of a 10 km section of highway between Kondinin and Hyden from a single lane bitumen seal to two lanes;

- Muirs Highway - upgrading of a 35 km section of the Highway near Rocky Gully to provide a 7.5m wide seal;
 - Muirs Highway (Nyamup to Strachan) - completed the widening and reconstruction of 3.5 km of single lane seal 20 km east of Manjimup, which will improve the safety and efficiency of this road and compliments widening work undertaken in recent years immediately to the east;
 - Toodyay Road - construction of a truck bay and a passing lane near Red Hill to improve passing opportunities on this section of road;
 - South Western Highway (south of Donnybrook at Brookhampton) - completed the reconstruction, realignment and widening to 10m of 3.3 km of highway to improve safety in a section of road with a high crash rate and considered to be a high priority project by the transport industry; and
 - South Western Highway - completed the widening of 5 km near Greenbushes to improve safety and reduce future maintenance on this section.
- Brand Highway - completed construction of highway improvements incorporating road widening, left and right turn pockets at Gingin Brook Road and right turn pocket at Dewar Road intersections. The works have significantly improved safety for school buses and other traffic using these roads.
 - Chester Pass Road - three projects to improve safety were completed in April 2007. These projects include the construction of a climbing lane and intersection improvements at the Formby South Road and Chester Pass Road intersection, the construction of a passing bulge and intersection improvements at the Bluff Knoll Road and Chester Pass Road intersection and the reconstruction of Woolshed Corner on Chester Pass Road.
 - Great Eastern Highway - completed construction of the 2 km long westbound and 1.4 km long eastbound passing lanes east of Bakers Hill at De Castilla Road and Chitty Road respectively.
 - Railway Level Crossings - in the second year of a three year level crossing upgrade program, six crossings were upgraded from passive (stop or give way signs) to active (flashing lights) control and one crossing has been upgraded from flashing lights to boom barrier control. In addition, the upgrade of equipment at 11 existing flash light level crossings took place. The improvements are being conducted in partnership with Westnet Rail.
 - South Coast Highway - two additional passing lanes were constructed in the vicinity of Munglinup along with the reconstruction and widening of a 2 km section of the highway directly east of Ravensthorpe. These works form part of the road improvement program associated with the Ravensthorpe Nickel Operation project.
 - South Street Pedestrian Footbridge - completed the construction of a pedestrian footbridge over South Street between Pine Tree Gully Road and Jasmine Loop in Willetton.

Major Initiatives For 2007-08

- Black Spot Program (State) - a further \$20 million will be allocated by the State Government for the State Black Spot Program in 2007-08 to facilitate projects worth \$10 million at 145 locations across the State on local roads with a further \$10 million at 35 locations on State Roads. The projects selected have high safety benefits at recognised crash locations or at locations having the potential for crashes to occur. The works identified at the 180 locations will assist in reducing roads as a potential factor in road crashes.
- Black Spot Program (National) - 45 additional projects around the State will be funded through the Commonwealth funding source.
- Western Australian Safer Roads Program - the State Government's is continuing its commitment to reducing road trauma. Significant road safety improvements on the State's highway and main roads network will include:
 - Muirs Highway - reconstruction and widening a section of highway between Denmark-Mount Barker Road and the Mount Barker Bypass; and
 - Reid Highway (West Swan Road to Great Northern Highway) - community consultation, finalising the environmental approvals, completion of investigations and calling tenders for the design and construction of 2.6 km of dual carriageway and a new bridge over the Swan River will be completed in 2007-08 to enable construction of the project to have commenced by mid-2008.

- Goldfields Highway (Marianthus Road intersection) - this intersection caters for a high volume of light vehicles travelling between the communities of East and West Kambalda and is situated within a 36.5m road train route. A left turn pocket will be constructed, pavement markings and signage improved to enhance traffic safety at this location.
- Great Eastern Highway:
 - Lady Loch Road intersection - this intersection, which is located on the eastern approach to the Coolgardie townsite will be widened to safely accommodate heavy vehicles as a result of the increased demand from the mining industry; and
 - Kurrawang Road intersection is located along a 53.5m road train route, between the thriving goldfields communities of Kalgoorlie and Coolgardie. Upgrading the intersection will improve safety for the residents of the Kurrawang Aboriginal Community given the high volume of commuter traffic.
- Railway Level Crossings - further funds have been provided in 2007-08 to upgrade level crossings from signs to flashing lights and flashing lights to boom barrier control.

Service 5: Road Network Maintenance

The objective of this program is to maintain the existing road and bridge network by maximising asset life and minimising whole of life costs. Works include routine maintenance (crack patching, patching of potholes, control of declared plants and weeds, graffiti removal and litter collections), periodic maintenance (repairs to pavements, culverts and bridge decks, sealing and resealing of road surfaces and replacing line markings), rehabilitation works where the primary reason for the works is due to pavement failure and managing and administering various Term Network Contracts and the Traffic Control Infrastructure (Maintenance) Contract.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	410,075	396,221	401,681	425,733	
Less Income	59,759	42,197	51,589	14,942	
Net Cost of Service ^(a)	350,316	354,024	350,092	410,791	
Adjustments ^(b)	36,861	39,065	40,288	28,707	
Appropriation for delivery of Service ^(a)	387,177	393,089	390,380	439,498	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per lane kilometre of road network maintained.....	\$5,182	\$4,260	\$4,200	\$4,400	
Full Time Equivalents (FTEs)	135	136	132	137	

Major Achievements For 2006-07

- Old Coast Road (Treasure Road to Buffalo Road) - completed the reconstruction of 2.2 km of rough pavement with wide sealed shoulders on the southbound carriageway 20 km north of Bunbury. This has improved the safety and the comfort on this section of highway and allows for the installation of audible edge line and matches the standard of the surrounding sections of highway.

- South West Highway - completed the structural refurbishment and construction of a reinforced concrete overlay to the Denmark River Bridge.
- Term Network Contracts - works continue to be undertaken on the existing road network to maintain the network, including roads, bridges and other components of the road environment to a specified standard. These works include:
 - routine maintenance (work undertaken on an as-needs basis to maintain the road surface, traffic lights, removal of graffiti, control of vegetation and other works);
 - periodic maintenance (work undertaken on a cyclical basis to replace the road surface, maintain bridge decks and other works); and
 - reconstruction works when an existing portion of the network is placed at the end of its service life.
 The routine and specific maintenance of the road and electrical components of the network are delivered by eight 10 year duration term Network Contracts and one 10 year duration Traffic Control Infrastructure Contract.

Major Initiatives For 2007-08

- Great Northern Highway Rehabilitation (Kimberley) - this project involves a 150 mm overlay and minor widening works at various locations through the 21 km 'Ellendale section' of the highway. This will reduce future road maintenance costs, increase road use efficiency and enhance road safety. Advertising and awarding of these contracts are proposed in 2007. Preconstruction and design works are proposed for completion in 2008 with construction works to follow. Project completion is expected in 2009.
- Term Network Contracts - routine and specific maintenance of the road and electrical components of the network are delivered by eight 10 year duration Term Network Contracts and one 10 year duration Traffic Control Infrastructure Contract. These contracts were awarded between March 1996 and January 2000 and action is underway to develop and implement replacement methods of delivering this maintenance effort.

Service 6: Road Infrastructure for State Development

The objective of this program is to expand the road network in accordance with Government transport and land use strategies that will facilitate the economic and regional development of the State. These works are mostly aimed at increasing the capacity of the road network through the addition of new links, which include town bypasses.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	134,259	135,526	160,313	359,625	The progress of works on the Mitchell Freeway and the New Perth-Bunbury Highway have increased expenditure in 2007-08. Increased income in 2007-08 reflects the Commonwealth participation in the funding of the New Perth-Bunbury Highway.
Less Income.....	37,936	19,934	28,129	66,909	
Net Cost of Service ^(a)	96,323	115,592	132,184	292,716	
Adjustments ^(b)	10,135	12,755	15,211	20,456	
Appropriation for delivery of Service ^(a)	106,458	128,347	147,395	313,172	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost of road construction per lane kilometre:					
- freeways	\$0	\$2,614,000	\$3,173,000	\$2,477,000	The high unit rate in 2006-07 relates to revised treatment for the Mitchell Freeway following public consultation. The lower rate in 2007-08 includes the extension to the Kwinana Freeway, which has a lower unit rate. No works are planned for 2007-08. Higher unit costs in 2007-08 are associated with the new Perth Bunbury Highway.
- urban highways	\$1,979,739	\$0	\$1,752,000	\$0	
- rural highways	\$1,073,617	\$961,054	\$563,000	\$1,145,000	
Average cost per square metre of bridges constructed - concrete and timber.....	\$11,055	\$0	\$1,037,000	\$904,000	
Full Time Equivalents (FTEs)	62	62	78	86	

Major Achievements For 2006-07

- Albany Ring Road (Chester Pass Road to Albany Highway) - construction of a new 6.6 km road link has been completed. The new road will facilitate the transportation of blue gum logs from plantations to the chip mill situated at the Mirambeena Industrial Estate.
- Broome Bypass - the first stage construction of a new 1.8 km road between the Broome Highway and the Gubinge Road and Jigal Drive roundabout (northern section) was completed in February 2007.
- Goldfields Highway (Wiluna to Magellan section) - completed the reconstruction and sealing of 15 km of this road to provide a more secure access for the Magellan Lead Mine, a sealed passing lane and a safer road for all travellers between Wiluna and Meekatharra.
- Great Eastern Highway (Sawyers Valley-The Lakes) - upgrading of Great Eastern Highway to a four lane dual carriageway from Old Sawyers Road, east of Sawyers Valley, up to the Chidlow to York Road (also known as The Lakes turn-off) involved the reconstruction, realignment and widening a 13.2 km section of the highway. Great Eastern Highway is a major east-west link on the AusLink National Network and carries a high percentage of commercial vehicles. The upgrade works have significantly enhanced safety through more efficient management of the steady traffic increases linked to ongoing residential and commercial development in the hills area. The upgraded dual carriageway was completed in sections with the final section being completed and opened to traffic in August 2006. Landscaping works commenced during winter 2006 and will be completed during winter 2007.
- Mitchell Freeway (Hodges Drive to Burns Beach Road) - a contract to design and construct a 4 km extension of the freeway was awarded in September 2006 with construction commencing in November 2006.
- New Perth-Bunbury Highway - a contract for designing and construction of this highway has been awarded with construction commencing in December 2006. This will see a new 70.5 km dual carriageway constructed from the southern end of the Kwinana Freeway to Lake Clifton.

Major Initiatives For 2007-08

- Broome Bypass - the second stage construction of 2.2 km of new road from Gantheaume Point Road to Port Drive (southern section) and upgrading of the existing 3.8 km of Gubinge Road is scheduled to be completed by the end of 2007.
- Lancelin-Cervantes (Stage One) - tenders for construction of a 10 km section of Indian Ocean Drive from Lancelin to Ocean Farms Estate have closed. Construction works are scheduled to commence in April 2007 and be completed by May 2008.

- Mitchell Freeway (Hodges Drive to Burns Beach Road) - construction, which commenced in November 2006, is continuing with completion expected in mid-2008.
- 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 blue gum plantation timber. Sealing was completed from the west to Sues Road in February 2005 with work now to proceed east of Sues Road commencing at the Nannup end.
- Mount Barker Northern Bypass - construction commenced on the Mount Barker Northern Bypass in 2006-07 and is expected to be completed in the summer of 2007-08. Heavy vehicles travelling along Muirs Highway will be able to avoid the Mount Barker townsite area.
- New Perth-Bunbury Highway (Kwinana Freeway Extension-Peel Deviation) - construction of this alliance contract project commenced in December 2006. It will deliver a dual carriageway inter-regional road link between Perth and the South West, bypassing the heavily populated areas in Mandurah and the Dawesville Peninsula and reducing travel time between Perth and Bunbury by thirty minutes. The project is primarily funded by the State, with contributions from the Commonwealth AusLink Program and the proceeds from the sale of Main Roads surplus land.
- Victoria Highway (Kununurra Bypass Stage One) - planning, concept and preliminary road and bridge design, land acquisition and other preconstruction activities commenced in the latter half of 2006 and are planned for completion in 2009.

CAPITAL WORKS PROGRAM

The capital expenditure budgeted for Main Roads in 2007-08 totals \$705.9 million, comprising the purchase of operating assets (\$4.2 million) and roadworks (\$701.7 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 where they 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 refurbishment of the Pavements Laboratory at Welshpool and offices at Port Hedland and Kununurra.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Albany Ring Road				
Chester Pass Road to Albany Highway - Construct and Seal	15,942	14,442	7,690	1,500
Stage 2 South West Highway to Port	1,663	663	-	1,000
Stage 3 Albany Highway to South Western Highway	3,437	1,737	1,737	1,700
Brookton Highway - Corrigin to Hyden – Widen	22,450	15,219	868	2,360
Broome Highway - Broome Bypass - Construct Stages 1 to 3	25,751	9,924	6,169	15,827
Broome-Cape Leveque Road - Various Improvements	35,591	15,153	3,701	1,757
Buildings and Equipment	73,535	40,203	7,825	4,224
Carnarvon-Mullewa Road - North Western Coastal Highway to Gascoyne Junction - Construct and Seal	34,070	20,722	3,390	3,348

