



BUDGET PAPER NO.2



**WESTERN AUSTRALIA
STATE BUDGET 2017-18**

**BUDGET STATEMENTS
VOLUME 1**



2017-18 BUDGET

BUDGET STATEMENTS

Budget Paper No. 2

Volume 1

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

2017-18 Budget Statements

(Budget Paper No. 2 Volume 1)

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BUDGET STATEMENTS

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CHAPTER 1

**CONSOLIDATED ACCOUNT EXPENDITURE
ESTIMATES**

CONSOLIDATED ACCOUNT EXPENDITURE ESTIMATES

Vol	Division	Details
PART 1 - PARLIAMENT		
1	1	Parliament
		Legislative Council
	1	- Net amount appropriated to deliver services.....
		- Salaries and Allowances Act 1975.....
1		Legislative Assembly
	2	- Net amount appropriated to deliver services.....
		- Salaries and Allowances Act 1975.....
1		Parliamentary Services
	3	- Net amount appropriated to deliver services.....
	88	- Capital Appropriation.....
		Total.....
1	2	Parliamentary Commissioner for Administrative Investigations
	4	- Net amount appropriated to deliver services.....
		- Parliamentary Commissioner Act 1971.....
		Total.....
TOTAL - PART 1.....		
PART 2 - PREMIER; MINISTER FOR PUBLIC SECTOR MANAGEMENT; FEDERAL-STATE RELATIONS		
1	3	Premier and Cabinet
	5	- Net amount appropriated to deliver services.....
		- Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....
		- Salaries and Allowances Act 1975.....
		Total.....
1	4	Public Sector Commission
	6	- Net amount appropriated to deliver services.....
		- Salaries and Allowances Act 1975.....
		Total.....
1	5	Governor's Establishment
	7	- Net amount appropriated to deliver services.....
	89	- Capital Appropriation.....
		- Governor's Establishment Act 1992.....
		- Salaries and Allowances Act 1975.....
		Total.....
1	6	Salaries and Allowances Tribunal
	8	- Net amount appropriated to deliver services.....
		Total.....
TOTAL - PART 2.....		

2015-16 Actual \$' 000	2016-17 Budget \$' 000	2016-17 Estimated Actual \$' 000	2017-18 Budget Estimate \$' 000	2018-19 Forward Estimate \$' 000	2019-20 Forward Estimate \$' 000	2020-21 Forward Estimate \$' 000
5,879	5,844	5,844	5,889	5,978	6,119	6,201
12,325	13,423	13,579	13,277	13,505	13,548	14,335
5,758	5,888	5,888	6,134	6,212	6,359	6,442
19,812	21,512	22,174	21,376	21,475	21,497	22,673
16,579	16,704	16,704	17,522	17,613	17,837	18,091
1,000	1,000	1,000	1,000	1,000	1,000	1,000
61,353	64,371	65,189	65,198	65,783	66,360	68,742
7,982	7,507	7,507	7,060	6,913	6,969	7,048
659	659	659	659	659	659	659
8,641	8,166	8,166	7,719	7,572	7,628	7,707
69,994	72,537	73,355	72,917	73,355	73,988	76,449
138,106	141,819	172,955	127,568	118,420	120,482	118,812
837	837	837	-	-	-	-
2,365	2,365	2,365	2,065	2,065	2,065	2,065
141,308	145,021	176,157	129,633	120,485	122,547	120,877
26,328	25,730	25,730	24,360	23,842	24,069	24,311
1,150	906	906	906	906	906	906
27,478	26,636	26,636	25,266	24,748	24,975	25,217
1,583	1,529	1,529	1,457	1,439	1,473	1,483
-	-	-	1,400	2,400	1,000	1,000
3,152	3,244	3,244	3,288	3,389	3,466	3,466
570	570	570	570	570	570	570
5,305	5,343	5,343	6,715	7,798	6,509	6,519
1,077	1,084	1,084	1,091	1,101	1,108	1,116
1,077	1,084	1,084	1,091	1,101	1,108	1,116
175,168	178,084	209,220	162,705	154,132	155,139	153,729

CONSOLIDATED ACCOUNT EXPENDITURE ESTIMATES

Vol	Division	Details
<p>PART 3 - MINISTER FOR STATE DEVELOPMENT; JOBS AND TRADE MINISTER FOR TOURISM; DEFENCE ISSUES MINISTER FOR COMMERCE AND INDUSTRIAL RELATIONS; ASIAN ENGAGEMENT MINISTER FOR INNOVATION AND ICT; SCIENCE</p>		
1	7	Jobs, Tourism, Science and Innovation
		9 - Net amount appropriated to deliver services.....
		10 - Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....
		90 - Capital Appropriation.....
		- Salaries and Allowances Act 1975.....
		Total.....
<p>TOTAL - PART 3.....</p>		
<p>PART 4 - DEPUTY PREMIER; MINISTER FOR HEALTH; MENTAL HEALTH</p>		
1	8	WA Health
		11 - Net amount appropriated to deliver services.....
		91 - Capital Appropriation.....
		- Lotteries Commission Act 1990.....
		- Salaries and Allowances Act 1975.....
		Total.....
1	9	Mental Health Commission
		12 - Net amount appropriated to deliver services.....
		13 - Mental Health Advocacy Service.....
		14 - Mental Health Tribunal.....
		15 - Office of the Chief Psychiatrist.....
		- Salaries and Allowances Act 1975.....
		Total.....
<p>TOTAL - PART 4.....</p>		
<p>PART 5 - MINISTER FOR EDUCATION AND TRAINING</p>		
1	10	Education
		16 - Net amount appropriated to deliver services.....
		17 - Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....
		92 - Capital Appropriation.....
		- Salaries and Allowances Act 1975.....
		Total.....
1	11	Training and Workforce Development
		18 - Net amount appropriated to deliver services.....
		93 - Capital Appropriation.....
		- Salaries and Allowances Act 1975.....
		Total.....
<p>TOTAL - PART 5.....</p>		

2015-16 Actual \$' 000	2016-17 Budget \$' 000	2016-17 Estimated Actual \$' 000	2017-18 Budget Estimate \$' 000	2018-19 Forward Estimate \$' 000	2019-20 Forward Estimate \$' 000	2020-21 Forward Estimate \$' 000
129,032	144,488	143,903	156,931	145,908	147,815	146,773
17,575	17,782	17,471	21,983	22,236	22,494	22,759
150	150	150	150	150	150	150
1,205	1,224	1,224	976	976	976	976
147,962	163,644	162,748	180,040	169,270	171,435	170,658
147,962	163,644	162,748	180,040	169,270	171,435	170,658
4,722,430	4,919,644	5,018,582	4,919,381	4,846,736	4,916,366	5,009,135
146,494	188,049	157,810	186,194	71,758	48,184	27,721
129,750	135,718	120,000	133,081	137,407	140,887	140,887
697	716	716	716	716	716	716
4,999,371	5,244,127	5,297,108	5,239,372	5,056,617	5,106,153	5,178,459
651,940	668,680	683,886	705,661	701,846	703,952	718,856
2,482	2,654	2,654	2,627	2,634	2,642	2,676
2,394	2,653	2,653	2,630	2,642	2,654	2,689
2,441	2,262	2,262	2,282	2,330	2,381	2,411
783	809	809	809	809	809	809
660,040	677,058	692,264	714,009	710,261	712,438	727,441
5,659,411	5,921,185	5,989,372	5,953,381	5,766,878	5,818,591	5,905,900
3,915,861	4,026,758	3,968,010	4,058,388	4,109,163	4,118,012	4,201,656
439,446	449,237	449,237	450,593	461,526	474,026	474,026
167,175	157,227	152,706	250,313	193,381	163,304	89,230
1,807	1,845	1,845	1,845	1,845	1,845	1,845
4,524,289	4,635,067	4,571,798	4,761,139	4,765,915	4,757,187	4,766,757
363,378	350,482	350,482	351,736	346,909	301,528	305,836
8,279	12,216	12,216	237	-	-	-
2,990	2,990	1,808	1,815	1,815	1,815	1,815
374,647	365,688	364,506	353,788	348,724	303,343	307,651
4,898,936	5,000,755	4,936,304	5,114,927	5,114,639	5,060,530	5,074,408

CONSOLIDATED ACCOUNT EXPENDITURE ESTIMATES

Vol	Division	Details
<p>PART 6 - MINISTER FOR ENVIRONMENT MINISTER FOR TOURISM</p>		
1	12	Biodiversity, Conservation and Attractions
	19	- Net amount appropriated to deliver services.....
	94	- Capital Appropriation.....
		- Salaries and Allowances Act 1975.....
		Total.....
<p>TOTAL - PART 6.....</p>		
<p>PART 7 - MINISTER FOR ENVIRONMENT MINISTER FOR WATER</p>		
1	13	Water and Environmental Regulation
	20	- Net amount appropriated to deliver services.....
	95	- Capital Appropriation.....
		- Salaries and Allowances Act 1975.....
		Total.....
<p>TOTAL - PART 7.....</p>		
<p>PART 8 - MINISTER FOR CHILD PROTECTION; WOMEN'S INTERESTS; PREVENTION OF FAMILY AND DOMESTIC VIOLENCE; COMMUNITY SERVICES MINISTER FOR DISABILITY SERVICES MINISTER FOR HOUSING; VETERANS ISSUES; YOUTH MINISTER FOR SENIORS AND AGEING; VOLUNTEERING</p>		
1	14	Communities
	21	- Net amount appropriated to deliver services.....
	22	- Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....
		- Contribution to the Western Australian Family Foundation Trust Account.....
	96	- Capital Appropriation.....
		- Salaries and Allowances Act 1975.....
		Total.....
<p>TOTAL - PART 8.....</p>		
<p>PART 9 - MINISTER FOR POLICE; ROAD SAFETY</p>		
1	15	Western Australia Police
	23	- Net amount appropriated to deliver services.....
	97	- Capital Appropriation.....
		- Salaries and Allowances Act 1975.....
		Total.....
<p>TOTAL - PART 9.....</p>		

2015-16 Actual \$' 000	2016-17 Budget \$' 000	2016-17 Estimated Actual \$' 000	2017-18 Budget Estimate \$' 000	2018-19 Forward Estimate \$' 000	2019-20 Forward Estimate \$' 000	2020-21 Forward Estimate \$' 000
262,085	241,721	241,143	251,029	247,853	249,020	249,249
1,667	1,377	1,377	2,427	3,762	5,855	5,581
375	375	375	375	375	375	375
264,127	243,473	242,895	253,831	251,990	255,250	255,205
264,127	243,473	242,895	253,831	251,990	255,250	255,205
88,738	86,023	87,915	90,200	85,148	86,378	91,334
6,319	11,091	5,732	11,329	6,294	7,603	7,226
578	586	613	613	613	613	613
95,635	97,700	94,260	102,142	92,055	94,594	99,173
95,635	97,700	94,260	102,142	92,055	94,594	99,173
1,472,042	1,456,516	1,458,279	1,617,475	1,780,627	1,878,592	1,681,712
300	300	300	300	300	300	300
250	-	-	-	-	-	-
71,329	2,338	3,945	32,818	7,500	9,008	1,830
696	696	701	701	701	701	701
1,544,617	1,459,850	1,463,225	1,651,294	1,789,128	1,888,601	1,684,543
1,544,617	1,459,850	1,463,225	1,651,294	1,789,128	1,888,601	1,684,543
1,221,276	1,293,587	1,303,670	1,331,702	1,333,375	1,335,308	1,350,286
44,632	44,001	53,531	29,451	17,177	7,067	6,600
4,704	4,822	4,825	4,825	4,825	4,825	4,825
1,270,612	1,342,410	1,362,026	1,365,978	1,355,377	1,347,200	1,361,711
1,270,612	1,342,410	1,362,026	1,365,978	1,355,377	1,347,200	1,361,711

CONSOLIDATED ACCOUNT EXPENDITURE ESTIMATES

Vol	Division	Details
PART 10 - MINISTER FOR REGIONAL DEVELOPMENT; AGRICULTURE AND FOOD MINISTER FOR FISHERIES		
1	16	Primary Industries and Regional Development
	24	- Net amount appropriated to deliver services.....
	25	- Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....
	98	- Capital Appropriation.....
		- Biosecurity and Agriculture Management Act 2007.....
		- Salaries and Allowances Act 1975.....
		Total.....
TOTAL - PART 10.....		
PART 11 - MINISTER FOR REGIONAL DEVELOPMENT; AGRICULTURE AND FOOD		
1	17	Rural Business Development Corporation
	26	- Net amount appropriated to deliver services.....
		Total.....
TOTAL - PART 11.....		
PART 12 - MINISTER FOR EMERGENCY SERVICES; CORRECTIVE SERVICES		
1	18	Fire and Emergency Services
	27	- Net amount appropriated to deliver services.....
	99	- Capital Appropriation.....
		- Salaries and Allowances Act 1975.....
		Total.....
1	19	Office of Emergency Management
	28	- Net amount appropriated to deliver services.....
	29	- Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....
	100	- Capital Appropriation.....
		Total.....
1	20	Office of the Inspector of Custodial Services
	30	- Net amount appropriated to deliver services.....
		- Salaries and Allowances Act 1975.....
		Total.....
TOTAL - PART 12.....		

2015-16 Actual \$' 000	2016-17 Budget \$' 000	2016-17 Estimated Actual \$' 000	2017-18 Budget Estimate \$' 000	2018-19 Forward Estimate \$' 000	2019-20 Forward Estimate \$' 000	2020-21 Forward Estimate \$' 000
173,014	167,350	167,230	179,776	176,711	168,338	163,049
1,600	1,600	1,600	1,600	-	-	-
5,087	1,306	2,606	1,085	85	85	85
1,235	1,235	1,944	3,673	4,304	4,388	2,765
3,116	3,182	3,182	3,182	3,182	3,182	3,182
184,052	174,673	176,562	189,316	184,282	175,993	169,081
184,052	174,673	176,562	189,316	184,282	175,993	169,081
232	236	236	235	233	233	233
232	236	236	235	233	233	233
232	236	236	235	233	233	233
36,091	17,661	18,562	19,699	17,004	17,527	17,613
161	-	-	1,500	-	-	-
1,016	1,041	1,041	1,041	1,041	1,041	1,041
37,268	18,702	19,603	22,240	18,045	18,568	18,654
5,044	5,015	5,450	6,244	5,974	6,012	6,060
25,756	15,000	45,300	102,900	45,000	45,000	45,000
-	-	-	31	-	-	-
30,800	20,015	50,750	109,175	50,974	51,012	51,060
3,323	3,370	3,370	3,310	3,305	3,336	3,372
247	247	247	247	247	247	247
3,570	3,617	3,617	3,557	3,552	3,583	3,619
71,638	42,334	73,970	134,972	72,571	73,163	73,333

CONSOLIDATED ACCOUNT EXPENDITURE ESTIMATES

Vol	Division	Details
<p>PART 13 - ATTORNEY GENERAL MINISTER FOR CORRECTIVE SERVICES</p>		
2	21	Justice
	31	- Net amount appropriated to deliver services.....
	101	- Capital Appropriation.....
		- Children's Court of Western Australia Act 1988.....
		- Criminal Injuries Compensation Act 2003.....
		- District Court of Western Australia Act 1969.....
		- Judges' Salaries and Pensions Act 1950.....
		- Salaries and Allowances Act 1975.....
		- Solicitor General Act 1969.....
		- State Administrative Tribunal Act 2004.....
		- Suitor's Fund Act 1964.....
		Total.....
<p>TOTAL - PART 13.....</p>		
<p>PART 14 - MINISTER FOR LOCAL GOVERNMENT; CULTURE AND THE ARTS MINISTER FOR SPORT AND RECREATION MINISTER FOR RACING AND GAMING; CITIZENSHIP AND MULTICULTURAL INTERESTS</p>		
2	22	Local Government, Sport and Cultural Industries
	32	- Net amount appropriated to deliver services.....
	33	- Art Gallery of Western Australia.....
	34	- Contribution to Community Sporting and Recreation Facilities Fund.....
	35	- Library Board of Western Australia.....
	36	- Perth Theatre Trust.....
	37	- Western Australian Museum.....
	38	- Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....
	102	- Capital Appropriation.....
	103	- Art Gallery of Western Australia.....
	104	- Library Board of Western Australia.....
		- Lotteries Commission Act 1990.....
		- Salaries and Allowances Act 1975.....
		- Liquor Control Act 1988.....
		Total.....
<p>TOTAL - PART 14.....</p>		
<p>PART 15 - MINISTER FOR LOCAL GOVERNMENT; HERITAGE</p>		
2	23	Heritage Council of Western Australia
	39	- Net amount appropriated to deliver services.....
		- Capital Appropriation.....
		Total.....
2	24	National Trust of Australia (WA)
	40	- Net amount appropriated to deliver services.....
	105	- Capital Appropriation.....
		Total.....
<p>TOTAL - PART 15.....</p>		

2015-16 Actual \$' 000	2016-17 Budget \$' 000	2016-17 Estimated Actual \$' 000	2017-18 Budget Estimate \$' 000	2018-19 Forward Estimate \$' 000	2019-20 Forward Estimate \$' 000	2020-21 Forward Estimate \$' 000
1,080,488	1,125,801	1,172,605	1,195,808	1,178,436	1,188,563	1,164,386
28,428	20,405	43,405	24,887	13,209	13,684	17,604
242	438	405	405	405	405	405
42,143	31,817	38,210	40,707	31,817	31,817	31,817
11,560	12,122	12,209	12,602	13,098	13,098	13,098
10,416	10,836	11,137	10,836	10,836	10,836	10,836
31,531	33,094	33,027	33,027	33,027	33,027	33,027
655	594	647	594	594	594	594
4,982	5,878	5,088	5,878	5,878	5,878	5,878
36	31	38	31	31	31	31
1,210,481	1,241,016	1,316,771	1,324,775	1,287,331	1,297,933	1,277,676
1,210,481	1,241,016	1,316,771	1,324,775	1,287,331	1,297,933	1,277,676
104,338	106,758	119,405	101,281	94,251	88,878	86,093
9,645	9,284	9,199	8,881	8,900	8,910	8,899
20,000	20,000	18,000	15,119	19,000	12,000	12,000
29,121	29,222	29,739	32,460	32,835	32,862	32,731
11,802	9,009	9,090	9,297	9,093	8,944	8,678
24,955	22,531	22,531	22,303	22,601	25,186	37,368
52,689	55,484	48,960	57,086	57,822	62,038	61,984
28,508	93,596	40,312	113,930	166,658	55,428	4,388
230	218	218	10,218	218	218	218
-	75	75	75	75	75	75
32,600	33,930	30,000	33,268	34,350	35,220	35,010
1,990	1,768	1,768	1,768	1,768	1,768	1,768
725	-	-	-	-	-	-
316,603	381,875	329,297	405,686	447,571	331,527	289,212
316,603	381,875	329,297	405,686	447,571	331,527	289,212
1,461	1,452	1,452	1,421	1,376	1,376	1,377
1,000	-	-	-	-	-	-
2,461	1,452	1,452	1,421	1,376	1,376	1,377
3,216	3,271	3,271	3,212	3,186	3,183	3,199
435	435	435	435	435	435	435
3,651	3,706	3,706	3,647	3,621	3,618	3,634
6,112	5,158	5,158	5,068	4,997	4,994	5,011

CONSOLIDATED ACCOUNT EXPENDITURE ESTIMATES

Vol	Division	Details
<p>PART 16 - MINISTER FOR PLANNING; LANDS MINISTER FOR HERITAGE MINISTER FOR ABORIGINAL AFFAIRS</p>		
2	25	<p>Planning, Lands and Heritage</p> <p>41 - Net amount appropriated to deliver services.....</p> <p>- Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....</p> <p>106 - Capital Appropriation.....</p> <p>- Salaries and Allowances Act 1975.....</p> <p>Total.....</p> <hr/> <p>TOTAL - PART 16.....</p> <hr/>
<p>PART 17 - ATTORNEY GENERAL</p>		
2	26	<p>Corruption and Crime Commission</p> <p>42 - Net amount appropriated to deliver services.....</p> <p>- Corruption and Crime Commission Act 2003.....</p> <p>Total.....</p>
2	27	<p>Commissioner for Equal Opportunity</p> <p>43 - Net amount appropriated to deliver services.....</p> <p>- Salaries and Allowances Act 1975.....</p> <p>Total.....</p>
2	28	<p>Office of the Director of Public Prosecutions</p> <p>44 - Net amount appropriated to deliver services.....</p> <p>- Salaries and Allowances Act 1975.....</p> <p>Total.....</p>
2	29	<p>Commissioner for Children and Young People</p> <p>45 - Net amount appropriated to deliver services.....</p> <p>- Salaries and Allowances Act 1975.....</p> <p>Total.....</p>
2	30	<p>Office of the Information Commissioner</p> <p>46 - Net amount appropriated to deliver services.....</p> <p>- Freedom of Information Act 1992.....</p> <p>Total.....</p>
2	31	<p>Parliamentary Inspector of the Corruption and Crime Commission</p> <p>47 - Net amount appropriated to deliver services.....</p> <p>- Corruption and Crime Commission Act 2003.....</p> <p>Total.....</p> <hr/> <p>TOTAL - PART 17.....</p> <hr/>
<p>PART 18 - MINISTER FOR SPORT AND RECREATION</p>		
2	32	<p>Western Australian Sports Centre Trust</p> <p>48 - Net amount appropriated to deliver services.....</p> <p>107 - Capital Appropriation.....</p> <p>Total.....</p> <hr/> <p>TOTAL - PART 18.....</p> <hr/>

2015-16 Actual \$' 000	2016-17 Budget \$' 000	2016-17 Estimated Actual \$' 000	2017-18 Budget Estimate \$' 000	2018-19 Forward Estimate \$' 000	2019-20 Forward Estimate \$' 000	2020-21 Forward Estimate \$' 000
115,051	122,936	117,891	114,083	99,102	97,273	97,332
-	90,704	90,204	-	-	-	-
5,435	5,283	5,283	2,391	2,485	2,610	3,473
985	992	1,228	1,228	1,228	1,228	1,228
121,471	219,915	214,606	117,702	102,815	101,111	102,033
121,471	219,915	214,606	117,702	102,815	101,111	102,033
28,515	29,612	29,612	29,381	27,498	27,874	28,147
502	502	502	502	502	502	502
29,017	30,114	30,114	29,883	28,000	28,376	28,649
4,546	3,538	3,847	3,694	3,506	3,483	3,536
285	293	47	115	300	300	300
4,831	3,831	3,894	3,809	3,806	3,783	3,836
31,478	31,342	31,342	33,554	31,119	31,380	31,729
3,585	3,715	3,715	3,715	3,715	3,715	3,715
35,063	35,057	35,057	37,269	34,834	35,095	35,444
2,827	2,878	2,878	2,822	2,816	2,841	2,870
255	255	255	255	255	255	255
3,082	3,133	3,133	3,077	3,071	3,096	3,125
2,113	2,058	2,058	2,039	2,031	2,046	2,067
278	278	278	278	278	278	278
2,391	2,336	2,336	2,317	2,309	2,324	2,345
538	547	547	553	541	547	553
175	179	199	179	179	179	179
713	726	746	732	720	726	732
75,097	75,197	75,280	77,087	72,740	73,400	74,131
42,426	50,977	52,430	74,618	83,638	80,640	76,849
5,472	3,436	4,152	14,694	13,865	14,327	15,412
47,898	54,413	56,582	89,312	97,503	94,967	92,261
47,898	54,413	56,582	89,312	97,503	94,967	92,261

CONSOLIDATED ACCOUNT EXPENDITURE ESTIMATES

Vol	Division	Details
PART 19 - TREASURER; MINISTER FOR FINANCE; ENERGY		
2	33	Treasury
		49 - Net amount appropriated to deliver services.....
		50 - Bunbury Water Corporation.....
		51 - Busselton Water Corporation.....
		52 - Electricity Generation and Retail Corporation (Synergy).....
		53 - Mid West Ports Authority.....
		54 - Public Transport Authority.....
		55 - Regional Power Corporation (Horizon Power).....
		56 - Southern Ports Authority.....
		57 - Water Corporation of Western Australia.....
		58 - Western Australian Land Authority.....
		- Forest Products Commission.....
		59 - Bell Group Administration Wind-up and Associated Costs.....
		60 - Department of Justice.....
		61 - Goods and Services Tax (GST) Administration Costs.....
		62 - Health and Disability Services Complaints Office.....
		63 - Metropolitan Redevelopment Authority.....
		64 - Provision for Unfunded Liabilities in the Government Insurance Fund.....
		65 - Provision for Voluntary Targeted Separation Scheme.....
		66 - Refund of Past Years Revenue Collections – Public Corporations.....
		67 - Royalties for Regions.....
		68 - Service Priority Review - Provision for Senior Executive Service Compensation Payments.....
		69 - State Property – Emergency Services Levy.....
		70 - All Other Grants, Subsidies and Transfer Payments.....
		<i>Comprising:</i>
		- Acts of Grace.....
		- First Home Owners Boost Recoveries.....
		- Incidentals.....
		- Interest on Public Moneys Held in Participating Trust Fund Accounts.....
		- Administration Costs – National Tax Equivalent Regime Scheme.....
		- Town of Cambridge.....
		- Western Australian Treasury Corporation Management Fees.....
		- National Disability Insurance Scheme – Trial Sites.....
		- Resolution of Native Title in the South West of Western Australia (Settlement).....
		- Western Australia Police.....
		108 - Capital Appropriation.....
		109 - Animal Resources Authority.....
		110 - Department of Education.....
		111 - Department of Finance.....
		112 - Department of Justice.....
		113 - Electricity Networks Corporation (Western Power).....
		114 - Independent Market Operator.....
		115 - Pilbara Ports Authority.....
		116 - Regional Power Corporation (Horizon Power).....
		117 - Royalties for Regions.....
		118 - Southern Ports Authority.....
		119 - WA Health.....
		- Kimberley Ports Authority.....
		- Metropolitan Redevelopment Authority.....
		- Mid West Ports Authority.....
		- Provision for the Metropolitan Redevelopment Authority.....
		- Water Corporation of Western Australia.....
		- Western Australian Land Authority.....
		- Western Australia Police.....

2015-16 Actual \$' 000	2016-17 Budget \$' 000	2016-17 Estimated Actual \$' 000	2017-18 Budget Estimate \$' 000	2018-19 Forward Estimate \$' 000	2019-20 Forward Estimate \$' 000	2020-21 Forward Estimate \$' 000
86,699	76,423	59,027	63,936	60,453	56,002	53,507
811	672	703	666	678	690	701
492	646	552	647	659	672	687
379,194	386,467	326,391	249,004	106,663	112,761	113,952
-	5,445	5,445	4,994	-	-	-
776,829	806,180	798,772	838,550	858,405	898,431	925,559
31,386	44,128	48,892	20,200	10,039	9,768	9,900
705	590	562	439	300	161	89
546,813	486,076	464,225	468,778	469,257	297,936	220,145
33,467	36,279	39,294	45,305	35,428	25,423	25,496
-	1,451	1,451	-	-	-	-
-	-	6,754	1,305	-	-	-
16,004	33,278	22,434	11,509	11,997	11,683	14,616
73,215	74,700	73,945	66,800	63,300	49,900	50,100
2,637	2,701	2,701	2,797	2,845	2,884	2,923
10,231	26,105	13,196	37,288	10,101	-	-
1,989	2,913	3,238	3,246	3,234	3,364	3,165
-	-	-	300,000	-	-	-
93,252	10,000	6,456	10,000	10,000	10,000	10,000
600,177	449,883	419,020	491,841	540,202	697,169	763,612
-	-	-	13,000	-	-	-
16,000	16,000	16,000	16,000	16,630	16,793	16,723
5,897	6,012	5,821	18,836	7,186	7,286	7,286
-	5	200	300	300	300	300
60	120	14	-	-	-	-
466	375	-	240	240	240	240
4,541	4,585	4,677	5,510	5,610	5,710	5,710
-	-	-	100	100	100	100
-	-	-	11,750	-	-	-
830	927	930	936	936	936	936
47,705	64,160	44,600	-	-	-	-
-	60,000	-	-	82,340	81,570	75,386
-	-	-	-	11	25	352
-	-	-	10	-	-	-
-	500	800	1,320	-	-	-
-	31,700	-	51,400	69,500	35,900	27,000
-	-	-	1,200	5,200	-	-
-	10,383	4,008	25,560	-	-	-
201,701	96,384	51,607	182,684	110,849	100,158	93,546
-	-	-	40	-	-	-
38,739	25,497	5,112	53,703	29,225	18,981	3,850
7,618	1,118	1,638	32,918	1,118	1,118	1,118
317,429	353,545	329,259	403,512	396,927	268,338	215,838
2,081	2,210	2,210	2,346	2,346	1,625	640
31,782	34,656	11,287	55,616	46,465	10,372	48,653
10,575	-	-	-	-	-	-
63,000	2,420	-	-	-	2,420	-
70,944	-	-	-	-	-	-
-	-	-	-	163,000	-	-
14,036	-	-	-	-	-	-
-	-	-	-	40,000	6,522	27,154
-	-	-	-	5,229	11,975	24,168

CONSOLIDATED ACCOUNT EXPENDITURE ESTIMATES

Vol	Division	Details
PART 19 - TREASURER; MINISTER FOR FINANCE; ENERGY - continued		
120		- Perth Stadium Account.....
121		- Western Australian Future Fund.....
		- Perth Children's Hospital Account.....
		- Judges' Salaries and Pensions Act 1950.....
		<i>Comprising:</i>
		- Benefit Payments.....
		- Administration Expenses.....
		- Parliamentary Superannuation Act 1970.....
		<i>Comprising:</i>
		- Benefit Payments.....
		- Administration Expenses.....
		- State Superannuation Act 2000.....
		<i>Comprising:</i>
		- Pension Scheme.....
		<i>Comprising:</i>
		- Benefit Payments.....
		- Administration Expenses.....
		- Gold State Super.....
		<i>Comprising:</i>
		- Benefit Payments.....
		- Administration Expenses.....
		- Government Services.....
		- West State Super.....
		- Western Australian Health Promotion Foundation Act 2016.....
		- Unclaimed Money Act 1990.....
		- Unclaimed Money (Superannuation and RSA Providers) Act 2003.....
		- Loan Acts – Interest.....
		- Loans (Co-operative Companies) Act 2004.....
		- Loan Acts – Repayment of Borrowings.....
		- Salaries and Allowances Act 1975.....
		Total.....
2	34	Economic Regulation Authority
	71	- Net amount appropriated to deliver services.....
		Total.....
2	35	Office of the Auditor General
	72	- Net amount appropriated to deliver services.....
	122	- Capital Appropriation.....
		- Salaries and Allowances Act 1975.....
		Total.....
2	36	Finance
	73	- Net amount appropriated to deliver services.....
	74	- Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....
	123	- Capital Appropriation.....
		- First Home Owner Grant Act 2000.....
		- Salaries and Allowances Act 1975.....
		Total.....
TOTAL - PART 19.....		

2015-16 Actual \$' 000	2016-17 Budget \$' 000	2016-17 Estimated Actual \$' 000	2017-18 Budget Estimate \$' 000	2018-19 Forward Estimate \$' 000	2019-20 Forward Estimate \$' 000	2020-21 Forward Estimate \$' 000
265,000	370,000	370,000	122,226	-	-	-
-	38,400	38,400	52,100	48,600	45,400	46,800
44,000	-	-	-	-	-	-
14,074	15,680	15,526	16,478	17,346	18,262	19,225
13,904	15,444	15,339	16,262	17,123	18,031	18,987
170	236	187	216	223	231	238
8,805	13,570	12,891	10,184	10,491	10,807	11,132
8,597	13,293	12,665	9,931	10,229	10,536	10,852
208	277	226	253	262	271	280
622,804	645,778	569,399	649,733	626,929	611,354	603,227
208,462	194,792	191,396	185,826	177,342	168,579	159,968
206,738	192,712	189,644	184,037	175,571	166,828	158,250
1,724	2,080	1,752	1,789	1,771	1,751	1,718
354,877	391,664	318,668	404,803	390,717	384,155	384,907
349,807	385,670	313,309	399,195	385,204	378,742	379,566
4,791	5,595	5,083	5,193	5,086	4,975	4,891
279	399	276	415	427	438	450
59,465	59,322	59,335	59,104	58,870	58,620	58,352
22,492	23,037	23,037	23,614	24,204	24,809	25,069
1,174	1,200	1,331	1,331	1,331	1,331	1,331
190	-	-	-	-	-	-
542,451	656,000	645,828	741,000	873,000	1,021,000	1,168,000
31,600	-	13,050	3,400	-	-	-
-	88,599	88,599	229,654	35,600	35,255	37,509
1,382	1,382	1,382	1,382	1,382	1,382	1,382
5,035,380	5,002,168	4,544,843	5,326,552	4,798,470	4,509,527	4,649,841
2,438	2,704	2,704	2,640	2,059	1,619	1,683
2,438	2,704	2,704	2,640	2,059	1,619	1,683
6,310	6,428	6,428	6,886	7,007	7,381	7,783
300	250	250	300	300	300	300
734	753	753	753	753	753	753
7,344	7,431	7,431	7,939	8,060	8,434	8,836
161,422	152,760	157,446	150,906	155,499	165,400	153,518
148,881	204,210	164,281	185,070	178,241	189,614	203,752
83,768	29,109	28,763	15,932	10,090	4,001	-
98,582	73,678	72,765	74,612	75,408	74,344	73,855
1,601	1,601	1,601	1,601	1,601	1,601	1,601
494,254	461,358	424,856	428,121	420,839	434,960	432,726
5,539,416	5,473,661	4,979,834	5,765,252	5,229,428	4,954,540	5,093,086

CONSOLIDATED ACCOUNT EXPENDITURE ESTIMATES

Vol	Division	Details
PART 20 - MINISTER FOR RACING AND GAMING; SMALL BUSINESS		
2	37	Small Business Development Corporation
		75 - Net amount appropriated to deliver services.....
		124 - Capital Appropriation.....
		- Salaries and Allowances Act 1975.....
		Total.....
TOTAL - PART 20.....		
PART 21 - MINISTER FOR MINES AND PETROLEUM; COMMERCE AND INDUSTRIAL RELATIONS; ELECTORAL AFFAIRS		
2	38	Mines, Industry Regulation and Safety
		76 - Net amount appropriated to deliver services.....
		77 - Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....
		125 - Capital Appropriation.....
		- Petroleum (Submerged Lands) Act 1982.....
		- Salaries and Allowances Act 1975.....
		Total.....
2	39	Registrar, Western Australian Industrial Relations Commission
		78 - Net amount appropriated to deliver services.....
		- Capital Appropriation.....
		- Salaries and Allowances Act 1975.....
		Total.....
2	40	Western Australian Electoral Commission
		79 - Net amount appropriated to deliver services.....
		- Electoral Act 1907.....
		- Industrial Relations Act 1979.....
		- Salaries and Allowances Act 1975.....
		Total.....
TOTAL - PART 21.....		
PART 22 - MINISTER FOR TRANSPORT; PLANNING; LANDS		
2	41	Transport
		80 - Net amount appropriated to deliver services.....
		81 - Western Australian Coastal Shipping Commission.....
		126 - Capital Appropriation.....
		- Salaries and Allowances Act 1975.....
		Total.....
2	42	Commissioner of Main Roads
		82 - Net amount appropriated to deliver services.....
		- Capital Appropriation.....
		- Road Traffic Act 1974.....
		- Salaries and Allowances Act 1975.....
		- Road Traffic Act 1974.....
		Total.....