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
Cervantes-Greenhead Road - Lancelin to Cervantes - Design and Construct	153,227	7,546	6,887	24,509
Dampier Road - Extend Dual Carriageway and Construct Passing Lanes	7,960	6,340	5,889	1,620
Derby Highway - Derby Spur - Widen and Seal	18,662	13,141	4,698	2,046
Eyre Highway				
Balladonia East	37,954	23,609	23,609	14,190
Caiguna East/Balladonia - Reconstruct	45,760	44,570	20,451	746
Heartbreak Ridge - Reconstruct	53,307	4,800	4,800	24,086
Geraldton-Mount Magnet Road				
Geraldton Southern Transport Corridor Stage 1- Construct	83,044	81,574	1,189	1,470
Geraldton Southern Transport Corridor Stage 2 - Construct North Western Coastal Highway to Geraldton airport	63,329	583	515	250
Gibb River Road - Derby - Gibb River - Wyndham - Improve Formation and Gravel	28,591	13,514	700	1,700
Goldfields Highway				
Lake Raeside Section - Reconstruct	18,055	1,205	649	16,350
Wiluna to Meekatharra - Construct and Seal	174,419	8,889	6,180	241
Great Central Road (Outback Highway) - Laverton to Docker River - Improve Formation and Gravel	25,716	8,241	1,045	1,495
Great Eastern Highway				
Clackline Bypass - Construct	8,567	5,298	4,650	3,269
Hines Hill to Merredin - Reconstruct	19,678	17,297	6,031	1,490
Roe Hwy - Construct Interchange	69,583	4,089	2,389	1,250
Sawyers Valley to The Lakes - Reconstruct and Duplicate	50,477	49,427	3,789	950
Walgoolan to Southern Cross - Reconstruct	117,905	2,140	1,492	860
Wooroloo to Northam - Construct passing lanes	8,495	3,502	2,270	62
Great Northern Highway				
Bindoon Hill to New Norcia - Widen and Construct Passing Lanes	42,035	1,974	-	5,000
Bow River Section - Reconstruct	27,668	597	213	1,204
Dunham Deviation - Construct	29,705	28,328	23,900	1,377
Elvire to Sandy Creek - Reconstruct and Widen	34,757	221	221	1,320
Fitzroy Crossing to Gogo - Reconstruct and Widen	60,590	1,365	974	2,188
Muehea to Bindoon - Improve Road Geometry	20,873	4,634	3,400	9,850
Muehea to Wubin - Construct Passing Lanes	15,494	4,674	3,490	4,230
New Norcia to Walebing - Widen and Construct Passing Lanes	25,246	1,872	1,872	7,630
Roe Highway to Muehea - Reconstruct and Widen	68,272	17,793	7,075	10,662
Waddington to Miling - Realign and Reconstruct	50,952	317	-	8,723
Karratha-Tom Price Link Road - Stage 2 - Construct and Seal	125,890	83,890	69,792	41,000
Milyeannup Coast Road - Improve Formation and Gravel	1,177	650	250	250
Minor Works (includes Black Spot and Urgent Minor Works)	1,791,247	372,146	105,839	92,368
Mitchell Freeway - Hodges Drive to Burns Beach Road - Construct	171,500	68,065	38,466	71,500
Mowen Road - Rosa Brook Road to Nannup - Construct and Seal	20,335	5,566	2,131	3,631
Muir Road				
Mt Barker Northern Bypass - Construct	13,336	6,089	4,606	7,247
Nyamup to Strachan - Reconstruct	12,904	6,735	3,714	2,172
New Perth-Bunbury Highway - Construct	631,346	101,172	73,039	218,657
Old Coast Road - Australind to Eaton - Construct and Seal Including Bridge	17,418	1,149	812	1,003
Operational Costs	599,256	209,378	36,471	40,528
Perth-Bunbury Highway - Gordon Road Bridge - Construct	2,745	2,662	2,662	83
Port Beach Road - North Fremantle - Realign and Construct	5,771	2,771	277	3,000
Queen Victoria Street - Fremantle Traffic Bridge - Reconfigure Navigation Span	70,453	1,191	489	826
Roe Highway - South Street to Kwinana Freeway - Construct and Seal Including Bridges	75,762	73,762	969	2,000
Safer Roads Program				
Bussell Highway/Caves Road - Upgrade Intersection	2,150	1,200	1,194	950
Reid Highway - West Swan Road to Great Northern Highway	75,175	1,550	992	4,951
Various Road Safety Initiatives	57,520	13,539	9,022	18,000
Tanami Road - Improve Formation and Drainage	10,399	7,199	1,091	1,100
Tonkin Highway - Mills Road West to Thomas Road - Design and Construct	155,030	147,730	606	3,300
Various Local Roads - Railway Crossings - Improvements	64,721	25,825	3,322	3,400
Victoria Highway - Kununarra Bypass	121,177	1,290	1,290	2,300
Yabulu Ravensthorpe Nickel Project				
Ravensthorpe to Hopetoun Road - Reconstruct and Widen	1,419	1,116	897	103
South Coast Highway - Various Improvement Works	9,440	6,118	3,133	1,936

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
COMPLETED WORKS				
East-West Heavy Haulage Route - Lime Sands Route Stage 1- Construct	26,823	26,823	416	-
Freight Network Review - Various Highways	1,458	1,458	1,190	-
Graham Farmer Freeway - Design and Construct	387,210	387,210	72	-
Great Eastern Highway - Merredin to Walgoolan- Reconstruct	26,435	26,435	20,954	-
Kwinana Freeway - Interchanges and Extension - Design and Construct	158,700	158,700	108	-
Leach Highway - Orrong Road - Construct Interchange	25,646	25,646	14,515	-
Mount Magnet-Agnew-Youanmi Road - Youanmi Turnoff to Agnew - Design, Construct and Seal	63,594	63,594	14	-
North West Coastal Highway - Carnarvon Flood Mitigation Works	4,500	4,500	4,288	-
Roe Highway				
Nicholson Road to South Street - Construct and Seal	32,602	32,602	359	-
Welshpool Road to Nicholson Road - Construct and Seal	77,276	77,276	336	-
Safer Roads Program				
Albany Highway, Cranbrook to Albany - Install Audible Edgelines	500	500	315	-
Albany Highway, Kojonup Shire - Various Improvements	3,364	3,364	877	-
Bussell Highway, Vasse to Margaret River - Construct Passing Lanes and Improve Intersections	4,332	4,332	89	-
Canning Highway, Palmyra - Install Pedestrian Access	144	144	144	-
Fremantle Road/Mandurah Bypass - Install Pedestrian Access	250	250	150	-
Guildford Road, Maylands - Install Pedestrian Access	350	350	305	-
Various Rural State Roads - Install Wire Rope Barriers	1,337	1,337	1,337	-
Various Urban State Roads - Improve Pedestrian Facilities	1,700	1,700	760	-
South Street - Pinetree Gully Road - Construct Pedestrian Overpass	3,033	3,033	3,023	-
South Western Highway				
Thomas Road intersection - Upgrade	1,100	1,100	90	-
Warooka to Harvey - Widen and Provide Passing Lanes	2,639	2,639	2,511	-
Wokalup to Roelands - Widen and Construct Passing Lanes	2,682	2,682	2,682	-
Toodyay Road - Construct Passing Lanes	3,027	3,027	95	-
NEW WORKS				
Marble Bar Road - Coongan Gorge - Construct Re-alignment	21,046	-	-	116
Muir's Road - Northern Bypass - Denmark Mount Barker Road - Widen and Seal	5,000	-	-	5,000
	6,463,679	2,445,098	585,452	705,905

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	384,232	475,471	585,452	705,905	642,012	495,465	379,323
Working capital requirement							
Loan and Other Repayments	35,730	35,730	35,730	32,580	6,594	5,000	5,000
	419,962	511,201	621,182	738,485	648,606	500,465	384,323
LESS							
Asset Sales	19,919	24,064	34,104	13,000	17,000	14,300	2,000
Commonwealth Grants	381,225	92,363	109,617	114,990	137,308	98,959	85,120
Drawdowns from the Holding Account	23,327	27,917	27,917	32,470	37,269	42,274	42,979
Funding Included in Service Appropriations ^(a)	56,258	85,193	98,946	115,403	107,150	99,811	118,618
Internal Funds and Balances	(284,477)	18,376	55,108	54,288	128,813	103,359	34,178
Other	17,924	13,785	11,801	2,172	273	-	-
Capital Contribution	205,786	249,503	283,689	406,162	220,793	141,762	101,428

(a) Capital works expensed through the Income Statement.

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(a)	72,575	68,855	76,755	79,435	81,835	84,305	82,160
Superannuation	8,121	7,041	8,291	9,150	9,460	9,760	9,650
Grants and subsidies ^(b)	109,220	64,945	102,408	103,680	100,337	102,491	103,223
Supplies and services	485,427	552,380	603,304	746,413	750,709	619,335	502,155
Accommodation	11,109	10,765	11,290	11,178	11,483	11,896	12,016
Finance costs	7,978	7,085	7,085	4,485	3,156	2,719	2,351
Capital user charge ^(c)	55,084	64,774	64,774	-	-	-	-
Depreciation and amortisation	145,759	155,725	160,986	175,157	186,245	196,744	205,645
Other expenses	29,077	40,595	45,992	36,298	37,845	39,139	40,438
TOTAL COST OF SERVICES	924,350	972,165	1,080,885	1,165,796	1,181,070	1,066,389	957,638
Income							
User charges and fees	80,580	5,524	23,393	2,351	381	875	1,001
Gain on disposal of non-current assets	2,479	1,800	1,800	1,800	800	800	200
Grants and subsidies	441,281	144,464	160,842	138,158	178,863	135,754	121,539
Interest revenue	-	-	17,467	14,996	9,654	4,735	1,619
Other revenue	3,543	2,100	2,100	1,300	1,000	1,000	1,000
Total Income	527,883	153,888	205,602	158,605	190,698	143,164	125,359
NET COST OF SERVICES ^(c)	396,467	818,277	875,283	1,007,191	990,372	923,225	832,279
INCOME FROM STATE GOVERNMENT							
Service appropriations ^(c)	484,464	489,998	488,990	487,609	560,486	588,962	622,189
Liabilities assumed by the Treasurer	1,696	900	1,800	1,890	1,980	2,060	2,140
Change in equity arising from transfer of assets/liabilities	(4,857)	60,000	(5,700)	101,000	82,500	-	-
TOTAL INCOME FROM STATE GOVERNMENT	481,303	550,898	485,090	590,499	644,966	591,022	624,329
SURPLUS/(DEFICIENCY) FOR THE PERIOD	84,836	(267,379)	(390,193)	(416,692)	(345,406)	(332,203)	(207,950)
Extraordinary items	305,552	384,564	457,082	576,665	524,079	385,330	249,984
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	390,388	117,185	66,889	159,973	178,673	53,127	42,034

(a) The Full Time Equivalents (FTEs) for 2005-06 Actual, 2006-07 Estimated Actual and 2007-08 Estimate are 940, 981 and 1,011 respectively.

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

(c) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

BALANCE SHEET
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CURRENT ASSETS							
Cash and cash equivalents	388,929	30,143	70,495	82,307	75,570	68,885	70,022
Restricted cash	756	854	285,369	231,751	137,268	57,832	48,818
Receivables	18,302	13,110	16,690	12,682	12,012	10,485	9,349
Inventories	17,405	1,134	17,064	14,364	2,664	2,664	2,664
Interest receivable	-	-	4,400	3,750	2,414	2,365	409
Amounts receivable for services	27,917	32,470	32,470	37,269	42,274	42,979	43,684
Prepayments	1,936	4,729	1,936	1,936	1,936	1,936	1,936
Non current assets held for sale	-	11,200	-	-	-	-	-
Total current assets	455,245	93,640	428,424	384,059	274,138	187,146	176,882
NON-CURRENT ASSETS							
Amounts receivable for services	663,994	748,319	753,580	849,716	949,224	1,056,078	1,171,128
Land and buildings	11,761,278	10,456,007	11,772,110	11,776,875	11,854,485	11,841,950	11,841,772
Receivables	968	-	-	-	-	-	-
Plant and equipment	6,676	5,946	6,394	6,333	6,064	5,809	5,387
Roads network	9,863,954	10,515,490	10,870,478	11,864,785	12,723,845	13,467,178	14,095,417
Infrastructure	-	-	18,019	14,987	5,846	3,808	3,808
Inventories	57,346	33,317	25,383	16,883	12,384	11,184	9,384
Intangibles	682	719	577	447	327	217	317
Total non-current assets	22,354,898	21,759,798	23,446,541	24,530,026	25,552,175	26,386,224	27,127,213
TOTAL ASSETS	22,810,143	21,853,438	23,874,965	24,914,085	25,826,313	26,573,370	27,304,095
CURRENT LIABILITIES							
Superannuation	156	124	156	156	156	156	156
Payables ^(a)	24,345	12,433	22,307	26,332	30,357	28,357	28,357
Provision for employee entitlements	21,578	19,063	21,578	21,578	21,578	21,578	21,578
Borrowings	35,730	32,580	32,580	6,594	5,000	5,000	5,000
Monies in trust	756	854	756	756	756	756	756
Interest payable	1,883	2,528	1,883	1,883	1,883	1,883	1,883
Accrued salaries	381	166	381	381	381	381	381
Other	92,005	57,719	88,888	90,767	92,645	91,645	91,645
Total current liabilities	176,834	125,467	168,529	148,447	152,756	149,756	149,756
NON-CURRENT LIABILITIES							
Payables	449	80	449	449	449	449	449
Provision for employee entitlements	4,320	3,613	4,320	4,320	3,720	3,720	3,720
Borrowings	75,372	42,792	42,792	36,198	31,198	26,198	21,198
Total non-current liabilities	80,141	46,485	47,561	40,967	35,367	30,367	25,367
TOTAL LIABILITIES	256,975	171,952	216,090	189,414	188,123	180,123	175,123
EQUITY							
Contributed equity	1,044,379	1,419,640	1,416,604	1,847,272	2,068,065	2,209,827	2,311,255
Accumulated surplus/(deficit)	9,783,480	9,724,072	9,850,369	10,010,342	10,189,015	10,242,142	10,284,176
Reserves	11,725,309	10,537,774	12,391,902	12,867,057	13,381,110	13,941,278	14,533,541
Total equity	22,553,168	21,681,486	23,658,875	24,724,671	25,638,190	26,393,247	27,128,972
TOTAL LIABILITIES AND EQUITY	22,810,143	21,853,438	23,874,965	24,914,085	25,826,313	26,573,370	27,304,095

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

CASHFLOW STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	338,928	373,203	366,934	354,204	418,704	439,129	463,455
Capital contribution	205,786	249,503	283,689	406,162	220,793	141,762	101,428
Holding account drawdowns	23,327	27,917	27,917	32,470	37,269	42,274	42,979
Net cash provided by State government	568,041	650,623	678,540	792,836	676,766	623,165	607,862
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(32,529)	(68,855)	(30,775)	(29,115)	(32,010)	(33,097)	(33,979)
Superannuation	(4,006)	(6,141)	(3,869)	(3,996)	(4,092)	(4,222)	(4,157)
Grants and subsidies	(77,068)	(64,945)	(102,408)	(103,680)	(100,337)	(102,491)	(103,223)
Supplies and services	(226,980)	(172,970)	(220,153)	(232,131)	(290,548)	(308,797)	(320,400)
Accommodation.....	(6,624)	(10,765)	(7,804)	(7,740)	(7,946)	(8,233)	(8,353)
Finance costs	(8,623)	(7,085)	(7,085)	(4,485)	(3,156)	(2,719)	(2,351)
Capital user charge ^(a)	(55,084)	(64,774)	(64,774)	-	-	-	-
Goods and services tax	(55,196)	(70,449)	(71,595)	(80,160)	(83,150)	(67,240)	(60,922)
Other.....	(21,304)	(14,304)	(14,502)	(11,701)	(13,088)	(13,414)	(13,723)
Receipts							
User charges and fees.....	85,560	14,647	32,516	5,304	998	875	1,001
Grants and subsidies	438,683	144,464	160,842	138,158	178,863	135,754	121,539
Interest received.....	-	-	13,067	15,646	10,990	4,784	3,575
Goods and services tax	53,591	69,911	68,612	78,427	82,534	69,069	61,958
Other receipts	3,284	2,100	2,100	1,300	1,000	1,000	1,000
Net cash from operating activities.....	93,704	(249,166)	(245,828)	(234,173)	(259,942)	(328,731)	(358,035)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(293,034)	(390,278)	(464,907)	(580,889)	(528,450)	(389,855)	(254,704)
Proceeds from sale of non-current assets	19,919	24,064	34,104	13,000	17,000	14,300	2,000
Net cash from investing activities.....	(273,115)	(366,214)	(430,803)	(567,889)	(511,450)	(375,555)	(252,704)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(35,730)	(35,730)	(35,730)	(32,580)	(6,594)	(5,000)	(5,000)
Net cash from financing activities.....	(35,730)	(35,730)	(35,730)	(32,580)	(6,594)	(5,000)	(5,000)
NET INCREASE/(DECREASE) IN CASH HELD	352,900	(487)	(33,821)	(41,806)	(101,220)	(86,121)	(7,877)
Cash assets at the beginning of the reporting period	36,785	31,484	389,685	355,864	314,058	212,838	126,717
Cash assets at the end of the reporting period.....	389,685	30,997	355,864	314,058	212,838	126,717	118,840