2015-16 Actual \$' 000	2016-17 Budget \$' 000	2016-17 Estimated Actual \$' 000	2017-18 Budget Estimate \$' 000	2018-19 Forward Estimate \$' 000	2019-20 Forward Estimate \$' 000	2020-21 Forward Estimate \$' 000
11,751	12,446	12,446	12,179	12,064	11,938	12,026
60	60	60	60	60	60	60
254	260	260	260	260	260	260
12,065	12,766	12,766	12,499	12,384	12,258	12,346
12,065	12,766	12,766	12,499	12,384	12,258	12,346
127,803	132,295	129,728	126,275	123,886	122,208	119,898
41,206	37,037	31,393	49,801	18,576	20,672	16,261
500	2,250	7,250	350	-	-	-
1,293	45	421	52	93	71	56
2,229	2,160	2,160	2,160	2,160	2,160	2,160
173,031	173,787	170,952	178,638	144,715	145,111	138,375
10,229	10,015	10,015	9,263	9,381	9,596	9,670
-	1,286	2,077	-	-	-	-
2,377	2,441	2,441	2,441	2,441	2,441	2,441
12,606	13,742	14,533	11,704	11,822	12,037	12,111
7,144	25,803	25,803	7,127	6,437	6,885	25,567
800	4,000	4,800	200	600	1,600	4,800
116	116	116	116	116	116	116
418	429	429	429	429	429	429
8,478	30,348	31,148	7,872	7,582	9,030	30,912
194,115	217,877	216,633	198,214	164,119	166,178	181,398
38,974	59,904	56,500	63,839	51,095	63,774	59,325
100	100	100	100	100	100	100
10,134	16,107	16,107	19,037	15,239	19,291	18,146
1,215	1,257	1,257	1,257	1,257	1,257	1,257
50,423	77,368	73,964	84,233	67,691	84,422	78,828
291,195	318,199	321,199	331,154	327,869	361,205	384,334
41,420	-	61,045	-	-	55,623	40,496
585,042	618,909	602,286	565,298	681,299	757,110	798,127
402	425	425	425	425	425	425
252,753	251,453	246,676	316,371	238,421	202,375	202,983
1,170,812	1,188,986	1,231,631	1,213,248	1,248,014	1,376,738	1,426,365

CONSOLIDATED ACCOUNT EXPENDITURE ESTIMATES

Vol	Division	Details
PART 22 - MINISTER FOR TRANSPORT; PLANNING; LANDS - continued		
2	43	Public Transport Authority of Western Australia
		- Salaries and Allowances Act 1975.....
	127	- Capital Appropriation.....
		Total.....
2	44	Western Australian Planning Commission
	83	- Net amount appropriated to deliver services.....
	128	- Capital Appropriation.....
		- Metropolitan Region Improvement Tax Act 1959.....
		Total.....
2	45	Western Australian Land Information Authority
	84	- Net amount appropriated to deliver services.....
		- Salaries and Allowances Act 1975.....
		- Transfer of Land Act 1893.....
		Total.....
TOTAL - PART 22.....		
PART 23 - MINISTER FOR WATER; FORESTRY; INNOVATION AND ICT; SCIENCE		
2	46	Office of the Government Chief Information Officer
	85	- Net amount appropriated to deliver services.....
	86	- Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....
		Total.....
2	47	Chemistry Centre (WA)
	87	- Net amount appropriated to deliver services.....
	129	- Capital Appropriation.....
		- Salaries and Allowances Act 1975.....
		Total.....
TOTAL - PART 23.....		
GRAND TOTAL.....		
Total Appropriation Bill No.1 - Recurrent Services.....		
Total Appropriation Bill No.2 - Capital Purposes.....		
Authorised by Other Statutes		
- Recurrent Services.....		
- Capital Purposes.....		
- Financing.....		
Total Authorised by Other Statutes.....		
GRAND TOTAL.....		

2015-16 Actual \$' 000	2016-17 Budget \$' 000	2016-17 Estimated Actual \$' 000	2017-18 Budget Estimate \$' 000	2018-19 Forward Estimate \$' 000	2019-20 Forward Estimate \$' 000	2020-21 Forward Estimate \$' 000
359	359	359	359	359	359	359
112,296	576,384	576,384	190,431	479,678	651,000	809,406
112,655	576,743	576,743	190,790	480,037	651,359	809,765
9,133	6,038	6,038	5,936	5,848	5,849	5,850
18,290	6,000	6,000	5,504	5,400	5,400	5,400
97,897	97,960	95,959	94,572	99,879	102,377	104,937
125,320	109,998	107,997	106,012	111,127	113,626	116,187
29,216	31,029	31,029	31,436	31,793	31,869	31,556
328	337	337	337	337	337	337
35	-	225	-	-	-	-
29,579	31,366	31,591	31,773	32,130	32,206	31,893
1,488,789	1,984,461	2,021,926	1,626,056	1,938,999	2,258,351	2,463,038
3,370	3,387	6,205	3,404	-	-	-
5,429	5,632	5,632	5,839	-	-	-
8,799	9,019	11,837	9,243	-	-	-
7,559	6,459	7,126	6,943	6,410	6,310	6,218
1,300	1,500	1,848	940	1,000	1,000	1,000
246	251	251	251	251	251	251
9,105	8,210	9,225	8,134	7,661	7,561	7,469
17,904	17,229	21,062	17,377	7,661	7,561	7,469
23,412,335	24,380,449	24,034,088	24,820,766	24,389,458	24,417,537	24,622,084
18,931,731	19,401,920	19,308,886	19,839,314	19,422,722	19,631,292	19,670,067
1,856,774	2,141,962	1,999,058	1,901,754	1,930,678	1,569,517	1,545,603
2,339,477	2,496,515	2,377,819	2,530,273	2,762,037	2,979,098	3,165,922
252,753	251,453	246,676	316,371	238,421	202,375	202,983
31,600	88,599	101,649	233,054	35,600	35,255	37,509
2,623,830	2,836,567	2,726,144	3,079,698	3,036,058	3,216,728	3,406,414
23,412,335	24,380,449	24,034,088	24,820,766	24,389,458	24,417,537	24,622,084

CHAPTER 2

NET APPROPRIATION DETERMINATIONS

NET APPROPRIATION DETERMINATIONS (a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
PART 1							
PARLIAMENT							
Legislative Council.....	197	130	130	130	130	130	130
Legislative Assembly.....	169	115	115	115	115	115	115
Parliamentary Services.....	1,260	565	565	565	565	565	565
Parliamentary Commissioner for Administrative Investigations	2,310	2,260	2,260	2,260	2,260	2,260	2,288
TOTAL - PART 1	3,936	3,070	3,070	3,070	3,070	3,070	3,098
PART 2							
PREMIER; MINISTER FOR PUBLIC SECTOR MANAGEMENT; FEDERAL-STATE RELATIONS							
Premier and Cabinet	11,860	12,270	16,707	11,096	11,055	11,055	11,055
Public Sector Commission.....	1,085	898	898	895	895	895	895
Governor's Establishment.....	259	178	178	190	190	190	190
Salaries and Allowances Tribunal	37	61	102	94	94	94	61
TOTAL - PART 2	13,241	13,407	17,885	12,275	12,234	12,234	12,201
PART 3							
MINISTER FOR STATE DEVELOPMENT; JOBS AND TRADE MINISTER FOR TOURISM; DEFENCE ISSUES MINISTER FOR COMMERCE AND INDUSTRIAL RELATIONS; ASIAN ENGAGEMENT MINISTER FOR INNOVATION AND ICT; SCIENCE							
Jobs, Tourism, Science and Innovation	14,327	14,286	13,751	14,339	11,568	10,545	10,075
TOTAL - PART 3	14,327	14,286	13,751	14,339	11,568	10,545	10,075
PART 4							
DEPUTY PREMIER; MINISTER FOR HEALTH; MENTAL HEALTH							
WA Health	500,938	400,599	422,467	472,034	222,138	185,716	187,771
Mental Health Commission	12,877	10,352	5,227	5,340	295	302	302
TOTAL - PART 4	513,815	410,951	427,694	477,374	222,433	186,018	188,073
PART 5							
MINISTER FOR EDUCATION AND TRAINING							
Education	983,250	1,033,267	1,034,056	1,074,762	1,115,221	1,158,081	1,240,822
Training and Workforce Development	275,743	291,101	281,601	236,149	241,603	244,357	246,557
TOTAL - PART 5	1,258,993	1,324,368	1,315,657	1,310,911	1,356,824	1,402,438	1,487,379
PART 6							
MINISTER FOR ENVIRONMENT MINISTER FOR TOURISM							
Biodiversity, Conservation and Attractions.....	110,474	93,020	94,351	90,341	90,512	90,650	90,750
TOTAL - PART 6	110,474	93,020	94,351	90,341	90,512	90,650	90,750

NET APPROPRIATION DETERMINATIONS (a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
PART 7							
MINISTER FOR ENVIRONMENT MINISTER FOR WATER							
Water and Environmental Regulation	110,764	113,637	112,765	117,531	118,133	118,668	117,398
TOTAL - PART 7	110,764	113,637	112,765	117,531	118,133	118,668	117,398
PART 8							
MINISTER FOR CHILD PROTECTION; WOMEN'S INTERESTS; PREVENTION OF FAMILY AND DOMESTIC VIOLENCE; COMMUNITY SERVICES MINISTER FOR SENIORS AND AGEING; VOLUNTEERING MINISTER FOR HOUSING; VETERANS ISSUES; YOUTH MINISTER FOR DISABILITY SERVICES							
Communities.....	86,996	82,936	92,517	91,335	72,284	69,134	68,560
TOTAL - PART 8	86,996	82,936	92,517	91,335	72,284	69,134	68,560
PART 9							
MINISTER FOR POLICE; ROAD SAFETY							
Western Australia Police.....	85,634	78,648	79,506	80,164	78,792	79,854	79,858
TOTAL - PART 9	85,634	78,648	79,506	80,164	78,792	79,854	79,858
PART 10							
MINISTER FOR REGIONAL DEVELOPMENT; AGRICULTURE AND FOOD MINISTER FOR FISHERIES							
Primary Industries and Regional Development	109,146	85,740	87,924	92,468	76,705	62,700	56,160
TOTAL - PART 10	109,146	85,740	87,924	92,468	76,705	62,700	56,160
PART 12							
MINISTER FOR EMERGENCY SERVICES; CORRECTIVE SERVICES							
Office of Emergency Management	2,980	3,673	6,563	5,169	3,324	3,132	3,132
Office of the Inspector of Custodial Services.....	135	47	49	47	47	47	47
TOTAL - PART 12	3,115	3,720	6,612	5,216	3,371	3,179	3,179
PART 13							
ATTORNEY GENERAL MINISTER FOR CORRECTIVE SERVICES							
Justice.....	226,882	221,077	212,625	216,622	213,020	213,268	215,143
TOTAL - PART 13	226,882	221,077	212,625	216,622	213,020	213,268	215,143

NET APPROPRIATION DETERMINATIONS (a)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
PART 14							
MINISTER FOR LOCAL GOVERNMENT; CULTURE AND THE ARTS							
MINISTER FOR SPORT AND RECREATION							
MINISTER FOR RACING AND GAMING; CITIZENSHIP AND MULTICULTURAL INTERESTS							
Local Government, Sport and Cultural Industries....	82,505	53,613	62,124	58,936	60,147	52,238	60,365
TOTAL - PART 14.....	82,505	53,613	62,124	58,936	60,147	52,238	60,365
PART 16							
MINISTER FOR PLANNING; LANDS							
MINISTER FOR HERITAGE							
MINISTER FOR ABORIGINAL AFFAIRS							
Planning, Lands and Heritage.....	62,324	61,543	60,655	64,815	61,459	62,070	62,403
TOTAL - PART 16.....	62,324	61,543	60,655	64,815	61,459	62,070	62,403
PART 17							
ATTORNEY GENERAL							
Commissioner for Equal Opportunity.....	327	288	288	294	296	299	302
Office of the Director of Public Prosecutions.....	6,021	4,279	4,929	5,984	5,984	5,984	5,984
Commissioner for Children and Young People.....	13	30	146	88	88	88	88
Office of the Information Commissioner.....	60	52	52	52	52	52	52
Parliamentary Inspector of the Corruption and Crime Commission.....	50	-	-	-	-	-	-
TOTAL - PART 17.....	6,471	4,649	5,415	6,418	6,420	6,423	6,426
PART 19							
TREASURER; MINISTER FOR FINANCE; ENERGY							
Treasury.....	1,007	598	3,158	4,490	4,835	4,745	4,094
Economic Regulation Authority.....	9,467	9,073	8,443	11,192	11,621	11,871	12,112
Office of the Auditor General.....	19,918	18,573	18,573	18,918	19,273	20,035	20,275
Finance.....	1,365,563	1,555,051	1,481,841	1,465,748	1,367,636	1,075,309	1,050,521
TOTAL - PART 19.....	1,395,955	1,583,295	1,512,015	1,500,348	1,403,365	1,111,960	1,087,002
PART 21							
MINISTER FOR MINES AND PETROLEUM; COMMERCE AND INDUSTRIAL RELATIONS; ELECTORAL AFFAIRS							
Mines, Industry Regulation and Safety.....	124,875	125,550	113,868	116,675	119,051	120,946	121,368
Registrar, Western Australian Industrial Relations Commission.....	633	583	583	583	583	583	583
Western Australian Electoral Commission.....	5,446	170	1,155	3,115	790	3,115	884
TOTAL - PART 21.....	130,954	126,303	115,606	120,373	120,424	124,644	122,835

NET APPROPRIATION DETERMINATIONS ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
PART 22							
MINISTER FOR TRANSPORT; PLANNING; LANDS							
Transport.....	359,863	362,955	359,683	359,683	356,706	363,115	366,553
TOTAL - PART 22	359,863	362,955	359,683	359,683	356,706	363,115	366,553
PART 23							
MINISTER FOR WATER; FORESTRY; INNOVATION AND ICT; SCIENCE							
Office of the Government Chief Information Officer	318	1,344	4,099	7,251	-	-	-
TOTAL - PART 23	318	1,344	4,099	7,251	-	-	-
GRAND TOTAL.....	4,575,713	4,638,562	4,583,954	4,629,470	4,267,467	3,972,208	4,037,458

(a) For detailed Net Appropriation Determinations, please refer to individual Agency Budget Statements in Chapter 3: Agency Information in Support of the Estimates.

CHAPTER 3

AGENCY INFORMATION IN SUPPORT OF THE ESTIMATES

Part 1 - 12

Part 1

Parliament

Summary of Portfolio Appropriations

Agency	2016-17 Budget \$'000	2016-17 Estimated Actual '000	2017-18 Budget Estimate '000
Legislative Council			
– Delivery of Services	19,267	19,423	19,166
Total	19,267	19,423	19,166
Legislative Assembly			
– Delivery of Services	27,400	28,062	27,510
Total	27,400	28,062	27,510
Parliamentary Services			
– Delivery of Services	16,704	16,704	17,522
– Capital Appropriation	1,000	1,000	1,000
Total	17,704	17,704	18,522
Parliamentary Commissioner for Administrative Investigations			
– Delivery of Services	8,166	8,166	7,719
Total	8,166	8,166	7,719
GRAND TOTAL			
– Delivery of Services	71,537	72,355	71,917
– Capital Appropriation	1,000	1,000	1,000
Total.....	72,537	73,355	72,917

Division 1 Parliament

Part 1 Parliament

Appropriations, Expenses and Cash Assets

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Legislative Council							
Item 1 Net amount appropriated to deliver services	5,879	5,844	5,844	5,889	5,978	6,119	6,201
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	12,325	13,423	13,579	13,277	13,505	13,548	14,335
Total appropriations provided to deliver services.....	18,204	19,267	19,423	19,166	19,483	19,667	20,536
Legislative Assembly							
Item 2 Net amount appropriated to deliver services	5,758	5,888	5,888	6,134	6,212	6,359	6,442
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	19,812	21,512	22,174	21,376	21,475	21,497	22,673
Total appropriations provided to deliver services.....	25,570	27,400	28,062	27,510	27,687	27,856	29,115
Parliamentary Services							
Item 3 Net amount appropriated to deliver services	16,579	16,704	16,704	17,522	17,613	17,837	18,091
Total appropriations provided to deliver services.....	16,579	16,704	16,704	17,522	17,613	17,837	18,091
CAPITAL							
Parliamentary Services							
Item 88 Capital Appropriation	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Total Capital Appropriation.....	1,000	1,000	1,000	1,000	1,000	1,000	1,000
GRAND TOTAL	61,353	64,371	65,189	65,198	65,783	66,360	68,742

Division 1 Legislative Council

Part 1 Parliament

Appropriations, Expenses and Cash Assets

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 1 Net amount appropriated to deliver services	5,879	5,844	5,844	5,889	5,978	6,119	6,201
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	12,325	13,423	13,579	13,277	13,505	13,548	14,335
Total appropriations provided to deliver services.....	18,204	19,267	19,423	19,166	19,483	19,667	20,536
TOTAL APPROPRIATIONS	18,204	19,267	19,423	19,166	19,483	19,667	20,536
EXPENSES							
Total Cost of Services.....	18,612	20,274	20,430	20,199	20,543	20,727	21,596
Net Cost of Services ^(a)	18,609	20,274	20,430	20,199	20,543	20,727	21,596
CASH ASSETS ^(b)	1,538	1,007	1,545	1,551	1,557	1,557	1,557

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

(b) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
2017-18 Streamlined Budget Process Incentive Funding.....	-	58	-	-	-
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(50)	(256)	(458)	(712)
Salaries and Allowances Tribunal Determination - Salaries, Superannuation and Allowances Changes 2016.....	156	420	532	447	1,285

Outcomes, Services and Key Performance Information

The Department is not part of the State public service or a government agency.

The Department services the needs of Members of Parliament, irrespective of their political affiliation, through two specific roles that are undertaken to meet its single desired outcome.

Desired Outcome	Services
The Legislative Council Members' requirements are met.	1. Support the Chamber Operations of the Legislative Council 2. Support the Committees of the Legislative Council

Service Summary

Expense	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
1. Support the Chamber Operations of the Legislative Council.....	1,542	1,846	1,846	1,919	1,918	1,958	1,984
2. Support the Committees of the Legislative Council.....	3,842	3,901	3,901	3,970	4,060	4,161	4,217
3. Other Services ^(a)	980	1,104	1,104	1,033	1,060	1,060	1,060
4. Salaries and Allowances Act 1975.....	12,248	13,423	13,579	13,277	13,505	13,548	14,335
Total Cost of Services	18,612	20,274	20,430	20,199	20,543	20,727	21,596

(a) Other Services comprises of costs of services provided free of charge by the Parliamentary Services Department and Commonwealth Parliamentary Association (CPA) Grants expenses.

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16	2016-17	2016-17	2017-18	Note
	Actual	Budget	Estimated Actual	Budget Target	
Outcome: The Legislative Council Members' requirements are met:					
Average Member rating for procedural advice - House ^(b)	87%	85%	85%	85%	
Average Member rating for procedural advice - Committees ^(b)	88%	85%	85%	85%	
Average Member rating for administrative support ^(b)	86%	85%	85%	85%	
Proportion of Parliamentary documents produced and delivered within agreed timeframes established by the House ^(c)	100%	100%	100%	100%	

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

(b) The measures for Member rating of service performance represent the minimum threshold considered appropriate by the Department.

(c) The measure for timeliness of delivery of the Parliament documents has been set at 100% as this is considered critical to the operation of the Chamber, and is considered to be achievable in the absence of extraordinary circumstances.

Services and Key Efficiency Indicators

1. Support the Chamber Operations of the Legislative Council ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 1,542	\$'000 1,846	\$'000 1,846	\$'000 1,919	
Less Income.....	3	-	-	-	
Net Cost of Service.....	1,539	1,846	1,846	1,919	
Employees (Full Time Equivalents).....	10	11	11	11	
Efficiency Indicator					
Average Cost per Legislative Council Member per Sitting.....	\$738	\$1,140	\$1,140	\$987	1

(a) This table excludes amounts provided under the *Salaries and Allowances Act 1975*, costs of services provided free of charge by the Parliamentary Services Department and CPA Grant expense.

Explanation of significant movements

(Notes)

- The number of sitting days varies from year to year. In 2015-16, the Legislative Council sat for 58 days. The 2016-17 Budget and the 2016-17 Estimated Actual estimated 45 days due to the March 2017 State General Election. In 2017-18, the House is expected to sit for 54 days. There are 36 Members of the Legislative Council.

2. Support the Committees of the Legislative Council ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 3,842	\$'000 3,901	\$'000 3,901	\$'000 3,970	
Less Income.....	-	-	-	-	
Net Cost of Service.....	3,842	3,901	3,901	3,970	
Employees (Full Time Equivalents).....	20	20	20	20	
Efficiency Indicator					
Average Cost of Providing Procedural and Administrative Support to Each Committee.....	\$426,889	\$487,625	\$487,625	\$397,000	1

(a) This table excludes amounts provided under the *Salaries and Allowances Act 1975*, costs of services provided free of charge by the Parliamentary Services Department and CPA Grant expense.

Explanation of significant movements

(Notes)

- Costs have been calculated on eight committees in the 2016-17 Estimated Actual and on ten committees in the 2017-18 Budget Target. It is acknowledged that the House establishes the number of committees and the Legislative Council incurs significant fixed costs, irrespective of the number of committees.

Financial Statements

INCOME STATEMENT ^(a) (Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	15,929	17,290	17,451	17,219	17,577	17,753	18,603
Grants and subsidies ^(c)	97	97	97	-	-	-	-
Supplies and services	978	1,123	1,125	1,169	1,117	1,122	1,134
Accommodation	652	672	672	699	717	718	724
Depreciation and amortisation	2	-	-	-	-	-	-
Other expenses	954	1,092	1,085	1,112	1,132	1,134	1,135
TOTAL COST OF SERVICES	18,612	20,274	20,430	20,199	20,543	20,727	21,596
Income							
Other revenue	3	-	-	-	-	-	-
Total Income.....	3	-	-	-	-	-	-
NET COST OF SERVICES	18,609	20,274	20,430	20,199	20,543	20,727	21,596
INCOME FROM STATE GOVERNMENT							
Service appropriations	18,204	19,267	19,423	19,166	19,483	19,667	20,536
Resources received free of charge	892	1,007	1,007	1,033	1,060	1,060	1,060
TOTAL INCOME FROM STATE GOVERNMENT	19,096	20,274	20,430	20,199	20,543	20,727	21,596
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	487	-	-	-	-	-	-

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

(b) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 30, 31 and 31 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Commonwealth Parliamentary Association Grant.....	97	97	97	-	-	-	-
TOTAL	97	97	97	-	-	-	-

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	1,538	989	1,527	1,515	1,503	1,485	1,467
Receivables	28	49	31	31	31	31	31
Other.....	107	137	104	105	105	105	105
Total current assets	1,673	1,175	1,662	1,651	1,639	1,621	1,603
NON-CURRENT ASSETS							
Holding account receivables.....	168	168	168	168	168	168	168
Property, plant and equipment.....	88	81	88	88	88	88	88
Restricted cash	-	18	18	36	54	72	90
Other.....	92	82	92	92	92	92	92
Total non-current assets	348	349	366	384	402	420	438
TOTAL ASSETS	2,021	1,524	2,028	2,035	2,041	2,041	2,041
CURRENT LIABILITIES							
Employee provisions	613	694	613	613	613	613	613
Payables.....	74	15	79	65	65	65	65
Other.....	44	38	45	66	72	72	72
Total current liabilities	731	747	737	744	750	750	750
NON-CURRENT LIABILITIES							
Employee provisions	180	148	180	180	180	180	180
Other.....	1	3	2	2	2	2	2
Total non-current liabilities	181	151	182	182	182	182	182
TOTAL LIABILITIES.....	912	898	919	926	932	932	932
EQUITY							
Accumulated surplus/(deficit).....	1,077	591	1,077	1,077	1,077	1,077	1,077
Reserves.....	32	35	32	32	32	32	32
Total equity	1,109	626	1,109	1,109	1,109	1,109	1,109
TOTAL LIABILITIES AND EQUITY	2,021	1,524	2,028	2,035	2,041	2,041	2,041

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	18,204	19,267	19,423	19,166	19,483	19,667	20,536
Net cash provided by State Government.....	18,204	19,267	19,423	19,166	19,483	19,667	20,536
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(16,055)	(17,281)	(17,442)	(17,176)	(17,524)	(17,753)	(18,603)
Grants and subsidies.....	(97)	(97)	(97)	-	-	-	-
Supplies and services	(899)	(1,123)	(1,125)	(1,169)	(1,117)	(1,122)	(1,134)
Accommodation	(696)	(672)	(672)	(699)	(717)	(706)	(712)
Other payments.....	(241)	(217)	(210)	(246)	(249)	(216)	(217)
Receipts ^(b)							
GST receipts.....	175	130	130	130	130	130	130
Other receipts	22	-	-	-	-	-	-
Net cash from operating activities	(17,791)	(19,260)	(19,416)	(19,160)	(19,477)	(19,667)	(20,536)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(23)	-	-	-	-	-	-
Net cash from investing activities.....	(23)	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	390	7	7	6	6	-	-
Cash assets at the beginning of the reporting period	1,148	1,000	1,538	1,545	1,551	1,557	1,557
Cash assets at the end of the reporting period	1,538	1,007	1,545	1,551	1,557	1,557	1,557

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

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

NET APPROPRIATION DETERMINATION ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
GST Receipts							
GST Receipts from Australian Taxation Office....	166	130	130	130	130	130	130
GST Receipts on Sales	9	-	-	-	-	-	-
Other Receipts							
Other Receipts.....	22	-	-	-	-	-	-
TOTAL	197	130	130	130	130	130	130

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

Division 1 Legislative Assembly

Part 1 Parliament

Appropriations, Expenses and Cash Assets

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 2 Net amount appropriated to deliver services	5,758	5,888	5,888	6,134	6,212	6,359	6,442
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	19,812	21,512	22,174	21,376	21,475	21,497	22,673
Total appropriations provided to deliver services.....	25,570	27,400	28,062	27,510	27,687	27,856	29,115
TOTAL APPROPRIATIONS	25,570	27,400	28,062	27,510	27,687	27,856	29,115
EXPENSES							
Total Cost of Services.....	25,977	28,644	29,306	28,786	28,996	29,165	30,424
Net Cost of Services ^(a)	25,972	28,644	29,306	28,786	28,996	29,165	30,424
CASH ASSETS ^(b)	2,283	1,827	2,301	2,301	2,301	2,301	2,301

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

(b) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
2017-18 Streamlined Budget Process Incentive Funding.....	-	61	-	-	-
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(118)	(479)	(807)	(1,193)
Salaries and Allowances Tribunal Determination - Salaries, Superannuation and Allowances Changes 2016.....	662	988	936	762	2,001

Outcomes, Services and Key Performance Information

The Department is not part of the State Public Service or a government agency.

The Department services the needs of Members of Parliament, supporting a broad, high-level goal of supporting governance for all Western Australians.

Desired Outcome	Service
Legislative Assembly Members' requirements are met.	1. Support the Operations of the Legislative Assembly

Service Summary

Expense	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
1. Support the Operations of the Legislative Assembly.....	5,106	5,888	5,888	6,046	6,124	6,271	6,354
2. Other Services.....	1,071	1,244	1,244	1,364	1,397	1,397	1,397
3. Salaries and Allowances Act 1975.....	19,800	21,512	22,174	21,376	21,475	21,497	22,673
Total Cost of Services	25,977	28,644	29,306	28,786	28,996	29,165	30,424

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: Legislative Assembly Members' requirements are met:					
Average members' rating for advice.....	95%	90%	90%	90%	
Average members' rating for administrative support.....	95%	90%	90%	90%	

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

Services and Key Efficiency Indicators

1. Support the Operations of the Legislative Assembly

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 5,106	\$'000 5,888	\$'000 5,888	\$'000 6,046	
Less Income.....	5	-	-	-	
Net Cost of Service.....	5,101	5,888	5,888	6,046	
Employees (Full Time Equivalents).....	27	28	28	28	
Efficiency Indicator					
Average Cost per Member of the Legislative Assembly.....	\$86,542	\$99,797	\$99,797	\$102,475	

Financial Statements

INCOME STATEMENT ^(a) (Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	22,776	25,034	25,700	24,967	25,201	25,363	26,597
Grants and subsidies ^(c)	-	-	-	100	101	101	101
Supplies and services	1,262	1,462	1,463	1,516	1,436	1,432	1,452
Accommodation	762	799	799	830	863	868	873
Depreciation and amortisation	20	17	17	16	5	5	5
Other expenses	1,157	1,332	1,327	1,357	1,390	1,396	1,396
TOTAL COST OF SERVICES	25,977	28,644	29,306	28,786	28,996	29,165	30,424
Income							
Other revenue	5	-	-	-	-	-	-
Total Income.....	5	-	-	-	-	-	-
NET COST OF SERVICES	25,972	28,644	29,306	28,786	28,996	29,165	30,424
INCOME FROM STATE GOVERNMENT							
Service appropriations	25,570	27,400	28,062	27,510	27,687	27,856	29,115
Resources received free of charge	1,080	1,244	1,244	1,276	1,309	1,309	1,309
TOTAL INCOME FROM STATE GOVERNMENT	26,650	28,644	29,306	28,786	28,996	29,165	30,424
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	678	-	-	-	-	-	-

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

(b) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 27, 28 and 28 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Commonwealth Parliamentary Association.....	-	-	-	100	101	101	101
TOTAL	-	-	-	100	101	101	101

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	2,283	1,811	2,285	2,269	2,253	2,237	2,221
Receivables	79	24	84	84	84	84	84
Other.....	73	64	68	68	68	68	68
Total current assets	2,435	1,899	2,437	2,421	2,405	2,389	2,373
NON-CURRENT ASSETS							
Holding account receivables.....	465	482	482	498	503	508	513
Property, plant and equipment.....	82	61	65	49	44	39	34
Restricted cash	-	16	16	32	48	64	80
Other.....	818	341	818	818	818	818	818
Total non-current assets	1,365	900	1,381	1,397	1,413	1,429	1,445
TOTAL ASSETS	3,800	2,799	3,818	3,818	3,818	3,818	3,818
CURRENT LIABILITIES							
Employee provisions	634	697	634	634	634	634	634
Payables.....	94	228	120	128	117	106	95
Other.....	59	38	59	51	62	73	84
Total current liabilities	787	963	813	813	813	813	813
NON-CURRENT LIABILITIES							
Employee provisions	142	129	142	142	142	142	142
Other.....	9	1	1	1	1	1	1
Total non-current liabilities	151	130	143	143	143	143	143
TOTAL LIABILITIES.....	938	1,093	956	956	956	956	956
EQUITY							
Accumulated surplus/(deficit).....	2,280	1,602	2,280	2,280	2,280	2,280	2,280
Reserves.....	582	104	582	582	582	582	582
Total equity	2,862	1,706	2,862	2,862	2,862	2,862	2,862
TOTAL LIABILITIES AND EQUITY	3,800	2,799	3,818	3,818	3,818	3,818	3,818

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	25,553	27,383	28,045	27,494	27,682	27,851	29,110
Net cash provided by State Government.....	25,553	27,383	28,045	27,494	27,682	27,851	29,110
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(22,980)	(25,018)	(25,684)	(24,926)	(25,152)	(25,350)	(26,584)
Grants and subsidies.....	-	-	-	(100)	(101)	(101)	(101)
Supplies and services.....	(1,351)	(1,462)	(1,463)	(1,513)	(1,433)	(1,447)	(1,467)
Accommodation.....	(771)	(799)	(799)	(830)	(863)	(864)	(869)
Other payments.....	(290)	(201)	(196)	(240)	(248)	(204)	(204)
Receipts ^(b)							
GST receipts.....	164	115	115	115	115	115	115
Other receipts.....	5	-	-	-	-	-	-
Net cash from operating activities.....	(25,223)	(27,365)	(28,027)	(27,494)	(27,682)	(27,851)	(29,110)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(21)	-	-	-	-	-	-
Net cash from investing activities.....	(21)	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD.....							
	309	18	18	-	-	-	-
Cash assets at the beginning of the reporting period.....	1,974	1,809	2,283	2,301	2,301	2,301	2,301
Cash assets at the end of the reporting period.....	2,283	1,827	2,301	2,301	2,301	2,301	2,301

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

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

NET APPROPRIATION DETERMINATION ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
GST Receipts							
GST Receipts from the Australian Taxation Office.....	152	115	115	115	115	115	115
GST Receipts on Sales.....	12	-	-	-	-	-	-
Other Receipts							
Other Receipts.....	5	-	-	-	-	-	-
TOTAL.....	169	115	115	115	115	115	115

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

Division 1 Parliamentary Services

Part 1 Parliament

Appropriations, Expenses and Cash Assets

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 3 Net amount appropriated to deliver services	16,579	16,704	16,704	17,522	17,613	17,837	18,091
Total appropriations provided to deliver services.....	16,579	16,704	16,704	17,522	17,613	17,837	18,091
CAPITAL							
Item 88 Capital Appropriation	1,000	1,000	1,000	1,000	1,000	1,000	1,000
TOTAL APPROPRIATIONS	17,579	17,704	17,704	18,522	18,613	18,837	19,091
EXPENSES							
Total Cost of Services.....	15,947	16,744	16,744	17,563	17,655	17,850	18,104
Net Cost of Services ^(a)	15,352	16,744	16,744	17,563	17,655	17,850	18,104
CASH ASSETS ^(b)	692	501	660	660	660	660	660

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

(b) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
2017-18 Streamlined Budget Process Incentive Funding	-	157	-	-	-

Outcomes, Services and Key Performance Information

The Department is not part of the State Public Service or a government agency.

The Department provides apolitical ancillary services to Members of Parliament, Chamber Departments, Parliamentary staff and other users through two specific service roles that are undertaken to meet the Department's single desired outcome. In doing so, the Department supports a broad, high-level goal that reflects its service provision role.

Desired Outcome	Services
Infrastructure, facilities, information and services that meet the needs of stakeholders.	1. Provision of Infrastructure and Facilities 2. Provision of Information and Services

Service Summary

Expense	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
1. Provision of Infrastructure and Facilities	5,421	5,636	5,636	6,308	6,356	6,426	6,517
2. Provision of Information and Services.....	10,526	11,108	11,108	11,255	11,299	11,424	11,587
Total Cost of Services	15,947	16,744	16,744	17,563	17,655	17,850	18,104

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

	2015-16	2016-17	2016-17	2017-18	Note
	Actual	Budget	Estimated Actual	Budget Target	
Outcome: Infrastructure, facilities, information and services that meet the needs of stakeholders:					
Average Member rating of infrastructure and facilities	96%	90%	90%	90%	
Availability of infrastructure and facilities	98%	95%	95%	95%	
Average Member rating of information and services	97%	90%	90%	90%	
Availability of information and services	99%	95%	95%	95%	
Average Presiding Officer and staff rating for infrastructure, facilities, information and services.....	97%	95%	95%	95%	

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

(b) These measures represent a threshold of minimum acceptable performance in the effective delivery of services. It is expected that actual performance may exceed these targets.

Services and Key Efficiency Indicators

1. Provision of Infrastructure and Facilities

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 5,421	\$'000 5,636	\$'000 5,636	\$'000 6,308	
Less Income.....	583	-	-	-	
Net Cost of Service.....	4,838	5,636	5,636	6,308	
Employees (Full Time Equivalents).....	20	21	21	20	
Efficiency Indicators					
Average Cost per Member of Parliament and Chamber Departments'					
Employee for Providing Infrastructure and Facilities.....	\$34,640	\$35,581	\$35,581	\$39,823	1
Percentage of Variable Costs Expended to Maintain Parliament House					
Building and Grounds.....	21%	25%	25%	17%	2

Explanation of Significant Movements

(Notes)

1. The number of Members and Chamber Departments' employees used in these calculations was 157 for the 2015-16 Actual and 158 for the 2016-17 Budget, 2016-17 Estimated Actual, and 2017-18 Budget Target.
2. Variable costs represent the Department's total recurrent funds less staffing costs, statutory charges and contractual obligations.

2. Provision of Information and Services

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 10,526	\$'000 11,108	\$'000 11,108	\$'000 11,255	
Less Income.....	12	-	-	-	
Net Cost of Service.....	10,514	11,108	11,108	11,255	
Employees (Full Time Equivalents).....	87	87	87	88	
Efficiency Indicators					
Average Cost per Member of Parliament and Chamber Departments'					
Employee for Providing Information and Services.....	\$46,820	\$52,887	\$52,887	\$47,262	1
Average Cost of Services per Sitting Day.....	\$47,733	\$53,544	\$53,544	\$50,250	
Average Cost per Student/Member of the Public to Promote Knowledge and Awareness of the Work of the Parliament.....	\$23.95	\$29.23	\$29.23	\$28.77	2

Explanation of Significant Movements

(Notes)

1. The number of Members and Chamber Departments' employees used in these calculations was 157 for the 2015-16 Actual and 158 for the 2016-17 Budget, 2016-17 Estimated Actual, and 2017-18 Budget Target.
2. The number of sitting days used in these calculations were 67 for the 2015-16 Actual, 51 for the 2016-17 Budget and 2016-17 Estimated Actual, and 75 for the 2017-18 Budget Target.

Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
WORKS IN PROGRESS							
Infrastructure and Equipment							
Asset Refurbishment and Replacement Program.....	15,709	8,709	1,032	1,000	1,000	1,000	1,000
Total Cost of Asset Investment Program.....	15,709	8,709	1,032	1,000	1,000	1,000	1,000
FUNDED BY							
Capital Appropriation			1,000	1,000	1,000	1,000	1,000
Internal Funds and Balances.....			32	-	-	-	-
Total Funding.....			1,032	1,000	1,000	1,000	1,000

Financial Statements

INCOME STATEMENT ^(a) (Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	10,624	11,195	11,195	11,489	11,615	11,866	12,044
Supplies and services	2,137	2,525	2,525	2,633	2,663	2,693	2,688
Accommodation	1,585	1,633	1,633	1,676	1,720	1,723	1,773
Depreciation and amortisation.....	1,400	1,219	1,219	1,649	1,504	1,394	1,424
Other expenses.....	201	172	172	116	153	174	175
TOTAL COST OF SERVICES	15,947	16,744	16,744	17,563	17,655	17,850	18,104
Income							
Other revenue ^(c)	595	-	-	-	-	-	-
Total Income.....	595	-	-	-	-	-	-
NET COST OF SERVICES	15,352	16,744	16,744	17,563	17,655	17,850	18,104
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	16,579	16,704	16,704	17,522	17,613	17,837	18,091
Resources received free of charge	10	11	11	12	13	13	13
TOTAL INCOME FROM STATE GOVERNMENT	16,589	16,715	16,715	17,534	17,626	17,850	18,104
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	1,237	(29)	(29)	(29)	(29)	-	-

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

(b) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 107, 108 and 108 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

(c) Reflects contributions toward specific projects requested by Chamber Departments.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	692	449	608	555	501	446	390
Receivables	119	144	119	119	119	119	119
Other.....	321	159	337	337	337	337	379
Total current assets	1,132	752	1,064	1,011	957	902	888
NON-CURRENT ASSETS							
Holding account receivables.....	10,423	11,642	11,642	13,291	14,795	16,189	17,613
Property, plant and equipment.....	69,283	65,150	69,884	69,976	70,085	70,302	70,501
Intangibles	56	102	59	94	113	136	146
Restricted cash	-	52	52	105	159	214	270
Other.....	2,246	1,287	2,036	1,895	1,894	1,893	1,893
Total non-current assets	82,008	78,233	83,673	85,361	87,046	88,734	90,423
TOTAL ASSETS	83,140	78,985	84,737	86,372	88,003	89,636	91,311
CURRENT LIABILITIES							
Employee provisions	1,863	1,847	1,844	1,844	1,844	1,844	1,844
Payables	420	342	443	476	464	422	422
Other.....	183	96	212	208	249	291	333
Total current liabilities	2,466	2,285	2,499	2,528	2,557	2,557	2,599
NON-CURRENT LIABILITIES							
Employee provisions	165	162	164	164	164	164	164
Other.....	4	1	1	1	1	1	1
Total non-current liabilities	169	163	165	165	165	165	165
TOTAL LIABILITIES.....	2,635	2,448	2,665	2,693	2,722	2,722	2,764
EQUITY							
Contributed equity	23,456	24,456	24,456	25,456	26,456	27,456	28,456
Accumulated surplus/(deficit).....	7,862	6,567	7,834	7,805	7,776	7,776	7,776
Reserves.....	49,186	45,514	49,783	50,418	51,049	51,682	52,315
Total equity	80,505	76,537	82,073	83,679	85,281	86,914	88,547
TOTAL LIABILITIES AND EQUITY	83,140	78,985	84,737	86,372	88,003	89,636	91,311

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	15,225	15,485	15,485	15,873	16,109	16,443	16,667
Capital appropriation.....	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Net cash provided by State Government.....	16,225	16,485	16,485	16,873	17,109	17,443	17,667
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(10,781)	(11,157)	(11,157)	(11,440)	(11,566)	(11,866)	(12,044)
Supplies and services.....	(2,173)	(2,525)	(2,525)	(2,633)	(2,663)	(2,693)	(2,688)
Accommodation.....	(1,581)	(1,631)	(1,631)	(1,673)	(1,716)	(1,710)	(1,760)
Other payments.....	(818)	(737)	(737)	(692)	(729)	(739)	(740)
Receipts ^(b)							
GST receipts.....	667	565	565	565	565	565	565
Other receipts.....	593	-	-	-	-	-	-
Net cash from operating activities.....	(14,093)	(15,485)	(15,485)	(15,873)	(16,109)	(16,443)	(16,667)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(2,494)	(1,000)	(1,032)	(1,000)	(1,000)	(1,000)	(1,000)
Net cash from investing activities.....	(2,494)	(1,000)	(1,032)	(1,000)	(1,000)	(1,000)	(1,000)
NET INCREASE/(DECREASE) IN CASH HELD.....	(362)	-	(32)	-	-	-	-
Cash assets at the beginning of the reporting period.....	1,054	501	692	660	660	660	660
Cash assets at the end of the reporting period.....	692	501	660	660	660	660	660

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

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

NET APPROPRIATION DETERMINATION ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
GST Receipts							
GST Receipts from Australian Taxation Office.....	596	565	565	565	565	565	565
GST Receipts on Sales.....	71	-	-	-	-	-	-
Other Receipts							
Other Receipts.....	593	-	-	-	-	-	-
TOTAL.....	1,260	565	565	565	565	565	565

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

Division 2 Parliamentary Commissioner for Administrative Investigations

Part 1 Parliament

Appropriations, Expenses and Cash Assets

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 4 Net amount appropriated to deliver services	7,982	7,507	7,507	7,060	6,913	6,969	7,048
Amount Authorised by Other Statutes - Parliamentary Commissioner Act 1971.....	659	659	659	659	659	659	659
Total appropriations provided to deliver services.....	8,641	8,166	8,166	7,719	7,572	7,628	7,707
TOTAL APPROPRIATIONS	8,641	8,166	8,166	7,719	7,572	7,628	7,707
EXPENSES							
Total Cost of Services.....	10,662	10,595	10,904	10,148	10,001	10,057	10,164
Net Cost of Services ^(a)	8,614	8,606	8,915	8,159	8,012	8,068	8,147
CASH ASSETS ^(b)	2,342	1,712	1,959	1,979	1,999	1,985	2,005

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

(b) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
2017-18 Streamlined Budget Process Incentive Funding	-	68	-	-	-
Revision to Indexation for Non-Salary Expenses	-	-	(55)	(78)	(101)

Significant Issues Impacting the Agency

- Timely investigation and resolution of complaints is a significant factor in providing effective and efficient assistance to complainants and improvements to the standard of public administration. In 2016-17, 94% of complaints were resolved within three months and, as at 30 June 2017, the average age of complaints was 32 days (compared to 173 days at 30 June 2007).
- The Office undertakes important roles in relation to the review of certain child deaths and family and domestic violence fatalities. In 2016-17, timely review processes have resulted in nearly two-thirds of all reviews being completed within six months. In response to the issues identified in reviews, the Office makes recommendations about ways to prevent or reduce child deaths and family and domestic violence fatalities, including 40 recommendations in 2016-17. The Office also undertakes major own motion investigations into ways to prevent or reduce child deaths and family and domestic violence fatalities.
- The Office has continued its program to enhance awareness of, and accessibility to, its services by Aboriginal and regional Western Australians through a range of strategies, including the Office's Regional Awareness and Accessibility program. In addition, the Office has continued work on a program to enhance awareness of, and accessibility to, its services for children and young people, including a dedicated visiting program to vulnerable groups of children and young people in the child protection system and a range of strategies to enhance awareness of, and access to, the Office's services for children and young people. The Office also continues to engage effectively with public authorities to strengthen the Office's capacity in complaint handling and decision-making through a range of mechanisms.
- In addition to investigating complaints, reviewing certain child deaths and family and domestic violence fatalities, and undertaking major investigations, the Office undertakes a range of functions, including the inspection of telecommunication interception records and overseas student appeals. Over the past decade, the Office has undertaken a range of new functions, including monitoring and reporting under the *Criminal Organisations Control Act 2012* and in relation to the Infringement Notices provisions of *The Criminal Code*. In 2016-17, the Office undertook significant work on a major report on the monitoring of the Infringement Notices provisions of *The Criminal Code* to be provided, in accordance with *The Criminal Code*, to the Minister for Police in 2017-18.

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcome	Service
Strong Communities: Safe communities and supported families.	The public sector of Western Australia is accountable for, and is improving the standard of, administrative decision-making, practices and conduct.	1. Resolving Complaints about Decision-Making of Public Authorities and Improving the Standard of Public Administration

Service Summary

Expense	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
1. Resolving Complaints about Decision-Making of Public Authorities and Improving the Standard of Public Administration.....	10,662	10,595	10,904	10,148	10,001	10,057	10,164
Total Cost of Services	10,662	10,595	10,904	10,148	10,001	10,057	10,164

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: The public sector of Western Australia is accountable for, and is improving the standard of, administrative decision-making, practices and conduct:					
Where the Ombudsman made recommendations to improve practices or procedures, the percentage of recommendations accepted by agencies.....	100%	100%	100%	100%	
Number of improvements to practices or procedures as a result of Ombudsman action.....	156	100	109	100	

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

Services and Key Efficiency Indicators**1. Resolving Complaints about Decision-Making of Public Authorities and Improving the Standard of Public Administration**

Investigating and resolving complaints from members of the public about Western Australian public authorities and improving the standard of public administration by identifying and investigating concerns that affect the broader community, making recommendations for improvement and identifying and promoting good decision-making and practices.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 10,662	\$'000 10,595	\$'000 10,904	\$'000 10,148	
Less Income.....	2,048	1,989	1,989	1,989	
Net Cost of Service.....	8,614	8,606	8,915	8,159	
Employees (Full Time Equivalents).....	65	67	68	65	
Efficiency Indicators					
Percentage of Allegations Finalised within Three Months.....	95%	95%	94%	95%	
Percentage of Allegations Finalised within 12 Months.....	100%	100%	100%	100%	
Percentage of Allegations on Hand at 30 June Less Than Three Months Old.....	93%	90%	94%	90%	
Percentage of Allegations on Hand at 30 June Less Than 12 Months Old....	100%	100%	100%	100%	
Average Cost per Finalised Allegation.....	\$1,886	\$1,890	\$1,889	\$1,890	
Average Cost per Finalised Notification of Death.....	\$18,597	\$18,950	\$16,731	\$17,500	1
Cost to Monitor the Infringement Notices Provisions of The Criminal Code...	\$851,068	\$557,000	\$549,267	n/a	2
Cost of Monitoring and Inspection Functions.....	\$413,821	\$415,000	\$412,129	\$415,000	

Explanation of Significant Movements

(Notes)

1. The 2016-17 Estimated Actual Average Cost per Finalised Notification of Death improved compared to the 2016-17 Budget and the 2015-16 Actual, reflecting continuous improvement of the finalisation of notifications.
2. There is no 2017-18 Budget Target as 2016-17 is the final year of funding for this function.

Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement - 2016-17 Program.....	302	302	302	-	-	-	-
NEW WORKS							
Asset Replacement							
2017-18 Program.....	208	-	-	208	-	-	-
2018-19 Program.....	208	-	-	-	208	-	-
2019-20 Program.....	242	-	-	-	-	242	-
2020-21 Program.....	208	-	-	-	-	-	208
Total Cost of Asset Investment Program.....	1,168	302	302	208	208	242	208
FUNDED BY							
Drawdowns from the Holding Account.....			208	208	208	208	208
Internal Funds and Balances.....			94	-	-	34	-
Total Funding.....			302	208	208	242	208

Financial Statements

Income Statement

Expenses

The variance in the Total Cost of Services between the 2016-17 Estimated Actual and the 2016-17 Budget reflects the reflow of unspent expenditure from 2014-15 to 2016-17 for the Office's function to monitor the Infringement Notices provisions of *The Criminal Code*, funded from unspent cash balances held for the Office's function since 2014-15 (following a deferment in the timing of the commencement of the Infringement Notices provisions scheme that was the subject of the Office's monitoring function). This reflects the finalisation of the Office's three year monitoring function in 2016-17.

Statement of Financial Position

Minor changes in the Office's total assets are due to fluctuations in the value of routine asset replacements from year to year.

INCOME STATEMENT ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	7,838	7,309	7,571	6,887	6,743	6,799	6,904
Supplies and services	802	1,374	1,271	1,216	1,213	1,213	1,215
Accommodation	1,486	1,542	1,542	1,542	1,542	1,542	1,542
Depreciation and amortisation	252	215	215	215	215	215	215
Other expenses.....	284	155	305	288	288	288	288
TOTAL COST OF SERVICES	10,662	10,595	10,904	10,148	10,001	10,057	10,164
Income							
Other revenue	2,048	1,989	1,989	1,989	1,989	1,989	2,017
Total Income.....	2,048	1,989	1,989	1,989	1,989	1,989	2,017
NET COST OF SERVICES	8,614	8,606	8,915	8,159	8,012	8,068	8,147
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	8,641	8,166	8,166	7,719	7,572	7,628	7,707
Resources received free of charge	508	440	440	440	440	440	440
TOTAL INCOME FROM STATE GOVERNMENT	9,149	8,606	8,606	8,159	8,012	8,068	8,147
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	535	-	(309)	-	-	-	-

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

(b) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 65, 68 and 65 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	2,342	1,692	1,939	1,939	1,939	1,905	1,905
Holding account receivables	208	208	208	208	208	208	208
Receivables	114	164	114	114	114	114	114
Other	110	103	110	110	110	110	110
Total current assets	2,774	2,167	2,371	2,371	2,371	2,337	2,337
NON-CURRENT ASSETS							
Holding account receivables	1,958	1,971	1,971	1,978	1,985	1,992	1,999
Property, plant and equipment	94	102	104	97	90	117	110
Intangibles	48	165	125	125	125	125	125
Restricted cash	-	20	20	40	60	80	100
Total non-current assets	2,100	2,258	2,220	2,240	2,260	2,314	2,334
TOTAL ASSETS	4,874	4,425	4,591	4,611	4,631	4,651	4,671
CURRENT LIABILITIES							
Employee provisions	1,557	1,526	1,563	1,563	1,563	1,563	1,563
Payables	52	165	52	52	52	52	52
Other	68	44	88	108	128	148	168
Total current liabilities	1,677	1,735	1,703	1,723	1,743	1,763	1,783
NON-CURRENT LIABILITIES							
Employee provisions	360	388	360	360	360	360	360
Total non-current liabilities	360	388	360	360	360	360	360
TOTAL LIABILITIES	2,037	2,123	2,063	2,083	2,103	2,123	2,143
EQUITY							
Contributed equity	1,206	1,206	1,206	1,206	1,206	1,206	1,206
Accumulated surplus/(deficit)	1,631	1,096	1,322	1,322	1,322	1,322	1,322
Total equity	2,837	2,302	2,528	2,528	2,528	2,528	2,528
TOTAL LIABILITIES AND EQUITY	4,874	4,425	4,591	4,611	4,631	4,651	4,671

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	8,392	7,945	7,945	7,504	7,357	7,413	7,492
Holding account drawdowns.....	208	208	208	208	208	208	208
Net cash provided by State Government.....	8,600	8,153	8,153	7,712	7,565	7,621	7,700
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(8,002)	(7,283)	(7,545)	(6,867)	(6,723)	(6,779)	(6,884)
Supplies and services.....	(512)	(1,201)	(1,130)	(1,075)	(1,072)	(1,072)	(1,074)
Accommodation.....	(1,112)	(1,163)	(1,163)	(1,163)	(1,163)	(1,163)	(1,163)
Other payments.....	(776)	(538)	(656)	(639)	(639)	(639)	(639)
Receipts ^(b)							
GST receipts.....	237	271	271	271	271	271	271
Other receipts.....	2,073	1,989	1,989	1,989	1,989	1,989	2,017
Net cash from operating activities.....	(8,092)	(7,925)	(8,234)	(7,484)	(7,337)	(7,393)	(7,472)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(113)	(208)	(302)	(208)	(208)	(242)	(208)
Net cash from investing activities.....	(113)	(208)	(302)	(208)	(208)	(242)	(208)
NET INCREASE/(DECREASE) IN CASH HELD.....	395	20	(383)	20	20	(14)	20
Cash assets at the beginning of the reporting period.....	1,947	1,692	2,342	1,959	1,979	1,999	1,985
Cash assets at the end of the reporting period.....	2,342	1,712	1,959	1,979	1,999	1,985	2,005

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

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

NET APPROPRIATION DETERMINATION ^(a)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
GST Receipts							
GST Receipts from Australian Taxation Office....	39	142	142	142	142	142	142
GST Receipts on Sales.....	198	129	129	129	129	129	129
Other Receipts							
Other Receipts.....	2,073	1,989	1,989	1,989	1,989	1,989	2,017
TOTAL.....	2,310	2,260	2,260	2,260	2,260	2,260	2,288

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

Part 2

Premier; Minister for Public Sector Management; Federal-State Relations

Summary of Portfolio Appropriations

Agency	2016-17 Budget \$'000	2016-17 Estimated Actual '000	2017-18 Budget Estimate '000
Premier and Cabinet			
– Delivery of Services	144,184	175,320	129,633
– Administered Grants, Subsidies and Other Transfer Payments	837	837	-
Total	145,021	176,157	129,633
Public Sector Commission			
– Delivery of Services	26,636	26,636	25,266
Total	26,636	26,636	25,266
Governor's Establishment			
– Delivery of Services	5,343	5,343	5,315
– Capital Appropriation	-	-	1,400
Total	5,343	5,343	6,715
Salaries and Allowances Tribunal			
– Delivery of Services	1,084	1,084	1,091
Total	1,084	1,084	1,091
GRAND TOTAL			
– Delivery of Services	177,247	208,383	161,305
– Administered Grants, Subsidies and Other Transfer Payments	837	837	-
– Capital Appropriation	-	-	1,400
Total.....	178,084	209,220	162,705

Division 3 Premier and Cabinet

Part 2 Premier; Minister for Public Sector Management; Federal-State Relations

Appropriations, Expenses and Cash Assets (a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 5 Net amount appropriated to deliver services ^(b)	138,106	141,819	172,955	127,568	118,420	120,482	118,812
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	2,365	2,365	2,365	2,065	2,065	2,065	2,065
Total appropriations provided to deliver services	140,471	144,184	175,320	129,633	120,485	122,547	120,877
ADMINISTERED TRANSACTIONS							
Amount provided for Administered Grants, Subsidies and Other Transfer Payments	837	837	837	-	-	-	-
TOTAL APPROPRIATIONS	141,308	145,021	176,157	129,633	120,485	122,547	120,877
EXPENSES							
Total Cost of Services	149,661	195,346	181,901	148,994	170,936	132,702	131,445
Net Cost of Services ^(c)	145,856	191,737	173,855	146,559	168,542	130,308	129,051
CASH ASSETS ^(d)	69,533	25,859	73,656	62,142	21,185	20,224	19,263

(a) The 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to reflect the transfer of the Office of Science and Overseas Offices to the Department of Jobs, Tourism, Science and Innovation on 1 July 2017.

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

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

(d) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Election Commitments					
Inquiry into Government Programs and Projects	500	1,000	-	-	-
Local Projects Local Jobs	1,903	2,299	-	-	-
Service Priority Review	100	400	-	-	-
Other					
2017 State General Election Costs	10,197	-	-	-	-
2017-18 Tariffs Fees and Charges	(413)	(425)	(475)	(475)	(475)
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(31)	(62)	(94)	(127)
Parliamentary Travel Allowances Savings	-	(300)	(300)	(300)	(300)
Resolution of Native Title in the South West of Western Australia	-	622	-	-	-
Revision to Indexation for Non-Salary Expenses	-	(1,958)	(4,155)	(4,351)	(4,990)
Severances Paid to Former Corruption and Crime Commission Staff	301	-	-	-	-
Strategic Assessment of the Perth and Peel Regions	-	1,130	-	-	-
Yarloop Bushfire Clean-Up	15,500	-	-	-	-

Significant Issues Impacting the Agency

- The Jobs and Economic Diversification Cabinet Sub-committee has been created to drive the Government's policy agenda and ensure implementation of election commitments under the Government's Plan for Jobs. The Department supports the Cabinet Sub-Committee and a series of consortia have been held for the Premier, Ministers and Directors General to engage with a range of key industry growth sectors.
- The Department will provide key support to the Premier and Cabinet in implementing the Government's election commitments.
- Supporting the Premier as the State's representative to the Northern Australia Strategic Partnership, the Department represents the State on the Northern Australia Senior Officers Network Group and assists with policy development regarding the Northern Australia Infrastructure Facility.
- As a result of the Government's Machinery of Government changes, the Department has assumed responsibility for Aboriginal affairs policy.
- The Council of Australian Governments has committed to refresh the 'Closing the Gap' agenda in Aboriginal affairs. The Department is providing policy support to the Premier on this important initiative.
- Supporting the Premier in leading Western Australia's engagement with other jurisdictions and driving the State's strategic agenda in bilateral and Council of Australian Governments negotiations will be a focus of the Department's work. Reform of the GST sharing arrangements remains a high priority.
- The Department will work with the Commonwealth and other jurisdictions to progress amendments to the *Native Title Act 1993 (Cth)* to improve legal certainty and development potential of regional and remote areas of the State, including economic opportunities for Native Title holders.
- The South West Native Title Settlement is a milestone agreement for the State and the finalisation of all legal processes associated with the registration of the six Indigenous Land Use Agreements will be supported in 2017-18.
- The Community Safety and Family Support Cabinet Sub-committee and associated Directors General Implementation Group will also drive the Government's social policy agenda. The Department provides support and advice to the Sub-committee. The Sub-committee was established to direct and oversee the integrated across-government implementation of the Government's Methamphetamine Action Plan; Stopping Family and Domestic Violence policy; Target 120 - Plan to Target Juvenile Crime; and the Supporting Communities policy. The Implementation Group has been established to oversee and direct agencies to work collaboratively to implement the policies as directed by the Sub-committee.
- The Department is working closely with relevant agencies on the State's response to the Royal Commission into the Institutional Responses to Child Sex Abuse, including the Government's commitment on the removal of limitation periods that prevent survivors from taking legal action in relation to historic sexual abuse.
- Government has been assessing the most appropriate model for the National Disability Insurance Scheme (NDIS) in Western Australia and the Department will provide ongoing support to Government to ensure that future arrangements for the NDIS will deliver the desired outcomes for Western Australians with a disability, their families, carers and service providers.
- With an increasing national focus on counter-terrorism, cyber security and emergency management, the Department will continue to provide advice to the Premier on State security and emergency management matters, and coordinate the State's involvement in the national counter-terrorism and emergency management arrangements.

Resource Agreement

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

Outcomes, Services and Key Performance Information

The Outcomes, Services and Key Performance Information reflect the transfer of the Office of Science and Overseas Offices to the Department of Jobs, Tourism, Science and Innovation due to Machinery of Government changes on 1 July 2017. Where practical, the 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual has been recast for comparative purposes.

Relationship to Government Goals

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

Government Goal	Desired Outcomes	Services
Sustainable Finances: Responsible financial management and better service delivery.	Executive Government receives appropriate support.	1. Administration of Executive Government Services
	The Premier and Ministers receive high quality, rigorous and timely policy advice.	2. Government Policy Management

Service Summary

Expense	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
1. Administration of Executive Government Services	92,790	157,783	155,220	122,354	140,168	108,816	107,785
2. Government Policy Management.....	56,871	37,563	26,681	26,640	30,768	23,886	23,660
Total Cost of Services	149,661	195,346	181,901	148,994	170,936	132,702	131,445

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: Executive Government receives appropriate support:					
Targets for support services are met or exceeded	100%	96%	98%	95%	
Service recipient's confirmation that services provided enable them to meet Executive Government's obligations	3.9	3	Exempt	3	1,2
Outcome: The Premier and Ministers receive high quality, rigorous and timely policy advice:					
Service recipient's confirmation that high quality and timely policy advice is provided	3.7	4	Exempt	3	1,2

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

Explanation of Significant Movements

(Notes)

1. This indicator reports the satisfaction levels of services delivered to the Premier's Office, Ministerial Offices and the Leader of the Opposition's Office. Service recipients are provided with the option to provide their responses as ratings via either an online survey or hard copy survey. Responses measure the extent to which the expectations of services delivered by the Department were met. The rating is a value between one to five, where a value of one indicates that services were 'well below expectations' and five that services were 'well above expectations'; while a value of three indicates that services 'met expectations'.
2. Due to the change in Government, the Department was unable to collect survey data for the first nine months of 2016-17. As a result, the Department obtained an exemption in accordance with Treasurer's Instruction 904 and was not required to report against this key performance indicator (KPI) for 2016-17.

Services and Key Efficiency Indicators

1. Administration of Executive Government Services

The Department provides a range of services including:

- administrative support to the Premier;
- administrative policy advice and support to ministerial offices and the Leader of the Opposition;
- support for the functions of Cabinet and Parliament;
- communication of Government policies and activities;
- support for the Executive Council;
- administration of entitlements for Members and former Members of Parliament;
- management of the State occasions and official visits program;
- a secure, confidential and time-critical printing and publishing service for Parliament and Government; and
- management of exhibitions and programs at the Constitutional Centre.

The cost of this service includes corporate services functions provided free of charge to the Public Sector Commission, the Parliamentary Commissioner for Administrative Investigations, the Department of Treasury and the Department of Finance, as well as the costs of inquiries, working with the community, and community service grants and donations.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service ^(a)	\$'000 92,790	\$'000 157,783	\$'000 155,220	\$'000 122,354	1,2
Less Income.....	3,805	3,609	8,046	2,435	3
Net Cost of Service.....	88,985	154,174	147,174	119,919	
Employees (Full Time Equivalents).....	551	539	539	539	
Efficiency Indicators ^(b)					
Average Operating Cost per Ministerial Office (including Premier's Office and Leader of the Opposition).....	\$2,813	\$2,902	\$3,041	\$2,798	1,4
Average Cost of Support Provided per Ministerial Office (including Premier's Office and Leader of the Opposition).....	\$1,382	\$391	\$577	\$548	1,4
Average Cost of Entitlements per Member of Parliament.....	\$409	\$369	\$439	\$398	
Average Cost of Support Provided per Member of Parliament.....	\$20	\$17	\$20	\$19	

(a) 2015-16 Actual excludes grants, whereas other estimates include grants that were previously reported under Service 2.

(b) Efficiency indicators excludes costs for the State Law Publisher, the Constitutional Centre, Yarloop bushfire clean-up and grants.

Explanation of Significant Movements

(Notes)

1. The 2015-16 Actual is not comparable with the 2016-17 Budget, 2016-17 Estimated Actual and the 2017-18 Budget Target. This is due to a recent change in the methodology used to allocate costs to the Department's efficiency indicators.
2. The 2017-18 Budget Target decrease relates mainly to one-off supplementary funding received in 2016-17 for the Yarloop Bushfire Clean-Up and 2017 State General Election related costs.
3. The 2016-17 Estimated Actual includes a one-off recoup from Alcoa related to the Yarloop Bushfire Clean-Up.
4. The 2017-18 Budget Target decrease from 2016-17 Estimated Actual mainly relates to one-off supplementary funding received in 2016-17 for the 2017 State General Election related costs resulting from the change in Government (note Yarloop Bushfire Clean-Up costs are not included as part of the efficiency indicator; refer to footnote (b)).

2. Government Policy Management

The Department provides a range of services for the Premier including:

- strategic policy advice and coordination to the Premier and Cabinet;
- strategic policy advice and coordination to the Minister for Aboriginal Affairs;
- leadership and coordination of cross-agency solutions to complex issues;
- managing and coordinating Western Australian Government input into intergovernmental negotiations and advice on Government positions on federal reform, treaties, defence and other matters raised through the Council of Australian Governments and the Council for the Australian Federation;
- strategic, cross portfolio advice on land, State and Commonwealth approvals and Indigenous issues; and
- emergency management policy advice to the Premier, Ministers and Government agencies, and whole-of-government management and coordination of significant security incidents and emergencies.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 56,871	\$'000 37,563	\$'000 26,681	\$'000 26,640	1,2
Less Income.....	-	-	-	-	
Net Cost of Service.....	56,871	37,563	26,681	26,640	
Employees (Full Time Equivalents).....	95	95	95	95	
Efficiency Indicators					
Average Cost per Government Indigenous Land Use Agreement (ILUA) Managed.....	\$402	\$196	\$154	\$150	3
Average Cost per Project ILUA Managed.....	\$779	\$299	\$294	\$287	3
Average Cost to Manage a Native Title Claim.....	n/a	\$19	\$51	\$50	4
Average Cost to Deliver Policy Advice.....	n/a	\$33,165	\$19,037	\$19,162	2,3,4
Number of Cabinet Submissions Assessed.....	n/a	700	466	650	4,5
Number of Cabinet Submission Briefing Notes Presented to the Premier.....	n/a	270	229	325	4,5

Explanation of Significant Movements

(Notes)

1. The 2015-16 Actual includes grants, whereas, the 2016-17 Budget and the 2016-17 Estimated Actual exclude grants that are now reported under Service 1.
2. The decrease in Total Cost of Services from the 2016-17 Estimated Actual compared to the 2016-17 Budget Estimate is mainly related to the new KPI methodology of allocating costs to the efficiency indicator for Total Cost of Policy Advice.
3. The 2015-16 Actual is not comparable with the 2016-17 Budget, 2016-17 Estimated Actual and the 2016-17 Budget Target. This is due to a recent change in methodology used to allocate costs to the Department's efficiency indicators.
4. New efficiency indicators for 2016-17, therefore results not available for the 2015-16 Actual.
5. The anticipated decrease in the Number of Cabinet Submissions and Briefing Notes Presented to the Premier for the 2016-17 Estimated Actual reflects the low number of Cabinet meetings during the third quarter of 2016-17, due to the 2017 State General Election.

Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement/Upgrade							
Computer Hardware and Software - 2016-17 Program	679	679	679	-	-	-	-
NEW WORKS							
Asset Replacement/Upgrade							
Computer Hardware and Software							
2017-18 Program.....	590	-	-	590	-	-	-
2018-19 Program.....	351	-	-	-	351	-	-
2019-20 Program.....	357	-	-	-	-	357	-
2020-21 Program.....	81	-	-	-	-	-	81
Total Cost of Asset Investment Program.....	2,058	679	679	590	351	357	81
FUNDED BY							
Drawdowns from the Holding Account.....							
			679	590	351	357	81
Total Funding.....			679	590	351	357	81

Financial Statements

The 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to transfer the Office of Science and Overseas Offices to the Department of Jobs, Tourism, Science and Innovation on 1 July 2017.

Income Statement

Expenses

The 2016-17 Budget included payments from the Browse Liquefied Natural Gas (LNG) Trust account of \$30 million and the Land Equity Fund of \$7 million that have now been deferred to 2018-19.

The 2016-17 Estimated Actual includes supplementary funding for the Yarloop Bushfire Clean-Up (\$15 million) and the 2017 State General Election costs (\$10 million).

Income

The one-off increase in other revenue in the 2016-17 Estimated Actual primarily reflects a recoup from Alcoa (\$5 million) for the Yarloop Bushfire Clean-Up. The decrease from the 2017-18 Budget Estimate and across the forward estimates compared to the 2016-17 Estimated Actual mainly reflects interest income from the Browse LNG Trust account that will no longer be earned.

The estimated deficit of \$40.5 million in 2018-19 is mainly due to the payments from the Browse LNG Trust account (\$30 million) and the Land Equity Fund (\$7 million), that were deferred from 2016-17.

Statement of Financial Position

The increase in current assets restricted cash for 2017-18 mainly represents the deferment of the payment from the Browse LNG Trust account from 2016-17 to 2018-19.

Statement of Cashflows

The forecast decrease in cash in 2017-18 mainly relates to the carryover of unspent funds from 2016-17 for Local Projects Local Jobs grants (\$2 million) and South West Settlement - Noongar Land Fund (\$2.8 million).

The cash transferred to other agencies in 2017-18 represents cash balances transferred to the Department of Jobs, Tourism, Science and Innovation.

The decrease in cash of \$41 million in 2018-19 mainly reflects the payments from the Browse LNG Trust account and \$7 million from the Land Equity Fund deferred from 2016-17 to 2018-19.

INCOME STATEMENT ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	79,660	79,070	84,420	75,307	73,077	74,032	73,989
Grants and subsidies ^(c)	14,691	56,377	41,662	17,920	45,077	7,287	7,845
Supplies and services.....	30,291	34,939	30,459	30,801	27,759	26,450	24,280
Accommodation.....	21,220	19,863	19,863	19,710	20,140	20,090	20,089
Depreciation and amortisation.....	2,079	2,561	2,461	2,039	1,508	1,368	1,617
Other expenses.....	1,720	2,536	3,036	3,217	3,375	3,475	3,625
TOTAL COST OF SERVICES	149,661	195,346	181,901	148,994	170,936	132,702	131,445
Income							
Sale of goods and services.....	1,607	1,783	1,370	1,480	1,432	1,432	1,432
Grants and subsidies.....	941	457	457	457	457	457	457
Other revenue.....	1,257	1,369	6,219	498	505	505	505
Total Income	3,805	3,609	8,046	2,435	2,394	2,394	2,394
NET COST OF SERVICES	145,856	191,737	173,855	146,559	168,542	130,308	129,051
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	140,471	144,184	175,320	129,633	120,485	122,547	120,877
Resources received free of charge.....	7,019	7,287	7,287	7,437	7,437	7,437	7,437
Royalties for Regions Fund: Regional Community Services Fund.....	1,642	3,179	1,160	2,321	76	76	76
TOTAL INCOME FROM STATE GOVERNMENT	149,132	154,650	183,767	139,391	127,998	130,060	128,390
SURPLUS/(DEFICIENCY) FOR THE PERIOD	3,276	(37,087)	9,912	(7,168)	(40,544)	(248)	(661)

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

(b) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 646, 634 and 634 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Browse LNG Precinct Regional Benefits							
Package.....	2,264	33,241	2,341	2,417	33,396	2,496	2,496
Community Grants.....	10,426	9,573	35,968	7,934	4,279	1,479	2,538
Native Title Unit Grants.....	2,001	13,563	3,353	7,569	7,402	3,312	2,811
TOTAL	14,691	56,377	41,662	17,920	45,077	7,287	7,845

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	36,748	23,563	41,414	29,643	19,323	18,102	16,881
Restricted cash	32,785	-	1,100	31,959	1,082	1,082	1,082
Holding account receivables	2,597	1,090	2,908	3,410	4,034	4,240	4,558
Receivables	346	1,346	576	576	576	576	576
Other	710	716	1,794	1,801	1,801	1,801	1,801
Total current assets	73,186	26,715	47,792	67,389	26,816	25,801	24,898
NON-CURRENT ASSETS							
Holding account receivables	24,341	27,266	25,848	27,094	28,340	29,858	31,376
Property, plant and equipment	1,385	2,639	2,315	878	344	546	223
Intangibles	623	777	623	623	-	-	-
Restricted cash	-	2,296	31,142	540	780	1,040	1,300
Other	-	-	118	118	118	118	118
Total non-current assets	26,349	32,978	60,046	29,253	29,582	31,562	33,017
TOTAL ASSETS	99,535	59,693	107,838	96,642	56,398	57,363	57,915
CURRENT LIABILITIES							
Employee provisions	17,548	16,466	12,596	12,888	12,888	12,888	12,888
Payables	1,372	1,426	1,791	1,791	1,791	1,791	1,791
Other	100	492	196	496	796	796	796
Total current liabilities	19,020	18,384	14,583	15,175	15,475	15,475	15,475
NON-CURRENT LIABILITIES							
Employee provisions	3,376	2,919	3,359	3,212	3,212	3,212	3,212
Other	-	9	-	-	-	-	-
Total non-current liabilities	3,376	2,928	3,359	3,212	3,212	3,212	3,212
TOTAL LIABILITIES	22,396	21,312	17,942	18,387	18,687	18,687	18,687
EQUITY							
Contributed equity	13,164	15,904	15,904	11,431	11,431	11,431	11,431
Accumulated surplus/(deficit)	63,968	22,912	73,880	66,712	26,168	25,920	25,259
Reserves	7	(435)	112	112	112	1,325	2,538
Total equity	77,139	38,381	89,896	78,255	37,711	38,676	39,228
TOTAL LIABILITIES AND EQUITY	99,535	59,693	107,838	96,642	56,398	57,363	57,915

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	137,907	141,588	171,528	127,295	118,264	120,466	118,960
Holding account drawdowns.....	3,422	1,179	679	590	351	357	81
Royalties for Regions Fund:							
Regional Community Services Fund.....	1,642	3,179	1,160	2,321	76	76	76
Net cash provided by State Government.....	142,971	145,946	173,367	130,206	118,691	120,899	119,117
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(79,566)	(78,770)	(89,102)	(75,007)	(72,777)	(74,032)	(73,989)
Grants and subsidies.....	(14,295)	(56,377)	(41,662)	(17,920)	(45,077)	(7,287)	(7,845)
Supplies and services.....	(24,019)	(27,645)	(23,165)	(23,365)	(20,322)	(19,013)	(16,843)
Accommodation.....	(21,077)	(19,863)	(19,863)	(19,710)	(20,140)	(20,090)	(20,089)
Other payments.....	(10,179)	(12,142)	(11,480)	(11,878)	(12,036)	(12,136)	(12,286)
Receipts ^(b)							
Grants and subsidies.....	941	457	457	457	457	457	457
Sale of goods and services.....	1,496	1,763	1,350	1,460	1,412	1,412	1,412
GST receipts.....	7,786	8,661	8,661	8,661	8,661	8,661	8,661
Other receipts.....	1,637	1,389	6,239	518	525	525	525
Net cash from operating activities.....	(137,276)	(182,527)	(168,565)	(136,784)	(159,297)	(121,503)	(119,997)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(1,928)	(1,179)	(679)	(590)	(351)	(357)	(81)
Net cash from investing activities.....	(1,928)	(1,179)	(679)	(590)	(351)	(357)	(81)
NET INCREASE/(DECREASE) IN CASH HELD							
.....	3,767	(37,760)	4,123	(7,168)	(40,957)	(961)	(961)
Cash assets at the beginning of the reporting period.....	65,766	63,619	69,533	73,656	62,142	21,185	20,224
Net cash transferred to/from other agencies.....	-	-	-	(4,346)	-	-	-
Cash assets at the end of the reporting period.....	69,533	25,859	73,656	62,142	21,185	20,224	19,263

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

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

NET APPROPRIATION DETERMINATION ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Grants and Subsidies							
Commonwealth Grants and Subsidies	941	457	457	457	457	457	457
Sale of Goods and Services							
State Law Publisher	1,496	1,763	1,350	1,460	1,412	1,412	1,412
GST Receipts							
GST Receipts on Sales	165	329	329	329	329	329	329
GST Receipts from Australian Taxation Office....	7,621	8,332	8,332	8,332	8,332	8,332	8,332
Other Receipts							
All Other Receipts	898	589	5,439	518	525	525	525
Interest - Browse LNG Precinct Project							
Interest Bearing Trust Account.....	739	800	800	-	-	-	-
TOTAL	11,860	12,270	16,707	11,096	11,055	11,055	11,055

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

DETAILS OF ADMINISTERED TRANSACTIONS

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
INCOME							
Other							
Appropriations	837	837	837	-	-	-	-
TOTAL ADMINISTERED INCOME	837	837	837	-	-	-	-
EXPENSES							
Grants to Charitable and Other Public Bodies							
National Campaign For Reducing Violence Against Women and Their Children	837	837	837	-	-	-	-
TOTAL ADMINISTERED EXPENSES	837	837	837	-	-	-	-

Agency Special Purpose Account Details

NATIVE TITLE HOLDER INCENTIVE FOR MINERAL EXPLORATION AND LAND ACCESS ACCOUNT

Account Purpose: To hold funds for the provision of a financial incentive to Native Title holders who are prepared to endorse a Government Indigenous Land Use Agreement (the Agreement) for the purpose of expediting procedure for the grant of exploration and prospecting licences and low impact activities in areas where native title rights are recognised.