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

RECONCILIATION RELATING TO REMOVAL OF CAPITAL USER CHARGE

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	924,350	972,165	1,080,885	1,165,796	1,181,070	1,066,389	957,638
<i>Less Capital User Charge</i>	55,084	64,774	64,774	-	-	-	-
Adjusted Total Cost of Services ^(a)	869,266	907,391	1,016,111	1,165,796	1,181,070	1,066,389	957,638
APPROPRIATIONS							
Net amount appropriated to deliver services	484,464	489,998	488,990	487,609	560,486	588,962	622,189
<i>Less Capital User Charge</i>	55,084	64,774	64,774	-	-	-	-
Adjusted net amount appropriated to deliver services	429,380	425,224	424,216	487,609	560,486	588,962	622,189

- (a) The adjusted total cost of services does not reflect the cost of services in the Service and Appropriation summary due to the latter's exclusion of retired non-current fixed assets expense and income/expenditure relating to non-current fixed assets transferred from/to other agencies or local authorities.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Receipts paid into Consolidated Account.....	3,411	2,775	3,200	3,100	3,000	3,000	3,000
TOTAL ADMINISTERED EXPENSES ^(a) ..	3,411	2,775	3,200	3,100	3,000	3,000	3,000
INCOME							
Regulatory fees and fines.....	3,411	2,775	3,200	3,100	3,000	3,000	3,000
TOTAL ADMINISTERED INCOME ^(b)	3,411	2,775	3,200	3,100	3,000	3,000	3,000

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

[illegible]

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
State road funds applied to roadworks on the Local Government road network - capital	48,693	57,778	53,841	51,020	58,322	62,365	65,307
State road funds applied to roadworks on the Local Government road network - recurrent .	50,060	39,325	69,188	57,347	55,547	57,582	60,787
TOTAL ^{(a) (b) (c)}	98,753	97,103	123,029	108,367	113,869	119,947	126,094

- (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 amounts disclosed in Grants and Subsidies in the Income Statement.
- (b) 2006-07 estimated actual expenditure includes the completion of works funded in 2005-06.
- (c) Yearly expenditures reflect the increased funding that results from higher Vehicle Licence Fee collections.

DETAILS OF THE ADMINISTERED TRANSACTIONS EXPENSES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
GRANTS TO CHARITABLE AND OTHER PUBLIC BODIES							
Receipts Paid into Consolidated Account	3,411	2,775	3,200	3,100	3,000	3,000	3,000
TOTAL	3,411	2,775	3,200	3,100	3,000	3,000	3,000

DETAILS OF THE ADMINISTERED TRANSACTIONS INCOME

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
TAXATION							
Permits - oversize vehicles and loads	3,411	2,775	3,200	3,100	3,000	3,000	3,000
TOTAL	3,411	2,775	3,200	3,100	3,000	3,000	3,000

PUBLIC TRANSPORT AUTHORITY OF WESTERN AUSTRALIA

PART 9 - MINISTER FOR PLANNING AND INFRASTRUCTURE

DIVISION 45

APPROPRIATION AND FORWARD ESTIMATES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 87 Net amount appropriated to deliver services ^(a)	494,485	544,711	524,170	572,840	597,700	618,532	647,741
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 ^(b)	287	-	360	369	379	390	402
Total appropriations provided to deliver services	494,772	544,711	524,530	573,209	598,079	618,922	648,143
CAPITAL							
Item 164 Capital Contribution	424,947	1,347,273	1,316,946	74,647	49,768	49,497	50,364
GRAND TOTAL	919,719	1,891,984	1,841,476	647,856	647,847	668,419	698,507

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) The recommendation by the Salaries and Allowances Tribunal of 4 April 2007 in relation to senior public servants' salaries was received after the finalisation of agencies' individual financial projections. Accordingly, a provision for the total cost 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 No. 2 Volume 1). This provision will be reflected in agencies' estimates following the release of the 2007-08 Budget.

MISSION

To increase the use of public transport by providing 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. This has been shown to cause stress, aggression and fatalities. 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 in 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 designed to meet this goal.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2006-07 Budget to Parliament on 11 May 2006 are outlined below.

	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
Absorption of the Eastern Goldfields Transit Board	403	414	414	414
Clarkson to Jindalee Rail Extension Study	2,100	-	-	-
Northern Suburbs Public Transport Improvements - Car Parks	82	605	1,200	1,832
Procurement of 15 Additional Railcars for Perth Urban Rail Network.....	2,900	5,900	11,800	11,300

SERVICE AND APPROPRIATION SUMMARY

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Metropolitan and Regional Passenger Services	483,667	507,586	491,342	563,460			
<i>Service 2:</i>							
Country Passenger Rail and Road Coach Services	38,255	39,997	41,058	41,132			
<i>Service 3:</i>							
Regional School Bus Services	74,461	92,723	82,198	93,998			
<i>Service 4:</i>							
Rail corridor and Residual Freight Issues Management.....	38,407	26,780	29,020	60,723			
Total Cost of Services ^(a)	634,790	667,086	643,618	759,313	753,900	778,321	811,071
<i>Less Income</i>	145,945	125,647	144,712	189,407	168,238	171,174	174,097
Net Cost of Services ^(a)	488,845	541,439	498,906	569,906	585,662	607,147	636,974
Adjustments ^(b)	5,927	3,272	25,624	3,303	12,417	11,775	11,169
Appropriation provided to deliver Services ^(a)	494,772	544,711	524,530	573,209	598,079	618,922	648,143
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(c)	424,947	1,347,273	1,316,946	74,647	49,768	49,497	50,364
TOTAL CONSOLIDATED ACCOUNT APPROPRIATIONS	919,719	1,891,984	1,841,476	647,856	647,847	668,419	698,507

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(b) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, assets not previously recognised, receivables, payables and superannuation.

(c) 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
Enhancing the quality of life and wellbeing of all people throughout Western Australia by providing high quality, accessible services.	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)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Outcome: Accessible, reliable and safe public transport system. ^(b)					
Use of public transport - passengers per service kilometre:					
- metropolitan bus services	1.30	1.30	1.31	1.32	Projected increase of 74% in service kilometres due to Southern Suburbs Railway (SSR) and 42% increase in patronage.
- metropolitan train services	4.19	4.11	4.11	3.36	
- metropolitan ferry services	14.55	16.38	16.05	16.86	
- regional bus services.....	0.86	0.82	0.85	0.85	
- country passenger rail services.....	0.27	0.27	0.27	0.28	
- country passenger road coach services.....	0.07	0.08	0.07	0.08	
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	74%	70%	72%	74%	
Metropolitan and regional passenger services reliability:					
- bus services within four minutes of scheduled time	92%	90%	85%	85%	Improvement due to reduction of project works following the opening of the SSR.
- train arriving within three minutes of scheduled time	87%	95%	91%	95%	
- 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	73%	90%	78%	80%	
- Australind arriving within 10 minutes of scheduled time	88%	90%	91%	90%	
- Merredin arriving within 10 minutes of scheduled time	89%	95%	89%	95%	
- AvonLink arriving within 10 minutes of scheduled time	99%	95%	98%	95%	
- road coaches arriving within 10 minutes of scheduled time	95%	95%	96%	95%	

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Regional school bus services reliability: - drop off no less than 10 minutes before the school starts and pick up within 10 minutes of school ending.....	97%	90%	96%	96%	
Level of overall customer satisfaction - customer satisfaction index:					
- metropolitan bus services	80%	82%	82%	82%	
- metropolitan train services.....	89%	92%	90%	92%	
- metropolitan ferry services	96%	96%	96%	96%	
- country passenger rail and road coach services.....	88%	90%	90%	90%	
Customer perception of safety - independent external surveys:					
- train station - daytime	96%	97%	96%	96%	
- on-board train - daytime	98%	97%	96%	97%	
- train station - night-time	63%	65%	65%	65%	
- on-board train - night-time	74%	80%	78%	75%	
- bus station - daytime	95%	95%	95%	95%	
- on-board bus - daytime	98%	99%	99%	99%	
- bus station - night-time	66%	67%	67%	67%	
- on-board bus - night-time	78%	85%	85%	85%	
Level of notifiable safety occurrences - notifiable occurrences:					
- Category A: occurrences per million passenger boardings ^(c)	0.56	0.30	0.60	0.60	
- Category A: occurrences per million train kilometres ^(c)	2.08	1.21	2.25	2.20	
- Category B: occurrences per million passenger boardings ^(d)	18.27	14.00	18.00	18.00	The Estimate for 2006-07 and the 2007-08 target are higher than previous years as level crossing incidents that occur on the freight network are now included.
- Category B: occurrences per million train kilometres ^(d)	67.60	60.00	62.00	62.00	
- regional school bus services: notifiable occurrences (accidents) reported each school year	16	7	10	10	
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) 'Category A' incidence represents serious injury, death or significant damage

(d) '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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	483,667	507,586	491,342	563,460	Increase due to the operation of the Southern Suburbs Railway including bus feeder services and asset transfer to Local Government. Additional revenue resulting from the operation of the SSR and fare increases.
Less Income	105,180	90,642	94,276	125,194	
Net Cost of Service ^(a)	378,487	416,944	397,066	438,266	The adjustment comprises of a capital grant from the Department for Planning and Infrastructure for the Central Area Transit buses.
Adjustments ^(b)	2,208	(8,036)	(1,008)	(8,801)	
Appropriation for delivery of Service ^(a)	380,695	408,908	396,058	429,465	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per passenger kilometre					
- Transperth bus operations	\$0.65	\$0.62	\$0.64	\$0.68	Total cost is projected to increase by over 8% in 2007-08 while passenger kilometres increase of 2% is expected following the replacement of mainline services from the South-West with feeder services to the SSR. While total cost is projected to increase by 21%, passenger kilometres are expected to increase by 35% following the introduction of the SSR.
- Transperth train operations	\$0.95	\$0.87	\$0.86	\$0.77	
- Transperth ferry operations	\$1.49	\$1.38	\$1.29	\$1.30	
Average cost per 1,000 place kilometres					
- Transperth bus operations	\$66.25	\$66.60	\$67.04	\$71.02	Passenger place kilometres is expected to increase by 2% compared with the projected increase of 8% in total costs. Passenger place kilometres will increase by 79% following the introduction of the SSR while total costs increase by 21%. While passenger place kilometres are not expected to change ferry operating costs are projected to increase by 9% in 2007-08. The 2007-08 increase is mainly due to the impact of higher capital charges on Regional Bus replacement program.
- Transperth train operations	\$83.52	\$97.56	\$78.99	\$53.22	
- Transperth ferry operations	\$150.93	\$153.15	\$142.17	\$155.55	
- regional bus services	\$57.52	\$60.45	\$66.31	\$68.37	
Total passenger place kilometres (millions)					
- Transperth bus operations	3,559.8	3,574.0	3,587.4	3,671.9	Commissioning of the SSR will add an additional 71 km of rail line to the Perth Urban Rail Network increasing passenger place kilometres by 79%.
- Transperth train operations	2,823.3	2,646.0	3,021.6	5,425.7	
- Transperth ferry operations	4.9	4.5	4.9	4.9	Increase due to enhancement for existing services in regional towns in 2007-08.
- regional bus services	178.1	178.0	177.8	184.0	
Full Time Equivalents (FTEs)	891	1,213	1,117	1,254	

Major Achievements For 2006-07

- New MetroRail Project:
 - retired the New MetroRail debt and progressed this project without further new borrowings;
 - complete the construction of nine stations between Canning Bridge and Mandurah;
 - complete the City Project works including two stations; and
 - construction of the Southern Suburbs Railway.
- Undertook extensive public consultation and planning of bus feeder networks to service the Southern Suburbs Railway.
- Completed the implementation of the new smartcard-based 'SmartRider' ticketing system.
- Commenced the replacement of existing machines and installation of new ticket vending machines for train and ferry services.
- Continued the roll-out of the Recording and Passenger Information Dissemination system upgrade to 'A' series railcars.
- Continued introduction of new Customer Information System at bus/rail interchanges and train stations.
- Progressed planning for a dedicated bus bridge access to Wellington Street Bus Station in conjunction with Perth Arena Project.
- Opened the Cockburn Central Bus Station.
- Progressed the construction of road network improvements in conjunction with Local Councils under the Bus Priority Program.
- Commenced construction of a new station at Victoria Park and upgrade works at Kelmscott.
- Commenced re-sleepering on the Armadale line.
- Completed Armadale Bus Station Interchange and upgrade of Loch and Grant Street stations to disability access standards.
- Commenced the implementation of magnetic-strip ticketing on regional town bus services.
- Installed compressed natural gas refuelling infrastructure at Rockingham and Welshpool depots.
- Designed and constructed the Rockingham City Centre Transit System including a dedicated busway and a Transit Mall to coincide with the implementation of the Southern Suburbs Railway.

Major Initiatives For 2007-08

- Commence services on southern suburbs railway, including a new southern suburbs bus feeder network and change to southern bus route infrastructure.
- Install a railcar wheel lathe at Nowergup.
- Continue installation of new ticket vending machines.
- Complete upgrades of Victoria Park and Kelmscott stations.
- Commence construction of the Perth Arena bus bridge.
- Continue Fremantle Station restoration.
- Continue concrete re-sleepering on Armadale line.

Service 2: Country Passenger Rail and Road Coach Services

Provision of customer focussed, safe and cost effective passenger transport to regional communities.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	38,255	39,997	41,058	41,132	Additional revenue from fare increases.
Less Income	9,286	9,550	9,550	10,205	
Net Cost of Service ^(a)	28,969	30,447	31,508	30,927	
Adjustments ^(b)	606	-	-	-	
Appropriation for delivery of Service ^(a)	29,575	30,447	31,508	30,927	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per passenger kilometre					
- Transwa rail	\$0.34	\$0.31	\$0.33	\$0.32	
- Transwa road coaches	\$0.16	\$0.19	\$0.20	\$0.19	
Average cost per 1,000 place kilometres					
- Transwa rail	\$204.01	\$180.68	\$185.47	\$177.31	Reduction due to increase in passenger kilometres in 2007-08.
- Transwa road coaches	\$69.86	\$85.77	\$87.20	\$85.90	Due to increase in passenger kilometres in 2007-08.
Total passenger place kilometres (millions)					
- Transwa rail	124.45	141.70	141.70	148.47	Improvement due to an increase in Prospector seat capacity through increased rail car sets per service from 2007-08.
- Transwa road coaches	174.04	167.90	169.50	172.37	Variation due to trial of a new service in 2007-08.
Full Time Equivalents (FTEs)	113	126	130	131	

- (a) Country passenger and road coach services are delivered by Transwa.

Major Achievements For 2006-07

- Significantly improved reliability and on-time running for the Prospector service.
- Improved reliability of the Australind and commenced railcar refurbishment program.
- Improved Kalgoorlie station platform, footbridge and carpark.

Major Initiatives For 2007-08

- Construction of new high level platforms at Doodlakine and Meckering.
- Improvement of customer service delivery.
- Ongoing refurbishment of the Australind railcars.

Service 3: Regional School Bus Services

Provision of regional school bus transport to Western Australian school students.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	74,461	92,723	82,198	93,998	Increased costs due to seatbelt implementation and impact of compulsory school attendance to Year 12.
Less Income	1,149	330	330	330	
Net Cost of Service ^(a)	73,312	92,393	81,868	93,668	
Adjustments ^(b)	1,963	-	(107)	-	
Appropriation for delivery of Service ^(a)	75,275	92,393	81,761	93,668	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Average cost per 1,000 place kilometres: student bus services.....	\$81.96	\$89.44	\$91.92	\$100.70	The 2007-08 target reflects the progressive implementation of seatbelts on all Government contracted school buses.
Total passenger place kilometres: student bus services (millions).....	847.0	863.7	803.5	869.0	
					The 2007-08 target reflects the revised seatbelt implementation of new service and the impact of compulsory school attendance to Year 12.
Full Time Equivalents (FTEs)	30	30	36	37	

Major Achievements For 2006-07

- 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 in 2008, and the integration of vocational studies).
- Commenced the project to implement seatbelts on all Government funded school buses in accordance with Government policy.

Major Initiatives For 2007-08

- Continue implementation of seatbelts on all Government funded school buses in accordance with Government policy.

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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	38,407	26,780	29,020	60,723	Due to increase in grants for the freight network and land rationalisation and land management expenses. Increase in 2006-07 Estimated Actual is due to a grant for North Greenbushes project. The increase in 2007-08 target is due to Commonwealth funding for the Eastern Goldfields Railway.
Less Income	30,330	25,125	40,556	53,678	
Net Cost of Service ^(a)	8,077	1,655	(11,536)	7,045	The adjustment is for non-cash items including notional revenue and notional interest on the 49 year and 99 year leases.
Adjustments ^(b)	1,150	11,308	26,739	12,104	
Appropriation for delivery of Service ^(a)	9,227	12,963	15,203	19,149	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Total cost of managing the rail freight corridor and residual freight issues	\$38,407,000	\$26,780,000	\$29,020,000	\$60,723,000	Due to increase in grants from the Commonwealth for the freight network, and increased land rationalisation and land management expenses.
Full Time Equivalents (FTEs)	18	20	16	16	

- (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 2006-07

- Ongoing redevelopment of the Kewdale freight terminal including a new commercial agreement with freight operators.
- Ongoing development of the Land and Transport Information System (LATIS) with respect to the asbestos register and 'as constructed' plans.
- Completed refurbishment of the Boulder Subway as a Heritage structure.

Major Initiatives For 2007-08

- Ongoing redevelopment of the Kewdale freight terminal in line with the new commercial agreement.
- Ongoing development of LATIS with respect to the contaminated sites, asbestos register and as an information and navigation tool.
- Progress the Picton to Greenbushes track upgrade and re-sleepering of 76 km of track and lengthening crossing loops on the Eastern Goldfields railway.

CAPITAL WORKS PROGRAM

The Public Transport Authority of Western Australia's planned capital works program for 2007-08 is \$212.4 million, comprising \$142.9 million for works in progress and \$69.5 million for new works.

Included in the 2007-08 program is expenditure of \$31.8 million for the New MetroRail Project. The major expenditure includes completion of:

- construction on the Southern Suburbs Railway Infrastructure \$20.7 million; and
- remaining project works \$11.1 million.

Other key projects contained within the capital works program aim at maintaining, improving and expanding the public transport infrastructure. These works include:

- acquisition of 15 additional three car railcar sets for the urban rail system to be progressively commissioned from 2009;
- construction of the Rockingham City Centre Transit System in line with the New MetroRail project's timeline;
- \$41.6 million in 2007-08 for the regional and metropolitan 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;
- additional station parking facilities on the Northern Suburbs railway;
- construction of the Perth Arena Bus Bridge to improve access to Wellington Street Bus 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;
- replacement of existing machines with new ticket vending machines at Railway Stations; and
- a significant investment in the rail freight system, including
 - the redevelopment of supporting infrastructure at the Kewdale Freight Terminal;
 - improvements to track at North Greenbushes; and
 - the Eastern Goldfields Railway project for re-sleeper and provision of crossing loops on the standard gauge track.

Significant projects due for completion in 2007-08 include:

- the New MetroRail Project, with the commissioning of the Perth to Mandurah Southern Suburbs Railway;
- the construction of a new station at Victoria Park and the upgrade of Kelmscott Station; and
- the commissioning of the wheel lathe facility at Nowergup Depot.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Buildings, Stations, Depots and Associated Works				
Accessible Public Transport Upgrade Program	8,577	3,825	2,150	916
Bus Priority Projects	26,330	1,090	1,090	160
Claisebrook Depot - upgrade	5,980	5,647	3,798	333
Disability Access for other Minor Stations - Stage 1	4,472	3,950	1,020	522
Midland Station Interchange	7,119	149	16	-
Minor Capital Works - Corporate	13,650	200	200	910
Minor Works - Country Passenger	1,549	688	465	150
Perth Station Plaza and Associated Works - planning	150	50	50	100
Perth Station Skylights	605	360	360	245
Refurbish Fourth Floor	1,610	800	800	810
Regional Rail Station Program	3,041	841	290	2,200
Replacement Cash Ticket Machines at Railway Stations	15,400	5,003	5,003	8,711
Rockingham City Centre Transit System	15,008	13,208	8,600	1,800
Station Facilities Improvements ^(a)	66,718	15,811	13,231	11,566
Wheel Lathe Acquisition and Facility	5,069	2,684	2,684	2,372
Bus, Train and Road Coaches Program				
45 New Railcars (15 sets)	160,000	31,625	31,625	30,192
Bus Acquisition Program	413,227	256,555	37,277	37,968
Railcar System	330	300	300	30
School Buses	1,500	180	-	1,320
Customer and Security Initiatives				
Smartcard Ticketing System	29,152	28,152	6,661	1,000

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
Freight Program				
Kewdale Freight Complex Redevelopment.....	14,500	475	475	5,064
New MetroRail Project				
Infrastructure and Railcars.....	1,613,173	1,581,364	306,829	31,809
Operational and Business Support Systems				
Computing Hardware and Software	6,781	4,306	886	1,316
PABX Replacement.....	751	712	320	39
Split and replace radio system	12,215	1,098	284	-
Train Control Upgrade	10,628	9,628	2,660	1,000
Track and Associated Works				
Concrete Re-sleeper Projects.....	60,060	21,549	8,700	300
Pedestrian Gates - East Street, Moore Street and Philimore Street.....	697	478	157	219
Perway Track and Associated Works.....	23,698	21,109	5,119	937
Upgrade auxiliary power supply.....	595	300	300	295
Upgrade pedestrian gates - Armadale to Mundijong stations	600	25	25	575
COMPLETED WORKS				
Buildings, Stations, Depots and Associated Works				
Electrical and signals accommodation - Claisebrook.....	295	295	293	-
Fremantle Bike Barn	133	133	37	-
Joondalup Special Event - planning	250	250	165	-
Kewdale Depot additional works.....	972	972	972	-
Minor Works	3,934	3,934	1,196	-
Northbridge Link - Planning.....	250	250	250	-
Parking for security guards	510	510	510	-
Perth station barriers and associated works.....	7,488	7,488	423	-
Portable radio replacement	580	580	580	-
Replacement of maintenance vehicle, borer and cherry picker	870	870	870	-
Signage Corporate standards	1,603	1,603	147	-
Station Facilities Improvements				
Kalgoorlie Station Minor Improvements	200	200	200	-
Station Amenities	650	650	650	-
Transperth Bus Depot Acquisition Program - Stage 1	2,750	2,750	2,750	-
Bus, Train and Road Coaches Program				
Railcar Modifications.....	14,790	14,790	2,717	-
Customer and Security Initiatives				
Safer Rail initiative	28,945	28,945	1,444	-
Track and Associated Works				
2004-05 Program	835	835	42	-
Closed Circuit TV Systems at level crossings - Stage 1	635	635	635	-
Foreshore Track Structure	1,270	1,270	1,270	-
Geraldton Southern Transport Corridor	51,216	51,216	1,300	-
North Quay Rail Loop	13,025	13,025	300	-
West Leederville-Daglish Special Event Works	5,800	5,800	5,800	-
NEW WORKS				
Buildings, Stations, Depots and Associated Works				
Fremantle Station External Restoration.....	2,597	-	-	2,288
Northern Suburbs Car Park Extension.....	18,000	-	-	1,500
Perth Arena Bus Bridge	14,455	-	-	12,000
Public Transport Planning	848	-	-	77
Station Facilities Improvements ^(b)	9,755	-	-	4,250
Bus, Train and Road Coaches Program				
Regional Bus Acquisition	44,108	-	-	3,730
Customer and Security Initiatives				
Replace emergency telephone	610	-	-	310
Freight Program				
Eastern Goldfields Railway Program	37,100	-	-	28,100
North Greenbushes Project	13,150	-	-	13,150
Track and Associated Works				
Midland pedestrian crossing relocation.....	500	-	-	500
Network and Infrastructure maintenance	6,690	-	-	500
Northern Suburbs - upgrade crash barriers Stage 1.....	3,948	-	-	1,310
Perway Track and Associated Infrastructure.....	15,550	-	-	1,800
	2,827,497	2,149,163	463,926	212,374

- (a) Station Facilities Improvements work in progress forms part of the 'Building Better Stations' Program which includes commencement of the upgrade at Kelmscott station, and planning and design work at Maddington station. Also includes works relating to general station improvements, including improving security and communications at stations.
- (b) Station Facilities Improvements new works includes planning work for the upgrade at Guildford station and for works at Victoria Park Station.

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	573,504	491,043	463,926	212,374	160,626	143,833	118,308
Working capital requirement							
Loan and Other Repayments	55,648	947,615	965,707	40,171	47,246	49,111	49,975
	629,152	1,438,658	1,429,633	252,545	207,872	192,944	168,283
LESS							
Asset Sales	299	-	-	1,715	3,370	3,065	735
Borrowings	524,361	97,707	146,650	134,323	144,126	139,776	117,573
Commonwealth Grants	210	-	-	-	-	-	-
Drawdowns from the Holding Account	-	-	-	-	1,000	-	-
Funding Included in Service Appropriations ^(a)	-	-	-	-	9,000	-	-
Internal Funds and Balances	5,734	-	1,123	41,250	-	-	-
Other	7,592	992	992	992	992	992	-
Capital Contribution ^(b)	90,956	1,339,959	1,280,868	74,265	49,384	49,111	49,975

(a) Capital works expensed through the Income Statement.

(b) Capital contribution provided for capital works program differs from the total capital contribution provided to the Authority due to equity funds provided for non-capital works related expenditure, such as land rationalisation and the repayment of non-capital related debt.

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(a)	63,318	83,632	84,923	98,639	100,612	102,624	104,677
Superannuation	5,541	6,432	6,551	9,421	9,610	9,802	9,998
Grants and subsidies ^(b)	243,340	270,337	256,502	323,668	305,574	309,781	330,024
Consultancies expense	737	-	-	-	-	-	-
Supplies and services	107,001	108,106	105,987	117,258	118,265	118,589	121,178
Accommodation	9,027	13,370	13,370	17,224	18,409	19,617	20,203
Finance costs	105,873	84,380	81,128	73,634	78,507	87,890	90,520
Capital user charge ^(c)	65,052	130,340	130,340	-	-	-	-
Depreciation and amortisation	92,477	93,039	87,298	108,146	111,877	117,057	121,605
State taxes	3,762	4,592	4,661	5,321	5,427	5,536	5,646
Loss on disposal of non-current assets	83	-	-	-	-	-	-
Other expenses	3,631	3,198	3,198	6,002	5,619	7,425	7,220
TOTAL COST OF SERVICES	699,842	797,426	773,958	759,313	753,900	778,321	811,071
Income							
User charges and fees	90,258	86,254	89,863	118,696	125,844	128,044	130,244
Regulatory fees and fines	1,302	-	-	-	-	-	-
Grants and subsidies	15,980	9,092	22,267	37,453	9,626	9,908	10,166
Interest revenue	1,084	750	750	750	750	750	750
Rent	7,156	5,495	5,495	5,541	5,541	5,541	5,541
Other revenue	30,165	24,056	26,337	26,967	26,477	26,931	27,396
Total Income	145,945	125,647	144,712	189,407	168,238	171,174	174,097
NET COST OF SERVICES ^(c)	553,897	671,779	629,246	569,906	585,662	607,147	636,974
INCOME FROM STATE GOVERNMENT							
Service appropriations ^(c)	559,824	675,051	654,870	573,209	598,079	618,922	648,143
Resources received free of charge	41	-	-	-	-	-	-
Initial recognition of assets not previously recognised	2,728	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	562,593	675,051	654,870	573,209	598,079	618,922	648,143
SURPLUS/(DEFICIENCY) FOR THE PERIOD	8,696	3,272	25,624	3,303	12,417	11,775	11,169

(a) The Full Time Equivalents (FTEs) for 2005-06 Actual, 2006-07 Estimated Actual and 2007-08 Estimate are 1,052; 1,299 and 1,438 respectively. The increase in FTEs in 2006-07 and 2007-08 is due to the full year operation of the Thornlie Line and the preparation and commissioning of the Southern Suburbs Railway.