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000
Opening Balance	7,176	7,176	7,424	7,424
Receipts:				
Appropriations.....	271	545	25	25
	7,447	7,721	7,449	7,449
Payments	23	545	25	25
CLOSING BALANCE	7,424	7,176	7,424	7,424

BROWSE LNG PRECINCT PROJECT AGREEMENT NATIVE TITLE BENEFICIARIES' INTEREST BEARING TRUST ACCOUNT

Account Purpose: Pursuant to clauses 7.2(c), 9.1(b) and 10.1(b) of the Browse LNG Precinct Project Agreement (the Agreement), the sum of \$30 million being the State's contribution of \$10 million to the Economic Development Fund and \$20 million to the Indigenous Housing Fund is to be held in an interest bearing trust account for and on behalf of the New Native Title Party or the Administrative Body, as the case may be until the Corporate Trustee, referred to in clause 22 of the Agreement, establishes the Economic Development Fund Trust and the Indigenous Housing Fund Trust respectively as contemplated by the Agreement.

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000
Opening Balance	32,045	32,845	32,784	33,584
Receipts:				
Other	739	800	800	-
	32,784	33,645	33,584	33,584
Payments	-	30,900	-	-
CLOSING BALANCE	32,784	2,745	33,584	33,584

Division 4 Public Sector Commission

Part 2 Premier; Minister for Public Sector Management; Federal-State Relations

Appropriations, Expenses and Cash Assets

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 6 Net amount appropriated to deliver services	26,328	25,730	25,730	24,360	23,842	24,069	24,311
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	1,150	906	906	906	906	906	906
Total appropriations provided to deliver services	27,478	26,636	26,636	25,266	24,748	24,975	25,217
TOTAL APPROPRIATIONS	27,478	26,636	26,636	25,266	24,748	24,975	25,217
EXPENSES							
Total Cost of Services	25,710	28,839	28,628	27,118	26,640	26,867	27,109
Net Cost of Services ^(a)	25,327	28,446	28,235	26,725	26,247	26,474	26,716
CASH ASSETS ^(b)	10,191	6,563	10,011	9,824	9,634	9,441	9,248

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

(b) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
2017-18 Streamlined Budget Process Incentive Funding	-	244	-	-	-
2017-18 Transfer of Accommodation Funding for Office of Emergency Management	-	(452)	(457)	(462)	(466)
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(14)	(27)	(41)	(64)
Revision to Indexation for Non-Salary Expenses	-	-	(161)	(229)	(296)

Significant Issues Impacting the Agency

- In order to effectively and efficiently deliver the Government's Public Sector Workforce Renewal program, the Commission advised, assisted and supported agencies through the first phase of the Machinery of Government reforms. The planned changes were implemented on time, with the new departments successfully established on 1 July 2017.
- The Government's public sector reform and renewal program will continue throughout 2017-18. Change is instrumental for the delivery of policy objectives, enabling the Government to respond in a contemporary way to community expectations of public sector performance. The Commission will continue to work with the Department of the Premier and Cabinet and the Department of Treasury to facilitate the second phase of reform.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcome	Services
Future Jobs and Skills: Grow and diversify the economy, create jobs and support skills development.	An efficient and effective public sector that operates with integrity.	1. Public Sector Leadership 2. Assistance and Support 3. Oversight and Reporting

Service Summary

Expense	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
1. Public Sector Leadership	7,157	8,445	6,744	6,389	6,278	6,334	6,426
2. Assistance and Support	9,891	10,370	9,037	8,565	8,419	8,496	8,558
3. Oversight and Reporting	8,662	10,024	12,847	12,164	11,943	12,037	12,125
Total Cost of Services	25,710	28,839	28,628	27,118	26,640	26,867	27,109

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16	2016-17	2016-17	2017-18	Note
	Actual	Budget	Estimated Actual	Budget Target	
Outcome: An efficient and effective public sector that operates with integrity:					
The portion of core clients who indicate that the Commission has delivered policy, assistance and oversight that has helped them to enhance integrity within their organisations ^(b)	n/a	n/a	n/a	75%	
The portion of core clients who indicate that the Commission has delivered policy, assistance and oversight that has helped them to enhance the effectiveness and efficiency of their organisations ^(b)	n/a	n/a	n/a	75%	
The portion of core clients who indicate that the Commission has delivered policy, assistance and oversight that has helped them to enhance diversity and inclusion within their organisations ^(b)	n/a	n/a	n/a	75%	

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

(b) New Key Effectiveness Indicators have been adopted to reflect the addition of new core clients including local government, public universities and Government Trading Enterprises. These clients were not previously surveyed and there are no comparative records.

Services and Key Efficiency Indicators

1. Public Sector Leadership

This service develops and supports current and future leaders and builds the capacity of the public sector workforce through the delivery of leadership and workforce development products, programs and training.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 7,157	\$'000 8,445	\$'000 6,744	\$'000 6,389	
Less Income.....	343	350	350	350	
Net Cost of Service.....	6,814	8,095	6,394	6,039	
Employees (Full Time Equivalents).....	30	31	18	18	
Efficiency Indicators					
Average Cost per Leadership Development Product, Program or Training Hour	\$117	\$117	\$144	\$151	1
Average Cost per Workforce Development Program, Product or Training Hour....	\$117	\$122	\$147	\$151	2

Explanation of Significant Movements

(Notes)

1. The 2016-17 Estimated Actual for the Average Cost per Leadership Development Product, Program or Training Hour was higher than the 2016-17 Budget. This was a result of a reduction in hours applied to directly support the leadership programs as they mature; whilst fixed costs remained constant they were apportioned to fewer hours. It is anticipated this trend will continue during 2017-18.
2. The 2016-17 Estimated Actual for the Average Cost per Workforce Development Program, Product or Training Hour was higher than the 2016-17 Budget as additional costs were incurred to provide new traineeship and university cadetship programs whilst the human resources used to support the programs were sourced from within the existing staff levels. The anticipated difference between the 2016-17 Estimated Actual and the 2017-18 Budget Target is less than 3%.

2. Assistance and Support

This service provides advice, assistance and support to public sector bodies and employees on a range of administration, management, integrity and governance matters.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 9,891	\$'000 10,370	\$'000 9,037	\$'000 8,565	
Less Income.....	21	21	21	21	
Net Cost of Service.....	9,870	10,349	9,016	8,544	
Employees (Full Time Equivalents).....	48	53	38	38	
Efficiency Indicators					
Average Cost per Hour of Assistance and Support Provided.....	\$92	\$87	\$106	\$108	1
Average Cost per Public Administration, Standards and Integrity Program, Product or Training Hour	\$85	\$114	\$112	\$115	

Explanation of Significant Movements

(Notes)

1. The 2016-17 Estimated Actual for the Average Cost per Hour of Assistance and Support provided was higher than the 2016-17 Budget. This is due to a reduction of hours as a result of staff movements within the Commission; whilst fixed costs remained constant for the function and they were apportioned to fewer hours. The 2017-18 Budget Target is approximately 2% higher than the 2016-17 Estimated Actual.

3. Oversight and Reporting

This service progresses changes to legislation and develops policies to improve public administration and management and provides independent oversight to monitor and report to Parliament and Ministers on compliance with the *Public Sector Management Act 1994*, the *Corruption and Crime Commission Act 2003*, the *Public Interest Disclosure Act 2003* and part IX of the *Equal Opportunity Act 1984*.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 8,662	\$'000 10,024	\$'000 12,847	\$'000 12,164	
Less Income.....	19	22	22	22	
Net Cost of Service.....	8,643	10,002	12,825	12,142	
Employees (Full Time Equivalents).....	49	61	50	50	
Efficiency Indicators					
Average Cost per Hour Addressing Legislative and Policy Development	\$91	\$95	\$102	\$112	1
Average Cost per Hour of Performance and Oversight Activity	\$98	\$107	\$111	\$121	2
Percentage of Oversight Actions Completed within Target Timeframes	93%	90%	91%	90%	

Explanation of Significant Movements

(Notes)

- The 2016-17 Estimated Actual for the Average Cost per Hour Addressing Legislative and Policy Development was higher than the 2016-17 Budget as a result of staff movements which reduced hours attributed to this function; whilst fixed costs remained constant and were apportioned to fewer hours. It is anticipated that this trend will continue in 2017-18.
- The 2016-17 Estimated Actual for the Average Cost per Hour of Performance and Oversight Activity was higher than the 2016-17 Budget due to salary costs being greater than expected, reflecting the seniority of staff members delivering this service. It is anticipated that this trend will continue in 2017-18.

Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement - Computer Hardware							
2016-17 Program.....	68	68	68	-	-	-	-
Replacement of Computing Equipment							
2016-17 Program.....	105	105	105	-	-	-	-
NEW WORKS							
Replacement of Computing Equipment							
2017-18 Program.....	138	-	-	138	-	-	-
2018-19 Program.....	104	-	-	-	104	-	-
2019-20 Program.....	104	-	-	-	-	104	-
2020-21 Program.....	104	-	-	-	-	-	104
Total Cost of Asset Investment Program.....	623	173	173	138	104	104	104
FUNDED BY							
Drawdowns from the Holding Account.....			173	138	104	104	104
Total Funding.....			173	138	104	104	104

Financial Statements

Income Statement

Expenses

The Income Statement shows a decrease in Total Cost of Services of \$1.5 million (5.3%) between the 2017-18 Budget Estimate of \$27.1 million compared to the 2016-17 Estimated Actual of \$28.6 million. This mainly reflects savings measures including the Agency Expenditure Review and the revision to indexation for non-salary expenses. Furthermore accommodation expense was transferred to the Office of Emergency Management.

Income

Income is expected to be maintained at the same level in 2016-17 for 2017-18 and the forward estimates period.

INCOME STATEMENT ^(a) (Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	17,920	20,649	20,257	19,339	19,228	19,477	19,748
Grants and subsidies ^(c)	1,032	842	988	591	591	591	591
Supplies and services.....	4,106	4,420	4,301	4,421	4,069	4,071	4,064
Accommodation.....	2,238	2,454	2,608	2,329	2,326	2,321	2,317
Depreciation and amortisation.....	205	215	215	181	169	150	132
Other expenses.....	209	259	259	257	257	257	257
TOTAL COST OF SERVICES	25,710	28,839	28,628	27,118	26,640	26,867	27,109
Income							
Sale of goods and services.....	155	285	285	285	285	285	285
Other revenue.....	228	108	108	108	108	108	108
Total Income	383	393	393	393	393	393	393
NET COST OF SERVICES	25,327	28,446	28,235	26,725	26,247	26,474	26,716
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	27,478	26,636	26,636	25,266	24,748	24,975	25,217
Resources received free of charge.....	1,093	1,550	1,346	1,346	1,346	1,346	1,346
Royalties for Regions Fund: Regional Community Services Fund.....	26	42	35	35	35	35	35
TOTAL INCOME FROM STATE GOVERNMENT	28,597	28,228	28,017	26,647	26,129	26,356	26,598
SURPLUS/(DEFICIENCY) FOR THE PERIOD	3,270	(218)	(218)	(78)	(118)	(118)	(118)

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

(b) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 127, 106 and 106 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Certificate IV in Government (Investigations)...	213	251	251	-	-	-	-
Equal Opportunity Commission	128	-	-	-	-	-	-
Gascoyne Development Commission	148	-	-	-	-	-	-
Office of Emergency Management	-	-	146	-	-	-	-
Peel Development Commission	171	-	-	-	-	-	-
Public Sector Programs	50	83	83	78	78	78	78
Western Australian Leadership Program	322	508	508	513	513	513	513
TOTAL	1,032	842	988	591	591	591	591

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CURRENT ASSETS							
Cash assets	10,191	6,492	9,943	9,686	9,425	9,159	8,892
Holding account receivables	173	138	138	104	104	104	104
Receivables	606	346	603	602	601	800	900
Other	742	1,084	831	831	831	831	831
Total current assets	11,712	8,060	11,515	11,223	10,961	10,894	10,727
NON-CURRENT ASSETS							
Holding account receivables	6,813	6,839	6,890	6,967	7,032	7,078	7,106
Property, plant and equipment	115	120	95	73	31	7	2
Intangibles	-	19	-	-	-	-	-
Restricted cash	-	71	68	138	209	282	356
Other	213	63	87	66	44	23	-
Total non-current assets	7,141	7,112	7,140	7,244	7,316	7,390	7,464
TOTAL ASSETS	18,853	15,172	18,655	18,467	18,277	18,284	18,191
CURRENT LIABILITIES							
Employee provisions	4,411	4,381	4,411	4,411	4,411	4,411	4,411
Payables	705	737	902	791	717	701	652
Other	339	222	162	163	165	306	380
Total current liabilities	5,455	5,340	5,475	5,365	5,293	5,418	5,443
NON-CURRENT LIABILITIES							
Employee provisions	911	991	911	911	911	911	911
Other	5	4	5	5	5	5	5
Total non-current liabilities	916	995	916	916	916	916	916
TOTAL LIABILITIES	6,371	6,335	6,391	6,281	6,209	6,334	6,359
EQUITY							
Contributed equity	(10,046)	(6,752)	(10,046)	(10,046)	(10,046)	(10,046)	(10,046)
Accumulated surplus/(deficit)	22,528	18,784	22,310	22,232	22,114	21,996	21,878
Other	-	(3,195)	-	-	-	-	-
Total equity	12,482	8,837	12,264	12,186	12,068	11,950	11,832
TOTAL LIABILITIES AND EQUITY	18,853	15,172	18,655	18,467	18,277	18,284	18,191

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	27,119	26,421	26,421	25,085	24,579	24,825	25,085
Holding account drawdowns.....	173	173	173	138	104	104	104
Royalties for Regions Fund: Regional Community Services Fund.....	26	42	35	35	35	35	35
Net cash provided by State Government.....	27,318	26,636	26,629	25,258	24,718	24,964	25,224
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(18,130)	(20,572)	(20,433)	(19,338)	(19,224)	(19,334)	(19,531)
Grants and subsidies.....	(925)	(842)	(988)	(591)	(591)	(591)	(591)
Supplies and services.....	(3,272)	(2,918)	(3,050)	(3,485)	(3,100)	(3,243)	(3,310)
Accommodation.....	(2,238)	(2,454)	(2,308)	(2,029)	(2,025)	(2,021)	(2,017)
Other payments.....	(957)	(755)	(755)	(759)	(759)	(759)	(759)
Receipts ^(b)							
Sale of goods and services.....	167	285	285	285	285	285	285
GST receipts.....	594	505	505	502	502	502	502
Other receipts.....	324	108	108	108	108	108	108
Net cash from operating activities.....	(24,437)	(26,643)	(26,636)	(25,307)	(24,804)	(25,053)	(25,313)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(68)	(173)	(173)	(138)	(104)	(104)	(104)
Net cash from investing activities.....	(68)	(173)	(173)	(138)	(104)	(104)	(104)
NET INCREASE/(DECREASE) IN CASH HELD							
.....	2,813	(180)	(180)	(187)	(190)	(193)	(193)
Cash assets at the beginning of the reporting period.....	7,478	6,743	10,191	10,011	9,824	9,634	9,441
Net cash transferred to/from other agencies....	(100)	-	-	-	-	-	-
Cash assets at the end of the reporting period.....	10,191	6,563	10,011	9,824	9,634	9,441	9,248

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

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

NET APPROPRIATION DETERMINATION ^(a)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Sale of Goods and Services							
Receipts - Sale of Goods and Services.....	167	285	285	285	285	285	285
GST Receipts							
GST Input Credits.....	560	418	418	415	415	415	415
GST Receipts on Sales.....	34	87	87	87	87	87	87
Other Receipts							
Other Receipts.....	324	108	108	108	108	108	108
TOTAL.....	1,085	898	898	895	895	895	895

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

Gold Corporation

Part 2 Premier; Minister for Public Sector Management; Federal-State Relations

Asset Investment Program

The Corporation's Asset Investment Program for 2017-18 and across the forward estimates period totals \$50.2 million.

This supports the delivery of its services and the rolling program to update plant, equipment and computer software, including a complete upgrade to its assay lab which will allow it to operate at international standards and maintain accreditation with the London Bullion Market Association.

The Corporation will also continue the replacement of the Enterprise Resource Planning Software, which plays an important role in managing the Corporation's finances.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
WORKS IN PROGRESS							
Computer Software Replacement Program	4,850	3,450	350	670	450	100	180
Enterprise Resource Planning Software Replacement.....	19,566	12,766	10,200	5,300	1,500	-	-
Plant and Equipment Replacement Program.....	67,343	25,345	9,448	19,471	9,225	6,790	6,512
Total Cost of Asset Investment Program.....	91,759	41,561	19,998	25,441	11,175	6,890	6,692
FUNDED BY							
Internal Funds and Balances.....			19,998	25,441	11,175	6,890	6,692
Total Funding.....			19,998	25,441	11,175	6,890	6,692

Division 5 Governor's Establishment

Part 2 Premier; Minister for Public Sector Management; Federal-State Relations

Appropriations, Expenses and Cash Assets

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 7 Net amount appropriated to deliver services	1,583	1,529	1,529	1,457	1,439	1,473	1,483
Amount Authorised by Other Statutes							
- Governor's Establishment Act 1992.....	3,152	3,244	3,244	3,288	3,389	3,466	3,466
- Salaries and Allowances Act 1975	570	570	570	570	570	570	570
Total appropriations provided to deliver services.....	5,305	5,343	5,343	5,315	5,398	5,509	5,519
CAPITAL							
Item 89 Capital Appropriation	-	-	-	1,400	2,400	1,000	1,000
TOTAL APPROPRIATIONS	5,305	5,343	5,343	6,715	7,798	6,509	6,519
EXPENSES							
Total Cost of Services.....	5,197	5,324	5,324	5,386	5,507	5,618	5,628
Net Cost of Services ^(a)	5,076	5,209	5,209	5,259	5,380	5,491	5,501
CASH ASSETS ^(b)	911	845	850	728	668	608	548

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

(b) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
2017-18 Tariffs, Fees and Charges	-	12	12	12	12
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(22)	(22)	(22)	(22)
Revision to Indexation for Non-Salary Expenses	-	(6)	(12)	(14)	(16)

Significant Issues Impacting the Agency

- Her Excellency the Honourable Kerry Sanderson AC will retire from office in 2017-18. In the event of an interregnum period before the appointment of the 33rd Governor, the Establishment will continue to provide support to the State administrator during that period.
- The Establishment is committed to the preservation, appropriate use and presentation of the heritage listed Government Domain including Government House, the Ballroom and the Grounds. In 2017-18 the Establishment will commence two projects outlined in the Government Domain Conservation and Management Plan. The roof at Government House will be repaired and restored to its original state and all air conditioning plants will be replaced with an efficient, low cost and reliable alternative.
- The full-time management of the Government House Ballroom will be continued in order to operate as a venue to support the Office of the Governor, the Government and provide a venue for public community events.

Outcomes, Services and Key Performance Information

Desired Outcome	Services
Support the Governor and management of the Governor's Establishment.	1. Effective Support to the Governor 2. Management of the Governor's Establishment

Service Summary

Expense	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
1. Effective Support to the Governor.....	1,312	1,437	1,437	1,562	1,597	1,629	1,632
2. Management of the Governor's Establishment	3,885	3,887	3,887	3,824	3,910	3,989	3,996
Total Cost of Services	5,197	5,324	5,324	5,386	5,507	5,618	5,628

Services and Key Efficiency Indicators

1. Effective Support to the Governor

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

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Target \$'000	Note
Total Cost of Service.....	1,312	1,437	1,437	1,562	
Less Income	-	-	-	-	
Net Cost of Service	1,312	1,437	1,437	1,562	
Employees (Full Time Equivalents).....	5	7	6	7	

2. Management of the Governor's Establishment

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

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 3,885	\$'000 3,887	\$'000 3,887	\$'000 3,824	
Less Income.....	121	115	115	127	1
Net Cost of Service.....	3,764	3,772	3,772	3,697	
Employees (Full Time Equivalents).....	24	26	24	26	

Explanation of Significant Movements

(Notes)

- From 2017-18 costs associated with use of the Grounds by other organisations will be recouped as hire fees similar to the Ballroom hire arrangements.

Asset Investment Program

In 2017-18 the Establishment will commence two projects outlined in the Government Domain Conservation and Management Plan. The roof at Government House will be repaired and restored to its original state and all air conditioning plant will be replaced with an efficient, low cost and reliable alternative.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
WORKS IN PROGRESS							
Government House Restoration and Refurbishment Maintenance Program.....	603	178	152	77	116	116	116
Property, Plant and Equipment Upgrades - Equipment.....	194	55	55	139	-	-	-
COMPLETED WORKS							
Property, Plant and Equipment Upgrades - Security.....	147	147	46	-	-	-	-
NEW WORKS							
Government House Restoration and Refurbishment Air Conditioning Replacement.....	3,600	-	-	500	1,000	1,000	1,000
Roof Repair and Replacement.....	2,300	-	-	900	1,400	-	-
Total Cost of Asset Investment Program.....	6,844	380	253	1,616	2,516	1,116	1,116
FUNDED BY							
Capital Appropriation.....			-	1,400	2,400	1,000	1,000
Internal Funds and Balances.....			253	216	116	116	116
Total Funding.....			253	1,616	2,516	1,116	1,116

Financial Statements

INCOME STATEMENT ^(a) (Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	3,645	3,786	3,786	3,838	3,939	4,016	4,016
Supplies and services	658	565	565	589	603	607	609
Accommodation	287	397	397	405	425	428	426
Depreciation and amortisation	483	461	461	433	417	444	454
Other expenses.....	124	115	115	121	123	123	123
TOTAL COST OF SERVICES	5,197	5,324	5,324	5,386	5,507	5,618	5,628
Income							
Sale of goods and services.....	121	115	115	127	127	127	127
Total Income.....	121	115	115	127	127	127	127
NET COST OF SERVICES	5,076	5,209	5,209	5,259	5,380	5,491	5,501
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	5,305	5,343	5,343	5,315	5,398	5,509	5,519
Resources received free of charge	12	30	30	30	30	30	30
TOTAL INCOME FROM STATE GOVERNMENT	5,317	5,373	5,373	5,345	5,428	5,539	5,549
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	241	164	164	86	48	48	48

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

(b) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 29, 30 and 33 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	911	818	823	674	587	500	413
Receivables	10	19	10	10	10	10	10
Other.....	7	5	7	7	7	7	7
Total current assets	928	842	840	691	604	517	430
NON-CURRENT ASSETS							
Holding account receivables.....	1,431	1,889	1,889	2,319	2,733	3,174	3,625
Property, plant and equipment.....	33,034	32,750	32,845	34,046	36,156	36,839	37,512
Restricted cash	-	27	27	54	81	108	135
Other.....	838	1,253	819	801	790	779	768
Total non-current assets	35,303	35,919	35,580	37,220	39,760	40,900	42,040
TOTAL ASSETS	36,231	36,761	36,420	37,911	40,364	41,417	42,470
CURRENT LIABILITIES							
Employee provisions	418	328	418	418	418	418	418
Other.....	41	113	66	71	76	81	86
Total current liabilities	459	441	484	489	494	499	504
NON-CURRENT LIABILITIES							
Employee provisions	78	90	78	78	78	78	78
Total non-current liabilities	78	90	78	78	78	78	78
TOTAL LIABILITIES.....	537	531	562	567	572	577	582
EQUITY							
Contributed equity	3,635	3,635	3,635	5,035	7,435	8,435	9,435
Accumulated surplus/(deficit).....	2,778	2,986	2,942	3,028	3,076	3,124	3,172
Reserves.....	29,281	29,609	29,281	29,281	29,281	29,281	29,281
Total equity	35,694	36,230	35,858	37,344	39,792	40,840	41,888
TOTAL LIABILITIES AND EQUITY	36,231	36,761	36,420	37,911	40,364	41,417	42,470

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	4,836	4,885	4,885	4,885	4,984	5,068	5,068
Capital appropriation.....	-	-	-	1,400	2,400	1,000	1,000
Holding account drawdowns.....	59	-	-	-	-	-	-
Net cash provided by State Government.....	4,895	4,885	4,885	6,285	7,384	6,068	6,068
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(3,750)	(3,766)	(3,766)	(3,838)	(3,939)	(4,016)	(4,016)
Supplies and services.....	(695)	(535)	(535)	(559)	(573)	(577)	(579)
Accommodation.....	(291)	(397)	(397)	(405)	(425)	(428)	(426)
Other payments.....	(247)	(173)	(173)	(179)	(181)	(181)	(181)
Receipts ^(b)							
Sale of goods and services.....	124	115	115	127	127	127	127
GST receipts.....	135	63	63	63	63	63	63
Net cash from operating activities.....	(4,724)	(4,693)	(4,693)	(4,791)	(4,928)	(5,012)	(5,012)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(333)	(179)	(253)	(1,616)	(2,516)	(1,116)	(1,116)
Net cash from investing activities.....	(333)	(179)	(253)	(1,616)	(2,516)	(1,116)	(1,116)
NET INCREASE/(DECREASE) IN CASH HELD.....	(162)	13	(61)	(122)	(60)	(60)	(60)
Cash assets at the beginning of the reporting period.....	1,073	832	911	850	728	668	608
Cash assets at the end of the reporting period.....	911	845	850	728	668	608	548

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

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

NET APPROPRIATION DETERMINATION ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Sale of Goods and Services							
Sale of Goods and Services.....	124	115	115	127	127	127	127
GST Receipts							
GST Input Credits.....	135	63	63	63	63	63	63
TOTAL.....	259	178	178	190	190	190	190

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

Lotteries Commission

Part 2 Premier; Minister for Public Sector Management; Federal-State Relations

Asset Investment Program

The Commission's Asset Investment Program totals \$10.6 million in 2017-18. The continuation of the Retail Transformation Program (RTP) includes investment of \$5.3 million in 2017-18. The RTP will refresh Lotterywest's retail network and signage, replace ageing technology and consolidate the Play Online and Player Registration System (card) membership databases into a single Lotterywest online registration system.

Over the forward estimates, Lotterywest will invest:

- \$3 million in its gaming systems and software to provide contemporary lottery offerings and respond to evolving customer expectations;
- \$2.7 million for operating system upgrades and supporting environments; and
- \$3.3 million for a significant upgrade of security measures to respond to increasing cyber activity and the associated risk to the integrity of Lotterywest's gaming system.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
WORKS IN PROGRESS							
Retail Transformation Program	16,208	10,914	2,103	5,294	-	-	-
COMPLETED WORKS							
Gaming 2016-17 Program	103	103	103	-	-	-	-
Information Technology (IT) Projects							
Computer Hardware and Software Replacement	430	430	120	-	-	-	-
Corporate Network Refresh	1,404	1,404	1,304	-	-	-	-
IT Infrastructure Build	1,474	1,474	1,474	-	-	-	-
Mobile Access: Stage 2 - Mobile Applications	503	503	38	-	-	-	-
Replace Smartform Technology	454	454	372	-	-	-	-
SAP Backup and Recovery Solution	224	224	85	-	-	-	-
Security Framework Upgrades	307	307	64	-	-	-	-
Server Infrastructure Refresh	944	944	472	-	-	-	-
Wide Area Network End Routers	588	588	423	-	-	-	-
Land and Buildings - New Leased Building Fit-outs	6,581	6,581	6,419	-	-	-	-
Plant and Equipment							
2016-17 Program	24	24	24	-	-	-	-
Telephone Systems Upgrade	496	496	457	-	-	-	-
Software - SAP Business Intelligence Development	226	226	31	-	-	-	-
NEW WORKS							
Gaming							
2017-18 Program	1,088	-	-	1,088	-	-	-
2019-20 Program	500	-	-	-	-	500	-
Network							
2017-18 Program	250	-	-	250	-	-	-
2018-19 Program	500	-	-	-	500	-	-
2020-21 Program	250	-	-	-	-	-	250
Operating System							
2017-18 Program	1,202	-	-	1,202	-	-	-
2018-19 Program	300	-	-	-	300	-	-
2019-20 Program	500	-	-	-	-	500	-
2020-21 Program	650	-	-	-	-	-	650
Plant and Equipment							
2017-18 Program	445	-	-	445	-	-	-
2018-19 Program	200	-	-	-	200	-	-
2019-20 Program	200	-	-	-	-	200	-
2020-21 Program	200	-	-	-	-	-	200

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Security							
2017-18 Program.....	1,486	-	-	1,486	-	-	-
2018-19 Program.....	800	-	-	-	800	-	-
2019-20 Program.....	250	-	-	-	-	250	-
2020-21 Program.....	750	-	-	-	-	-	750
Software							
2017-18 Program.....	796	-	-	796	-	-	-
2018-19 Program.....	250	-	-	-	250	-	-
2019-20 Program.....	250	-	-	-	-	250	-
2020-21 Program.....	100	-	-	-	-	-	100
Total Cost of Asset Investment Program.....	40,933	24,672	13,489	10,561	2,050	1,700	1,950
FUNDED BY							
Internal Funds and Balances.....			13,489	10,561	2,050	1,700	1,950
Total Funding.....			13,489	10,561	2,050	1,700	1,950

Division 6

Salaries and Allowances Tribunal

Part 2

Premier; Minister for Public Sector Management; Federal-State Relations

Appropriations, Expenses and Cash Assets

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 8 Net amount appropriated to deliver services	1,077	1,084	1,084	1,091	1,101	1,108	1,116
Total appropriations provided to deliver services.....	1,077	1,084	1,084	1,091	1,101	1,108	1,116
TOTAL APPROPRIATIONS	1,077	1,084	1,084	1,091	1,101	1,108	1,116
EXPENSES							
Total Cost of Services.....	910	1,102	1,102	1,109	1,119	1,126	1,134
Net Cost of Services ^(a)	900	1,099	1,058	1,073	1,083	1,090	1,131
CASH ASSETS ^(b)	1,494	1,270	1,545	1,588	1,627	1,666	1,672

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

(b) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Revision to Indexation for Non-Salary Expenses	-	(14)	(28)	(34)	(40)

Significant Issues Impacting the Agency

- Following the enactment of legislation, the Tribunal will develop and implement frameworks to set remuneration provided to Chief Executive Officers of Government Trading Enterprises and governing bodies of universities.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Desired Outcome	Service
A fair and equitable system of remuneration for the Governor, Members of Parliament, Senior Government Officers, Local Government Chief Executive Officers (CEOs), Judicial and Magisterial Officers, superannuation benefits for Members of Parliament and fees, expenses and allowances for Local Government elected council members.	1. Support Services to the Salaries and Allowances Tribunal

Service Summary

Expense	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
1. Support Services to the Salaries and Allowances Tribunal.....	910	1,102	1,102	1,109	1,119	1,126	1,134
Total Cost of Services	910	1,102	1,102	1,109	1,119	1,126	1,134

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: A fair and equitable system of remuneration for the Governor, Members of Parliament, Senior Government Officers, Local Government Chief Executive Officers (CEOs), Judicial and Magisterial Officers, superannuation benefits for Members of Parliament and fees, expenses and allowances for Local Government elected council members:					
Quantity - Determinations/Reports	36	35	48	42	1
Quality - Tribunal satisfaction with the quality of service provided.....	100%	100%	100%	100%	
Timeliness - Tribunal satisfaction with timeliness of service provided.....	100%	100%	100%	100%	
The extent to which the Tribunal is satisfied with the support services provided.....	100%	100%	100%	100%	

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

Explanation of Significant Movements

(Notes)

1. A higher than expected number of determinations occurred during 2016-17 compared to 2015-16. The number of determinations is expected to reduce in the 2017-18 Budget Target compared to the 2016-17 Estimated Actual.

Services and Key Efficiency Indicators

1. Support Services to the Salaries and Allowances Tribunal

Support services assist the Tribunal to:

- determine the remuneration paid or provided to holders of certain public offices including the Governor, Members of Parliament, Senior Government Officers, Industrial Relations Commissioners, full-time members of the State Administrative Tribunal, local government CEOs, to determine certain matters relating to the superannuation benefits for Members of Parliament; to determine the fees, expenses and allowances to be paid or reimbursed to local government elected council members; and
- report on remuneration to be paid or provided to members of the Judiciary and Magistracy.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 910	\$'000 1,102	\$'000 1,102	\$'000 1,109	
Less Income.....	10	3	44	36	
Net Cost of Service.....	900	1,099	1,058	1,073	
Employees (Full Time Equivalents).....	3	3	3	3	
Efficiency Indicator					
Cost (Efficiency) - Average Cost per Determination Report.....	\$25,278	\$31,486	\$22,958	\$26,405	1

Explanation of Significant Movements

(Notes)

1. A higher than expected number of determinations during 2016-17 has resulted in a lower Average Cost per Determination Report in the financial year. The Tribunal expects the volume of determinations in 2017-18 will be less than in 2016-17, which results in a higher anticipated Average Cost per Determination Report.