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

(c) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

BALANCE SHEET
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CURRENT ASSETS							
Cash and cash equivalents	1,840	21,193	28,140	14,991	14,991	14,991	15,983
Receivables	25,369	11,864	12,279	11,739	11,739	11,739	11,739
Inventories	7,646	7,468	7,646	7,646	7,646	7,646	7,646
Interest receivable	285	31	285	285	285	285	285
Amounts receivable for services	-	-	-	1,000	1,000	1,000	1,000
Prepayments	560	430	560	560	560	560	560
Total current assets	35,700	40,986	48,910	36,221	36,221	36,221	37,213
NON-CURRENT ASSETS							
Amounts receivable for services	224,040	317,078	311,338	418,484	529,361	646,418	768,023
Land and buildings	248,298	208,900	250,694	252,454	253,168	256,873	257,036
Plant and equipment	591,271	549,332	632,381	664,476	728,784	830,422	805,965
Infrastructure	1,017,630	1,553,047	1,222,382	1,227,580	1,198,913	1,117,278	1,137,539
Intangibles	734	129	645	709	733	736	737
Other	989,909	744,133	989,909	989,909	989,909	989,909	989,909
Total non-current assets	3,071,882	3,372,619	3,407,349	3,553,612	3,700,868	3,841,636	3,959,209
TOTAL ASSETS	3,107,582	3,413,605	3,456,259	3,589,833	3,737,089	3,877,857	3,996,422
CURRENT LIABILITIES							
Superannuation	-	190	-	-	-	-	-
Payables ^(a)	91,611	22,788	29,420	27,885	27,885	27,885	27,885
Provision for employee entitlements	13,122	12,800	13,122	13,122	13,122	13,122	13,122
Borrowings	1,119,779	382	382	384	386	389	365
Interest payable	21,221	22,547	11,221	11,221	11,221	11,221	11,221
Workers compensation	3,075	3,318	3,075	3,075	3,075	3,075	3,075
Finance leases	2,899	-	-	-	-	-	-
Other	15,443	14,759	16,721	16,041	15,399	14,793	14,222
Total current liabilities	1,267,150	76,784	73,941	71,728	71,088	70,485	69,890
NON-CURRENT LIABILITIES							
Provision for employee entitlements	3,782	3,307	3,782	3,782	3,782	3,782	3,782
Borrowings	598,794	896,194	898,751	992,519	1,089,013	1,179,289	1,246,522
Other	202,723	190,524	190,618	179,193	168,410	158,233	148,627
Total non-current liabilities	805,299	1,090,025	1,093,151	1,175,494	1,261,205	1,341,304	1,398,931
TOTAL LIABILITIES	2,072,449	1,166,809	1,167,092	1,247,222	1,332,293	1,411,789	1,468,821
EQUITY							
Contributed equity	939,871	2,165,766	2,168,281	2,218,422	2,268,190	2,317,687	2,368,051
Accumulated surplus/(deficit)	68,349	81,030	93,973	97,276	109,693	121,468	132,637
Reserves	26,913	-	26,913	26,913	26,913	26,913	26,913
Total equity	1,035,133	2,246,796	2,289,167	2,342,611	2,404,796	2,466,068	2,527,601
TOTAL LIABILITIES AND EQUITY	3,107,582	3,413,605	3,456,259	3,589,833	3,737,089	3,877,857	3,996,422

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

CASHFLOW STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	480,341	582,012	567,572	465,063	486,202	501,865	526,538
Holding account drawdowns	-	-	-	-	1,000	-	-
Equity contribution receipts	424,947	1,347,273	1,316,946	74,647	49,768	49,497	50,364
Net cash provided by State government	905,288	1,929,285	1,884,518	539,710	536,970	551,362	576,902
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(60,070)	(82,623)	(83,914)	(97,641)	(99,614)	(101,626)	(103,679)
Superannuation	(5,761)	(7,441)	(7,560)	(10,419)	(10,608)	(10,800)	(10,996)
Grants and subsidies	(234,192)	(261,309)	(256,502)	(312,879)	(305,574)	(309,781)	(330,024)
Consultancies payments	(737)	-	-	-	-	-	-
Supplies and services	(104,423)	(108,101)	(125,157)	(117,259)	(118,266)	(118,590)	(121,179)
Accommodation	(9,309)	(13,372)	(13,372)	(17,222)	(18,409)	(19,617)	(20,203)
Finance costs	(101,380)	(77,334)	(74,082)	(65,430)	(69,178)	(77,465)	(79,024)
Capital user charge ^(a)	(64,682)	(130,340)	(130,340)	-	-	-	-
State taxes	(3,850)	(5,244)	(5,313)	(5,965)	(6,071)	(6,180)	(6,290)
Goods and services tax	(92,173)	(83,038)	(83,038)	(47,036)	(50,637)	(59,859)	(59,859)
Other	(3,218)	(2,546)	(2,546)	(5,357)	(4,974)	(6,780)	(6,575)
Receipts							
User charges and fees	87,624	86,254	91,863	118,696	125,844	128,044	130,244
Regulatory fees and fines	1,491	-	-	-	-	-	-
Grants and subsidies	16,058	9,092	22,267	37,453	9,626	9,908	10,166
Interest received	833	750	750	750	750	750	750
Rent receipts	7,538	5,495	5,495	5,541	5,541	5,541	5,541
Goods and services tax	89,471	83,037	83,037	47,036	50,637	59,859	59,859
Other receipts	10,533	4,183	6,464	5,662	5,723	5,723	5,723
Net cash from operating activities	(466,247)	(582,537)	(571,948)	(464,070)	(485,210)	(500,873)	(525,546)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(577,249)	(491,043)	(463,926)	(184,274)	(151,626)	(143,833)	(118,308)
Proceeds from sale of non-current assets	299	-	-	1,715	3,370	3,065	735
Net cash from investing activities	(576,950)	(491,043)	(463,926)	(182,559)	(148,256)	(140,768)	(117,573)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings	(488,556)	(947,999)	(966,090)	(40,553)	(47,630)	(49,497)	(50,364)
Other payments for financing activities	(7,749)	(2,923)	(2,904)	-	-	-	-
Proceeds from borrowings	631,361	97,707	146,650	134,323	144,126	139,776	117,573
Net cash from financing activities	135,056	(853,215)	(822,344)	93,770	96,496	90,279	67,209
NET INCREASE/(DECREASE) IN CASH HELD	(2,853)	2,490	26,300	(13,149)	-	-	992
Cash assets at the beginning of the reporting period	4,693	18,703	1,840	28,140	14,991	14,991	14,991
Cash assets at the end of the reporting period	1,840	21,193	28,140	14,991	14,991	14,991	15,983

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

RECONCILIATION RELATING TO REMOVAL OF CAPITAL USER CHARGE

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	699,842	797,426	773,958	759,313	753,900	778,321	811,071
Less Capital User Charge.....	65,052	130,340	130,340	-	-	-	-
Adjusted Total Cost of Services	634,790	667,086	643,618	759,313	753,900	778,321	811,071
APPROPRIATIONS							
Net amount appropriated to deliver services	559,824	675,051	654,870	573,209	598,079	618,922	648,143
Less Capital User Charge.....	65,052	130,340	130,340	-	-	-	-
Adjusted net amount appropriated to deliver services.....	494,772	544,711	524,530	573,209	598,079	618,922	648,143

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
Albany Spur line	660	-	-	-	-	-	-
Local Government	1,165	9,028	-	10,789	-	-	-
Metropolitan Services:							
Bus Operators.....	159,918	170,611	170,444	186,371	193,427	200,894	208,649
Ferry Services	558	515	515	580	597	619	644
Rail Corridor and Freight Issues Management.	-	-	-	28,100	9,000	-	-
Regional Bus Services	10,378	9,393	10,522	12,576	13,079	13,432	13,835
Regional School Bus Services:							
School Bus Services.....	66,185	76,307	70,538	80,548	84,598	89,782	101,640
Student Fare Concessions	4,476	4,483	4,483	4,704	4,873	5,054	5,256
TOTAL	243,340	270,337	256,502	323,668	305,574	309,781	330,024

ARMADALE REDEVELOPMENT AUTHORITY

CAPITAL WORKS PROGRAM

The 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 2007-08 is budgeted at \$21.0 million, with expenditure on the following key projects:

- \$13.8 million for the Champion Lakes development, including a continuance of the construction program to create the recreational lake and surrounding infrastructure requirements, an Aboriginal Interpretative Centre, the provision of local sporting facilities including a boat shed and public facilities, and the commencement of the development of land surrounding the lake for commercial opportunities;
- \$2.6 million for improvements to the city centre street network and urban upgrade west of the rail station as part of the implementation of the Armadale Redevelopment Scheme;
- \$3.0 million at the Forrestdale Business Park to provide core infrastructure to facilitate private development. The Authority is partnered with the Western Australian Land Authority in the provision of a general and light industrial and commercial precinct to maximise employment and economic outcomes in the Armadale area;
- \$1.0 million for improvements to civil amenities in Kelmscott; and
- \$0.6 million for servicing and subdivision of land in the Armadale Rail Precinct to create a residential site to support a Transit Orientated Development.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Armadale City Centre Rail Precinct	860	280	280	580
Champion Lakes Development of Lake Infrastructure	29,284	19,529	16,627	7,225
Forrestdale Business Park	10,000	6,349	4,800	3,000
Implementation of Armadale Redevelopment Scheme	15,267	6,506	2,851	2,622
Kelmscott District Centre Works	4,233	4,233	1,420	1,000
COMPLETED WORKS				
Champion Lakes Access Works	2,800	2,800	2,800	-
NEW WORKS				
Champion Lakes				
Aboriginal Interpretive Centre	1,800	-	-	1,800
Commercial Land Development	4,000	-	-	3,000
Local Sporting Infrastructure	1,800	-	-	1,800
	70,044	39,697	28,778	21,027

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	6,235	20,865	28,778	21,027	3,874	2,746	2,700
Working capital requirement							
Loan and Other Repayments	-	-	-	-	-	3,000	-
	6,235	20,865	28,778	21,027	3,874	5,746	2,700
LESS							
Borrowings	-	-	-	3,000	-	-	-
Internal Funds and Balances	1,735	2,265	4,787	2,527	1,874	3,746	700
Other	1,500	8,000	13,391	13,500	-	-	-
Capital Contribution	3,000	10,600	10,600	2,000	2,000	2,000	2,000

EAST PERTH REDEVELOPMENT AUTHORITY

CAPITAL WORKS PROGRAM

The Authority is funded by land sales revenue and will continue to work in the redevelopment areas of Claisebrook Cove, East Perth Power Station, New Northbridge and Riverside to deliver social, environmental and economic returns to Government. In 2007-08 the Authority will spend:

- \$6.5 million to continue the redevelopment of the East Perth Power Station;
- \$3.6 million on additional works in its New Northbridge project; and
- \$500,000 in Claisebrook Royal Street West precinct, in continuation of the Transit Orientated Development project.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
East Perth Redevelopment Works	147,821	100,086	1,822	6,984
Northbridge Redevelopment Works	38,509	34,955	4,184	3,554
Project Management	48,430	45,746	244	254
Riverside Redevelopment Works	69,754	15,689	1,720	-
COMPLETED WORKS				
Northbridge Land Acquisition	31,162	31,162	4,742	-
Northbridge Link Planning	1,496	1,496	1,015	-
	337,172	229,134	13,727	10,792

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	17,643	46,811	13,727	10,792	39,640	31,499	26,925
	17,643	46,811	13,727	10,792	39,640	31,499	26,925
LESS							
Internal Funds and Balances	17,643	46,811	13,727	10,792	39,640	31,499	26,925
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 will continue its successful land sales program in 2007-08 with further residential and commercial land releases.

The development of The Workshop Village situated within the Helena East Precinct of the former Midland Railways Workshop site will continue during the year with completion of the remediation of the soil contamination in the area and the commencement of the sub-division works. The \$27.1 million project will enhance the mix of cultural and built heritage presence within the Authority's redevelopment area.

The Authority will further spend \$2.0 million on the final stages of the Heritage Conservation Project ensuring the former Railways Workshop buildings are preserved and made ready for future adoption and use. It will also spend \$1.4 million within the Clayton North Precinct in preparation for the new Midland Health Campus. The Authority will also secure the Midland Livestock Saleyards for development. The \$22.4 million project will see the establishment of commercial and light industrial blocks that will support the nearby large format retail outlets.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Heritage Conservation Project.....	14,245	12,245	9,105	2,000
City Centre Precinct.....	13,704	8,361	2,503	1,827
Helena Precinct.....	17,498	11,451	11,594	5,355
Clayton Precinct.....	1,433	451	108	713
COMPLETED WORKS				
Parks and Landscaping	230	230	230	-
NEW WORKS				
Clayton Precinct.....	2,632	-	-	1,400
Helena Precinct	13,101	-	-	3,202
Eastern Enterprise Precinct.....	22,412	-	-	11,522
	85,255	32,738	23,540	26,019

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	14,729	29,892	23,540	26,019	16,035	11,403	3,746
Working capital requirement							
Loan and Other Repayments	5,697	3,733	-	-	-	-	-
	20,426	33,625	34,954	26,019	16,035	12,905	3,746
LESS							
Asset Sales	9,622	10,444	4,092	4,752	14,533	11,403	3,746
Borrowings.....	7,364	3,000	3,000	15,051	1,502	-	-
Internal Funds and Balances.....	-	3,733	-	-	-	-	-
Capital Contribution	3,440	16,448	16,448	6,216	-	-	-

SUBIACO REDEVELOPMENT AUTHORITY

CAPITAL WORKS PROGRAM

The Authority is funded by land sales revenue and will continue the redevelopment of Subi Centro to deliver social, environmental and economic returns to Government. In 2007-08 the Authority will spend:

- \$3.0 million to continue the redevelopment of the former Australian Fine China site, including forward works such as demolition, site remediation and building stabilisation; and
- \$2.9 million to commence works on the TAFE Station Street site.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Development Works	35,358	29,395	6,228	5,963
COMPLETED WORKS				
Land Acquisition.....	61,065	61,065	7,500	-
	96,423	90,460	13,728	5,963

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	13,110	14,279	13,728	5,963	-	-	-
	13,110	14,279	13,728	5,963	-	-	-
LESS							
Internal Funds and Balances	13,110	14,279	13,728	5,963	-	-	-
Capital Contribution	-	-	-	-	-	-	-

ALBANY PORT AUTHORITY

CAPITAL WORKS PROGRAM

The Albany Port Authority's 2007-08 capital works program of \$4.5 million includes \$3.8 million to improve rail access to the port, \$500,000 for ongoing minor works and \$250,000 for motor vehicle replacement.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
COMPLETED WORKS				
Minor Works 2006-07 Program	500	500	500	-
Motor Vehicle Replacement 2006-07 Program.....	250	250	250	-
NEW WORKS				
Minor Works 2007-08 Program	500	-	-	500
Motor Vehicle Replacement 2007-08 Program.....	250	-	-	250
Rail Enhancement				
Rail Access.....	3,785	-	-	3,785
	5,285	750	750	4,535

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	750	750	750	4,535	2,750	750	750
	750	750	750	4,535	2,750	750	750
LESS							
Borrowings.....	-	-	-	-	2,000	-	-
Internal Funds and Balances	750	750	750	750	750	750	750
Capital Contribution	-	-	-	3,785	-	-	-

BROOME PORT AUTHORITY

CAPITAL WORKS PROGRAM

The Broome Port Authority's capital works for 2007-08 is \$0.5 million. The minor works allocation will allow the Authority to upgrade the yard and undertake other general maintenance in the surrounding area.

The Authority has invested \$19.0 million towards the 148-metre extension of the jetty and acquired additional infrastructure to better facilitate the increased levels of trade.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Minor Works	416	316	316	-
COMPLETED WORKS				
Inner Harbour Fender and Deck Upgrade.....	950	950	200	-
Jetty Extension	18,969	884	884	-
Purchase of Pipeline	500	500	500	-
Water Tank.....	450	450	450	-
NEW WORKS				
Minor Works	500	-	-	500
	21,785	3,100	2,350	500

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	16,584	1,500	2,350	500	400	400	400
	16,584	1,500	2,350	500	400	400	400
LESS							
Borrowings.....	4,000	-	500	-	-	-	-
Commonwealth Grants	1,000	-	100	-	-	-	-
Administered Funds.....	600	900	900	-	-	-	-
Internal Funds and Balances.....	6,932	400	430	500	400	400	400
Other.....	2,552	-	220	-	-	-	-
Capital Contribution	1,500	200	200	-	-	-	-

BUNBURY PORT AUTHORITY

CAPITAL WORKS PROGRAM

The Bunbury Port Authority's capital works for 2007-08 is \$9.5 million. The program includes \$1.0 million for works in progress and \$8.5 million for new works. Capital expenditure will be met in full from the Authority's internal funds and balances.