Financial Statements

INCOME STATEMENT ^(a) (Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	620	513	529	536	544	551	559
Supplies and services	98	423	379	383	402	406	411
Accommodation	154	143	156	152	148	146	144
Depreciation and amortisation.....	28	17	28	28	15	13	10
Other expenses.....	10	6	10	10	10	10	10
TOTAL COST OF SERVICES	910	1,102	1,102	1,109	1,119	1,126	1,134
Income							
Grants and subsidies.....	-	-	41	33	33	33	-
Other revenue.....	10	3	3	3	3	3	3
Total Income.....	10	3	44	36	36	36	3
NET COST OF SERVICES	900	1,099	1,058	1,073	1,083	1,090	1,131
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	1,077	1,084	1,084	1,091	1,101	1,108	1,116
Resources received free of charge.....	15	15	15	15	15	15	15
TOTAL INCOME FROM STATE GOVERNMENT	1,092	1,099	1,099	1,106	1,116	1,123	1,131
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	192	-	41	33	33	33	-

(a) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 3, 3 and 3 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	1,494	1,268	1,543	1,584	1,621	1,658	1,662
Receivables	3	6	4	13	14	16	13
Total current assets	1,497	1,274	1,547	1,597	1,635	1,674	1,675
NON-CURRENT ASSETS							
Holding account receivables.....	45	54	54	63	72	81	90
Property, plant and equipment.....	5	-	4	2	-	-	-
Restricted cash	-	2	2	4	6	8	10
Other.....	90	73	63	37	23	10	-
Total non-current assets	140	129	123	106	101	99	100
TOTAL ASSETS	1,637	1,403	1,670	1,703	1,736	1,773	1,775
CURRENT LIABILITIES							
Employee provisions	57	51	57	57	57	57	57
Payables	1	5	1	1	1	1	1
Other.....	10	9	2	2	2	6	8
Total current liabilities	68	65	60	60	60	64	66
NON-CURRENT LIABILITIES							
Employee provisions	55	20	55	55	55	55	55
Total non-current liabilities	55	20	55	55	55	55	55
TOTAL LIABILITIES.....	123	85	115	115	115	119	121
EQUITY							
Accumulated surplus/(deficit).....	1,514	1,318	1,555	1,588	1,621	1,654	1,654
Total equity	1,514	1,318	1,555	1,588	1,621	1,654	1,654
TOTAL LIABILITIES AND EQUITY	1,637	1,403	1,670	1,703	1,736	1,773	1,775

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	1,068	1,075	1,075	1,082	1,092	1,099	1,107
Net cash provided by State Government.....	1,068	1,075	1,075	1,082	1,092	1,099	1,107
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(587)	(511)	(535)	(534)	(544)	(547)	(557)
Supplies and services.....	(90)	(408)	(367)	(379)	(387)	(393)	(393)
Accommodation.....	(154)	(143)	(156)	(152)	(148)	(146)	(144)
Other payments.....	(34)	(64)	(68)	(68)	(68)	(68)	(68)
Receipts ^(b)							
Grants and subsidies.....	-	-	41	33	33	33	-
GST receipts.....	27	58	58	58	58	58	58
Other receipts.....	10	3	3	3	3	3	3
Net cash from operating activities.....	(828)	(1,065)	(1,024)	(1,039)	(1,053)	(1,060)	(1,101)
NET INCREASE/(DECREASE) IN CASH HELD.....	240	10	51	43	39	39	6
Cash assets at the beginning of the reporting period.....	1,254	1,260	1,494	1,545	1,588	1,627	1,666
Cash assets at the end of the reporting period.....	1,494	1,270	1,545	1,588	1,627	1,666	1,672

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

NET APPROPRIATION DETERMINATION ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Grants and Subsidies							
Commonwealth Specific Purpose - Indian Ocean Territories.....	-	-	41	33	33	33	-
GST Receipts							
GST Input Credits.....	27	58	58	58	58	58	58
Other Receipts							
Other Revenue.....	10	3	3	3	3	3	3
TOTAL.....	37	61	102	94	94	94	61

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

Part 3

Minister for State Development; Jobs and Trade

Minister for Tourism; Defence Issues

Minister for Commerce and Industrial Relations; Asian Engagement

Minister for Innovation and ICT; Science

Summary of Portfolio Appropriations

Agency	2016-17 Budget \$'000	2016-17 Estimated Actual '000	2017-18 Budget Estimate '000
Jobs, Tourism, Science and Innovation			
– Delivery of Services	145,712	145,127	157,907
– Administered Grants, Subsidies and Other Transfer Payments	17,782	17,471	21,983
– Capital Appropriation	150	150	150
Total	163,644	162,748	180,040
GRAND TOTAL			
– Delivery of Services	145,712	145,127	157,907
– Administered Grants, Subsidies and Other Transfer Payments	17,782	17,471	21,983
– Capital Appropriation	150	150	150
Total.....	163,644	162,748	180,040

Division 7 Jobs, Tourism, Science and Innovation

Part 3 Minister for State Development; Jobs and Trade

Minister for Tourism; Defence Issues

Minister for Commerce and Industrial Relations; Asian Engagement

Minister for Innovation and ICT; Science

Appropriations, Expenses and Cash Assets ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 9 Net amount appropriated to deliver services ^(b)	129,032	144,488	143,903	156,931	145,908	147,815	146,773
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	1,205	1,224	1,224	976	976	976	976
Total appropriations provided to deliver services.....	130,237	145,712	145,127	157,907	146,884	148,791	147,749
ADMINISTERED TRANSACTIONS							
Item 10 Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....	17,575	17,782	17,471	21,983	22,236	22,494	22,759
CAPITAL							
Item 90 Capital Appropriation	150	150	150	150	150	150	150
TOTAL APPROPRIATIONS	147,962	163,644	162,748	180,040	169,270	171,435	170,658
EXPENSES							
Total Cost of Services.....	156,293	187,227	184,472	188,696	183,556	179,413	171,769
Net Cost of Services ^(c)	149,345	180,289	177,829	180,364	177,540	173,695	166,521
CASH ASSETS ^(d)	34,516	24,995	30,005	29,028	27,941	27,054	26,506

- (a) The 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to amalgamate the Department of State Development, WA Tourism Commission (Tourism WA), transfer of the Innovation function from the Department of Finance and the Office of the Government Chief Information Officer, transfer of the Industry Development function from the Department of Commerce, transfer of International Education from the Department of Education Services and transfer of Overseas Offices and the Office of Science from the Department of the Premier and Cabinet on 1 July 2017.
- (b) The Department's net amount appropriated to deliver services from the 2016-17 Estimated Actual onwards includes the transfer of appropriation for staff reallocated from the Department of Finance to various agencies in response to changes to government procurement policy.
- (c) Represents Total Cost of Services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (d) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Election Commitments					
Annual Asian Dialogue Conference - Trade and Investment ^(a)	-	200	200	200	200
Collie Futures Fund.....	-	1,000	4,000	5,000	5,000
Develop Serviced Land at Shots and Kemerton.....	-	-	5,267	5,245	-
Event Tourism Baseline Funding.....	-	5,963	3,911	17,692	22,892
Ferguson Valley Wellington Forest Marketing.....	-	300	-	-	-
Industry Development - Provision for an Industry Participation Plan Advisory Service ^(a)	-	1,018	1,040	1,066	1,093
International Education Strategy.....	-	-	500	500	500
Minninup Pool Tourist Caravan Park.....	-	200	300	-	-
New Industries Fund.....	-	6,746	3,500	3,500	3,000
Office of Defence West.....	-	-	104	107	109
Promote Western Australia in Asia - Education and Mining Expertise ^(a)	-	300	300	300	300
Science Industry Fellowships ^(a)	-	-	300	300	300
Science, Technology, Engineering and Mathematics Advisory Panel ^(a)	-	250	250	250	250
Study and Site Preparation Plans for a Tech Park in the Northern Suburbs ...	-	-	200	300	-
Swan Valley Strategy ^(a)	-	200	200	200	200
The Asian Business House ^(a)	-	-	250	250	250
Tourism Destination Marketing Baseline Funding.....	-	-	10,184	13,113	13,205
Other					
2017-18 Streamlined Budget Process Incentive Funding.....	-	317	-	-	-
Australia China Natural Gas Technology Partnership Fund Program Extension (Externally Funded)	430	430	430	429	-
Bunbury to Albany Gas Pipeline - Cessation of Project.....	-	(3,000)	(1,000)	-	-
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(15)	(29)	(45)	(60)
Return of Surplus Accommodation Appropriations.....	(989)	(929)	(891)	(763)	-
Revision to Indexation for Non-Salary Expenses	-	-	(331)	(450)	(572)

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

Significant Issues Impacting the Agency

- The Department was formed on 1 July 2017 as part of the Government's Machinery of Government changes. The Department comprises of the former Department of State Development, the Industry Development division from the former Department of Commerce, WA Tourism Commission (Tourism WA), and the former Office of Science. It also has responsibility for international education, defence, innovation, Asian engagement and the operation of the State Government's international trade offices.
- The Western Australian economy continues its transition after a decade of extraordinary investment in the resources sector. This transition has contributed to a fall in total employment within the State in 2016, the first decline over a calendar year since 1991. Job prospects improved in the first half of 2017, with a recovery in full-time employment a positive sign.
- The Government is securing the State's long-term energy needs by ensuring LNG exporters also make gas available in the domestic market. In 2016-17, the Department developed new monitoring arrangements for the North West Shelf project companies and undertook negotiations on domestic gas commitments with a number of LNG exporters and project developers. The local market is currently well supplied as a result of contractual commitments between LNG exporters and the Government to make gas available.
- Funding certainty and security for the tourism industry has been achieved with an investment of \$425 million in Destination Marketing and Event Tourism over five years which will enable the Department to plan and activate marketing and event strategies over the longer term.
- Qantas has announced Perth as its new Australian hub for non-stop flights to and from London, beginning in March 2018. This repositions Perth as Australia's western gateway for travellers from Europe. Economic analysis shows potential visitor expenditure from the new service would be up to \$36.4 million per annum. Marketing activity

will be focussed on encouraging stopovers in Perth and dispersal to regional areas. Qantas will consider additional, non-stop routes from Paris and Frankfurt depending on the success of the London route.

- The development of the 60,000-seater Perth Stadium will allow Perth to attract major sporting and entertainment events of a much larger scale than it is currently able to host, and also better capitalise on existing events such as Australian Football League (AFL) games. Tourism WA has secured a Chelsea Football Club match for 2018, game two of the National Rugby League's (NRL) State of Origin Series and a Bledisloe Cup for 2019. Together, these events are conservatively expected to attract 45,000 visitors and deliver \$45 million into the Western Australian economy.
- In May 2017, the Government announced the establishment of the Office of Defence West (Defence West), which works to facilitate, promote and attract new business to the range of specialised manufacturing support services primarily based at the Australian Marine Complex at Henderson. Defence West's role also includes promoting Western Australia's defence sector capability and capacity to deliver the nation's future shipbuilding and submarine programs. The 2017-18 Budget reflects the bringing forward of funding so that Defence West can actively pursue defence contracts this financial year.
- The Government has established a Science, Technology, Engineering and Mathematics (STEM) Advisory Panel chaired by the Chief Scientist. The panel, made up of industry experts, researchers and educators, will develop a State STEM Strategy (the Strategy). The Strategy will map Western Australia's STEM workforce, highlighting strengths and gaps in skills and expertise, and identify STEM growth industries.
- The Department continues to ensure that land and infrastructure is available for future project development, such as Tianqi's lithium processing project at Kwinana. This is achieved, in part, by creating and managing strategic industrial areas throughout Western Australia that are suitable for new industrial activities and supporting multi-user access to strategic infrastructure such as ports and rail.
- The 2017-18 Budget provides for the establishment of an Industry Participation Advisory Service to provide advice and assistance in particular to Western Australian small and medium-sized businesses to increase their opportunities to compete for Government contracts and to create increased employment opportunities in both regional and metropolitan areas.
- The Department has been able to reallocate and reprioritise \$2.75 million of existing project funding over four years to fund election commitments promoting Western Australian industry into Asia, including an Asian Business House and an annual Asian trade and investment conference.

Resource Agreement

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister for State Development; Jobs and Trade, Minister for Tourism; Defence Issues, Minister for Commerce and Industrial Relations; Asian Engagement, Minister for Innovation and ICT; Science, the Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

The relationship of Ministers to services is shown below.

Responsible Minister	Services
Minister for State Development; Jobs and Trade Minister for Defence Issues Minister for Commerce and Industrial Relations; Asian Engagement Minister for Innovation and ICT; Science	1. Development of Industry Sectors and Facilitate Investment
Minister for Tourism	2. Destination Marketing 3. Event Tourism 4. Tourism Destination Development

Outcomes, Services and Key Performance Information

The Outcomes, Services and Key Performance Information reflect the amalgamation of the Department of State Development, Tourism WA and components from the Departments of Commerce and the Premier and Cabinet due to Machinery of Government changes on 1 July 2017. Where practical, the 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual has been recast for comparative purposes.

Relationship to Government Goals

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

Government Goal	Desired Outcomes	Services
Future Jobs and Skills: Grow and diversify the economy, create jobs and support skills development.	Provide leadership in the development of Western Australian industry sectors to grow the economy and create jobs.	1. Development of Industry Sectors and Facilitate Investment
	Increased competitiveness and viability of the Western Australia Tourism industry.	2. Destination Marketing 3. Event Tourism 4. Tourism Destination Development

Service Summary

Expense	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
1. Development of Industry Sectors and Facilitate Investment.....	71,140	94,072	92,181	88,898	89,782	87,378	79,736
2. Destination Marketing	45,789	44,742	49,044	45,620	44,995	44,990	44,988
3. Event Tourism.....	27,524	32,448	29,101	39,999	39,997	39,997	39,997
4. Tourism Destination Development.....	11,840	15,965	14,146	14,179	8,782	7,048	7,048
Total Cost of Services	156,293	187,227	184,472	188,696	183,556	179,413	171,769

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: Provide leadership in the development of Western Australian industry sectors to grow the economy and create jobs:					
Extent to which agreed milestones for projects where the Department is the lead agency are achieved within the reporting period.....	74%	85%	74%	85%	
Extent to which State Agreement proponents comply with their reporting obligations and meet the Agreement objectives	98%	95%	93%	95%	
Outcome: Increased competitiveness and viability of the Western Australia Tourism industry:					
Total dollar amount spent by visitors in Western Australia	\$9 billion	\$9.3 billion	\$10 billion	\$10.3 billion	
Percentage of visitors whose expectations were met or exceeded upon visiting Western Australia	98%	90%	99%	90%	
Value of cooperative marketing funds provided by the tourism industry	\$6.9 million	\$6 million	\$8.7 million	\$6.5 million	1
Direct economic impact of major events sponsorship ^(b)	\$33.2 million	\$55 million	\$56.8 million	\$50 million	
Direct media impact of major events sponsorship ^(b)	\$139.4 million	\$125 million	\$156 million	\$140 million	2

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

(b) Effectiveness indicators in relation to economic and media impact of events include the measurement of events where the level of sponsorship is deemed significant or where the event is expected to generate a significant impact. It is not practical or economically feasible to measure the impact of all sponsored events.

Explanation of Significant Movements

(Notes)

- The 2017-18 Budget Target is lower than the 2016-17 Estimated Actual as there has been consolidation and increased competition of tourism trade partners. The indication is that some partners may commit at a lesser rate or are unable to match funding in cash, plus there are a number of agreements for 2017-18 yet to be negotiated.
- Events only with a sponsorship value of \$500,000 or more are included in this measure. The number of events meeting this criteria dropped from 11 in 2016-17 to an estimated nine in 2017-18.

Services and Key Efficiency Indicators**1. Development of industry sectors and facilitate investment**

Benefits the Western Australian community by facilitating private sector investment and strategic public infrastructure in the State and promoting Western Australia as a source of internationally competitive products and services.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	71,140	94,072	92,181	88,898	
Less Income	5,006	4,500	3,967	5,185	
Net Cost of Service.....	66,134	89,572	88,214	83,713	
Employees (Full Time Equivalents) ^(a).....	190	193	181	191	
Efficiency Indicators ^(b)					
Average Cost per Project Facilitated ^{(c) (d)}	465,000	491,500	477,000	n/a	
Average Cost per Identified Major State Initiative ^{(c) (d)}	2,168,000	4,267,600	1,683,000	n/a	

(a) Full Time Equivalents reported for 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual have been re-cast on an estimated basis to include comparative Machinery of Government changes.

(b) Efficiency Indicators for the new agency are under review and will be developed in 2017-18.

(c) Efficiency Indicators for the 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual are the indicators for the previous Department of State Development only. Efficiency Indicators appropriate to this service, for the new Department of Jobs, Tourism, Science and Innovation will be developed and recommended for inclusion in the 2018-19 Budget.

(d) The Efficiency Indicators used by the previous Department of State Development do not appropriately reflect the operational outcomes for this service in the new Department of Jobs, Tourism, Science and Innovation. Consequently, no performance indicators have been included in the 2017-18 Budget Target, pending a review and approval of new indicators in time for the 2018-19 Budget process.

2. Destination Marketing

In partnership with the tourism and travel industry, Regional Tourism Organisations, Perth Convention Bureau, Western Australian Indigenous Tourism Operators Council and Tourism Australia, the Department promotes Western Australia as a desirable holiday destination in core intrastate, interstate and international markets and undertakes marketing strategies that maximise the economic benefit to the State.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 45,789	\$'000 44,742	\$'000 49,044	\$'000 45,620	
Less Income.....	762	427	948	949	
Net Cost of Service.....	45,027	44,315	48,096	44,671	
Employees (Full Time Equivalents).....	50	50	54	54	
Efficiency Indicator Tourism Destination Development Administrative Costs as a Proportion of Total Cost of Services Allocated to Destination Marketing.....	29%	28%	23%	25%	1

Explanation of Significant Movements

(Notes)

- The decrease in the efficiency indicator between the 2016-17 Budget and the 2016-17 Estimated Actual is due to an increase in the Destination Marketing activity budget without a proportional increase in administration costs.

3. Event Tourism

The Department develops, attracts and supports events that generate social and economic benefit to the State, and market Western Australia nationally and internationally.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 27,524	\$'000 32,448	\$'000 29,101	\$'000 39,999	1
Less Income.....	103	560	161	162	
Net Cost of Service.....	27,421	31,888	28,940	39,837	
Employees (Full Time Equivalents).....	23	23	21	22	
Efficiency Indicator Event Tourism Administrative Costs as a Proportion of Total Cost of Services Allocated to Event Tourism.....	15%	16%	14%	11%	2

Explanation of Significant Movements

(Notes)

- The increase between the 2015-16 Actual and the 2016-17 Budget target is mainly due to an underspend in 2015-16 in events funded through the Royalties for Regions (RfR) program, the redirection of uncommitted funds to the Destination Marketing service area in 2015-16 and additional funding provided in 2016-17 for Perth Stadium events marketing. The decrease between the 2016-17 Budget and the 2016-17 Estimated Actual is largely due to the redirection of uncommitted funds to the Destination Marketing service area, the transfer of the Events Marketing function to Destination Marketing, a reduction in expense limit for events funded through the RfR program and a reduction in the level of corporate overheads allocated to Event Tourism. The increase between the 2016-17 Estimated Actual and the 2017-18 Budget Target is the result of the Government's commitment to set Event Tourism baseline funding at \$40 million per annum for five years.
- The decrease between the 2016-17 Budget and the 2016-17 Estimated Actual is due to a decrease in total administrative costs largely from salary savings and a reduction in the level of corporate overheads allocated to Event Tourism. The decrease between the 2016-17 Estimated Actual and the 2017-18 Budget Target is the result of an uplift to Event Tourism funding without a proportional increase in the level of administration costs.

4. Tourism Destination Development

This service focuses on tourism supply side issues; working across government and industry to determine the needs of destinations in terms of access, accommodation, attractions and amenities; and facilitating the filling of gaps through private or public investment and policy settings.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 11,840	\$'000 15,965	\$'000 14,146	\$'000 14,179	1
Less Income.....	1,077	1,451	1,567	2,036	
Net Cost of Service.....	10,763	14,514	12,579	12,143	
Employees (Full Time Equivalents).....	25	25	24	24	
Efficiency Indicator					
Tourism Destination Development Administrative Costs as a Proportion of Total Cost of Services Allocated to Tourism Destination Development.....	39%	33%	35%	36%	2

Explanation of Significant Movements

(Notes)

1. The increase between the 2015-16 Actual and the 2016-17 Budget is mainly due to an increase in the RfR-funded Caravan and Camping program, the deferral of 2015-16 expenditure to future years for the Tourism Demand Driver Infrastructure program funded by the Commonwealth Government and an increase to corporate overheads allocated to Tourism Destination Development. The decrease between the 2016-17 Budget and the 2016-17 Estimated Actual is the result of the deferral of Caravan and Camping expenditure to 2017-18.
2. The decrease between the 2015-16 Actual and the 2016-17 Budget is due to a higher level of expenditure in 2016-17 without a proportional increase in administration overheads.

Asset Investment Program

The Department's Asset Investment Program of \$1.55 million in 2017-18, includes the Southern Precinct project in addition to asset replacement projects for tourism marketing assets, information technology (IT) equipment and motor vehicles in overseas offices.

The Southern Precinct project has an allocation of \$700,000 for environmental remediation work at Henderson to support the Australian Marine Complex and the industries that operate within the facility.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
WORKS IN PROGRESS							
Information and Communication Technology Replacement							
Perth Office.....	77	27	15	15	15	20	-
Overseas Offices.....	195	50	10	45	30	25	45
Other Works - Southern Precinct.....	1,865	1,165	723	700	-	-	-
COMPLETED WORKS							
Information and Communication Technology Replacement							
Replacement of Multi-function Devices - Perth Office.....	100	100	100	-	-	-	-
IT Development and Other Infrastructure							
2016-17 Asset Replacement Program.....	309	309	309	-	-	-	-
Regional Tourism Marketing - Regional Films 2016-17....	806	806	806	-	-	-	-
Motor Vehicle Replacement - 2016-17 Program.....	110	110	110	-	-	-	-
NEW WORKS							
IT Development and Other Infrastructure							
Asset Replacement							
2017-18 Program.....	625	-	-	625	-	-	-
2018-19 Program.....	625	-	-	-	625	-	-
2019-20 Program.....	1,036	-	-	-	-	1,036	-
2020-21 Program.....	625	-	-	-	-	-	625
Motor Vehicle Replacement							
2017-18 Program.....	165	-	-	165	-	-	-
2019-20 Program.....	65	-	-	-	-	65	-
2020-21 Program.....	65	-	-	-	-	-	65
Total Cost of Asset Investment Program.....	6,668	2,567	2,073	1,550	670	1,146	735
FUNDED BY							
Capital Appropriation			150	150	150	150	150
Drawdowns from the Holding Account.....			710	700	520	585	585
Internal Funds and Balances.....			723	700	-	411	-
Drawdowns from Royalties for Regions Fund ^(a)			490	-	-	-	-
Total Funding.....			2,073	1,550	670	1,146	735

(a) Regional Infrastructure and Headworks Fund.

Financial Statements

The 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to amalgamate the Department of State Development, Tourism WA, transfer of the Innovation function from the Department of Finance and the Office of the Government Chief Information Officer, transfer of the Industry Development function from the Department of Commerce, transfer of International Education from the Department of Education Services and transfer of Overseas Offices and the Office of Science from the Department of the Premier and Cabinet on 1 July 2017.

INCOME STATEMENT ^(a) (Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	41,040	42,371	44,287	43,222	42,148	41,440	41,928
Grants and subsidies ^(c)	26,069	41,254	35,816	37,961	30,180	30,170	27,885
Supplies and services	75,726	91,575	89,827	93,897	98,260	96,295	90,349
Accommodation	6,680	6,776	6,334	6,891	6,352	6,507	6,612
Depreciation and amortisation.....	1,065	1,081	1,072	1,040	1,011	1,006	1,000
Other expenses.....	5,713	4,170	7,136	5,685	5,605	3,995	3,995
TOTAL COST OF SERVICES	156,293	187,227	184,472	188,696	183,556	179,413	171,769
Income							
Sale of goods and services.....	1,859	1,792	1,792	1,961	1,961	1,961	1,961
Grants and subsidies.....	1,502	1,388	1,641	2,295	-	-	-
Other revenue	3,587	3,758	3,210	4,076	4,055	3,757	3,287
Total Income.....	6,948	6,938	6,643	8,332	6,016	5,718	5,248
NET COST OF SERVICES	149,345	180,289	177,829	180,364	177,540	173,695	166,521
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	130,237	145,712	145,127	157,907	146,884	148,791	147,749
Resources received free of charge	1,530	1,624	1,794	1,644	1,644	1,644	1,644
Royalties for Regions Fund:							
Regional Community Services Fund.....	19,862	27,020	27,799	19,550	22,757	17,547	16,770
Regional Infrastructure and Headworks Fund	-	3,000	3,000	-	5,267	5,245	-
TOTAL INCOME FROM STATE GOVERNMENT	151,629	177,356	177,720	179,101	176,552	173,227	166,163
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	2,284	(2,933)	(109)	(1,263)	(988)	(468)	(358)

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

(b) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 288, 280 and 291 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Australia China Natural Gas Technology Partnership Fund.....	258	-	-	-	-	-	-
Caravan and Camping Grants.....	2,164	4,549	1,685	1,202	-	-	-
Demand Driver Infrastructure Grants.....	962	1,388	1,386	1,757	-	-	-
Gorgon Gas CO2 Injection Project.....	-	100	100	100	100	100	100
Industry Development Grants							
IFSP Government Procurement and METRONET ^(a)	1,095	1,409	1,231	800	800	800	800
Medical Research Centre Fund.....	110	110	110	110	110	110	110
Oil and Gas Resources Centre							
National Energy Resources Australia.....	-	150	200	250	275	-	-
Other.....	-	1,749	-	-	-	-	-
Innovation Grants.....	-	-	2,051	6,746	3,500	3,500	3,000
Office of Science							
International Centre for Radio Astronomy							
Research.....	3,000	6,000	6,000	6,500	3,950	5,050	5,000
Other Grants.....	317	3,694	3,392	932	4,037	3,095	1,360
Pawsey Super Computing Centre.....	-	4,100	4,100	4,203	4,308	4,415	4,415
SciTech Discovery Centre.....	8,300	8,500	8,500	8,600	8,600	8,600	8,600
Western Australian Marine Science Institute.....	3,000	1,950	1,950	2,050	2,000	2,000	2,000
Onslow Social Infrastructure Projects							
Macedon.....	3,005	1,955	1,620	335	-	-	-
Wheatstone.....	1,819	2,100	1,610	703	200	200	200
Wheatstone Post-end Construction Projects...	-	1,500	-	1,500	1,500	1,500	1,500
Other Industry Grants and Contributions.....	915	800	719	900	800	800	800
Regional Visitor Centre Grants.....	1,124	1,200	1,162	1,273	-	-	-
TOTAL.....	26,069	41,254	35,816	37,961	30,180	30,170	27,885

(a) IFSP: Industry Facilitation and Support Program.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CURRENT ASSETS							
Cash assets	23,210	19,700	25,318	25,680	25,092	24,703	24,703
Restricted cash	11,306	5,215	4,607	3,184	2,597	2,007	1,459
Holding account receivables	475	475	475	512	546	580	608
Receivables	2,463	2,311	2,150	2,150	2,150	2,150	2,150
Other	5,652	4,276	5,837	5,855	8,020	6,267	6,473
Total current assets	43,106	31,977	38,387	37,381	38,405	35,707	35,393
NON-CURRENT ASSETS							
Holding account receivables	7,295	7,540	7,590	7,625	8,097	8,499	8,901
Property, plant and equipment	41,970	43,437	42,676	43,535	43,616	43,874	43,721
Intangibles	768	452	1,008	1,008	1,008	1,008	1,008
Restricted cash	-	80	80	164	252	344	344
Other	11,473	8,493	9,335	10,477	7,619	6,923	6,233
Total non-current assets	61,506	60,002	60,689	62,809	60,592	60,648	60,207
TOTAL ASSETS	104,612	91,979	99,076	100,190	98,997	96,355	95,600
CURRENT LIABILITIES							
Employee provisions	7,747	7,891	7,799	7,507	7,507	7,507	7,507
Payables	4,220	3,115	3,391	3,216	3,041	2,866	2,691
Other	887	1,204	899	986	1,077	1,259	1,259
Total current liabilities	12,854	12,210	12,089	11,709	11,625	11,632	11,457
NON-CURRENT LIABILITIES							
Employee provisions	1,623	1,673	1,609	1,756	1,756	1,756	1,756
Other	897	874	897	897	897	897	897
Total non-current liabilities	2,520	2,547	2,506	2,653	2,653	2,653	2,653
TOTAL LIABILITIES	15,374	14,757	14,595	14,362	14,278	14,285	14,110
EQUITY							
Contributed equity	133,818	132,691	130,681	76,055	75,934	73,753	73,531
Accumulated surplus/(deficit) ^(b)	(55,721)	(66,485)	(57,236)	(1,263)	(2,251)	(2,719)	(3,077)
Reserves	11,141	11,016	11,036	11,036	11,036	11,036	11,036
Total equity	89,238	77,222	84,481	85,828	84,719	82,070	81,490
TOTAL LIABILITIES AND EQUITY	104,612	91,979	99,076	100,190	98,997	96,355	95,600

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

(b) The Accumulated deficit 2016-17 Estimated Actual of \$57.2 million is recognised as Contributed equity from 2017-18 onwards to acknowledge the transfer of functions to the new Department of Jobs, Tourism, Science and Innovation.

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	129,391	144,862	144,277	156,851	145,858	147,770	146,734
Capital appropriation.....	150	150	150	150	150	150	150
Holding account drawdowns.....	475	710	710	700	520	585	585
Royalties for Regions Fund:							
Country Local Government Fund.....	-	3,000	-	-	-	-	-
Regional Community Services Fund.....	20,112	27,020	31,289	19,550	22,757	17,547	16,770
Regional Infrastructure and Headworks Fund.....	-	-	-	-	5,267	5,245	-
Net cash provided by State Government.....	150,128	175,742	176,426	177,251	174,552	171,297	164,239
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(42,421)	(42,288)	(44,204)	(43,135)	(42,057)	(41,258)	(41,928)
Grants and subsidies.....	(26,280)	(41,264)	(35,816)	(37,961)	(30,180)	(30,170)	(27,885)
Supplies and services.....	(54,540)	(64,959)	(61,675)	(65,325)	(67,842)	(63,471)	(57,416)
Accommodation.....	(6,789)	(6,506)	(6,064)	(6,621)	(6,082)	(6,237)	(6,362)
Other payments.....	(33,852)	(36,875)	(35,834)	(39,064)	(40,376)	(40,447)	(40,536)
Receipts ^(b)							
Grants and subsidies.....	1,560	1,388	1,641	2,295	-	-	-
Sale of goods and services.....	1,832	1,792	1,792	1,961	1,961	1,961	1,961
GST receipts.....	7,326	7,348	7,348	6,247	5,792	4,827	4,827
Other receipts.....	3,609	3,758	2,970	3,836	3,815	3,757	3,287
Net cash from operating activities.....	(149,555)	(177,606)	(169,842)	(177,767)	(174,969)	(171,038)	(164,052)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(1,714)	(1,583)	(2,073)	(1,550)	(670)	(1,146)	(735)
Proceeds from sale of non-current assets.....	31	-	-	-	-	-	-
Other receipts.....	583	-	-	860	1,032	3,032	1,032
Net cash from investing activities.....	(1,100)	(1,583)	(2,073)	(690)	362	1,886	297
CASHFLOWS FROM FINANCING ACTIVITIES							
Other payments.....	-	-	-	(860)	(1,032)	(3,032)	(1,032)
Net cash from financing activities.....	-	-	-	(860)	(1,032)	(3,032)	(1,032)
NET INCREASE/(DECREASE) IN CASH HELD.....	(527)	(3,447)	(4,511)	(2,066)	(1,087)	(887)	(548)
Cash assets at the beginning of the reporting period.....	35,043	28,442	34,516	30,005	29,028	27,941	27,054
Net cash transferred to/from other agencies.....	-	-	-	1,089	-	-	-
Cash assets at the end of the reporting period.....	34,516	24,995	30,005	29,028	27,941	27,054	26,506

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

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

NET APPROPRIATION DETERMINATION ^(a)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Grants and Subsidies							
Commonwealth Grants - National Water.....	-	-	255	438	-	-	-
NPP Revenue - Delivery of Tourism							
Demand Driver Infrastructure	1,020	1,388	1,386	1,757	-	-	-
ONIC Funding Transferred from							
Department of Planning.....	540	-	-	-	-	-	-
Other Grants	-	-	-	100	-	-	-
Sale of Goods and Services							
Industry Development Revenue.....	1,832	1,792	1,792	1,961	1,961	1,961	1,961
GST Receipts							
GST Receipts.....	7,326	7,348	7,348	6,247	5,792	4,827	4,827
Other Receipts							
Interest Receipts	293	250	250	250	250	250	250
Revenue - Other.....	1,612	1,569	1,809	1,436	1,422	1,365	1,324
Onslow Community Development Funds							
Receipts	-	1,500	-	1,500	1,500	1,500	1,500
Gorgon CO2 Gas Injection Project.....	100	100	100	100	100	100	100
Australia China Natural Gas Technology							
Partnership External Contributions.....	1,042	-	430	430	430	429	-
Overseas Offices Revenue.....	120	100	100	120	113	113	113
LNG 18 - Final Acquittal	-	-	281	-	-	-	-
Innovator of the Year - Private Sector							
Contribution.....	200	-	-	-	-	-	-
Miscellaneous Receipts.....	342	239	-	-	-	-	-
TOTAL	14,327	14,286	13,751	14,339	11,568	10,545	10,075

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

DETAILS OF ADMINISTERED TRANSACTIONS

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
INCOME							
Other							
Appropriations	17,575	17,782	17,471	21,983	22,236	22,494	22,759
Onslow Social and Critical Infrastructure							
Funds (Wheatstone).....	32,985	64,973	64,367	93,044	36,751	500	-
Commonwealth Scientific and Industrial							
Research Organisation Loan.....	747	704	688	677	645	645	645
Loan Discount Unwinding							
Millennium Chemicals	189	217	189	189	189	189	189
TOTAL ADMINISTERED INCOME	51,496	83,676	82,715	115,893	59,821	23,828	23,593
EXPENSES							
Grants to Charitable and Other Public Bodies							
Qantas Hub Infrastructure.....	-	-	-	2,800	2,800	2,800	2,800
Onslow Social and Critical Infrastructure							
Funds	32,985	64,973	64,397	93,044	36,751	500	-
Payments to Consolidated Account							
Interest Received on CSIRO Loan ^(a)	142	158	158	147	136	136	136
Statutory Authorities							
Pilbara Ports Authority							
Burrup Port Infrastructure Subsidy.....	7,839	7,775	8,035	9,102	9,102	9,102	9,102
Water Corporation							
Burrup Water System Subsidy.....	9,596	10,007	9,836	10,081	10,334	10,592	10,857
TOTAL ADMINISTERED EXPENSES	50,562	83,859	83,342	115,174	59,123	23,130	22,895

(a) CSIRO: Commonwealth Scientific and Industrial Research Organisation

Agency Special Purpose Account Details

AUSTRALIA-CHINA NATURAL GAS TECHNOLOGY PARTNERSHIP FUND

Account Purpose: The purpose of the fund is to deliver a practical demonstration of the desire of Australia and China to establish genuine and long-term partnerships across the energy sector. It is intended to deliver positive outcomes relevant to the natural gas sector, including LNG, through activities including training and education programs, partnerships, workshops and research. The fund was originally planned to conclude in 2015-16 but following success of the program it has now been extended for a further four years, to end in 2020-21, funded by existing reserves supplemented by additional contributions from the fund's Chinese partners.

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000
Opening Balance	3,532	2,805	2,447	1,421
Receipts:				
Appropriations.....	300	-	-	-
Other	848	-	199	430
	4,680	2,805	2,646	1,851
Payments	2,233	1,809	1,225	814
CLOSING BALANCE	2,447	996	1,421	1,037

Part 4

Deputy Premier; Minister for Health; Mental Health

Summary of Portfolio Appropriations

Agency	2016-17 Budget \$'000	2016-17 Estimated Actual '000	2017-18 Budget Estimate '000
WA Health			
– Delivery of Services	5,056,078	5,139,298	5,053,178
– Capital Appropriation	188,049	157,810	186,194
Total	5,244,127	5,297,108	5,239,372
Mental Health Commission			
– Delivery of Services	669,489	684,695	706,470
– Administered Grants, Subsidies and Other Transfer Payments	7,569	7,569	7,539
Total	677,058	692,264	714,009
GRAND TOTAL			
– Delivery of Services	5,725,567	5,823,993	5,759,648
– Administered Grants, Subsidies and Other Transfer Payments	7,569	7,569	7,539
– Capital Appropriation	188,049	157,810	186,194
Total.....	5,921,185	5,989,372	5,953,381

Division 8 WA Health

Part 4 Deputy Premier; Minister for Health; Mental Health

Appropriations, Expenses and Cash Assets ^(a)

	2015-16 Actual \$'000	2016-17 Budget ^(b) \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 11 Net amount appropriated to deliver services ^(c)	4,722,430	4,919,644	5,018,582	4,919,381	4,846,736	4,916,366	5,009,135
Amount Authorised by Other Statutes							
- Lotteries Commission Act 1990	129,750	135,718	120,000	133,081	137,407	140,887	140,887
- Salaries and Allowances Act 1975	697	716	716	716	716	716	716
Total appropriations provided to deliver services.....	4,852,877	5,056,078	5,139,298	5,053,178	4,984,859	5,057,969	5,150,738
CAPITAL							
Item 91 Capital Appropriation	146,494	188,049	157,810	186,194	71,758	48,184	27,721
TOTAL APPROPRIATIONS	4,999,371	5,244,127	5,297,108	5,239,372	5,056,617	5,106,153	5,178,459
EXPENSES							
Total Cost of Services	8,418,880	8,568,073	8,818,315	8,942,527	8,781,051	8,995,661	9,222,843
Net Cost of Services ^(d)	4,931,229	5,129,709	5,108,701	5,130,724	5,081,464	5,155,955	5,245,999
CASH ASSETS ^(e)	678,096	596,566	635,317	507,219	432,758	431,625	431,625

- (a) The 2015-16 Actual has been restated for comparability purposes to account for the transfer of the Office of Chief Psychiatrist to the Mental Health Commission as shown in the reconciliation table.
- (b) The 2016-17 Budget figure for Net Cost of Services differs from previously published figures due to a change in calculation methodology.
- (c) The Department's net amount appropriated to deliver services from the 2016-17 Estimated Actual onwards includes the transfer of appropriation for staff reallocated from the Department of Finance to various agencies in response to changes to government procurement policy.
- (d) Represents Total Cost of Services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (e) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Adjustments to Public Hospital Services and Non-Hospital Services					
Hospital Services - Revised Activity and Cost Settings	-	246,009	214,757	182,252	152,188
Realignment of Non-Hospital Services Expenditure	-	(91,017)	(334,831)	(304,587)	(246,385)
Commonwealth Grant Expenditure					
Essential Vaccines	-	27	27	27	750
Hepatitis C Drug Program	(67,130)	(68,640)	(70,356)	(72,115)	(72,115)
Home and Community Care	-	(17,745)	(273,386)	(273,386)	(273,386)
Mental Health Respite - Carer Support Agreement	-	385	-	-	-
Multi-purpose Services Program Agreement	-	28,161	28,161	-	-
National Partnership Agreement on Pay Equity for the Social and Community Services Sector	-	14,664	-	-	-
Organ and Tissue Donation Agreements	-	3,973	-	-	-
Election Commitments					
Expand the Ear Bus Program	-	822	842	864	-
Find Cancer Early Program	-	382	390	400	410
Let's Prevent Program ^(a)	-	611	624	427	437
Meet and Greet Service for People from Remote Communities	-	458	468	480	492
Patient Opinion ^(a)	-	193	198	203	208
Peel Youth Medical Service Health Hub ^(a)	4,995	-	-	-	-
Urgent Care Clinics ^(a)	-	2,000	-	-	-
Other					
2017-18 Tariffs, Fees and Charges	-	6,522	7,180	8,102	9,109
Agency Expenditure Review Savings Measure - Non-Hospital Expenditure	-	(47,481)	(52,496)	(48,275)	(50,454)
Busselton Information and Communications Technology	(1,045)	1,000	-	-	-
Conversion of Recurrent Allocation to Capital to Continue the Rollout of the Patient Administration System	(1,370)	(10,827)	(1,473)	-	-
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(11)	(22)	(33)	(44)
Non-Government Human Services Sector Indexation Adjustment	-	(4,426)	(5,353)	(5,516)	(5,718)
Perth Children's Hospital - Capella Parking	-	2,289	-	-	-
Perth Children's Hospital - Commissioning	-	15,963	-	-	-
Revision to Indexation for Non-Salary Expenses	-	(4,077)	(7,867)	(10,797)	(16,758)
Sarich Neuroscience Research Institute	-	(1,500)	-	-	-
Southern Inland Health Initiative District Medical Workforce Investment Program	-	-	-	33,000	33,000
Transfer of Funds to Health and Disability Services Complaints Office	-	(50)	(50)	(50)	(50)
Update to Depreciation Expense	(44,143)	3,865	(745)	7,633	(31,117)

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

Significant Issues Impacting the Agency

Health System Overview

- Western Australia has a strong public health system that has benefited from continued investment by the Government in public health services.
- This investment has delivered sustained improvements in health outcomes, including higher life expectancy, a decreasing infant mortality rate, the second lowest median wait time for elective surgery nationally, and the best emergency department performance in the country, as evidenced by the following:
 - Life expectancy at birth rose for the Western Australian population between 2005 and 2015 and was higher for both males and females compared to the national average.¹
 - Between 2005 and 2015, the infant mortality rate in Western Australia fell from 4.6 to 2.5 deaths per 1,000 live births. Over the same period, the Australian rate fell from 4.9 deaths to 3.2.²
 - In 2015 the Western Australian standardised death rate was the second lowest in Australia. Only the Australian Capital Territory recorded a lower standardised death rate.³
 - In 2015-16, Western Australia was ranked first among the states and territories for the proportion of presentations to emergency departments with a length of stay of four hours or less (76% compared to the national average of 73.3%).⁴
 - The median waiting time for elective surgery in 2015-16 is 30 days in Western Australia. This is lower than the national average of 37 days and one of the lowest compared with other jurisdictions.⁵
 - In 2015-16, Western Australia was the second best performing state, with a public hospital average length of stay of 2.9 days, which is below the national average of 3.2 days.⁶
- Significant Government investment in health infrastructure over recent years has also provided world class facilities and enabled reconfigured services to meet growing demand and delivery of patient care closer to home. The successful commissioning of the Fiona Stanley Hospital (FSH), the St John of God Midland Public Hospital, expansion of the Joondalup Health Campus (JHC), as well as significant investment in new and upgraded facilities, especially in the regional resource centres in country Western Australia is testament to this effort. The successful commissioning and transition of services to the Perth Children's Hospital (PCH) remains a key priority focus for Government and will complete the program of major health infrastructure projects.
- By responding to issues associated with access to both primary and residential aged care, provision of regional health care has been transformed through the Southern Inland Health Initiative and investment in Telehealth to improve access to specialist services for those living in remote areas.
- A comprehensive 'Review of Safety and Quality in the WA Health System' (the Review) was conducted and finalised in 2017 in recognition of the need for continuous and sustained improvement in safety and quality. The Review's recommendations and findings are structured around the key areas of focus, namely: roles, responsibilities, and accountabilities; governance structures, groups and committees; system wide policies and standards; system oversight and assurance; and, system wide priorities for quality and safety. The Review was completed as part of Government's ongoing pursuit of clinical excellence as well as its commitment to delivering safe and effective patient care.
- Notwithstanding the large scale investment in the health system and the resultant improvement in system performance, the face of health care is changing in line with the changing needs and expectations of communities, patients and care providers.