The investigation into harbour deepening is an ongoing project required for the planned extension and deepening of the Inner Harbour basin.

The Authority is planning to invest in a multi-purpose portainer crane to establish a dedicated container shipping service in Bunbury and to provide trade facilitation benefits for the South West.

The minor works allocation of \$2.0 million will allow the Authority to replace assets including mobile plant and equipment and office equipment and provide for minor upgrades of shiploaders, buildings and civil works.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Investigation into Harbour Deepening	1,500	454	-	1,046
COMPLETED WORKS				
Minor Works 2006-07	3,181	3,181	3,181	-
Bund Wall Inner Harbour (Noise Management)	500	500	500	-
Capitalised Dredging	8,194	8,194	4,000	-
Conveyor for New Products	2,000	2,000	2,000	-
Road Alignment (Port Access Road)	2,973	2,973	2,973	-
Purchase Freehold Land (ex South West Development Commission)	1,690	1,690	525	-
NEW WORKS				
Minor Works 2007-08	2,000	-	-	2,000
Multi-purpose Portainer Crane	6,450	-	-	6,450
	28,488	18,992	13,179	9,496

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	2,625	8,025	13,179	9,496	4,300	6,500	3,000
	2,625	8,025	13,179	9,496	4,300	6,500	3,000
LESS							
Internal Funds and Balances	2,625	8,025	13,179	9,496	4,300	6,500	3,000
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, liquefied natural gas, liquefied petroleum gas, condensate and anhydrous ammonia.

The Authority's capital works program in 2007-08 will consist of the construction of a shed, and various minor works.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Cyclone Rated Shed.....	1,950	950	950	1,000
Housing - Dampier/Karratha	2,700	700	700	-
Minor Works	10,000	1,500	1,500	2,500
COMPLETED WORKS				
Dampier Wharf Cargo	1,722	1,722	1,722	-
Improvements to Port Facilities - Burrup Infrastructure				
Multi-User Jetty	52,244	52,244	3,076	-
Minor Works 2006-07	900	900	900	-
Navigational Aids	1,800	1,800	1,800	-
	71,316	59,816	10,648	3,500

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	18,455	7,572	10,648	3,500	3,000	2,000	3,000
	18,455	7,572	10,648	3,500	3,000	2,000	3,000
LESS							
Borrowings.....	23,274	3,522	6,598	-	-	-	-
Internal Funds and Balances	(4,819)	4,050	4,050	3,500	3,000	2,000	3,000
Capital Contribution	-	-	-	-	-	-	-

ESPERANCE PORT AUTHORITY

CAPITAL WORKS PROGRAM

The Esperance Port Authority's capital works for 2007-08 is \$2.7 million. This includes an investment of \$1.5 million in the conveyor to facilitate the export of woodchips through the port.

As part of its capital works program, a \$19.0 million bulk sulphur storage facility and a \$9.6 million bulk minerals facility will be completed in 2006-07.

The Authority has invested in a \$12.0 million shore-based crane to handle trade from the Ravensthorpe Nickel Project.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
COMPLETED WORKS				
Container Handling Equipment	2,000	2,000	2,000	-
Minor Works 2006-07	1,200	1,200	1,200	-
Bulk Storage Facility and Shore-Based Crane	21,600	21,600	18,928	-
Sulphur storage	19,000	19,000	5,850	-
NEW WORKS				
Minor Works 2007-08	1,200	-	-	1,200
Woodchips Conveyor	1,500	-	-	1,500
	46,500	43,800	27,978	2,700

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	16,380	3,200	27,978	2,700	2,200	1,300	1,400
	16,380	3,200	27,978	2,700	2,200	1,300	1,400
LESS							
Borrowings	4,921	-	26,000	-	-	-	-
Internal Funds and Balances	11,459	3,200	1,978	2,700	2,200	1,300	1,400
Capital Contribution	-	-	-	-	-	-	-

FREMANTLE PORT AUTHORITY

CAPITAL WORKS PROGRAM

The Fremantle Port Authority's Capital Works Program for 2007-08 involves expenditure of \$65.4 million on approved projects. The Capital Works Program has been formulated on the basis of analysis of future trade levels, asset evaluation, monitoring and customer needs. The investment is required to:

- meet specific identified customer needs to facilitate trade;
- meet statutory requirements (e.g. 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;
- provide support facilities to improve efficiency; and
- allow for cost escalation based on updated trends.

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 One 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 other bulk trade initiatives, based on commercial outcomes.
- Dredging and Upgrade of Inner Harbour Berths:
 - much of the Inner Harbour at Fremantle is currently dredged to 13m and further deepening to accommodate the larger ships now coming and expected to come in the future to the Inner Harbour is currently being evaluated. 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 Authority to continue to meet trade requirements and increased use of these berths.
- Cathodic Protection Installation:
 - Fremantle Port 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, including the Commercial Precinct Project:
 - the objective of this project is to implement the capital works and servicing costs associated with the developments in the Fremantle Waterfront Masterplan 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 requirements. Additional lease rental revenue is expected as a result of this project.
- Seawall Construction:
 - the existing seawall at Rous Head is planned to be extended and backfilled with reclaimed and dredged material. This will create an area of additional land to be used for port and trade related purposes. In part this will replace land displaced by proposed extension of the rail terminal.
- Transport Interchange Facilities:
 - this project is to support the development of interchange facilities at points which have been identified as offering good prospects for improving the efficiency of port-related road and rail transport.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Cathodic Protection Installation	3,540	1,140	1,100	1,200
Fremantle Port - Inner and Outer Harbour				
Security Upgrades	4,657	1,167	1,167	740
Fremantle Waterfront Project				
Commercial Precinct Access and Services	3,332	332	323	3,000
Hismelt				
Infrastructure for Hismelt - Stage 1 and Other Bulk Users	32,744	31,744	857	1,000
Inner Harbour				
Berth H Upgrade	2,060	60	4	2,000
Berths 4 to 9 and upgrade concrete beams	1,270	300	300	970
Navaid Synchronisation System	350	200	200	150
North Quay				
Berth Upgrades - Western Stage	49,000	712	633	20,931
Environmental Improvement Program	3,184	678	406	219
North Quay Land Acquisitions	4,087	3,687	715	400
North Quay Rail Loop and the New Rail Terminal	33,000	32,000	1,265	1,000
Replace Thune Eureka Pumps and Trailers	457	100	100	357
Replacement of Medium Voltage Cabling	1,800	715	409	1,085
Outer Harbour				
KBT - Dust Control and Roadworks	1,550	579	-	94
KBT - Infrastructure and Equipment Replacement and Upgrade	51,940	2,383	1,613	4,930
Kwinana Bulk Jetty				
Control Systems Upgrade	375	111	100	99
Fire Fighting Foam System	2,500	1,600	1,600	900
Truck Loading Bay and Weighbridge	300	150	150	150
Plant and Equipment				
Mobile Truck Mounted Capstans	450	200	200	-
Replacement of Navigational Aids	3,425	890	520	410
Replacement of Special Purpose Trucks	1,330	360	360	-
Victoria Quay				
Administration Building				
New Plant Room	598	306	292	292
Upgrade Ferry Passenger Facilities and Public Amenities	2,457	428	428	2,029
Upgrade Public Amenities	431	12	12	419
Victoria Quay Power Mains and Infrastructure including Substation A				
Refurbishment and Substation C	2,475	1,475	668	1,000
COMPLETED WORKS				
Inner Harbour				
New Spar Buoy - Replace Beacon C	255	255	255	-
Minor Works				
2006-07 Program	667	667	667	-
Outer Harbour				
Kwinana Bulk Jetty - KBB3 New Tanker Discharge System	1,200	1,200	1,132	-
Kwinana Bulk Terminal - Upgrade of Stormwater Drainage	160	160	27	-
Port Security Works	2,246	2,246	547	-
PV Parmelia - Upgrade and Stabilisers	80	80	80	-
Rous Head				
North Mole Drive / Rudderham Drive - New Pavement for Road Transport				
Parking	500	500	500	-
Purchase of Seabed	200	200	200	-
Victoria Quay				
Maritime Assets - Risk Amelioration	370	370	308	-
NEW WORKS				
Minor Works				
2007-08 Program	500	-	-	500
North Quay				
Sewerage Upgrades	1,060	-	-	260
Outer Harbour				
Kwinana Bulk Jetty				
Export-Import Infrastructure	58,203	-	-	1,389
Kwinana Bulk Terminal				
Civil and Mechanical Assets Upgrade	1,500	-	-	850
New Wheeled Loader/Front End Loader	650	-	-	650
Kwinana Bulk Terminal and Jetty - Upgrade Sewerage	500	-	-	500

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
Rous Head				
Seawall Construction and Rous Head Extension – Stage 2	20,900	-	-	7,100
Spur Groyne – Seabed (Rous Head Stage 2)	320	-	-	320
Transport Interchange Facilities	10,000	-	-	6,000
Victoria Quay				
D Berth - Fendering	310	-	-	310
Slipway Area - Provision of Services	776	-	-	382
Buildings - Replacement of Roof Asbestos Sheetting	780	-	-	780
Motor Vehicle Decking	3,000	-	-	3,000
	311,489	87,007	17,138	65,416

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	20,973	36,666	17,138	65,416	116,937	111,926	54,628
	20,973	36,666	17,138	65,416	116,937	111,926	54,628
LESS							
Asset Sales	-	50	50	50	50	200	50
Borrowings	8,220	28,535	16,000	40,000	107,000	104,000	55,000
Internal Funds and Balances (including third party contributions) ^(a)	11,225	7,867	873	20,152	9,675	7,515	(632)
Capital Contribution	1,528	214	215	5,214	212	211	210

(a) Third party contributions include contributions towards the cost of the project from external organisations.

GERALDTON PORT AUTHORITY

CAPITAL WORKS PROGRAM

In 2006-07 the Geraldton Port Authority has embarked on the planning and construction of the berth five iron ore project. Estimated to be completed in December 2007, the project will deliver a capacity of 11/12 million tonnes per annum of iron ore on berth five. Site works have commenced on berth five and delivery of a 5,000 tonnes/hour capacity shiploader is expected in October 2007.

The berth five project will provide a significant boost to the iron ore industry in the Mid-West and comes at a time of unprecedented growth for the port, with three iron ore companies currently exporting through the port and a fourth slated to start in 2007-08.

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 2007-08, which are to be funded from internal cashflows.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Berth 5 - Iron Ore Expansion	47,250	41,000	40,559	6,250
COMPLETED WORKS				
Miscellaneous Works.....	1,374	1,374	1,374	-
NEW WORKS				
Miscellaneous Works.....	2,915	-	-	2,915
	51,539	42,374	41,933	9,165

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	4,336	25,874	41,933	9,165	2,000	2,000	2,000
	4,336	25,874	41,933	9,165	2,000	2,000	2,000
LESS							
Borrowings.....	-	24,500	40,559	6,250	-	-	-
Internal Funds and Balances	4,336	1,374	1,374	2,915	2,000	2,000	2,000
Capital Contribution	-	-	-	-	-	-	-

PORT HEDLAND PORT AUTHORITY

CAPITAL WORKS PROGRAM

The Port Hedland Port Authority's 2007-08 capital works program involves planned expenditure of \$4.1 million to continue providing a range of improvements for the port's operational needs, including the ongoing staff housing strategy, security upgrades, improvements to plant and equipment and infrastructure, which is required to meet specific customer needs, and statutory requirements.

The Authority is concurrently investigating and planning the construction of a new \$186.0 million multi-purpose berth and bulk loading facilities at Utah Point to meet the future demands of the expanding mineral exports from the Pilbara. To take advantage of dredging plant currently operating in the port for the Fortescue Metals Group, the Authority has contracted the operators to dredge a berth pocket for the future berth at Utah Point at a cost of \$9.5 million in 2006-07.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Housing Upgrades - Staff Housing Strategy	1,500	900	900	600
Minor Works	11,504	4,204	4,204	2,200
COMPLETED WORKS				
Additional Tug Pens 9 and 10	800	800	800	-
Dredging - Maintenance Dredging	5,500	5,500	5,500	-
Fire Water Mains	1,800	1,800	1,800	-
Utah Point Berth - Capital Dredging	9,500	9,500	9,500	-
NEW WORKS				
Buildings - Combined Workshop / Spares Warehouse	750	-	-	750
Infrastructure - Utilities Upgrade 2007-08	200	-	-	200
Plant and Equipment				
High Volume Dust Samplers	100	-	-	100
Oil Spill Equipment	250	-	-	250
	31,904	22,704	22,704	4,100

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	2,954	4,049	22,704	4,100	4,700	9,700	3,900
	2,954	4,049	22,704	4,100	4,700	9,700	3,900
LESS							
Asset Sales	-	144	144	47	104	51	51
Borrowings	-	-	15,000	-	-	6,000	-
Internal Funds and Balances	2,954	3,905	7,560	4,053	4,596	3,649	3,849
Capital Contribution	-	-	-	-	-	-	-

WESTERN AUSTRALIAN LAND AUTHORITY

CAPITAL WORKS PROGRAM

The Authority is the State Government's commercially focussed land development agency. The Authority 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
- facilitation of the development and disposal of surplus government land and property assets.