¹ Australian Bureau of Statistics (ABS) 2016, Life Tables, States, Territories and Australia 2013-15 (cat no. 3302.0.55.001) (Summary) Table 1.1.

² ABS 2016, Deaths, Australia, 2015 (cat no.3302.0), ABS. Stat. Infant deaths and infant mortality rates, Year of registration, Age at death, Sex, States, Territories and Australia.

³ ABS 2016, Deaths, Australia, 2015 (cat no 3302.0) Death Rates. Chart 1.4.

⁴ Australian Institute of Health and Welfare (AIHW) 2016, Emergency department care 2015-16: Australian hospital statistics (p.62).

⁵ AIHW 2016, Elective surgery waiting times 2015-16: Australian hospital statistics (p.29).

⁶ AIHW 2016, Admitted patient care 2015-16: Australian hospital statistics (p. 33).

- WA Health is under sustained pressure as the demand for health services continues to grow at a rate that exceeds sustainable capacity. Demand for health care is impacted by trends in underlying demographics, including population growth, an ageing population, increasing incidence of chronic illness, low access to primary health care, as well as a noticeable shift in the demand for patient care services from private to public hospitals. Such trends are evidenced by the following:
 - From 2006-07 to 2015-16 the population in Western Australia has grown by 21.5% compared with a nationwide growth rate of 16.2%⁷. Whilst the population growth rate has declined in recent years, the high historical growth has had an impact on the demand for public health services. Within this growth, the number of Western Australians aged 65 and over increased from 249,584⁸ to 346,525⁸, a 38.8%⁸ increase compared with a national increase of 34.2%⁹, resulting in greater utilisation of hospital services by this cohort of the population.
 - Chronic diseases are the leading cause of illness, disability and death in Australia. Medical and technological advancement in the prevention and treatment of chronic conditions has contributed to a significant reduction in the mortality rate for major chronic disease categories and, consequently, a sustained increase in the life expectancy of the population. Chronic diseases are now more common and cause most of the burden of ill health, further fuelling the demand for health services. In 2015-16, 44.8% of all potentially preventable hospitalisations in Western Australia were due to chronic conditions.
 - The utilisation of hospital services in Western Australia is also impacted by lower access to primary care services provided by General Practitioners (GP). The number of GP services in Western Australia (per 100,000 population) is 77¹⁰, significantly below the national average of 95.1, with this difference being more prevalent over the last five years from 2010-11 to 2015-16.
 - Although WA Health has high performance in elective surgery wait times compared to other jurisdictions, there are still a record number of patients on the wait list and demand continues to rise.
 - The general softening of economic conditions in Western Australia is driving a noticeable shift in the demand for patient care services from private to public hospitals.
 - Furthermore, due to Commonwealth policy changes, Western Australia has received less than the national average:
 - Pharmaceutical Benefit Scheme funding per capita in 2015-16 of \$270 compared to \$332 nationally, with the gap significantly widening over the last 10 years;
 - Medicare Benefit Scheme funding per capita in 2015-16 of \$670 compared to \$867 nationally, with the gap significantly widening over the last 10 years; and
 - Aged Care funding per capita in 2014-15 of \$585 compared to \$663 nationally.
- Commensurate with the increasing demands placed on the health system is the significant increase in the cost of providing health services over the past decade.
- Health expenditure growth averaged 8% from 2008-09 to 2016-17. Over the same period health expenditure as a proportion of General Government expenditure increased from 24.9% to 29.7%.
- Significant inroads have been made in recent years to arrest the growth in health expenditure and put WA Health on a financially sustainable path through a combination of strong leadership, governance and policy changes. In particular, implementation of various short-term financial strategies has seen a turnaround in WA Health's financial performance, whilst still ensuring that the health care needs of Western Australians are met. Expenditure growth in 2015-16 and 2016-17 averaged 4.8%, significantly lower than the historical average. Expenditure is now projected to grow at an average of only 1% from 2017-18 to 2020-21.
- A new contemporary Outcome Based Management (OBM) Framework has been implemented that will improve how WA Health describes the services it delivers and how it reports its effectiveness and efficiency in delivering these services with public monies.
- Notwithstanding the recent improvements, further work remains necessary to ensure that the Western Australian health system is placed on a sustainable footing in the provision of high quality care into the future while meeting the expectations of health care consumers.

⁷ ABS 2016, Australian Demographic Statistics (cat no. 3101). Estimated Resident Population, States and Territories (Number), Table 4.

⁸ ABS 2016, Australian Demographic Statistics (cat no. 3101). Estimated Resident Population By Single Year of Age, Western Australia, Table 55.

⁹ ABS 2016, Australian Demographic Statistics (cat no. 3101). Estimated Resident Population By Single Year of Age, Australia, Table 59.

¹⁰ Department of Health, GP Workforce Statistics, Australian Government 2016, Table 1.

Looking Ahead – Sustainable Health Review

- A review of the Western Australian health system has not been undertaken since 2004, when the Government laid the foundation for a revitalised health system with the initiation of the Reid Review.¹¹
- The Reid Review set the strategic direction for health infrastructure which led to the successful commissioning of major hospitals and the reconfiguration of services. The Government is now focused on ensuring that Western Australian hospitals are sustainable in the future.
- As part of its election commitments, Government is conducting a Sustainable Health Review (SHR) of health services in Western Australia, in order to ensure the continued viability of the Western Australian health system into the future.
- The SHR will investigate the measures needed to drive change and innovation across the health system and will provide advice on how the system can deliver more patient centred, integrated, high quality and financially sustainable health care across the State.
- The Government will use the SHR to inform future decisions about the way health care is managed and delivered to ensure that Western Australians are receiving quality health care that can be sustained for future generations.
- The SHR will provide a robust long-term strategy for the Western Australian health system, including a shift of focus from expensive tertiary care to patient centred care, and better step-down, sub-acute and community care.
- The Government has appointed an experienced panel to undertake the SHR, chaired by an independent expert, and includes the Director General of the Department of Health and the Under Treasurer, as well as clinical, consumer and employee representatives as members.
- The panel will engage widely with patients and carers, clinicians, frontline staff and other stakeholders to ensure the right ideas, views and perspectives are considered.
- The panel will provide advice to Cabinet through the Minister for Health with a Final Report due in 2018.
- Concurrent with the SHR and part of Government's election commitments, a Commission of Inquiry into 26 Government programs and projects, some of which are in WA Health, has been announced.
- A biennial Ministerial Roundtable will be established to discuss primary health issues.
- While implementing these initiatives, the Government will continue to support WA Health in ensuring that Western Australians have access to safe and high quality health care.

Continued Investment in Public Hospital Services

- The Government has provided almost \$9 billion in 2017-18 to WA Health to deliver safe, quality, financially sustainable and accountable health care for all Western Australians.
- A total of \$6.4 billion or 71% of the 2017-18 Budget will be allocated to hospital services. The Government's commitment will provide for an expense growth rate of 2.5% (\$155.2 million) for Public Hospital Services in 2017-18 relative to estimated actual expenditure in 2016-17.
- The Government's funding contribution to public hospitals continues to be determined on an activity basis with the Government endorsing the purchase of weighted activity units (WAUs). For 2017-18, the Government has approved the purchase of 907,938 WAUs for the State's public funded hospitals, representing an increase of 1.9% over estimated actual activity in 2016-17. The price determined for 2017-18 activity is \$6,129 for each WAU and is set using Government endorsed cost parameters.
- The investment in Public Hospital Services in 2017-18 is estimated to provide for over 652,000 inpatient episodes of care. This represents an increase of 1.4% when compared to 643,000 inpatient episodes of care in 2016-17.
- In 2016-17, 1,026,000 episodes of care were provided in emergency departments and 2,422,000 service events in outpatient clinics and community settings. Comparatively, it is estimated that the 2017-18 investment will provide for over 1,052,000 emergency department episodes of care and over 2,434,000 service events in outpatient clinics and community settings.
- The 2017-18 Budget also includes a range of Government election commitments aimed at building a better health system for patients.

¹¹ The Reid Review refers to the report 'A Healthy Future for Western Australians'. This report was delivered by the Health Reform Committee, appointed in March 2003 by the Government, in response to a request to develop a vision for the Western Australian health system while ensuring that the growth of the health budget was sustainable.

Election Commitments to Build a Better Health System for Patients

Putting Patients First

- The Government is committed to putting patients first by being accountable through feedback and ongoing conversations to ensure that patients have a say in the way care is provided to them. The Government, as part of their election commitment Patient Opinion Improving our Public Hospitals, will support WA Health to establish and roll out a smartphone accessible 'patient opinion' system across all hospitals through internal funding of \$0.8 million over four years. Providing patients with a feedback tool will allow them to make comments about good care and issues that need improvement, in order to improve patient care and drive advancements in the health system.

Promoting the Health of Western Australians

- The Government has committed to delivering the Let's Prevent Program, a pilot program to educate and encourage participants to make the changes necessary to avoid chronic conditions which have the potential for significant impact on their lives. A total of \$2.1 million over four years will be used to fund the pilot program from within existing resources.
- The Government is committed to reducing cancer deaths by expanding the Find Cancer Early Program (FCEP) currently run by the Cancer Council Western Australia, which provides community education about the early signs and symptoms of bowel, lung, prostate, breast and skin cancer. This commitment will allow the FCEP to expand into more regional areas with funding of \$1.6 million provided over four years from Royalties for Regions.
- Given widespread public interest in having access to medicinal cannabis for symptomatic treatment of conditions such as chronic pain, chemotherapy induced nausea and vomiting, multiple sclerosis and treatment resistant epilepsy, the Government is committed to assisting people with painful terminal or chronic pain conditions to access medicinal cannabis, by supporting the prescription of medicinal cannabis under the strict supervision of medical practitioners.
- In helping to tackle the detrimental effects of smoking on the health and wellbeing of Western Australians, the Government will undertake Tobacco Law Reform, aimed at improving existing tobacco laws and the policing of the sale, supply and marketing of tobacco products and reducing exposure to second-hand smoke. The Government will also continue to support a number of programs with the aim of reducing smoking in Aboriginal communities.
- Noting that health professionals are in a unique position to identify and respond to family and domestic violence as victims interact or seek treatment, the Government will work with the Commonwealth Government to increase training programs for health workers and GPs to identify signs of family and domestic violence and enable appropriate measures to be taken.
- Planning for a Future Health and Research Fund is being progressed to drive medical research and medical innovation. This commitment will provide a secure source of funding to develop a Western Australian research capability of excellent individuals and teams, high quality infrastructure and world first clinical studies for patients to improve the future health of all Western Australians. This will include the development of a 10 year cancer research fund and an innovation hub at Royal Perth Hospital (RPH) to provide collaborative accommodation and services to start ups and established medical innovation companies, linked to other state and regional medical technology centres.

Rural Health

- The Government is committed to a range of initiatives to continue improving the provision of health care in country Western Australia. The following commitments will be implemented in the shorter term:
 - \$1.9 million of additional funds will be invested to expand the Meet and Greet Service offered by Government for people travelling to Perth from rural and remote areas for medical treatment.
 - The Government will invest in expanding the Ear Bus Program by investing \$2.8 million over three years, to provide an ear screening service in the Kimberley, targeting areas of unmet demand.
- A number of commitments towards rural health care will require significant planning and will be rolled out in the longer term, these include:
 - Valley View Residence, an aged care facility in Collie, will be upgraded in order to continue providing services and certainty to residents and service providers in the future.
 - Bunbury Hospital will be upgraded with a focus on expanding the priority clinical areas of medical assessment, theatres and maternity.
 - A Review of Regional and Country Ambulance and Royal Flying Doctors Service (RFDS) will be conducted to review the services provided by the RFDS and to ensure volunteers and frontline paramedics have the support they need to continue to respond to emergency situations.

- Planning for the redevelopment of Geraldton Regional Hospital has commenced. The redevelopment will include an upgrade of the emergency department (ED), a Mental Health Observation Area for mental health and drug and alcohol patients in the ED, 12 new acute mental health beds and eight sub-acute beds.
- Collie Hospital will be upgraded to meet contemporary standards through the refurbishment of the general ward and the theatre ward, and upgrades to the kitchen and other ageing site infrastructure.
- A renal dialysis service at Newman Hospital will be implemented and will include two chairs plus capacity for another two chairs if warranted.
- A Kimberley dialysis unit will be established to provide lifesaving mobile dialysis to remote communities during the dry season, along with a preventative education program.
- A Magnetic Resonance Imaging (MRI) Scanner at Kalgoorlie Health Campus will be installed to improve the service profile for the Medical Imaging Department and provide a much needed service in this regional resource centre. This will also act to reduce referrals for MRI scans to metropolitan facilities.

Making Care More Accessible

- The Government has committed to developing Western Australia's first Medihotels. These are specialist hotels designed to offer accommodation to patients who do not require hospital admission before, during or after treatment. In addition to delivering a better experience for patients, avoiding the full cost of inpatient care for recuperating patients will also free up hospital beds so more patients can be treated. Medihotels will be established adjacent to three of Perth's tertiary hospitals namely the RPH, FSH, and JHC. Work will begin on Western Australia's first Medihotel next year, with the FSH adjoined facility expected to open by 2021. This Medihotel will provide support for both FSH and St John of God Hospital.
- The Government will develop Urgent Care Clinics (UCCs) based at major hospitals and in the wider community to take pressure off busy emergency departments. The UCCs will provide multiple clinical services out of hours to patients with non-life-threatening illness or injury. Planning of the UCCs is underway, including a consultation strategy to support their development and implementation as well as identification of suitable sites to implement a UCC pilot scheme.
- The Government will make aged care more available by fast tracking the establishment of additional aged care facilities to free up public hospital beds and improve the quality of life for the elderly. This includes identifying land that may be a suitable site for aged care facilities; removing existing planning and local government impediments to facilitate the construction of more aged care facilities; and assessing existing Government buildings and assets to determine whether they are suitable to be converted into aged care facilities. Osborne Park Hospital and a Kalamunda site are being considered for possible aged care facilities as part of this election commitment.
- The Government is committed to the expansion and upgrade of a number of metropolitan hospitals. These initiatives will require longer term planning and consideration prior to implementation and include:
 - JHC Expansion which will include an increase in the size of the emergency department, the opening of an additional 90 public beds, eight new operating theatres, up to 30 additional mental health beds, and a six bed stroke unit.
 - Upgrades to the RPH over the coming years, including the creation of a Western Australian Innovation Centre, a Mental Health Observation Area, a culturally appropriate housing facility for regional Aboriginal Australians visiting family receiving care at RPH, a Medihotel and a UCC.
 - A Fremantle Hospital Review will be undertaken to examine the services offered, as well as the potential to sell parts of the site.
 - Upgrades to the Osborne Park Hospital neonatal unit and midwifery service, as well as an increased number of rehabilitation beds.
 - Establishment of a new on-site Family Birth Centre at FSH for women with low-risk pregnancies, with the aim of providing midwifery-led care throughout their pregnancy, birth and post-delivery.

Mental Health

- In addition to the Mental Health Observation Areas that will be implemented in selected metropolitan and regional hospitals, the Government's commitment to expanding and improving mental health services through key initiatives is demonstrated by:
 - Commencement of planning for the implementation of 50 new acute Mental Health Beds at JHC, Geraldton Health Campus and other sites.
 - Allocation of funding and commencement of planning for the establishment of greater Youth Health and Mental Health Services in the Peel region, with the creation of a single youth health service hub. The Peel health hub will operate under a GP centred model of care providing services to 12-24 year olds dealing with drug and alcohol issues, mental health issues, family dysfunction and homelessness. A \$5 million capital grant will be provided to GP Down South to support construction of the hub. An additional \$2 million will be provided by the Commonwealth Government for this project.
 - The Government is supporting the development of the State's Men's Health and Wellbeing Policy to align with the National Male Health Policy.

Workforce

- The Government's support for WA Health's workforce aims to improve the effectiveness, safety and sustainability of the health workforce. A number of initiatives intended to achieve this will be implemented over the forward estimates, including protection for frontline security staff at major hospitals through provision of protective anti-stab vests, and funding for personal mobile duress alarms for public health workers at risk, especially those doing home visits alone and those working at remote nursing posts.

Supporting the Ongoing Delivery of Quality Health Care

- The Government will continue supporting WA Health in the ongoing delivery of quality health care. The 2017-18 Budget provides for the following initiatives in order to achieve this:
 - Infrastructure maintenance with respect to fire safety risks will be conducted at RPH through capital funding of \$10 million over four years reprioritised from within WA Health's Asset Investment Program. These works will ensure that RPH complies with the accreditation requirements of the Australian Council of Healthcare Standards, and will confirm that RPH is well placed to continue delivering safe, high quality, sustainable health care to Western Australians.
 - The procurement of the da Vinci Surgical System at FSH will enable state-of-the-art, minimally invasive surgery with capital funds provided of \$5 million in 2017-18. This robotic system, which provides 3D vision and magnification capabilities, results in patients having faster recovery times, as well as generating cost savings due to improved surgical outcomes.
 - The replacement and upgrade of information communications technology (ICT) equipment and assets at FSH during 2017-18 will be undertaken through capital investment of \$13.6 million. The replacement of these assets will enhance clinical performance and provide support to enable the delivery of health care in an efficient and effective manner.
 - The relocation of the Fremantle General Dental Clinic to a refurbished ward in Fremantle Hospital will be conducted through capital investment of \$3 million in 2017-18. This new arrangement will provide support for special needs patients and patients utilising motorised wheelchairs.
 - WA Health will reprioritise \$13.7 million of recurrent expenditure towards ICT improvement in relation to the continued rollout of WA Health's Patient Administration System. This system will provide a standardised platform for patient administration within WA Health's hospitals and will replace a heavily outdated administration system, safeguarding hospital business continuity and lowering operating costs by removing the duplication of support services.
 - The Government will continue to support preventative health initiatives through the Western Australian Meningococcal ACWY Vaccination Program. Western Australia is leading the way with the timely rollout of this program with other States following. This Vaccination Program, targeting 15-19 year olds, will improve vaccination rates in our schools to help control recent outbreaks of the illness.

Resource Agreement

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

Outcomes, Services and Key Performance Information

WA Health has introduced a new Outcome Based Management (OBM) Framework, which came into effect in the 2017-18 financial year. For consistency, the 2015-16 Actuals, 2016-17 Budget and 2016-17 Estimated Actual are restated based on the 10 services under the new OBM framework as shown in the Service Summary table below. Implementation of the new OBM Framework resulted in the realignment of budget settings between hospital and non-hospital services, based on actual costs under the new OBM Framework. Accordingly, the 2017-18 Budget is not comparable to the 2016-17 Budget.

Relationship to Government Goals

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

Government Goal	Desired Outcomes	Services
Strong Communities: Safe communities and supported families.	Public hospital based services that enable effective treatment and restorative health care for Western Australians.	1. Public Hospital Admitted Services 2. Public Hospital Emergency Services 3. Public Hospital Non-Admitted Services 4. Mental Health Services
	Prevention, health promotion and aged and continuing care services that help Western Australians to live healthy and safe lives.	5. Aged and Continuing Care Services 6. Public and Community Health Services 7. Community Dental Health Services 8. Small Rural Hospital Services
Sustainable Finances: Responsible financial management and better service delivery.	Strategic leadership, planning and support services that enable a safe, high quality and sustainable WA health system.	9. Health System Management – Policy and Corporate Services 10. Health Support Services

Service Summary

Expense	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
1. Public Hospital Admitted Services	4,066,039	3,764,950	4,034,735	4,253,002	4,391,954	4,540,322	4,696,279
2. Public Hospital Emergency Services	692,596	730,497	761,847	804,479	830,763	858,828	888,328
3. Public Hospital Non-Admitted Services.....	723,344	816,077	792,978	838,848	866,255	895,519	926,279
4. Mental Health Services	681,055	704,219	688,913	715,431	734,400	755,252	778,183
5. Aged and Continuing Care Services.....	520,432	572,383	548,671	485,156	180,172	170,714	160,859
6. Public and Community Health Services.....	950,859	1,167,524	1,134,991	1,038,497	992,398	986,982	981,583
7. Community Dental Health Services	105,439	102,210	111,224	110,192	105,300	104,726	104,153
8. Small Rural Hospital Services	247,419	267,639	291,353	264,304	252,572	251,194	249,820
9. Health System Management - Policy and Corporate Services.....	195,854	200,083	198,427	194,425	185,795	184,781	183,770
10. Health Support Services.....	235,843	242,491	255,176	238,193	241,442	247,343	253,589
Total Cost of Services	8,418,880	8,568,073	8,818,315	8,942,527	8,781,051	8,995,661	9,222,843

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual ^(b)	2016-17 Budget	2016-17 Estimated Actual ^(b)	2017-18 Budget Target	Note
Outcome: Public hospital based services that enable effective treatment and restorative health care for Western Australians:					
Proportion of elective wait list patients waiting over boundary for reportable procedures ^{(c) (d)}					
% category 1 over 30 days	12.9%	nil	16.3%	nil	
% category 2 over 90 days	14.6%	nil	16.8%	nil	
% category 3 over 365 days	1.9%	nil	2.6%	nil	
Survival rates for sentinel conditions ^{(c) (d) (e) (f)}					
Stroke					
0-49 years	95.1%	95.1%	94.1%	94.3%	
50-59 years	93.3%	93.3%	95.5%	92.4%	
60-69 years	92.9%	93.4%	93.4%	92.8%	
70-79 years	90.5%	91.4%	92%	89.5%	
80+	83%	83%	85.3%	80.9%	
Acute Myocardial Infarction (AMI)					
0-49 years	99.3%	99.6%	99.1%	99.2%	
50-59 years	98.8%	99%	99.1%	98.9%	
60-69 years	98.3%	98.7%	98.3%	98.1%	
70-79 years	96.3%	96.8%	96.1%	96.1%	
80+	92.4%	92.9%	90.9%	91.7%	
Fractured Neck of Femur (FNOF)					
70-79 years	98.8%	99.6%	98.5%	98.9%	
80+	95.8%	96.6%	97%	95.3%	
Percentage of live-born infants with an Apgar score of less than 7 at five minutes post-delivery ^{(d) (e) (g)}					
	1.6%	≤1.8%	1.5%	≤1.8%	
Outcome: Prevention, health promotion and aged and continuing care services that help Western Australians to live healthy and safe lives:					
Rate of total hospital readmissions within 28 days to an acute designated mental health inpatient unit ^{(c) (d) (e)}					
	18.4%	≤12%	17.4%	≤12%	
Percentage of fully immunised children ^{(e) (h)}					
12 months					
Aboriginal	83.4%	≥90%	88%	≥95%	
Non-Aboriginal	92.6%	≥90%	93.2%	≥95%	
2 years					
Aboriginal	83.2%	≥90%	83.8%	≥95%	
Non-Aboriginal	88.4%	≥90%	90.5%	≥95%	
5 years					
Aboriginal	92%	≥90%	94.1%	≥95%	
Non-Aboriginal	91%	≥90%	91.3%	≥95%	
Percentage of eligible school children who are enrolled in the School Dental Service program ⁽ⁱ⁾					
	80%	≥69%	80%	≥69%	
Outcome: Strategic leadership, planning and support services that enable a safe, high quality and sustainable Western Australian health system:					
Percentage of responses from WA Health Service Providers and Department of Health who are satisfied or highly satisfied with the overall service provided by Health Support Services ^(j)					
	n/a	≥50%	43.8%	≥50%	

- (a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual Report.
- (b) The reported 2015-16 Actual should be interpreted with caution as it is based on previously unpublished and unaudited data. The reported 2016-17 Estimated Actual should be interpreted with caution at this time as it is based on previously unpublished and unaudited data and on preliminary data for the financial year to be subject to further validation.
- (c) Reported by North Metropolitan Health Service (NMHS), South Metropolitan Health Service (SMHS), East Metropolitan Health Service (EMHS), Child and Adolescent Health Service (CAHS) and WA Country Health Service (WACHS).
- (d) KPI data include services delivered through State public hospitals and services contracted from selected private hospitals.
- (e) KPI is reported for the calendar year.
- (f) 2016-17 Budget is calculated using the best result recorded in Western Australia for the period 2011-2015. Where a result of 100% is obtained, the next best result is adopted to address the issue of result variability associated with small numbers. 2017-18 Budget Target is the average Western Australian result for five previous calendar year periods excluding the most recent calendar year. Annual targets are set up for metropolitan Health Services and WACHS. CAHS only caters to 0-17 year olds.
- (g) Reported by NMHS, SMHS, EMHS and WACHS.
- (h) This is a State-wide service for Western Australian co-ordinated and reported by the Department of Health.
- (i) 2015-16 Actual is for 2015 calendar year. As of 2016-17, Estimated Actual is based on financial year enrolled figures. KPI is reported by NMHS.
- (j) This KPI was established and reported for the first time in 2016-17. As such, there is limited historical data for benchmarking purposes. In subsequent reporting years, it is intended to use historical data to develop baseline measures for performance improvement purposes.

Services and Key Efficiency Indicators

1. Public Hospital Admitted Services

The provision of healthcare services to patients in metropolitan and major rural hospitals that meet the criteria for admission and receive treatment and/or care for a period of time, including public patients treated in private facilities under contract to WA Health. Admission to hospital and the treatment provided may include access to acute and/or sub-acute inpatient services, as well as hospital in the home services. Public Hospital Admitted Services includes teaching, training and research activities provided by the public health service to facilitate development of skills and acquisition or advancement of knowledge related to admitted services. This Service does not include any component of the Mental Health Services reported under 'Service 4 - Mental Health Services'.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	4,066,039	3,764,950	4,034,735	4,253,002	
Less Income.....	1,549,405	1,576,311	1,704,453	1,743,686	
Net Cost of Service.....	2,516,634	2,188,639	2,330,282	2,509,316	
Employees (Full Time Equivalents).....	17,827	17,964	17,240	17,400	
Efficiency Indicator					
Average Admitted Cost per Weighted Activity Unit.....	\$6,718	\$6,423	\$6,755	\$6,868	

2. Public Hospital Emergency Services

The provision of services for the treatment of patients in emergency departments of metropolitan and major rural hospitals, inclusive of public patients treated in private facilities under contract to WA Health. The services provided to patients are specifically designed to provide emergency care, including a range of pre-admission, post-acute and other specialist medical, allied health, nursing and ancillary services. Public Hospital Emergency Services includes teaching, training and research activities provided by the public health service to facilitate development of skills and acquisition or advancement of knowledge related to emergency services. This Service does not include any component of the Mental Health Services reported under 'Service 4 - Mental Health Services'.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	692,596	730,497	761,847	804,479	
Less Income.....	260,252	254,837	279,194	285,788	
Net Cost of Service.....	432,344	475,660	482,653	518,691	
Employees (Full Time Equivalents).....	2,533	2,552	2,376	2,399	
Efficiency Indicator					
Average Emergency Department Cost per Weighted Activity Unit.....	\$6,064	\$6,202	\$6,451	\$6,642	

3. Public Hospital Non-Admitted Services

The provision of metropolitan and major rural hospital services to patients who do not undergo a formal admission process, inclusive of public patients treated by private facilities under contract to WA Health. This Service includes services provided to patients in outpatient clinics, community based clinics or in the home, procedures, medical consultation, allied health or treatment provided by clinical nurse specialists. Public Hospital Non-Admitted Services includes teaching, training and research activities provided by the public health service to facilitate development of skills and acquisition or advancement of knowledge related to non-admitted services. This Service does not include any component of the Mental Health Services reported under 'Service 4 - Mental Health Services'.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 723,344	\$'000 816,077	\$'000 792,978	\$'000 838,848	
Less Income.....	413,362	398,861	432,722	472,500	
Net Cost of Service.....	309,982	417,216	360,256	366,348	
Employees (Full Time Equivalents).....	3,566	3,593	3,598	3,631	
Efficiency Indicator					
Average Non-Admitted Cost per Weighted Activity Unit.....	\$6,374	\$6,720	\$6,522	\$6,738	

4. Mental Health Services

The provision of inpatient services where an admitted patient occupies a bed in a designated mental health facility or a designated mental health unit in a hospital setting; and the provision of non-admitted services inclusive of community and ambulatory specialised mental health programs such as prevention and promotion, community support services, community treatment services, community bed based services and forensic services. This Service includes the provision of state-wide mental health services such as perinatal mental health and eating disorder outreach programs as well as the provision of assessment, treatment, management, care or rehabilitation of persons experiencing alcohol or other drug use problems or co-occurring health issues. Mental Health Services includes teaching, training and research activities provided by the public health service to facilitate development of skills and acquisition or advancement of knowledge related to mental health or alcohol and drug services. This service includes public patients treated in private facilities under contract to the WA Health.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 681,055	\$'000 704,219	\$'000 688,913	\$'000 715,431	
Less Income.....	644,457	663,358	674,163	693,983	
Net Cost of Service.....	36,598	40,861	14,750	21,448	
Employees (Full Time Equivalents).....	4,049	4,080	3,980	4,017	
Efficiency Indicators					
Average Cost per Bed-day in Specialised Mental Health Inpatient Units	\$1,539	\$1,460	\$1,439	\$1,438	
Average Cost per Treatment Day of Non-Admitted Care Provided by Public Clinical Mental Health Services.....	\$495	\$526	\$512	\$535	

5. Aged and Continuing Care Services

The provision of aged and continuing care services and community based palliative care services. Aged and continuing care services include programs that assess the care needs of older people, provide functional interim care or support for older, frail, aged and younger people with disabilities to continue living independently in the community and maintain independence, inclusive of the services provided by the WA Quadriplegic Centre. Aged and Continuing Care Services is inclusive of community based palliative care services that are delivered by private facilities under contract to WA Health, which focus on the prevention and relief of suffering, quality of life and the choice of care close to home for patients.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	520,432	572,383	548,671	485,156	1
Less Income.....	282,930	274,491	285,431	313,593	
Net Cost of Service.....	237,502	297,892	263,240	171,563	
Employees (Full Time Equivalents).....	966	973	978	968	
Efficiency Indicators					
Average Cost of a Transition Care Day Provided by Contracted Non-Government Organisations/Service Providers.....	\$310	\$276	\$277	\$277	
Average Cost per Bed-day for Specified Residential Care Facilities, Flexible Care (Hostels) and Nursing Home Type Residents.....	\$348	\$337	\$340	\$321	
Average Cost per Bed-day for Western Australian Quadriplegic Care Inpatient Services.....	\$597	\$537	\$796	\$885	2
Average Cost per Western Australian Quadriplegic Centre Community Client for Clinical and Related Services.....	\$90	\$76	\$84	\$76	
Average Cost per Client Who Receives Support Services from the Home and Community Care Program.....	\$4,072	\$4,474	\$4,122	\$4,072	
Average Cost per Home Based Hospital Day of Care and Occasion of Service....	\$302	\$323	\$323	\$323	
Average Cost per Home - Based Occasion of Service.....	\$121	\$130	\$130	\$130	
Average Cost per Client Receiving Contracted Palliative Care Services.....	\$5,389	\$6,702	\$6,699	\$6,701	
Average Cost per Day of Care for Non-Acute Admitted Continuing Care.....	\$548	\$552	\$552	\$552	
Average Cost to Support Patients Who Suffer Specific Chronic Illness and Other Clients Who Require Continuing Care.....	\$32	\$30	\$31	\$30	

Explanation of Significant Movements

(Notes)

1. The variance in the 2017-18 Budget Target compared to the 2016-17 Estimated Actual is a result of realignment of budget settings for hospital and non-hospital services based on the allocation of actual costs to the endorsed OBM Framework. This realignment has resulted in updated cost and budget allocation between budget parameters for non-hospital services and hospital services.
2. The variance between the 2016-17 Estimated Actuals and 2016-17 Budget in Average Cost per Bed-day for Western Australian Quadriplegic Centre Inpatient Services reflects a significant reduction in bed days as a consequence of a number of patients being transitioned into the community. The variance in the 2017-18 Budget Target and the 2016-17 Estimated Actual represents a further reduction in budgeted bed days.

6. Public and Community Health Services

The provision of healthcare services and programs delivered to increase optimal health and wellbeing, encourage healthy lifestyles, reduce the onset of disease and disability, reduce the risk of long-term illness as well as detect, protect and monitor the incidence of disease in the population. Public and Community Health Services includes public health programs, Aboriginal health programs, disaster management, environmental health, the provision of grants to non-government organisations for public and community health purposes, emergency road and air ambulance services, services to assist rural based patients travel to receive care, and state-wide pathology services provided to external Western Australian agencies.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	950,859	1,167,524	1,134,991	1,038,497	
Less Income.....	143,519	128,661	156,032	120,097	1
Net Cost of Service.....	807,340	1,038,863	978,959	918,400	
Employees (Full Time Equivalents).....	3,902	3,932	3,906	3,867	
Efficiency Indicators					
Average Cost per Person of Delivering Population Health Programs by Population Health Units.....	\$115	\$123	\$121	\$103	2
Cost per Person of Providing Preventative Interventions, Health Promotion and Health Protection Activities that Reduce the Incidence of Disease or Injury.....	\$42	\$37	\$37	\$37	
Average Cost per Breast Screening.....	\$152	\$172	\$172	\$157	
Cost per Trip for Road Based Ambulance Services, Based on the Total Accrued Costs of These Services for the Total Number of Trips.....	\$455	\$443	\$443	\$455	
Cost per Trip of Patient Emergency Air-Based Transport, Based on the Total Accrued Costs of these Services for the Total Number of Trips.....	\$8,050	\$8,042	\$8,257	\$7,235	3
Average Cost per Trip of Patient Assisted Travel Scheme (PATS).....	\$473	\$446	\$461	\$377	4

Explanation of Significant Movements

(Notes)

1. The variance in the 2016-17 Estimated Actual compared to the 2016-17 Budget is principally due to additional capital funding relating to the Telethon Kids Institute. The decrease in 2017-18 Budget Target from the 2016-17 Estimated Actual is mainly due to the reduced contribution provided to the Department of Health by the Telethon Kids Institute for funding the fit-out of the Telethon Kids Institute in 2017-18.
2. The variance between the 2017-18 Budget Target and the 2016-17 Estimated Actual in Average Cost per Person of Delivering Population Health Programs by Population Health Units is a result of realignment the budget parameters for hospital and non-hospital services, coupled with a higher population in 2017-18.
3. The variance between the 2017-18 Budget Target and the 2016-17 Estimated Actual in Cost per Trip of Patient Emergency Air-Based Transport reflects a reduction in Royalties for Regions funding in 2017-18, with activity based on contracted values.
4. The variance between the 2017-18 Budget Target and the 2016-17 Estimated Actual for Average Cost per Trip of Patient Assisted Travel Scheme (PATS) reflects a redirection of allocation in 2017-18, with activity based on contracted values.