The planned Capital Works program for 2007-08 is \$416.1 million. The program will be funded by land sales, lease revenue, Community Service Obligation payments and equity contributions by State Government. Key projects include:

- the Australian Marine Complex Common-User Facility at a total cost of \$174.3 million. Commenced in 2005-06, the upgrade includes a floating docking facility and services to accommodate naval ship building and repair and maintenance activities, plus major oil and gas and resource projects;
- development of the Albany Waterfront, including a small boat harbour, boat launching facilities and land acquisition and development for commercial and tourist opportunities. The project is undertaken in partnership with the Department for Planning and Infrastructure, and is partially funded through the proceeds of land development at Emu Point;
- development of the Bunbury Waterfront to provide a mixed-use precinct incorporating retail, commercial, tourist accommodation, residential and public uses. The plan includes the creation of up to 5km of public waterfront amenity, upgraded marine facilities, higher density development, sustainably built form guidelines and a diverse range of housing opportunities;
- 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 2007-08 include the development of land in Cervantes, Collie, Exmouth, Karratha, Newman, Pinjarra and Port Hedland; and
- ongoing acquisition and development of industrial and urban land, with major initiatives in 2007-08 including the acquisition of land at Champion Lakes, Fremantle Knutsford Green, school sites at Coolbellup, Seville Grove, Gracetown and Hope Valley Wattleup, and the development of Baldvis Eighty Road, Neerabup, Wangara Enterprise Park, Clarkson Ocean Keys, Joondalup Business Park South, Atwell Harvest Lakes, Champion Lakes and the Kalgoorlie Northwest Sector.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Albany Waterfront Development	30,558	8,863	5,181	11,638
Australian Marine Complex Upgrade	174,300	39,534	35,000	80,700
Bunbury Waterfront.....	59,244	533	533	3,748
Development of Land				
Government Asset Management				
Acquisition Program	834,861	161,576	24,923	55,124
Development Program	516,526	107,572	54,194	45,498
Industrial				
Acquisition Program	388,347	79,990	36,102	51,255
Development Program	393,852	78,858	41,772	31,700
Major Urban				
Acquisition Program	166,565	8,565	3,938	8,000
Development Program	543,279	56,678	33,002	47,389
Regional Townsites				
Acquisition Program	96,933	34,551	19,944	6,328
Development Program	455,134	128,945	68,340	73,614
Office equipment replacements	14,460	1,580	1,080	1,080
	3,674,059	707,245	324,009	416,074

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	207,550	262,399	324,009	416,074	351,315	217,722	276,231
	207,550	262,399	324,009	416,074	351,315	217,722	276,231
LESS							
Borrowings.....	-	-	53,000	42,000	72,000	-	-
Industry Grants	-	5,000	-	3,000	6,000	-	-
Internal Funds and Balances.....	187,550	215,299	251,475	293,374	225,249	217,722	276,231
Capital Contribution	20,000	42,100	19,534	77,700	48,066	-	-

EASTERN GOLDFIELDS TRANSPORT BOARD

CAPITAL WORKS PROGRAM

The Authority's capital works program provides for the staged replacement of its ageing bus fleet. The 2007-08 expenditure is projected to be \$800,000.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Bus Replacement Program	6,349	2,849	700	800
	6,349	2,849	700	800

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	600	700	700	800	900	900	900
Working capital requirement	600	700	700	800	900	900	900
LESS							
Borrowings	-	700	700	800	900	900	900
Other	600	-	-	-	-	-	-
Capital Contribution	-	-	-	-	-	-	-

WESTERN AUSTRALIAN PLANNING COMMISSION

PART 9 - MINISTER FOR PLANNING AND INFRASTRUCTURE

DIVISION 46

APPROPRIATION AND FORWARD ESTIMATES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 88 Net amount appropriated to deliver services ^(a)	3,444	3,102	3,102	3,362	3,363	3,097	3,262
Amount Authorised by Other Statutes - Metropolitan Region Improvement Tax Act 1959	53,403	58,000	71,000	78,100	85,900	94,500	104,000
Total appropriations provided to deliver services	56,847	61,102	74,102	81,462	89,263	97,597	107,262
CAPITAL							
Item 165 Capital Contribution	7,600	2,900	2,900	5,400	5,400	5,400	5,400
GRAND TOTAL	64,447	64,002	77,002	86,862	94,663	102,997	112,662

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

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 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 urban design, well located employment opportunities, efficient transport and a quality environment as keys to successful development. Emphasis is placed on the creation of viable 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. The Commission also seeks to facilitate adaptation to climate change.
- 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. Population growth in Perth and throughout Western Australia is causing increased pressure on transport systems and infrastructure i.e. road, rail, seaports and airports. 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, and more environmentally friendly modes of transport.
- 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. Land 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; and
 - 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.
- Climate change is an important issue to the State and its people and is increasingly being incorporated into considerations on land use, urban design and transport concerns.
- Coordinated responses to the management of environmental issues, with a focus on total water cycle management and water sensitive urban design, is becoming progressively more important in land use planning.
- 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, recognising the need to plan for and adapt to climate change. 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; and 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 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.
- The principles, objectives and strategies of Network City are captured in 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.
- The Commission is implementing Network City through the development of urban policies and specific planning projects in new and existing urban areas. The Commission will continue working with government agencies, local government, industry and the community to deliver the Network City objectives throughout Perth and Peel, and promote a more sustainable, cost effective and liveable city.

SERVICE AND APPROPRIATION SUMMARY

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
SERVICES							
<i>Service 1:</i>							
Statutory Planning.....	5,744	6,244	7,555	8,446			
<i>Service 2:</i>							
Strategic Planning.....	11,242	12,585	13,040	14,357			
<i>Service 3:</i>							
Asset Management.....	17,769	18,367	18,535	19,424			
Total Cost of Services ^(a)	34,755	37,196	39,130	42,227	43,283	43,996	44,837
<i>Less Income</i>	33,667	30,220	31,000	23,558	23,203	20,749	21,120
Net Cost of Services ^(a)	1,088	6,976	8,130	18,669	20,080	23,247	23,717
Adjustments ^(b)	55,759	54,126	65,972	62,793	69,183	74,350	83,545
Appropriation provided to deliver Services ^(a)	56,847	61,102	74,102	81,462	89,263	97,597	107,262
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Appropriation for Capital Contribution to meet equity needs ^(c)	7,600	2,900	2,900	5,400	5,400	5,400	5,400
TOTAL CONSOLIDATED ACCOUNT APPROPRIATIONS	64,447	64,002	77,002	86,862	94,663	102,997	112,662

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) Adjustments are related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (c) Supporting details are disclosed in the Capital Contribution Statement.

RESOURCE AGREEMENT

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

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
Creating conditions that foster a strong economy delivering more jobs, opportunities and greater wealth for all Western Australians.	Land use planning and land use implementation strategies to guide the State's long-term urban settlement and economic development.	1. Statutory Planning 2. Strategic Planning 3. Asset Management

Outcomes and Key Effectiveness Indicators ^(a)

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 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.....	3,343	3,500	2,680	3,500	
- Country Western Australia	1,720	1,500	1,459	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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	5,744	6,244	7,555	8,446	Reflects an increase in fees and charges to achieve full cost recovery.
Less Income.....	5,290	3,223	5,343	8,384	
Net Cost of Service ^(a)	454	3,021	2,212	62	
Adjustments ^(b)	-	-	-	-	
Appropriation for delivery of Service ^(a)	454	3,021	2,212	62	

(a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.

(b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Determinations which were processed without a successful appeal	99%	99%	98%	99%	Increase in number of planning applications determined within set statutory parameters in Metropolitan area.
Applications processed within the statutory timeframes.....	63%	80%	69%	80%	
Average cost per application determined	\$1,134.51	\$1,248.80	\$1,825.32	\$1,689.20	

Major Achievements For 2006-07

- After extensive consultation with industry, local and State government agencies on approaches to regulating the energy environmental impact of residential construction, a Cabinet submission has been drafted for the Hon Minister for Planning and Infrastructure's consideration. The draft submission is a proposal for a cost effective assessment and compliance tool for sustainable energy and water demand management for residential building development.
- The *Planning and Development Act 2005* and related legislation commenced operation on 9 April 2006. Implementation achievements include:
 - information provided to industry and the public through the Commission's Planning Bulletins, briefings and comprehensive web-based information; and
 - undertaking consultation and the drafting of subsidiary legislation required for the commencement of the *Planning and Development Act 2005*.
- A strategic assessment of Fremantle Port's Outer Harbour has led to the consideration of four project options. A preferred option was identified after analysis, community engagement and consultation. The Preferred Option Recommendation Report was submitted to Cabinet for endorsement to proceed with the statutory approval phase. Concept designs were completed for alternative road and rail linkages to the port.
- In 2006-07, more than 20 community layout plans were completed within the Aboriginal Communities Program. These included plans for Djarindjin, Lombadina, Looma, Jarlmadangah Burru, Wingellina, Punmu and Parngurr. Substantial progress was made on the Fitzroy Futures Town Plan and Kurungal Council Strategic Initiative. The provision of planning services to Aboriginal communities implements the Government Indigenous Affairs Policy, Government Statement of Commitment to a New and Just Relationship between the Government of Western Australia and Aboriginal Western Australians and the State Planning Strategy.
- Liveable Neighbourhoods was completed and adopted as the Commission's subdivision policy in November 2006.
- The R Codes review was advertised from April to June 2006. Presentations and workshops were delivered around the state and approximately 70 submissions were received. Detailed issues arising from those submissions were considered in consultation with local government, professional and State government organisations. Implementation is intended from the second half of 2007.

Major Initiatives For 2007-08

Joint initiatives with the Department for Planning and Infrastructure

Statutory Process Improvement

- Process improvement to expedite planning approvals for the release of residential land. The timely and well managed release of residential land will assist in containing dwelling costs.

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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	11,242	12,585	13,040	14,357	
Less Income.....	3,217	3,033	1,940	1,660	
Net Cost of Service ^(a)	8,025	9,552	11,100	12,697	
Adjustments ^(b)	-	-	-	-	
Appropriation for delivery of Service ^(a)	8,025	9,552	11,100	12,697	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Planning Decisions - Strategic, Environment, Industry, Infrastructure and Transport	285	260	245	245	
Client satisfaction with Strategic Planning activities (via survey)	80%	77%	77%	77%	
Client satisfaction with the timeliness of Strategic Planning activities (via survey)	63%	65%	65%	65%	
Average cost per Planning Decision - Strategic, Environment, Industry, Infrastructure and Transport	\$39,446	\$48,404	\$53,224	\$58,600	

Major Achievements For 2006-07

- The Commission has adopted a State Planning Policy for Network City that supersedes Metroplan, with the following being undertaken:
 - the scoping of all Network City priority tasks has occurred and the program of activity presented to the Commission's Priorities Committee;
 - the Commission has formed a joint committee with the Western Australian Local Government Association to oversee the development of the Network City spatial framework and develop population, housing and jobs targets through workshops with local government;
 - growth management frameworks are being developed for the growth sectors of the North-West Corridor and Southern metropolitan/Peel regions and are intended to be released for public comment in mid-2007;
 - the activity centre, activity corridor and transport corridor concepts are undergoing development and a draft Directions Paper is planned to be released by mid-2007;
 - options for management of the staging of urban growth have been considered and a review of existing mechanisms has commenced;
 - demonstration projects to deliver and test the Network City strategy in key activity centres and corridors were commenced in November 2006 and are progressing; and

- completion of the Murdoch Activity Centre Structure Plan, a framework for future development of the Murdoch Activity Centre identified in Network City, to integrate the new Fiona Stanley Hospital/Health Precinct and a mixed residential/commercial transit oriented development with existing land uses at Murdoch University, TAFE and the St John of God Hospital.
- The following planning policies have been completed:
 - State Planning Policy 2.9 Water Resources was gazetted in December 2006;
 - a draft Transport and Infrastructure Statement of Planning Policy was considered by the Commission and is intended for presentation to a stakeholder workshop in mid-2007;
 - the Commission has written to the Department of Transport and Regional Services (DOTARS) about the need for national guidelines for land use planning around general aviation airports and concerns about noise contours, and is awaiting a response from DOTARS; and
 - a draft planning bulletin for land use planning for tourism developments has been prepared by the Commission as a precursor to the finalisation of a State Planning Policy later in 2007.
- Data resources for planning have been enhanced and have been applied to:
 - the release of the land development programs, being the Metropolitan Development Program, Country Land Development Program and Industrial Land Development Program; and
 - the provision of advice for transport modelling and in particular the forecasting of public transport patronage for the new South Western Metropolitan Passenger Railway Line.
- In regional areas:
 - assistance was provided to implement regional strategies by the Shires of Kununurra and Wyndham with the completion of the local planning strategies planned for mid-2007;
 - the Commission has established and chairs the Goldfields Esperance Region Planning Implementation Committee to progress the staged implementation of the Goldfields Esperance Region Strategy; and
 - officers have commenced the North and South Geraldton structure plans and transport studies to facilitate the preparation of local structure plans and planning strategies for Geraldton.
- The Commission has prepared and released for public comment a draft Strategy to guide land use changes from rural to urban in south east Wanneroo, and the establishment of a new agricultural and horticultural area in north east Wanneroo. A report on public submissions has been prepared and the Commission will consider a final strategy for adoption later in 2007.

Major Initiatives For 2007-08

Joint initiatives with the Department for Planning and Infrastructure

Central Perth

- Execute and influence projects within and surrounding the central Perth area to ensure that synergies and linkages between projects are maximised, new opportunities for central city development are identified and the vision for central Perth is realised.
- Provide a policy and planning framework for the future development and enhancement of pedestrian, cyclist, public transport and vehicle access to the central Perth area.
- Identify and harness the opportunities available on the Burswood Peninsula to create a well planned district that complements the structure of central Perth and the metropolitan region. To ensure an all-of-government response to the area's development the project is being guided by a working group with representatives from key government instrumentalities.
- Plan for the redevelopment of Mounts Bay (the area generally from Barrack Square to the Narrows Interchange) as a vibrant new city waterfront.

Network City

- Network City concepts are to be translated into detailed plans and policies that guide the future development of centres and corridors to support the growth of the Perth and Peel regions.
- Undertake a review of the Metropolitan Development Program to identify opportunities for adoption of a more pro-active planning tool that will enable better coordination of land development with infrastructure provision.
- Prepare a new strategic bicycle plan that covers all aspects of cycling policy, planning and facility creation for the Perth metropolitan area, and that reflects the recommendations of the Network City strategy and the State Government's environmental, health and congestion management priorities.
- In conjunction with local governments, implement the Network City 'activity corridor' concept through development of a plan for the revitalisation of key centres on the Perth-Midland activity corridor. The project will identify opportunities for new housing, employment and enhancement of local amenity to improve access to public transport and provide social and economic benefits to the community.
- Develop a tool or suite of tools that enable the City of Stirling (Stirling Regional Centre) to move forward with a development framework that is practical and capable of implementation, as well as providing an improved statutory planning framework.
- Undertake in conjunction with local government the (Network City) Community Planning Strategy for Perth and Peel. This will include the adoption of population, housing and employment targets and new measures to make fuller use of urban land and ensure an adequate supply and diversity of dwellings to support population growth.
- Develop urban designs and transport and access strategies for the Murdoch activities centre including the Fiona Stanley Hospital and Murdoch University.
- Prepare a district structure plan to guide future planning and urban development in the Cockburn coast area, inclusive of providing a vision for the Cockburn coast, identification of development areas, infrastructure requirements to accommodate predicted growth, prescription for development within the structure plan area and establishing the basis for subsequent Metropolitan Region Scheme amendments.
- Prepare a growth strategy to ensure an adequate urban land supply for the Peel region and provide a contemporary planning framework for urban growth, development of employment locations, staging of infrastructure and protection of the natural environment.
- Prepare a growth strategy and review the North-West Corridor Structure Plan to ensure an adequate urban land supply for the North-West corridor and provide a contemporary planning framework for urban growth, development of employment locations, and delivery of supporting infrastructure.

Regional Community

- Improve environmental health outcomes for Aboriginal people living in large, permanent and remote communities through the preparation of community layout plans. These plans will allow decision making by Government for investment in housing and infrastructure to occur in a coordinated, well planned and orderly manner.
- Prepare a strategic plan for the Dampier Peninsula that reflects the long-term land use, infrastructure provision and access providing a sustainable framework for guiding decisions about beneficial economic, social and environmental outcomes.

Economic Infrastructure

- Commence the development of a South-West Regional Planning Framework that will establish a high-level policy on the broader planning needs of the whole of the South-West focusing on matters of genuine regional need and importance.
- Examine the Mid-West regional road, rail and port infrastructure, reconvene the regional planning committee and develop a Mid-West Infrastructure Plan.