7. Community 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, socially and/or geographically disadvantaged people and Aboriginal people; additional and specialist dental; and oral health care provided 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 private dental practitioners participating in the metropolitan, country and orthodontic patient dental subsidy schemes.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	105,439	102,210	111,224	110,192	
Less Income.....	19,875	11,120	17,134	9,840	1
Net Cost of Service.....	85,564	91,090	94,090	100,352	
Employees (Full Time Equivalents).....	711	716	707	700	
Efficiency Indicators					
Average Cost per Dental Service Provided by the Oral Health Centre of Western Australia.....	\$152	\$147	\$151	\$154	
Average Cost per Patient Visit of WA Health Provided Dental Health Programs for:					
School Children.....	\$210	\$190	\$207	\$208	
Socio-Economically Disadvantaged Adults	\$295	\$286	\$303	\$305	

Explanation of Significant Movements

(Notes)

- The increase in 2016-17 Estimated Actual relative to the 2016-17 Budget is the result of funding provided by the Commonwealth in 2016-17 for the Adult Public Dental program. The variance between the 2017-18 Budget Target and the 2016-17 Estimated Actual reflects the cessation of funding for this program in 2017-18.

8. Small Rural Hospital Services

Provides emergency care and limited acute medical/minor surgical services in locations 'close to home' for country residents/visitors, by small and rural hospitals classified as block funded. Includes community care services aligning to local community needs.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	247,419	267,639	291,353	264,304	
Less Income.....	164,361	124,213	154,004	161,875	1
Net Cost of Service.....	83,058	143,426	137,349	102,429	
Employees (Full Time Equivalents).....	1,097	1,105	1,050	1,039	
Efficiency Indicator					
Average Cost per Rural and Remote Population (Selected Small Rural Hospitals).....	\$372	\$378	\$389	\$390	

Explanation of Significant Movements

(Notes)

- The increase in the 2016-17 Estimated Actual relative to the 2016-17 Budget is due to additional funding of \$28 million for the Multi-Purpose Services Program.

9. Health System Management – Policy and Corporate Services

The provision of strategic leadership, policy and planning services, system performance management and purchasing linked to the state-wide planning, budgeting and regulation processes. Health System Policy and Corporate Services includes corporate services inclusive of statutory financial reporting requirements, overseeing, monitoring and promoting improvements in the safety and quality of health services and system wide infrastructure and asset management services.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 195,854	\$'000 200,083	\$'000 198,427	\$'000 194,425	
Less Income.....	8,517	5,272	5,241	8,580	1
Net Cost of Service.....	187,337	194,811	193,186	185,845	
Employees (Full Time Equivalents).....	934	941	829	755	2
Efficiency Indicators					
Average Cost of Public Health Regulatory Services per Head of Population	\$4	\$4	\$4	\$4	
Average Cost per Full Time Equivalent Worker to Undertake the System Manager Role of Providing Strategic Leadership, Planning and Support Services to Health Service Providers.....	\$5,342	\$5,422	\$5,293	\$5,394	

Explanation of Significant Movements

(Notes)

1. The increase in income between the 2016-17 Estimated Actual and the 2017-18 Budget Target is the result of increases in recoveries revenue.
2. The variance in System Policy and Corporate Services Employees in the 2016-17 Budget relative to the 2016-17 Estimated Actual is attributable to a Voluntary Severance Scheme in 2016-17, and the devolution of functions from the Department of Health to Health Service Providers.

10. Health Support Services

The provision of purchased health support services to WA Health entities inclusive of corporate recruitment and appointment, employee data management, payroll services, workers compensation calculation and payments and processing of termination and severance payments. Health Support Services includes finance and business systems services, Information Technology and Information Communications Technology services, workforce services, project management of system wide projects and programs and the management of the supply chain and whole of health contracts.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 235,843	\$'000 242,491	\$'000 255,176	\$'000 238,193	
Less Income.....	973	1,240	1,240	1,861	1
Net Cost of Service.....	234,870	241,251	253,936	236,332	
Employees (Full Time Equivalents).....	1,003	1,010	1,026	1,015	
Efficiency Indicators					
Average Cost of Accounts Payable Services per Transaction.....	-	\$5	\$5	\$5	
Average Cost of Accounts Receivable Services per Transaction	-	\$27	\$29	\$28	
Average Cost of Payroll and Support Services to Health Support Services' Clients.....	-	\$986	\$1,024	\$981	
Average Cost of Supply Services by Purchasing Transaction	-	\$45	\$47	\$46	
Average Cost of Providing ICT Services to Health Support Services' Clients	-	\$4,578	\$4,848	\$4,423	

Explanation of Significant Movements

(Notes)

1. The increase in income from the 2016-17 Estimated Actual to the 2017-18 Budget Target is due to an increase in non-patient revenue from Australian Digital Health.

Asset Investment Program

To ensure that Western Australians have access to safe and quality health care delivered in world class health facilities, approximately \$6.3 billion has been committed for over 100 asset investment projects. This includes the upgrade and redevelopment of Western Australian hospitals and health related facilities. A key component of this investment is a significant injection of capital funding, via the Royalties for Regions program, into the redevelopment and expansion of country hospitals.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
WORKS IN PROGRESS							
Equipment							
Equipment Replacement Program.....	437,423	402,709	24,957	29,973	4,741	-	-
Medical Accounts Assessment System.....	2,500	1,000	1,000	1,500	-	-	-
Hospitals, Health Centres and Community Facilities							
Albany Hospice Car Park	748	630	-	118	-	-	-
Armadale Kelmscott Hospital - Development	11,146	9,362	90	1,784	-	-	-
Auspman.....	5,345	241	241	5,024	80	-	-
Broome Regional Resource Centre - Redevelopment Stage 1	42,000	41,657	64	343	-	-	-
Bunbury, Narrogin and Collie Hospitals - Pathology Laboratories Redevelopment	6,851	5,732	4,697	600	519	-	-
Busselton Health Campus (a)	115,202	111,702	1,241	3,500	-	-	-
Carnarvon Hospital Redevelopment (a)	25,666	23,670	185	1,996	-	-	-
Country Staff Accommodation - Stage 3	27,422	27,237	-	185	-	-	-
East Kimberley Development Package	38,597	38,375	3	222	-	-	-
Eastern Wheatbelt District (Including Merredin) - Stage 1	7,881	298	-	3,000	4,583	-	-
Esperance Health Campus Redevelopment (a)	31,871	29,063	3,218	2,800	-	-	-
Fiona Stanley Hospital (FSH) - Development	1,584,691	1,582,672	1,183	2,019	-	-	-
Fremantle Hospital and Health Service Reconfiguration	3,092	2,403	173	689	-	-	-
Graylands Hospital - Redevelopment Planning	528	524	-	4	-	-	-
Harvey Health Campus Redevelopment	12,858	10,805	4,592	2,053	-	-	-
Hedland Regional Resource Centre Stage 2	136,215	134,815	3	1,400	-	-	-
Joondalup Health Campus Telethon Paediatric Ward	12,118	12,000	100	118	-	-	-
Joondalup Mental Health Observation Area (MHOA)	7,064	3,500	3,500	3,458	106	-	-
Kalamunda District Community Hospital Infrastructure Upgrade	1,939	174	174	1,765	-	-	-
Kalgoorlie Regional Resource Centre Redevelopment Stage 1	57,461	55,866	2,514	1,595	-	-	-
Karratha Health Campus - Development (a)	207,131	62,055	43,835	104,676	38,785	1,283	-
King Edward Memorial Hospital (KEMH) Holding	1,380	1,056	-	324	-	-	-
Maternal Foetal Assessment	5,379	5,378	-	1	-	-	-
Metropolitan Plan Implementation							
Kalamunda Hospital - Redevelopment Stage 2	7,582	17	-	-	-	-	7,565
Peel Health Campus - Development Stage 1	2,265	20	20	2,245	-	-	-
National Partnership Agreement - Improving Public Hospital Services.....							
Newman Health Service Redevelopment Project (a)	88,402	75,224	2,795	13,178	-	-	-
North West Health Initiative (NWHI) Carnarvon Aged Care (b)	47,433	500	500	10,005	36,928	-	-
District Hospital Upgrade - Paraburdoo, Roebourne, Derby Community Health (b)	11,577	1,000	1,000	-	8,000	2,577	-
Onslow Hospital	3,700	500	500	2,321	879	-	-
Osborne Park Hospital (OPH) Reconfiguration Stage 1	41,743	5,760	4,044	35,983	-	-	-
Additional Parking Facility	26,301	261	-	-	-	-	26,040
PathWest - Laboratory Equipment and Asset Replacement/Maintenance	3,279	1,806	1,680	1,473	-	-	-
Perth Children's Hospital (PCH) - Development	2,500	2,033	2,033	437	30	-	-
Princess Margaret Hospital - Holding	1,144,102	1,093,263	57,125	49,549	1,290	-	-
Queen Elizabeth II Medical Centre (QEII MC) - Hospital Avenue	6,245	2,126	-	4,119	-	-	-
Reconfiguring the Western Australian Spinal Cord Injury Service (SCI)	5,332	110	110	5,222	-	-	-
Remote Indigenous Health (a)	43,252	52	52	18,100	24,500	600	-
Renal Dialysis and Support Services	24,053	18,112	2,420	4,432	1,509	-	-
Royal Perth Hospital (RPH) Redevelopment Stage 1	46,796	15,972	14,624	23,055	7,769	-	-
Sarich Neuroscience Research Institute Centre	16,880	11,661	11,139	5,219	-	-	-
Sir Charles Gairdner Hospital (SCGH) Redevelopment Stage 1	34,076	31,617	10,326	2,459	-	-	-
Catheter Laboratory 2 Upgrade	21,714	3,565	-	9,500	8,649	-	-
Southern Inland Health Initiative (SIHI) Integrated District Health Campuses (b)	584	540	-	44	-	-	-
Primary Health Centres (b)	163,743	46,539	29,208	47,000	63,343	6,861	-
Small Hospitals and Nursing Posts (b)	32,659	4,474	2,079	8,894	17,834	1,457	-
Telehealth (b)	102,444	45,947	15,365	17,841	37,221	1,435	-
	5,530	4,905	1,750	625	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
St John of God Midland Public Hospital.....	348,603	347,984	195	619	-	-	-
Strengthening Cancer Services							
Regional Cancer Patient Accommodation.....	4,392	2,467	674	1,925	-	-	-
Geraldton Cancer Centre.....	3,930	3,740	1,514	190	-	-	-
Telethon Kids Institute (TKI) Fit-out - PCH.....	40,548	32,215	32,215	8,333	-	-	-
Upper Great Southern District (inc Narrogin) - Stage 1	10,497	379	-	3,500	6,618	-	-
Wheatbelt Renal Dialysis ^(b)	1,950	100	100	1,129	721	-	-
Enhancing Health Services for the Pilbara in Partnership with Industry.....	7,338	7,245	-	-	-	-	-
Information and Communication Equipment and Infrastructure							
Continued rollout of the Patient Administration System (PAS).....	13,670	1,370	1,370	10,827	1,473	-	-
FSH							
ICT Commissioning.....	30,685	26,265	1,011	4,420	-	-	-
Facilities Management Services Contract Asset Solution ...	15,188	610	610	14,578	-	-	-
Intensive Care Clinical Information Systems (ICCIS).....	4,200	3,717	307	483	-	-	-
Pharmacy Automation.....	8,961	7,212	231	1,749	-	-	-
ICT Minor Works Program.....	4,000	3,500	3,500	500	-	-	-
Infection Prevention and Control System.....	2,387	200	200	2,187	-	-	-
PCH ICT.....	177,778	141,206	44,507	36,572	-	-	-
Replacement of Medical Imaging System (PACS-RIS)	52,525	1,468	1,468	19,795	4,014	3,144	3,365
Replacement of PathWest's Laboratory Information Systems (LISs).....	22,478	6,338	6,338	16,140	-	-	-
Other Projects							
Country - Staff Accommodation Stage 4.....	8,128	6,628	4,441	1,500	-	-	-
Minor Buildings Works.....	156,073	143,921	946	6,190	2,962	3,000	-
WA Country Health Service PACS - Regional Resource Centre.....	6,273	4,153	-	2,120	-	-	-
COMPLETED WORKS							
Equipment							
BreastScreen WA - Digital Mammography Technology.....	12,581	12,581	255	-	-	-	-
Hospitals, Health Centres and Community Facilities							
Adult Mental Health Unit Overrun.....	3,352	3,352	3,352	-	-	-	-
Joondalup Health Campus - Development Stage 1.....	213,937	213,937	197	-	-	-	-
Albany Regional Resource Centre - Redevelopment Stage 1.....	168,263	168,262	-	-	-	-	-
Metropolitan Plan Implementation							
Joondalup Health Campus Mental Health Unit							
Anti-Ligature Point Rectification.....	865	865	865	-	-	-	-
SCGH - Mental Health Unit.....	28,925	28,925	1	-	-	-	-
North West Health Initiative							
NWHI - Stream 1 - District Hospital Upgrade							
Murchison Health - Meekatharra and Mount Magnet ^(b)	1,000	1,000	1,000	-	-	-	-
Point of Care Network for Pathology Testing.....	549	549	462	-	-	-	-
QEII MC - New Central Plant Facility.....	211,895	211,895	200	-	-	-	-
Regional Health Administrative Accommodation ^(b)	1,534	1,534	93	-	-	-	-
State Epilepsy Service Relocation.....	1,366	1,366	1,020	-	-	-	-
Enhancing Health Services for the Pilbara in Partnership with Industry.....	7,338	7,245	-	-	-	-	-
ICT Bunbury BreastScreen Clinic.....	486	486	4	-	-	-	-
Information and Communication Equipment and Infrastructure							
i.Pharmacy.....	1,301	1,301	1,301	-	-	-	-
Stabilising Existing ICT Platform.....	12,421	12,421	142	-	-	-	-
Upgrade of PABX infrastructure at SCGH and KEMH.....	1,881	1,881	1,798	-	-	-	-
NEW WORKS							
Election Commitment - Expand the Ear Bus Program.....	230	-	-	230	-	-	-
Hospitals, Health Centres and Community Facilities							
Fremantle General Dental Clinic.....	2,990	-	-	2,990	-	-	-
Fremantle Hospital - Reconfiguration Stage 1.....	10,163	-	-	-	-	-	10,163
KEMH - Neo-natal Intensive Care Unit.....	1,115	-	-	1,115	-	-	-
King's Park Link Bridge.....	6,700	-	-	6,700	-	-	-
Metropolitan Plan Implementation							
Graylands Hospital - Development Stage 1.....	92	-	-	92	-	-	-
NWHI							
Stream 1 - District Hospital Upgrade - Tom Price Hospital Redevelopment ^(b)	5,250	-	-	250	-	-	5,000
Princess Margaret Hospital (PMH) - Interim Holding Works at Existing PMH Site.....	995	-	-	995	-	-	-
Royal Perth Hospital (RPH)							
Fire Risk.....	9,962	-	-	280	3,962	4,200	1,520
Helipad.....	6,800	-	-	4,420	2,380	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Strengthening Cancer Services in Regional Western Australia							
Narrogin Cancer Centre.....	2,000	-	-	250	1,750	-	-
Northam Cancer Centre.....	3,500	-	-	500	2,500	500	-
Information and Communication Equipment and Infrastructure							
FSH - da Vinci System	4,950	-	-	4,950	-	-	-
Replacement of the Monitoring of Drugs and Dependence System	992	-	-	481	435	76	-
Other Projects							
Country - Transport Initiatives.....	3,228	-	-	-	800	2,428	-
Total Cost of Asset Investment Program.....	6,303,627	5,330,001	358,857	586,858	284,381	27,561	53,653
Loan and Other Repayments.....			74,340	66,639	57,312	45,184	27,721
Total.....	6,303,627	5,330,001	433,197	653,497	341,693	72,745	81,374
FUNDED BY							
Capital Appropriation			157,810	186,194	71,758	48,184	27,721
Commonwealth Grants			12,378	14,480	10,030	-	-
Other Grants and Subsidies			50,074	20,892	5,500	-	-
Funding Included in Department of Treasury Administered Item							
Funding Included in Department of Treasury - Fiona Stanley Hospital.....			11,287	55,616	46,465	10,372	48,653
Funding Included in Department of Treasury - New Children's Hospital			-	2,019	-	-	-
Internal Funds and Balances and Other			82,411	38,147	1,290	-	-
Drawdowns from Royalties for Regions Fund.....			78,204	99,422	66,758	576	-
			41,033	236,727	139,892	13,613	5,000
Total Funding.....			433,197	653,497	341,693	72,745	81,374

(a) Partially funded from the Royalties for Regions Fund.

(b) Fully funded from the Royalties for Regions Fund.

Financial Statements

Income Statement

Expenses

The estimated Total Cost of Services is projected to grow by \$124.2 million (1.4%) between the 2016-17 Estimated Actual and the 2017-18 Budget Target. The forecast expense growth is largely attributable to realignment of budget settings for hospitals and non-hospital services as well as movements in expenditure due to either timing of payments or alignment with program implementation and related parameter changes.

Statement of Financial Position

The estimated total net asset position (equity) is expected to increase by \$524.7 million between the 2016-17 Estimated Actual and the 2017-18 Budget Estimate. Total assets are projected to increase by \$458.1 million whilst liabilities are projected to decrease by \$66.6 million. The projected increase in total assets is attributable to a number of significant health infrastructure projects currently under construction including:

- Karratha Health Campus (\$104.7 million);
- Ongoing redevelopment and expansion of the Southern Inland Health Initiative facilities (\$82.7 million);
- Perth Children's Hospital Development (\$49.5 million);
- Perth Children's Hospital Information Communication Technology (ICT) (\$36.6 million);
- Onslow Hospital Redevelopment (\$36 million);
- Renal Dialysis and Support Services (\$23.1 million);
- Medical Imaging System Replacement (\$19.8 million);
- Reconfiguring the Western Australian Spinal Cord Injury Service (\$18.1 million);
- Replacement of PathWest's Laboratory Information Systems (\$16.1 million);
- Fiona Stanley Hospital Critical ICT & Infrastructure Upgrades (\$14.6 million);
- Continued rollout of the Patient Administration System (\$10.8 million);
- Perth Children's Hospital Development Telethon Kids Institute (\$8.3 million); and
- Perth Children's Hospital Development Kings Park Link Bridge (\$6.7 million).

Statement of Cashflows

The estimated cash balance at 30 June 2018 of \$507.2 million is \$128.1 million (20.2%) lower than the cash position at 30 June 2017. This cashflow change is primarily driven by the use of Commonwealth, Royalties for Regions, and State funds for service delivery, and capital construction requirements.

INCOME STATEMENT ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget ^(b)	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(c)	4,703,263	4,948,051	4,728,289	4,984,334	4,982,270	5,209,853	5,452,770
Grants and subsidies ^(d)	42,026	49,330	69,920	72,556	72,418	73,501	80,238
Supplies and services	952,587	862,876	1,007,207	955,073	739,664	729,952	724,238
Accommodation	108,468	112,108	109,306	75,035	82,112	70,284	49,998
Depreciation and amortisation	319,351	382,260	331,058	378,586	387,039	385,971	359,542
Direct patient support costs	900,172	951,198	1,097,608	1,098,525	1,115,858	1,115,348	1,142,241
Indirect patients support cost	221,890	203,954	263,451	266,791	269,736	269,598	273,280
Private sector contract costs	631,169	671,689	685,493	684,279	697,557	698,028	712,128
Visiting medical practitioners costs	141,740	148,757	131,817	134,552	134,429	136,719	139,687
Other expenses	398,919	237,850	394,166	292,796	299,968	306,407	288,721
TOTAL COST OF SERVICES	8,419,585	8,568,073	8,818,315	8,942,527	8,781,051	8,995,661	9,222,843
Income							
Sale of goods and services	329,457	311,686	322,315	341,551	340,287	354,984	369,418
Grants and subsidies	467,996	377,511	440,820	448,101	180,665	141,150	141,819
National Health Reform Agreement	1,678,573	1,783,168	1,878,881	1,938,408	2,061,737	2,192,370	2,281,487
Service Delivery Agreement	627,255	645,357	654,878	673,800	696,727	720,809	745,607
Recoveries	269,896	209,725	301,803	303,165	309,431	316,554	320,262
Other revenue	114,474	110,917	110,917	106,778	110,741	113,840	118,252
Total Income	3,487,651	3,438,364	3,709,614	3,811,803	3,699,587	3,839,706	3,976,844
NET COST OF SERVICES	4,931,934	5,129,709	5,108,701	5,130,724	5,081,464	5,155,955	5,245,999
INCOME FROM STATE GOVERNMENT							
Service appropriations	4,853,582	5,056,078	5,139,298	5,053,178	4,984,859	5,057,969	5,150,738
Resources received free of charge	6,203	6,888	6,888	6,888	6,888	6,888	6,888
Royalties for Regions Fund:							
Regional Community Services Fund	50,449	25,665	28,895	29,361	57,623	55,542	54,632
Regional Infrastructure and Headworks Fund	2,539	13,678	15,020	47,334	39,236	34,286	33,000
TOTAL INCOME FROM STATE GOVERNMENT	4,912,773	5,102,309	5,190,101	5,136,761	5,088,606	5,154,687	5,245,258
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(19,161)	(27,400)	81,400	6,037	7,142	(1,270)	(741)

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

(b) The 2016-17 Budget figures for Other revenue, Total Income, Net Cost of Services, Resources Received Free of Charge and Total Income from State Government differ from previously published figures due to a change in calculation methodology.

(c) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 36,588, 35,690 and 35,791 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget ^(a)	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate ^(b)	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Aged and Continuing Care Services	809	950	16,846	17,481	17,448	17,709	19,332
Community Dental Health Services	6	7	54	56	56	57	62
Health Support Services	2,632	3,090	3,020	3,133	3,127	3,174	3,465
Health System Management - Policy and Corporate Services	3,331	3,910	13,473	13,981	13,954	14,163	15,461
Mental Health Services	64	76	77	80	79	81	88
Public and Community Health Services	33,421	39,227	34,917	36,235	36,167	36,706	40,071
Public Hospital Admitted Services	1,702	1,998	1,504	1,560	1,557	1,581	1,725
Public Hospital Emergency Services	1	1	1	1	1	1	1
Public Hospital Non-Admitted Services	46	54	14	14	14	14	16
Small Rural Hospital Services	14	17	14	15	15	15	17
TOTAL	42,026	49,330	69,920	72,556	72,418	73,501	80,238

(a) The 2016-17 Budget has been recast in the new Outcome Based Management Framework that commenced in 2017-18.

(b) The 2017-18 Budget Estimate and forward estimates have been projected on a similar proportion as the 2016-17 Estimated Actual noting the figures are indicative and the Health Service Providers have discretion in determining these amounts in future periods.

**STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)**

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	203,699	252,980	293,612	178,320	174,042	173,966	173,966
Restricted cash	474,397	343,586	341,705	328,899	258,716	257,659	257,659
Holding account receivables	-	69,419	43,269	46,981	46,981	46,981	46,981
Receivables	223,133	183,685	223,133	223,133	223,133	223,133	223,133
Inventories	42,240	42,240	42,240	42,240	42,240	42,240	42,240
Other	31,647	17,440	31,014	38,355	37,670	36,957	36,216
Assets held for sale	-	865	-	-	-	-	-
Total current assets	975,116	910,215	974,973	857,928	782,782	780,936	780,195
NON-CURRENT ASSETS							
Holding account receivables	2,384,970	2,745,636	2,737,302	3,112,176	3,499,215	3,885,186	4,244,728
Property, plant and equipment	7,732,819	8,269,405	7,740,662	7,940,174	7,855,108	7,514,761	7,224,474
Intangibles	286,099	257,931	290,842	291,602	274,010	255,947	240,345
Other	13,080	8,102	13,080	13,080	13,080	13,080	13,080
Total non-current assets	10,416,968	11,281,074	10,781,886	11,357,032	11,641,413	11,668,974	11,722,627
TOTAL ASSETS	11,392,084	12,191,289	11,756,859	12,214,960	12,424,195	12,449,910	12,502,822
CURRENT LIABILITIES							
Employee Provisions	806,510	886,650	834,964	834,964	834,964	834,964	834,964
Payables	438,764	368,316	438,764	438,764	438,764	438,764	438,764
Salaries and Wages	51,213	83,239	63,859	63,859	63,859	63,859	63,859
Other	76,654	59,651	85,033	82,163	73,961	62,049	54,180
Total current liabilities	1,373,141	1,397,856	1,422,620	1,419,750	1,411,548	1,399,636	1,391,767
NON-CURRENT LIABILITIES							
Employee provisions	195,154	226,164	209,120	209,120	209,120	209,120	209,120
Borrowings	245,590	216,136	174,179	110,410	61,300	28,028	8,176
Total non-current liabilities	440,744	442,300	383,299	319,530	270,420	237,148	217,296
TOTAL LIABILITIES	1,813,885	1,840,156	1,805,919	1,739,280	1,681,968	1,636,784	1,609,063
EQUITY							
Contributed equity	6,681,925	7,227,062	6,973,266	7,491,969	7,751,374	7,823,543	7,904,917
Accumulated surplus/(deficit)	49,272	116,890	130,672	136,709	143,851	142,581	141,840
Reserves	2,847,002	3,007,181	2,847,002	2,847,002	2,847,002	2,847,002	2,847,002
Total equity	9,578,199	10,351,133	9,950,940	10,475,680	10,742,227	10,813,126	10,893,759
TOTAL LIABILITIES AND EQUITY	11,392,084	12,191,289	11,756,859	12,214,960	12,424,195	12,449,910	12,502,822

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	4,475,422	4,625,993	4,743,697	4,674,592	4,597,820	4,671,998	4,791,196
Capital appropriation.....	178,276	222,705	169,097	243,829	118,223	58,556	76,374
Royalties for Regions Fund:							
Regional Community Services Fund.....	50,536	27,034	28,895	33,905	59,853	55,542	54,632
Regional Infrastructure and Headworks Fund.....	42,913	210,361	56,053	279,517	176,898	47,899	38,000
Receipts paid into Consolidated Account.....	(2,256)	-	-	-	-	-	-
Other.....	108,900	48,600	82,411	38,147	1,290	-	-
Net cash provided by State Government.....	4,853,791	5,134,693	5,080,153	5,269,990	4,954,084	4,833,995	4,960,202
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(4,865,586)	(4,887,577)	(4,673,220)	(4,984,334)	(4,982,271)	(5,209,854)	(5,452,770)
Grants and subsidies.....	(42,026)	(49,330)	(69,920)	(72,556)	(72,418)	(73,501)	(80,238)
Supplies and services.....	(923,276)	(828,258)	(977,549)	(934,433)	(717,962)	(711,402)	(709,926)
Accommodation.....	(107,324)	(112,109)	(109,324)	(75,035)	(82,112)	(70,284)	(49,967)
Direct patient support costs.....	(846,080)	(940,388)	(1,086,798)	(1,087,715)	(1,105,045)	(1,115,344)	(1,142,241)
Indirect patient support costs.....	(204,546)	(203,954)	(263,451)	(266,791)	(269,740)	(269,602)	(273,280)
Private sector contracts.....	(635,468)	(671,689)	(684,860)	(683,620)	(696,871)	(697,315)	(711,387)
Visiting medical practitioners.....	(128,924)	(148,757)	(131,817)	(134,552)	(134,429)	(136,719)	(139,687)
GST payment on purchases.....	(382,162)	(282,117)	(282,117)	(282,117)	(282,117)	(282,117)	(282,117)
Other payments.....	(390,730)	(265,582)	(390,400)	(297,548)	(305,782)	(298,259)	(276,367)
Receipts ^(b)							
Grants and subsidies.....	468,626	377,511	440,820	448,101	180,665	141,150	141,819
National Health Reform Agreement.....	1,678,573	1,783,168	1,878,881	1,938,408	2,061,737	2,192,370	2,281,487
Sale of goods and services.....	269,703	311,686	322,315	332,551	331,287	345,984	360,418
GST receipts.....	381,647	282,117	282,117	282,117	282,117	282,117	282,117
Service Delivery Agreement.....	627,255	645,357	654,878	673,800	696,727	720,809	745,607
Other receipts.....	387,124	309,832	401,910	399,133	409,362	419,584	427,704
Net cash from operating activities.....	(4,713,194)	(4,680,090)	(4,688,535)	(4,744,591)	(4,686,852)	(4,762,383)	(4,878,828)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(399,404)	(526,289)	(358,857)	(586,858)	(284,381)	(27,561)	(53,653)
Proceeds from sale of non-current assets.....	2,351	-	-	-	-	-	-
Net cash from investing activities.....	(397,053)	(526,289)	(358,857)	(586,858)	(284,381)	(27,561)	(53,653)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(6,279)	(6,221)	(6,221)	(6,507)	(6,805)	(1,205)	-
Payments for finance leases.....	(62,536)	(71,410)	(68,119)	(60,132)	(50,507)	(43,979)	(27,721)
Net cash from financing activities.....	(68,815)	(77,631)	(74,340)	(66,639)	(57,312)	(45,184)	(27,721)
NET INCREASE/(DECREASE) IN CASH HELD							
.....	(325,271)	(149,317)	(41,579)	(128,098)	(74,461)	(1,133)	-
Cash assets at the beginning of the reporting period.....	1,003,396	745,883	678,096	635,317	507,219	432,758	431,625
Net cash transferred to/from other agencies.....	(29)	-	(1,200)	-	-	-	-
Cash assets at the end of the reporting period.....	678,096	596,566	635,317	507,219	432,758	431,625	431,625

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

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

NET APPROPRIATION DETERMINATION ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Grants and Subsidies							
Commonwealth Grants.....	420,550	311,478	340,692	379,277	127,708	89,907	90,576
GST Receipts							
GST Input Credits	65,492	80,587	68,225	78,376	79,836	81,017	82,108
GST Receipts on Sales	1,432	2,050	1,071	1,821	1,862	1,903	1,943
Other Receipts							
Proceeds from Services Provided By Environmental Health Services.....	2,358	2,233	2,511	2,558	2,688	2,773	2,925
Proceeds from Services Provided By Miscellaneous Services	11,106	4,251	9,968	9,983	10,044	10,116	10,190
Proceeds from Services Provided By Reproductive Technology Services.....	-	-	-	19	-	-	29
TOTAL	500,938	400,599	422,467	472,034	222,138	185,716	187,771

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

**RECONCILIATION RELATING TO MAJOR FUNCTIONAL TRANSFERS
AND ACCOUNTING POLICY CHANGES**

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement...	8,419,585	8,568,073	8,818,315	8,942,527	8,781,051	8,995,661	9,222,843
<i>Transfer of the Office of Chief Psychiatrist.....</i>	<i>(705)</i>	-	-	-	-	-	-
Adjusted Total Cost of Services	8,418,880	8,568,073	8,818,315	8,942,527	8,781,051	8,995,661	9,222,843
APPROPRIATIONS							
Service Appropriations as per Income Statement	4,853,582	5,056,078	5,139,298	5,053,178	4,984,859	5,057,969	5,150,738
<i>Transfer of the Office of Chief Psychiatrist.....</i>	<i>(705)</i>	-	-	-	-	-	-
Adjusted Total Appropriations Provided to Deliver Services	4,852,877	5,056,078	5,139,298	5,053,178	4,984,859	5,057,969	5,150,738

Agency Special Purpose Account Details

STATE POOL SPECIAL PURPOSE ACCOUNT

Account Purpose: The State Pool Special Purpose Account provides a mechanism to receive Commonwealth funding for State hospitals and State funding for activity based hospital services, as required under the National Health Reform Agreement.

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000
Opening Balance	-	-	-	-
Receipts:				
State Contribution (WA Health)	2,498,987	2,225,409	2,055,379	2,379,752
State Contribution (Mental Health Commission)	157,463	159,145	161,151	153,182
Commonwealth Contribution	1,842,771	1,955,538	2,041,701	2,119,975
	4,499,221	4,340,092	4,258,231	4,652,909
Payments:				
Payment to Providers.....	4,234,143	4,060,466	3,983,612	4,366,203
Payments to State Managed Fund (WA Health)	191,498	204,657	200,920	207,208
Payments to State Managed Fund (Mental Health Commission)	73,580	74,969	73,699	79,498
CLOSING BALANCE	-	-	-	-

STATE MANAGED FUND SPECIAL PURPOSE ACCOUNT

Account Purpose: The State Health Funding Special Purpose Account provides a mechanism to receive Commonwealth funding from the State Pool Special Purpose Account for non-activity based hospital services and State funding for non-activity based hospital services, as required under the National Health Reform Agreement.

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000
Opening Balance.....	-	-	-	-
Receipts:				
State Contribution (WA Health).....	349,227	317,741	315,474	346,025
State Contribution (Mental Health Commission).....	176,434	181,537	179,193	183,259
Commonwealth Contribution (via State Pool Account)	191,498	204,657	200,920	207,208
Commonwealth Contribution (State Managed Fund via Mental Health Commission) ^(a)	72,539	73,928	72,638	78,436
	789,698	777,863	768,225	814,928
Payments:				
Payment to Providers	789,698	777,863	768,225	814,928
CLOSING BALANCE	-	-	-	-

(a) The Commonwealth contribution to the WA Health State Managed Fund has been adjusted to exclude block funding for specific programs from the Mental Health Commission State Managed Fund Special Purpose Account.

Western Australian Health Promotion Foundation

Part 4 Deputy Premier; Minister for Health; Mental Health

Asset Investment Program

The asset investment expenditure of \$70,000 reflects routine asset replacement and the continued development of an information and communications technology platform.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COMPLETED WORKS							
Computer and Software - 2016-17 Program	70	70	70	-	-	-	-
NEW WORKS							
Computer and Software							
2017-18 Program	70	-	-	70	-	-	-
2018-19 Program	70	-	-	-	70	-	-
2019-20 Program	70	-	-	-	-	70	-
2020-21 Program	70	-	-	-	-	-	70
Total Cost of Asset Investment Program.....	350	70	70	70	70	70	70
FUNDED BY							
Internal Funds and Balances.....			70	70	70	70	70
Total Funding.....			70	70	70	70	70

Animal Resources Authority

Part 4 Deputy Premier; Minister for Health; Mental Health

Asset Investment Program

The Authority's Asset Investment Program relates to routine asset replacement, completing the Chiller works, and an autoclave replacement. These projects are essential for the Authority's sustainability and viability.

The Chiller completion will make the existing system more efficient, provide substantial cost savings (primarily water and electricity savings), and make the Authority a greener facility.

Immediate replacement of an autoclave is required in 2017-18, as one of the two autoclaves has failed and cannot be repaired. The project costs will be met through an equity contribution in 2017-18.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
WORKS IN PROGRESS							
Chiller Unit	1,016	884	491	132	-	-	-
COMPLETED WORKS							
Asset Replacement							
2015-16 Program	200	200	155	-	-	-	-
2016-17 Program	135	135	135	-	-	-	-
Transformer	433	433	433	-	-	-	-
NEW WORKS							
Asset Replacement							
2017-18 Program	200	-	-	200	-	-	-
2018-19 Program	200	-	-	-	200	-	-
2019-20 Program	200	-	-	-	-	200	-
2020-21 Program	200	-	-	-	-	-	200
Autoclave	1,120	-	-	1,120	-	-	-
Total Cost of Asset Investment Program	3,704	1,652	1,214	1,452	200	200	200
FUNDED BY							
Funding Included in Department of Treasury							
Administered Item			-	1,120	-	-	-
Internal Funds and Balances			781	332	200	200	200
Other			433	-	-	-	-
Total Funding			1,214	1,452	200	200	200

Division 9 Mental Health Commission

Part 4 Deputy Premier; Minister for Health; Mental Health

Appropriations, Expenses and Cash Assets

	2015-16 Actual ^(a) \$'000	2016-17 Budget ^(a) \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 12 Net amount appropriated to deliver services	651,940	668,680	683,886	705,661	701,846	703,952	718,856
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	783	809	809	809	809	809	809
Total appropriations provided to deliver services.....	652,723	669,489	684,695	706,470	702,655	704,761	719,665
ADMINISTERED TRANSACTIONS							
Item 13 Mental Health Advocacy Service.....	2,482	2,654	2,654	2,627	2,634	2,642	2,676
Item 14 Mental Health Tribunal.....	2,394	2,653	2,653	2,630	2,642	2,654	2,689
Item 15 Office of the Chief Psychiatrist	2,441	2,262	2,262	2,282	2,330	2,381	2,411
TOTAL ADMINISTERED TRANSACTIONS ...	7,317	7,569	7,569	7,539	7,606	7,677	7,776
TOTAL APPROPRIATIONS	660,040	677,058	692,264	714,009	710,261	712,438	727,441
EXPENSES							
Total Cost of Services.....	841,122	858,203	863,268	914,357	910,210	922,266	944,982
Net Cost of Services ^(b)	662,558	675,481	695,219	727,450	718,660	720,504	732,471
CASH ASSETS ^(c)	30,769	17,609	29,687	27,692	27,479	27,262	27,042

(a) The Office of the Chief Psychiatrist, Mental Health Tribunal and Mental Health Advocacy Service were established as affiliated bodies of the Commission following the proclamation of the *Mental Health Act 2014* on 30 November 2015. These bodies will be funded through separate administered appropriation items to reflect their independence and to ensure transparency. The 2015-16 Actual financial data has been restated for comparability purposes to account for these functional changes, including the transfer of the Office of the Chief Psychiatrist from WA Health. These changes are detailed in the reconciliation table after the financial statements. The 2016-17 Budget expenses have also been restated to reflect a change in accounting treatment to remove Administered Transactions from the Controlled Income Statement.