- Review State Planning Policy 2.4 'Basic Raw Materials' and in particular streamline and coordinate procedures for access to basic raw materials by the development industry.
- The Commission's Industrial Land Strategy (ILS) is a joint agency initiative (Department for Planning and Infrastructure/Department of Industry and Resources/Landcorp) that will set the direction for the future provision of industrial land in the Perth and Peel regions in the short, medium and long terms. The ILS is intended to plan the delivery of 'development ready' land in industrial areas in the medium term (five to ten years), identify government's heavy and general long term industrial land bank to meet longer-term demand and investigate a range of options to facilitate the strategic forward planning and securing of industrial sites, such as policy, approval processes and public/private partnerships.

Service 3: Asset Management

The acquisition, management and disposal of properties reserved under the Metropolitan and Peel Region Schemes and Greater Bunbury Region Schemes (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.

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	Reason for Significant Variation
Total Cost of Service ^(a)	17,769	18,367	18,535	19,424	Significant decrease in gain on disposal of non-current fixed assets.
Less Income	25,160	23,964	23,717	13,514	
Net Cost of Service ^(a)	(7,391)	(5,597)	(5,182)	5,910	
Adjustments ^(b)	55,759	54,126	65,972	62,793	
Appropriation for delivery of Service ^(a)	48,368	48,529	60,790	68,703	

- (a) Following the enactment of the *Financial Management Act 2006*, agencies are no longer required to pay the Capital User Charge. In order to make the above table meaningful for comparative purposes, the impact of the Capital User Charge has been removed from the 2005-06 Actuals and both the 2006-07 Budget and Estimated Actual. A reconciliation identifying the impact of this adjustment has been inserted after the financial statements.
- (b) 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

	2005-06 Actual	2006-07 Budget	2006-07 Estimated	2007-08 Target	Reason for Significant Variation between 2006-07 Estimated and 2007-08 Target
Hectares managed - improvement plans, regional roads and other uses (includes rental properties)	4,927	4,875	3,266	3,500	
Hectares managed - parks and recreational reserves	7,897	8,000	10,721	11,500	
Management - progress on formulation and implementation of management plans	4 completed 2 draft final	6 completed	4 completed 2 draft final	6 completed	
Acquisitions - acceptances within approved range	98%	85%	99%	85%	
Disposals - realised at in excess of reserved price	100%	85%	100%	85%	
Acquisitions - approved schedule acquired within period	88%	100%	100%	100%	
Disposals - approved schedule acquired within period	192%	100%	142%	100%	
Available days tenanted	97%	95%	98%	98%	
Approved management program achieved	80%	85%	85%	85%	
Approved management plan activities achieved	75%	80%	85%	85%	
Average cost per hectare managed	\$1,385.61	\$1,426.56	\$1,325.16	\$1,294.93	

Major Achievements For 2006-07

- Whiteman Park management has developed an Operational Response Protocol with the Fire and Emergency Services Authority and the Department of Environment and Conservation, for fires within the locality of land and reserves managed by Whiteman Park.
- The sale of land above the new William Street underground station has been completed by way of a development agreement. Settlement will occur in 2009. This will allow for the construction of a new building that will house Government offices and retail space. This development will provide a major focus on the new Southern Suburbs Railway. The development is a key element in the Government policy for revitalising Central Perth.
- Further areas of land reserved for 'Bush Forever' have been purchased to enable up to ten per cent of the remaining vegetation types to be preserved in the metropolitan area.
- Investigation into appropriate public access along the Bassendean Foreshore has been completed and a strategy has been developed to acquire the reserved portions of the foreshore to allow public access by a series of 'looped' access paths. The Metropolitan Region Scheme will eventually allow public access to most foreshore areas of the Swan, Canning and Helena rivers.

Major Initiatives For 2007-08**Joint initiatives with the Department for Planning and Infrastructure**

- Prepare a management framework and management plans for the Tamala Park and Ellenbrook conservation reserves.
- Provision of a sign program communicating why various parcels of land have been purchased by the Commission.

CAPITAL WORKS PROGRAM

The Commission's 2007-08 capital expenditure of \$77.7 million 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 Account 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 30-6-07 \$'000	Estimated Expenditure 2006-07 \$'000	Estimated Expenditure 2007-08 \$'000
WORKS IN PROGRESS				
Buildings/Infrastructure	7,393	4,993	500	300
Other Minor Equipment	2,138	1,173	108	110
COMPLETED WORKS				
Acquisition of Land				
2006-07 Program	56,601	56,601	56,601	-
Leighton Marshalling yards and Foreshore rehabilitation	4,201	4,201	4,029	-
Perth's Bushplan				
2006-07 Program	10,000	10,000	10,000	-
Recreation Reserves (Area Assistance Scheme)				
2006-07 Program	2,000	2,000	2,000	-
Regional Land Acquisitions				
2006-07 Program	4,500	4,500	4,500	-
NEW WORKS				
Acquisition of Land				
2007-08 Program	58,300	-	-	58,300
Perth's Bushplan				
2007-08 Program	10,000	-	-	10,000
Recreation Reserves (Area Assistance Scheme)				
2007-08 Program	2,000	-	-	2,000
Regional Land Acquisitions				
2007-08 Program	7,000	-	-	7,000
	164,133	83,468	77,738	77,710

CAPITAL CONTRIBUTION

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CAPITAL CONTRIBUTION TO MEET EQUITY NEEDS							
Total Cost of Capital Works Program	53,142	53,708	77,738	77,710	77,314	75,081	95,899
	53,142	53,708	77,738	77,710	77,314	75,081	95,899
LESS							
Asset Sales	23,376	13,400	13,400	11,700	10,900	5,000	5,000
Funding Included in Service Appropriations ^(a)	1,583	1,600	1,600	1,600	1,600	1,600	1,600
Internal Funds and Balances	20,583	35,808	59,838	59,010	59,414	63,081	83,899
Capital Contribution	7,600	2,900	2,900	5,400	5,400	5,400	5,400

(a) Capital works expensed through the Income Statement.

FINANCIAL STATEMENTS

INCOME STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits expenses ^(a)	99	110	110	112	115	118	123
Superannuation	12	10	10	11	11	11	11
Grants and subsidies ^(b)	2,754	7,000	7,000	4,750	4,750	4,500	4,500
Consultancies expense	7,007	6,641	4,254	4,907	5,100	5,250	5,500
Supplies and services	5,348	6,329	5,119	6,333	6,491	6,636	6,656
Accommodation	1,079	1,314	1,314	1,347	1,380	1,415	1,466
Capital user charge ^(c)	1,176	1,344	1,344	-	-	-	-
Depreciation and amortisation	3,139	380	3,340	3,340	3,340	3,340	3,340
Service delivery agreement	11,412	11,972	14,359	17,948	18,454	18,959	19,478
Other expenses	3,905	3,440	3,624	3,479	3,642	3,767	3,763
TOTAL COST OF SERVICES	35,931	38,540	40,474	42,227	43,283	43,996	44,837
Income							
User charges and fees	3,183	5,478	5,158	9,017	9,254	9,483	9,628
Gain on disposal of non-current assets	18,171	18,400	13,400	7,700	6,900	4,000	4,000
Grants and subsidies	1,016	277	277	283	290	299	310
Interest revenue	2,227	1,800	1,800	1,000	1,000	1,000	1,000
Rent	3,230	2,946	3,230	3,346	3,467	3,592	3,721
Other revenue	5,840	1,319	7,135	2,212	2,292	2,375	2,461
Total Income	33,667	30,220	31,000	23,558	23,203	20,749	21,120
NET COST OF SERVICES ^(c)	2,264	8,320	9,474	18,669	20,080	23,247	23,717
INCOME FROM STATE GOVERNMENT							
Service appropriations ^(c)	58,023	62,446	75,446	81,462	89,263	97,597	107,262
TOTAL INCOME FROM STATE GOVERNMENT	58,023	62,446	75,446	81,462	89,263	97,597	107,262
SURPLUS/(DEFICIENCY) FOR THE PERIOD	55,759	54,126	65,972	62,793	69,183	74,350	83,545

(a) The Full Time Equivalents (FTEs) for 2005-06 Actual, 2006-07 Estimated Actual and 2007-08 Estimate are 0, 0 and 0 respectively.

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

(c) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

**BALANCE SHEET
(Controlled)**

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CURRENT ASSETS							
Cash and cash equivalents	39,981	12,120	36,709	38,758	46,594	47,531	47,137
Restricted cash	6,081	2,000	4,000	3,000	3,000	3,000	3,000
Receivables	9,352	4,022	6,566	7,088	8,580	9,058	10,057
Interest receivable	637	200	400	400	400	400	400
Amounts receivable for services	-	1,319	-	-	-	-	-
Prepayments	51	38	50	50	50	50	50
Non current assets held for sale	4,592	-	5,000	5,000	5,000	5,000	5,000
Total current assets	60,694	19,699	52,725	54,296	63,624	65,039	65,644
NON-CURRENT ASSETS							
Amounts receivable for services	939	-	1,319	1,699	2,079	2,459	2,839
Land and buildings	470,928	437,447	531,452	593,133	654,414	717,460	801,321
Plant and equipment	1,051	240	908	769	633	499	368
Infrastructure	1,962	-	2,393	2,623	2,853	3,083	3,313
Other	273	2,659	273	273	273	273	273
Total non-current assets	475,153	440,346	536,345	598,497	660,252	723,774	808,114
TOTAL ASSETS	535,847	460,045	589,070	652,793	723,876	788,813	873,758
CURRENT LIABILITIES							
Provision for employee entitlements	60	85	45	45	45	45	45
Accrued salaries	3	7	7	7	7	8	8
Other	2,114	1,000	1,014	544	1,044	557	557
Total current liabilities	2,177	1,092	1,066	596	1,096	610	610
NON-CURRENT LIABILITIES							
Provision for employee entitlements	52	57	30	30	30	30	30
Other	10,043	-	27	27	27	-	-
Total non-current liabilities	10,095	57	57	57	57	30	30
TOTAL LIABILITIES	12,272	1,149	1,123	653	1,153	640	640
EQUITY							
Contributed equity	19,731	20,637	18,131	19,531	20,931	12,031	13,431
Accumulated surplus/(deficit)	414,535	431,424	480,507	543,300	612,483	686,833	770,378
Reserves	89,309	6,835	89,309	89,309	89,309	89,309	89,309
Total equity	523,575	458,896	587,947	652,140	722,723	788,173	873,118
TOTAL LIABILITIES AND EQUITY	535,847	460,045	589,070	652,793	723,876	788,813	873,758

CASHFLOW STATEMENT
(Controlled)

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT							
Service appropriations	57,654	62,066	75,066	81,082	88,883	97,217	106,882
Capital contribution	7,600	2,900	2,900	5,400	5,400	5,400	5,400
Net cash provided by State government	65,254	64,966	77,966	86,482	94,283	102,617	112,282
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(87)	(103)	(103)	(105)	(108)	(110)	(123)
Superannuation	(18)	(10)	(10)	(11)	(11)	(11)	(11)
Grants and subsidies	(2,753)	(7,000)	(7,000)	(4,750)	(4,750)	(4,500)	(4,500)
Consultancies payments	(6,847)	(6,641)	(4,254)	(4,907)	(5,100)	(5,250)	(5,500)
Supplies and services	(5,918)	(6,423)	(5,182)	(6,581)	(6,747)	(6,918)	(6,886)
Accommodation	(1,068)	(1,229)	(1,229)	(1,260)	(1,291)	(1,323)	(1,371)
Capital user charge ^(a)	(1,176)	(1,344)	(1,344)	-	-	-	-
Goods and services tax	(4,930)	(3,330)	(3,330)	(3,330)	(3,330)	(3,330)	(3,330)
Service delivery agreement	(8,450)	(11,972)	(14,359)	(17,948)	(18,454)	(18,959)	(19,478)
Other	(3,110)	(3,431)	(4,379)	(3,302)	(3,460)	(3,577)	(3,628)
Receipts							
User charges and fees	29	59	59	61	62	64	66
Grants and subsidies	922	277	277	283	290	299	310
Interest received	1,716	1,800	2,037	1,000	1,000	1,000	1,000
Rent receipts	2,874	2,946	3,230	3,346	3,467	3,592	3,721
Goods and services tax	4,627	3,330	3,330	3,330	3,330	3,330	3,330
Other receipts	5,528	6,737	7,234	11,168	11,485	11,794	12,023
Net cash from operating activities	(18,661)	(26,334)	(25,023)	(23,006)	(23,617)	(23,899)	(24,377)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(49,578)	(50,108)	(71,680)	(74,111)	(73,714)	(72,481)	(93,299)
Equity contribution payments	-	(31,074)	(2,000)	-	-	(30,600)	-
Proceeds from sale of non-current assets	23,376	40,600	15,400	11,700	10,900	25,300	5,000
Net cash from investing activities	(26,202)	(40,582)	(58,280)	(62,411)	(62,814)	(77,781)	(88,299)
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings	(4)	-	(16)	(16)	(16)	-	-
Net cash from financing activities	(4)	-	(16)	(16)	(16)	-	-
NET INCREASE/(DECREASE) IN CASH HELD	20,387	(1,950)	(5,353)	1,049	7,836	937	(394)
Cash assets at the beginning of the reporting period	25,675	16,070	46,062	40,709	41,758	49,594	50,531
Cash assets at the end of the reporting period	46,062	14,120	40,709	41,758	49,594	50,531	50,137

(a) Following the enactment of the *Financial Management Act 2006*, as from 2007-08, agencies are no longer required to pay the Capital User Charge.

RECONCILIATION RELATING TO REMOVAL OF CAPITAL USER CHARGE

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	35,931	38,540	40,474	42,227	43,283	43,996	44,837
Less Capital User Charge.....	1,176	1,344	1,344	-	-	-	-
Adjusted Total Cost of Services	34,755	37,196	39,130	42,227	43,283	43,996	44,837
APPROPRIATIONS							
Net amount appropriated to deliver services	58,023	62,446	75,446	81,462	89,263	97,597	107,262
Less Capital User Charge.....	1,176	1,344	1,344	-	-	-	-
Adjusted net amount appropriated to deliver services.....	56,847	61,102	74,102	81,462	89,263	97,597	107,262

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2005-06 Actual \$'000	2006-07 Budget \$'000	2006-07 Estimated Actual \$'000	2007-08 Budget Estimate \$'000	2008-09 Forward Estimate \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000
Coastal Zone Management	287	952	952	952	952	952	952
Araluen Botanic Park.....	550	550	550	550	550	-	-
Parks and Reserves - Regional Open Space.....	300	420	300	500	500	500	500
Leighton Marshalling Yards and Beach Rehabilitation	-	1,108	280	-	-	-	-
Dialogue with the City Communities Program...	23	600	600	600	600	600	600
Larkhill - City of Rockingham	1,136	1,650	1,650	400	-	-	-
Other.....	458	1,720	2,668	1,748	2,148	2,448	2,448
TOTAL	2,754	7,000	7,000	4,750	4,750	4,500	4,500