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

(c) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Election Commitments					
3 Tier Youth Mental Health Program	-	133	133	133	-
Alcohol and Other Drug Residential Rehabilitation and Treatment Services					
Kimberley.....	-	200	-	-	-
South West	-	-	-	-	1,858
Ice Breakers Program	-	180	180	-	-
Mental Health Recovery College at Royal Perth Hospital and in Wanneroo	-	200	-	-	-
Methamphetamine Treatment Facilities.....	-	-	3,903	4,002	4,100
National Rugby League State of Mind Program.....	-	50	50	-	-
Step Up/Step Down Mental Health Facility in Kalgoorlie	-	-	-	-	1,658

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Other					
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(12)	(24)	(37)	(50)
Internal Savings					
Administered Bodies	-	(99)	(100)	(101)	(102)
Grants and Services Purchased	-	(665)	(1,659)	(1,697)	(1,737)
Internal Resourcing	-	(462)	(462)	(462)	(462)
Local Projects Local Jobs.....	46	-	-	-	-
Public Specialised Mental Health Services Revised Activity and Cost Settings.....	-	12,416	7,699	3,452	840
Non-Government Human Services Sector Indexation Adjustment.....	-	(1,403)	(1,395)	(1,377)	(1,383)
Revision to Indexation for Non-Salary Expenses	-	(220)	(186)	(152)	(281)
Workzone - Government Communications Network.....	350	354	358	362	365

Significant Issues Impacting the Agency

Public Health Services

- In 2016-17, the Commission entered into its first bilateral agreements with each of the new Health Services Boards. These agreements adhere to the legal framework outlined in the *Health Services Act 2016*. The agreements provide a further mechanism for improvement and accountability in the delivery of public mental health services and alcohol and other drug services.
- A total of \$686 million will be spent on public health services in 2017-18 including inpatient care, community treatment services, and teaching, training and research. This includes 61,512 inpatient weighted activity units achieved through approximately 14,745 separations from specialised mental health wards.
- The Commission is also working to improve current performance monitoring and evaluation of mental health services. Analysis of performance has shown improved outcomes for individuals receiving mental health services through increases in rates of follow-up by community treatment teams (within seven days) after individuals have been discharged from hospitals and the reduction in readmission rates into hospitals within 28 days.

Western Australian Mental Health, Alcohol and Other Drug Services Plan 2015-2025: Better Choices. Better Lives.

- ‘The Western Australian Mental Health, Alcohol and Other Drug Services Plan 2015-2025: Better Choices. Better Lives.’ (the Plan) was developed from 2013 to 2015 with the extensive input of stakeholders including consumers, families, carers and the mental health, alcohol and other drug sectors.
- The Plan outlines a number of actions and sub-actions, phased over three time horizons to the end of 2025. Of these actions and sub-actions, 21 have been completed and 74 have commenced.
- Actions completed include:
 - implementation of a State-wide suicide prevention strategy with projects such as:
 - the Active Life Enhancing Intervention program - an intensive support and counselling service for people who have attempted suicide;
 - the Children and Young People Responsive Suicide Support program - a free and long-term support service for children and young people who have been bereaved by suicide; and
 - establishing 10 Suicide Prevention Coordinators across the State.
 - delivery of a trial clinical/police co-response service in partnership with Western Australia Police and Health Service Providers;
 - introduction of a new Alcohol Assessment and Treatment component of the Alcohol Interlock Scheme;

- increased treatment and support services through:
 - the establishment of the Meth Helpline;
 - the expansion of methamphetamine related training for frontline workers;
 - implementation of 60 new alcohol and other drug treatment beds (52 residential rehabilitation and eight low medical withdrawal);
 - opening of a new step up/step down service in Rockingham;
 - opening of 56 replacement beds at Midland Health Campus, 30 replacement beds at Sir Charles Gairdner Hospital, and 30 new beds at Fiona Stanley Hospital;
 - ongoing development and delivery of a dedicated Youth Mental Health Program by the WA Country Health Service (WACHS) with \$1.8 million funding in 2016-17 to, among other outcomes, improve youth engagement with WACHS Community Mental Health Services in the Pilbara and South West to encourage access to timely and targeted support; and
 - establishment of the Western Australian Eating Disorders Outreach and Consultation Service with an amount of \$823,103 in annual funding;
- commencement of a post-implementation review of the *Mental Health Act 2014*; and
- examination of compulsory alcohol and other drug treatment options and the development of an Exposure Draft Compulsory Treatment (Alcohol and Other Drugs) Bill 2016 and associated Summary Model of Service.
- A two year plan update to be released in 2018 will provide an opportunity to further review progress and update the estimate of current and future needs for Mental Health and Alcohol and Other Drug Services in Western Australia.

Community Bed Based Services

- Community mental health step up/step down services provide short-term, residential support and individualised care for people following discharge from hospital or those experiencing a change in their mental health to avert the need for hospitalisation. Step up/step down services aim to provide timely, intensive support which is responsive to individual needs aligned to personal recovery plans.
- Work has commenced for the delivery of three new step up/step down services in Broome (six beds), Bunbury (10 beds) and Karratha (six beds). Further planning work for services in Kalgoorlie and Geraldton is underway.

Suicide Prevention

- Suicide remains the leading cause of death for Australians aged between 15 and 44 years. In 2015, 394 people took their own lives in Western Australia.
- Suicide Prevention Community Coordinators have been put in place in every region across the State. The Suicide Prevention Community Coordinators are embedded with mental health and/or alcohol and other drug services in areas of highest need and work with Government, non-government, and community services and groups.
- The Response to Suicide and Self Harm in Schools Program continues to target support and assistance across the State in all education sectors. The program provides immediate support for children at risk and capacity building of staff through awareness, reduction of stigma and training.
- The Freedom Centre has received funding of \$310,000 to deliver a regionally-based peer support and education service for the lesbian, gay, bisexual, transgender and intersex (LGBTI) community.
- A targeted round of grants totalling \$239,000 was released in 2016-17. This resulted in funding for 14 initiatives delivered to communities, including regional and remote communities. Grant recipients are delivering peer support and/or mentoring projects for at-risk communities including Aboriginal people, youth, and the LGBTI community.
- A \$1 million, two year pilot project titled the Aboriginal Family Wellbeing project has commenced to address the social and emotional wellbeing of Aboriginal people to help prevent self-harm and suicide. The project includes an accredited six month Certificate II training program, developed for Aboriginal people, and will be delivered by the Aboriginal Health Council of Western Australia across the 22 Aboriginal Medical Services in Western Australia.

- An amount of \$282,100 has been awarded to MATES in Construction Western Australia for coordination of an industry specific case management protocol for individuals affected by suicide.
- An amount of \$310,000 has been awarded to Wheatbelt Men's Health Inc. for the Regional Men's Health Initiative to address issues of mental health and wellbeing, and suicide in men in regional and remote farming communities.

Methamphetamine Action Plan

- As part of the 2017 election commitments, the State Government plans to implement a State-wide, integrated Methamphetamine Action Plan to reduce the demand for, supply of, and harm from methamphetamines. As part of this Plan, the Commission will invest:
 - an additional \$12 million from 2018-19 to 2020-21 into treatment facilities to provide early intervention and respond to severe methamphetamine dependence. This funding has been allocated to residential rehabilitation services;
 - \$18 million from Royalties for Regions (RfR) to expand specialist alcohol and other drug residential rehabilitation services in the South West; and
 - \$200,000 in 2017-18 from RfR to identify and undertake planning and consultation required to address the gaps in alcohol and other drug treatment services in the Kimberley.

Other Significant Issues

- Development of the Fifth National Mental Health and Suicide Prevention Plan is being led by the Mental Health, Drug and Alcohol Principal Committee of the Australian Health Minister's Advisory Council, of which the Western Australian Mental Health Commissioner is a member.
- The National Drug Strategy 2017-2026 (NDS) was endorsed for release by the Ministerial Drug and Alcohol Forum on 29 May 2017. The NDS continues the strong partnership between health and law enforcement agencies with a commitment to harm minimisation and a comprehensive approach to drug policy that focuses on reduction in harm, demand and supply.
- A critical component on the pathway to recovery for people experiencing mental health and/or alcohol and other drug issues is having safe and stable housing. Through an extensive consultation process, the Mental Health, Alcohol and Other Drug Accommodation and Support Strategy 2017-2025 (the Accommodation Strategy) commenced development in 2016-17. The vision of the Accommodation Strategy is for Western Australians with mental health and/or alcohol and other drug issues to have timely access to a range of appropriate accommodation and support options to meet their needs as part of their recovery.
- The *Mental Health Act 2014* (the Act) commenced on 30 November 2015. The legislation enhances rights and safeguards for involuntary patients, families and carers. The Commission continues to work with key stakeholders to monitor and evaluate the impact of the Act on mental health services, consumers, families and carers. The Commission is progressing a two year post-implementation review of the Act, in accordance with regulatory impact assessment requirements, due to be completed by 30 November 2017.
- In December 2016, an Exposure Draft Compulsory (Alcohol and Other Drugs) Bill 2016 and associated Summary Model of Service were released for public comment. The Commission undertook a consultation process to gather community and stakeholder feedback. The proposed Compulsory Alcohol and Other Drug Treatment program would provide for the short-term compulsory treatment, stabilisation, care and support for people with a severe alcohol and other drug problem.
- The State-wide 'Alcohol. Think Again' program achieved significantly greater awareness of the low-risk drinking guidelines in Western Australia than other jurisdictions in the 'Foundation for Alcohol Research and Education Annual Alcohol Poll 2017' (73% in Western Australia, 58% Australian average). Two of the public education campaigns within the 'Alcohol. Think Again' program were recently found to be the most likely public education campaigns to motivate people to reduce the amount of alcohol they drink, out of 83 international campaigns assessed as part of a 2017 academic review funded by the National Health and Medical Research Council.
- 'Alcohol. Think Again' program evaluation results show that since the program's Alcohol and Young People public education campaign commenced in 2012 the proportion of parents who have never supplied alcohol to their child has increased significantly each year from 56% in 2012 to 73% in 2016. The most recent (2014) Australian School Students Alcohol and Drug survey found that fewer young people aged 12 to 17 years are consuming alcohol than at any time in the past decade.

- The Commission continues to support the Community Alcohol and Drug Services to deliver alcohol and other drug prevention through the development of Alcohol and Other Drug Management Plans (AODMPs) that coordinate regional alcohol and other drug activity and reduce the duplication of programs and projects around the State. Currently there are 32 AODMPs in place across Western Australia.

Budget Saving Measures

- Savings of \$8 million between 2017-18 and 2020-21 have been identified. This includes savings of \$1.8 million from consultancy, travel and other administrative costs, \$5.8 million from grants and services purchased from non-government organisations that are no longer a priority or provide relatively low value for money and \$0.4 million from a reduction in expenditure on the Mental Health Advocacy Service, the Office of the Chief Psychiatrist and the Mental Health Tribunal.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcomes	Services
Strong Communities: Safe communities and supported families.	Improved mental health and wellbeing.	1. Prevention
	Reduced incidence of use and harm associated with alcohol and other drug use.	
	Accessible, high quality and appropriate mental health and alcohol and other drug treatments and supports.	2. Hospital Bed Based Services 3. Community Bed Based Services 4. Community Treatment 5. Community Support

Service Summary

Expense	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
1. Prevention	20,912	19,507	20,559	20,975	16,888	11,642	11,642
2. Hospital Bed Based Services	351,215	356,550	367,897	379,837	388,620	398,305	409,002
3. Community Bed Based Services	43,341	49,036	44,591	61,409	56,242	57,605	63,148
4. Community Treatment.....	373,628	381,704	383,753	402,385	397,910	404,615	409,067
5. Community Support	52,026	51,406	46,468	49,751	50,550	50,099	52,123
Total Cost of Services	841,122	858,203	863,268	914,357	910,210	922,266	944,982

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: Improved mental health and wellbeing:					
Percentage of the population with high or very high levels of psychological distress ^{(b) (c)}	-	-	9.9%	<=9.9%	
Outcome: Reduced incidence of use and harm associated with alcohol and other drug use:					
Percentage of the population aged 14 years and over reporting recent use of alcohol at a level placing them at risk of lifetime harm ^{(b) (d)}	-	-	21.6%	<=21.6%	
Percentage of the population aged 14 years and over reporting recent use of illicit drugs ^{(b) (d)}	-	-	17%	<=17%	
Rate of hospitalisation for alcohol and other drug use ^{(b) (e)}	-	-	-	-	
Outcome: Accessible, high quality and appropriate mental health and alcohol and other drug treatments and supports:					
Readmissions to hospital within 28 days of discharge from acute specialised mental health units (national indicator) ^(f)	17.6%	<=12%	17.1%	<=12%	1
Percentage of contacts with community-based public mental health non-admitted services within seven days post discharge from public mental health inpatient units (national indicator) ^(g)	60.7%	>=70%	64.1%	>=75%	
Percentage of closed alcohol and other drug treatment episodes completed as planned ^(h)	72.6%	>=76%	73.5%	>=76%	
Percentage of contracted non-government mental health services that met the National Standards for Mental Health Services through independent evaluation.....	94.1%	100%	77.8%	100%	2
Percentage of contracted non-government alcohol and other drugs services that met an approved accreditation standard ^(b)	-	-	-	90%	
Percentage of the population receiving public clinical mental health care (national indicator).....	2.2%	>=2.2%	2.3%	>=2.3%	
Percentage of the population receiving public alcohol and other drug treatment ^(b)	-	-	-	>=0.7%	

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

(b) This is a new indicator therefore previous data is not available.

(c) This indicator uses the Kessler Psychological Distress Scale (K10), which is a measure of non-specific psychological distress (e.g. negative emotional states). Data is sourced from the Australian Bureau of Statistics National Health Survey, which is conducted every three years. Results from the 2014-15 survey are presented because the 2017-18 results will not become available until 2019. The 2017-18 Budget Target will therefore remain the same.

(d) This indicator presents information on the Western Australian prevalence rate for illicit drugs and alcohol. Prevalence of recent use (in the last year) of illicit drugs and consumption of alcohol at levels associated with long-term risk of harm for those aged 14 years and over are sourced from the National Drug Strategy Household Survey, which is conducted every three years. Results from the 2013 survey are presented because the 2016 results will not become available until late 2017. The 2017-18 Budget Target will therefore remain the same.

(e) This is a new indicator and the methodology to be used to report a combined alcohol and other drug rate is still under development. The Commission will work with the Epidemiology Branch of WA Health to devise an appropriate methodology.

(f) A readmission for any of the separations identified as 'in scope' is defined as an admission to any acute specialised mental health inpatient unit in Western Australia and includes admissions to specialised mental health inpatient units in publicly funded private hospitals. This indicator is constructed using the national definition and target. Readmission rates are also affected by other factors, such as the cyclic and episodic nature of some illnesses or other issues that are beyond the control of the health system. Data for the 2016-17 Estimated Actual relates to the most recent available data (January to December 2016).

(g) This indicator reports on clients who were followed up by community-based public mental health non-admitted services within seven days following discharge from acute public mental health inpatient units only. The 2016-17 Estimated Actual relates to the most recent available data (January to December 2016).

(h) This is an indicator of the quality of alcohol and other drug treatment supports and reports the percentage of closed episodes in alcohol and other drug treatment services that were completed as planned. It provides an indication of the extent to which treatment objectives are likely to be achieved. Data for the 2016-17 Estimated Actual relates to the most recent data available (January to December 2016).

Explanation of Significant Movements

(Notes)

1. The target for this indicator is aspirational and has been determined at a national level. Since 2014, readmission rates in Western Australia have been impacted by the introduction of new models of care such as hospital in the home and associated data recording and reporting practices. The Commission has implemented a monitoring program for this key effectiveness measure and is regularly reviewing current results with WA Health to further improve performance and enhance data capture.
2. The proportion of contracted non-government organisations that met the National Standards for Mental Health Services through independent evaluation in 2016-17 was significantly below the 2016-17 Budget target. This relates to four of the 18 audited service providers failing to meet the standards. Each of these four providers will be required to take action to comply with all the standards within three months of their initial assessment.

Services and Key Efficiency Indicators

1. Prevention

Prevention and promotion in the mental health and alcohol and other drug sectors include activities to promote positive mental health; raise awareness of mental illness; suicide prevention; and the potential harms of alcohol and other drug use in the community.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 20,912	\$'000 19,507	\$'000 20,559	\$'000 20,975	
Less Income.....	2,655	1,317	2,782	2,557	1
Net Cost of Service.....	18,257	18,190	17,777	18,418	
Employees (Full Time Equivalents).....	29	23	30	30	2
Efficiency Indicators					
Cost per Capita to Enhance Mental Health and Wellbeing and Prevent Suicide (Illness Prevention, Promotion and Protection Activities)	\$4	\$4	\$4	\$4	
Cost per Capita of the Western Australian Population 14 years and Above for Initiatives that Delay the Uptake and Reduce the Harm Associated with Alcohol and Other Drugs	\$5	\$4	\$5	\$5	1
Cost per Person of Alcohol and Other Drug Campaign Target Groups Who are Aware of, and Correctly Recall, the Main Campaign Messages ^(a)	-	-	-	\$0.91	

(a) This indicator reports on the cost efficiency of the alcohol and other drug campaigns, which are social marketing programs aimed at raising awareness of the risk of alcohol and other drug-related harms. A new methodology to report a combined alcohol and other drug cost has been developed and therefore data published previously is not comparable, as it only referred to alcohol campaigns.

Explanation of Significant Movements

(Notes)

1. The variation between the 2016-17 Budget and the 2016-17 Estimated Actual reflects the inclusion in the cost of service for 2016-17 Estimated Actual of Commonwealth and other grant funding for drug and alcohol services. This was not included in the 2016-17 Budget because confirmation of Commonwealth and other grant funding had not been received at the time.
2. The variation between the 2016-17 Budget and the 2016-17 Estimated Actual reflects the inclusion of additional grant funded Full Time Equivalents (FTEs) together with a reallocation of funding for two FTEs for the suicide prevention program.

2. Hospital Bed Based Services

Hospital Bed Based Services include mental health acute inpatient units, subacute inpatient units, forensic units, and hospital in the home. It also includes the high medical alcohol and other drug detoxification unit at Next Step.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	351,215	356,550	367,897	379,837	
Less Income.....	99,535	112,728	96,691	110,404	1
Net Cost of Service ^(a).....	251,680	243,822	271,206	269,433	
Employees (Full Time Equivalents) ^(b).....	89	98	91	89	2
Efficiency Indicators					
Average Length of Stay in Purchased Acute Specialised Mental Health Units ^(c)	14 days	<15 days	15 days	<15 days	
Average Cost per Purchased Bed-day in Acute Specialised Mental Health Units.....	\$1,384	\$1,441	\$1,489	\$1,520	
Average Length of Stay in Purchased Sub-Acute Specialised Mental Health Units.....	109 days	<103 days	106 days	<103 days	
Average Cost per Purchased Bed-day in Sub-Acute Specialised Mental Health Units.....	\$1,354	\$1,383	\$1,419	\$1,467	
Average Length of Stay in Purchased Hospital in the Home Mental Health Units.....	24 days	<22 days	24 days	<22 days	
Average Cost per Purchased Bed-day in Hospital in the Home Mental Health Units.....	\$2,170	\$1,393	\$1,352	\$1,382	3
Average Length of Stay in Purchased Forensic Mental Health Units.....	45 days	<50 days	34 days	<50 days	4
Average Cost per Purchased Bed-day in Forensic Mental Health Units.....	\$1,301	\$1,310	\$1,338	\$1,383	

(a) The Office of the Chief Psychiatrist, Mental Health Tribunal and Mental Health Advocacy Service were established as affiliated bodies of the Commission following the proclamation of the *Mental Health Act 2014* on 30 November 2015. These bodies will be funded through separate administered appropriation items to reflect their independence and to ensure transparency. The 2015-16 Actual financial data has been restated for comparability purposes to account for these functional changes, including the transfer of the Office of the Chief Psychiatrist from WA Health. These changes are detailed in the reconciliation table after the financial statements.

(b) FTE figures include the Next Step service.

(c) Acute inpatient services include the Next Step and Drug and Alcohol Youth Service inpatient withdrawal units.

Explanation of Significant Movements

(Notes)

- The decrease between the 2016-17 Budget and 2016-17 Estimated Actual is mainly due to a decrease in Commonwealth contribution under the National Health Reform Agreement for admitted patient services of \$9.5 million together with a decrease in revenue for services provided to Administered Bodies of \$7.6 million due to a change in accounting treatment to remove the cost of the Administered entities from controlled operations.
- The movement is mainly due to the transfer of employees of the Administered entities from Controlled operations in the 2016-17 Estimated Actual.
- The 2016-17 Estimated Actual result was substantially lower than the 2015-16 Actual result due to refinements in the methodology used to allocate Hospital in the Home specific funding, which is a newly established mental health treatment model. The refined methodology has been used to determine the 2017-18 Budget Target.
- The Average Length of Stay in Purchased Forensic Mental Health Units was significantly shorter in the 2016-17 Estimated Actual compared to the 2016-17 Budget target. This indicator relates to a small volume of cases and a high demand for limited capacity, so significant variations can occur over time.

3. Community Bed Based Services

Community Bed Based Services are focused on providing recovery oriented services and residential rehabilitation in a home-like environment.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	43,341	49,036	44,591	61,409	1
Less Income.....	13	40	40	40	
Net Cost of Service.....	43,328	48,996	44,551	61,369	
Employees (Full Time Equivalents).....	7	9	8	11	
Efficiency Indicators					
Average Cost per Purchased Bed-day for 24 Hour Staffed Community Bed Based Services (National Indicator) ^(a)	\$359	-	\$361	\$360	
Average Cost per Purchased Bed-day for Non-24 Hour Staffed Community Bed Based Services (National Indicator) ^(a)	\$170	-	\$168	\$170	
Average Cost per Purchased Bed-day in Step Up/Step Down Community Bed Based Units.....	\$595	\$628	\$643	\$523	
Cost per Completed Treatment Episode in Alcohol and Other Drug Residential Rehabilitation Services.....	\$9,652	\$9,291	\$10,140	\$10,208	

(a) The definitions for these indicators have been amended from those used previously in order to align the measures with national indicators included in the Report on Government Services and Mental Health Services in Australia. Previous actuals for 2015-16 and 2016-17 have been recast.

Explanation of Significant Movements

(Notes)

- The increase between the 2016-17 Estimated Actual and the 2017-18 Budget Target is mainly due to step up/step down facilities in Karratha of \$4.6 million, Bunbury of \$4.6 million and Broome of \$3 million, together with increases in expenditure for the Methamphetamine Action Plan residential rehabilitation beds (\$1.9 million) and non-acute community long stay services for older adults (\$1.5 million).

4. Community Treatment

Community Treatment provides clinical care in the community for individuals with mental health, alcohol and other drug problems. These services generally operate with multidisciplinary teams, and include specialised and forensic community clinical services.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	373,628	381,704	383,753	402,385	
Less Income.....	71,131	68,597	68,314	73,866	
Net Cost of Service.....	302,497	313,107	315,439	328,519	
Employees (Full Time Equivalents).....	162	167	173	171	
Efficiency Indicators					
Average Cost per Purchased Treatment Day of Ambulatory Care Provided by Public Clinical Mental Health Services (National Indicator) ^(a)	\$482	\$491	\$470	\$487	
Average Treatment Days per Episode of Ambulatory Care Provided by Public Clinical Mental Health Services.....	5	<5	5	<5	
Cost per Completed Treatment Episode in Community Based Alcohol and Other Drug Services.....	\$1,671	\$1,705	\$1,680	\$1,580	

(a) A treatment day refers to any day on which one or more community contacts are recorded for a consumer during their episode of care. An episode is the period of care between the start and end of treatment.

5. Community Support

Community Support services provide individuals with mental health, alcohol and other drug problems access to the help and support they need to participate in their community. These services include peer support, home in-reach, respite, recovery and harm reduction programs.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 52,026	\$'000 51,406	\$'000 46,468	\$'000 49,751	
Less Income.....	5,230	40	222	40	1
Net Cost of Service.....	46,796	51,366	46,246	49,711	
Employees (Full Time Equivalents).....	8	7	7	7	
Efficiency Indicators					
Average Cost per Hour of Community Support Provided to People with Mental Health Problems	\$131	\$130	\$144	\$135	
Average Cost per Episode of Community Support Provided for Alcohol and Other Drug Services ^(a)	\$12,341	\$9,277	\$8,672	\$8,783	2
Average Cost per Package of Care Provided for the Individualised Community Living Strategy.....	\$62,413	\$71,325	\$42,150	\$65,790	3
Cost per Episode of Care in Safe Places for Intoxicated People	\$366	\$361	\$342	\$336	

(a) An episode of care refers to the period of contact between a client and a treatment provider(s) in which there is no change in the main treatment type or the principal drug of concern and there has not been a non-planned absence of contact for greater than three months.

Explanation of Significant Movements

(Notes)

- The decrease between the 2015-16 Actual and the 2016-17 Budget, the 2016-17 Estimated Actual and the 2017-18 Budget is mainly due to the cessation of Commonwealth funding for the Individualised Community Living Strategy and Assertive Community Intervention Program.
- The Transitional Housing and Support Program targets people exiting residential alcohol and other drug treatment services that require ongoing support and who are at risk of homelessness or inappropriate accommodation. Due to the long-term nature of this service, there is a small volume of cases which can result in high variability in cost over the various reporting periods.
- This indicator reports on the Average Cost per Package of Care Provided for the Individualised Community Living Strategy (ICLS). The 2016-17 Estimated Actual is significantly lower than the 2016-17 Budget and the 2017-18 Budget Target because ICLS support packages are flexible and funding can increase or decrease as required. Packages also commence at staggered times throughout the financial year and therefore include part payments that are not reflective of the full year costs for an individual. The average cost per package also declines because of the success of the recovery focused supports.

Asset Investment Program

Royalties for Regions (RfR) funding has been allocated for a step up/step down mental health facility in Kalgoorlie and for a Residential Rehabilitation Centre in the South West.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COMPLETED WORKS							
Fibrosan Diagnostic Equipment	168	168	168	-	-	-	-
NEW WORKS							
Election Commitments							
Kalgoorlie Step Up/Step Down Facility ^(a)	5,639	-	-	-	976	4,379	284
Residential Rehabilitation Centre in the South West ^(a)	16,116	-	-	-	5,267	10,849	-
Total Cost of Asset Investment Program	21,923	168	168	-	6,243	15,228	284
FUNDED BY							
Internal Funds and Balances			168	-	-	-	-
Other			-	-	-	-	-
Drawdowns from Royalties for Regions Fund ^(b)			-	-	6,243	15,228	284
Total Funding			168	-	6,243	15,228	284

(a) Funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund.

Financial Statements

Income Statement

Expenses

Total Cost of Services is estimated to increase by \$51.1 million compared to the 2016-17 Estimated Actual. This is mainly due to an increase in purchased public health services of \$31.3 million, an increase in grants to the Housing Authority of \$8.6 million for the Bunbury and Karratha step up/step down facilities construction cost, and increases in services purchased from non-government organisations of \$8.4 million.

Income

Income from the State Government is anticipated to increase by \$31.2 million between 2016-17 and 2017-18. This is mainly due to an increase in State funded public health services purchased from WA Health of \$12.6 million together with an increase in RfR infrastructure funding for step up/step down facilities in Bunbury and Karratha of \$7.5 million.

Statement of Financial Position

Total assets are expected to decrease by \$2 million between the 2016-17 Estimated Actual and the 2017-18 Budget Estimate, mainly due to a decrease in cash balances.

Statement of Cashflows

The decrease in cash balances of \$2 million between the 2016-17 Estimated Actual and the 2017-18 Budget Estimate is mainly due to the deferral of RfR funded grant expenditure to the Housing Authority for the construction of step up/step down facilities unspent in 2016-17 and funded from cash balances in 2017-18.

INCOME STATEMENT ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	39,478	39,336	35,493	36,358	34,200	33,999	33,807
Grants and subsidies ^(c)	6,643	3,063	2,753	11,210	2,353	505	505
Supplies and services.....	160,245	168,508	163,357	174,255	164,028	158,249	159,064
Accommodation.....	1,023	2,396	2,476	2,445	2,517	2,509	2,437
Depreciation and amortisation.....	456	341	341	341	341	341	341
Service Delivery Agreement - WA Health.....	627,255	645,357	654,878	686,216	704,426	724,261	746,495
Other expenses.....	8,114	6,771	3,970	3,532	2,345	2,402	2,333
TOTAL COST OF SERVICES	843,214	865,772	863,268	914,357	910,210	922,266	944,982
Income							
Sale of goods and services.....	-	7,850	281	288	295	302	302
Grants and subsidies.....	12,687	2,302	4,746	4,852			
National Health Reform Agreement	165,620	172,370	162,822	181,567	191,255	201,460	212,209
Other revenue.....	257	200	200	200	-	-	-
Total Income	178,564	182,722	168,049	186,907	191,550	201,762	212,511
NET COST OF SERVICES	664,650	683,050	695,219	727,450	718,660	720,504	732,471
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	654,815	669,489	684,695	706,470	702,655	704,761	719,665
Resources received free of charge.....	3,923	-	3,977	4,037	4,097	4,159	4,221
Royalties for Regions Fund:							
Regional Community Services Fund.....	5,630	7,233	5,423	7,293	11,090	11,222	8,220
Regional Infrastructure and Headworks Fund	-	-	-	7,510	460	-	-
TOTAL INCOME FROM STATE GOVERNMENT	664,368	676,722	694,095	725,310	718,302	720,142	732,106
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(282)	(6,328)	(1,124)	(2,140)	(358)	(362)	(365)

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

(b) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 295, 309 and 308 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Department for Child Protection - Youth							
Crisis Accommodation Support.....	424	-	442	-	-	-	-
Department of Education - Suicide							
Prevention Strategy.....	487	345	345	354	363	-	-
Housing Authority							
Broome Step Up/Step Down Facility.....	1,900	700	-	700	-	-	-
Bunbury Step Up/Step Down Facility	-	-	-	4,330	230	-	-
Karratha Step Up/Step Down Facility.....	-	-	-	4,290	230	-	-
Non-Government Grants							
Ice Breakers Program	-	-	-	180	180	-	-
National Perinatal Depression Initiative.....	506	-	-	-	-	-	-
Other.....	1,456	341	387	368	343	361	361
Prevention and Anti-Stigma	441	171	171	162	153	144	144
Suicide Prevention Strategy	1,222	800	800	826	854	-	-
Workforce Development	207	-	-	-	-	-	-
Road Safety Commission - Alcohol Interlocks							
Assessment and Treatment Service	-	-	608	-	-	-	-
WA Health - Mobile Clinical Outreach Team.....	-	706	-	-	-	-	-
TOTAL	6,643	3,063	2,753	11,210	2,353	505	505

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	25,951	12,834	23,619	22,565	22,207	21,845	21,480
Restricted cash	4,818	4,775	6,068	5,127	5,272	5,417	5,562
Receivables	536	63	536	536	536	536	536
Other.....	90	111	90	90	90	90	90
Total current assets	31,395	17,783	30,313	28,318	28,105	27,888	27,668
NON-CURRENT ASSETS							
Holding account receivables.....	5,145	5,582	5,486	5,827	6,168	6,509	6,850
Property, plant and equipment	22,559	31,808	22,386	22,045	27,947	42,834	42,777
Other.....	12	12	12	12	12	12	12
Total non-current assets	27,716	37,402	27,884	27,884	34,127	49,355	49,639
TOTAL ASSETS	59,111	55,185	58,197	56,202	62,232	77,243	77,307
CURRENT LIABILITIES							
Employee provisions	5,801	7,040	5,023	5,023	5,090	5,090	5,090
Payables.....	3,537	2,877	3,537	3,537	3,571	3,571	3,571
Other.....	329	145	474	619	764	909	1,054
Total current liabilities	9,667	10,062	9,034	9,179	9,425	9,570	9,715
NON-CURRENT LIABILITIES							
Employee provisions	1,861	2,044	1,594	1,594	1,493	1,493	1,493
Total non-current liabilities	1,861	2,044	1,594	1,594	1,493	1,493	1,493
TOTAL LIABILITIES	11,528	12,106	10,628	10,773	10,918	11,063	11,208
EQUITY							
Contributed equity	24,653	33,141	25,763	25,763	32,006	47,234	47,518
Accumulated surplus/(deficit).....	22,322	9,330	21,198	19,058	18,700	18,338	17,973
Reserves.....	608	608	608	608	608	608	608
Total equity	47,583	43,079	47,569	45,429	51,314	66,180	66,099
TOTAL LIABILITIES AND EQUITY	59,111	55,185	58,197	56,202	62,232	77,243	77,307

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	654,575	669,148	684,354	706,129	702,314	704,420	719,324
Royalties for Regions Fund:							
Regional Community Services Fund.....	5,630	17,633	6,533	7,293	17,333	26,450	8,504
Regional Infrastructure and Headworks Fund	-	-	-	7,510	460	-	-
Net cash provided by State Government.....	660,205	686,781	690,887	720,932	720,107	730,870	727,828
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(41,684)	(39,187)	(36,393)	(36,213)	(34,055)	(33,854)	(33,662)
Grants and subsidies.....	(6,349)	(3,063)	(2,753)	(11,210)	(2,353)	(505)	(505)
Supplies and services	(156,837)	(168,508)	(159,511)	(170,351)	(160,058)	(154,219)	(154,974)
Accommodation	(1,074)	(2,396)	(2,446)	(2,415)	(2,486)	(2,478)	(2,406)
Service Delivery Agreement - WA Health.....	(627,255)	(645,357)	(654,878)	(686,216)	(704,426)	(724,261)	(746,495)
Other payments.....	(6,800)	(6,771)	(3,869)	(3,429)	(2,249)	(2,304)	(2,233)
Receipts ^(b)							
Grants and subsidies.....	12,686	2,302	4,746	4,852	-	-	-
National Health Reform Agreement	165,620	172,370	162,822	181,567	191,255	201,460	212,209
Sale of goods and services.....	-	7,850	281	288	295	302	302
Other receipts	191	200	200	200	-	-	-
Net cash from operating activities	(661,502)	(682,560)	(691,801)	(722,927)	(714,077)	(715,859)	(727,764)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(146)	(10,400)	(168)	-	(6,243)	(15,228)	(284)
Net cash from investing activities.....	(146)	(10,400)	(168)	-	(6,243)	(15,228)	(284)
NET INCREASE/(DECREASE) IN CASH HELD	(1,443)	(6,179)	(1,082)	(1,995)	(213)	(217)	(220)
Cash assets at the beginning of the reporting period	32,212	23,788	30,769	29,687	27,692	27,479	27,262
Cash assets at the end of the reporting period	30,769	17,609	29,687	27,692	27,479	27,262	27,042

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

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

NET APPROPRIATION DETERMINATION ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Grants and Subsidies							
Commonwealth Grants	7,406	181	518	181	-	-	-
Other Grant Funding	5,280	2,121	4,228	4,671	-	-	-
Sale of Goods and Services							
Revenue for Services Provided to Affiliated Bodies	-	7,569	-	-	-	-	-
Other Receipts							
Other Revenue	191	481	481	488	295	302	302
TOTAL	12,877	10,352	5,227	5,340	295	302	302

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

**RECONCILIATION RELATING TO MAJOR FUNCTIONAL TRANSFERS
AND ACCOUNTING POLICY CHANGES**

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement	843,214	865,772	863,268	914,357	910,210	922,266	944,982
<i>Transfer of the Mental Health Advocacy Service to Administered Appropriation</i>	(1,043)	(2,654)	-	-	-	-	-
<i>Transfer of the Mental Health Tribunal to Administered Appropriation</i>	(988)	(2,653)	-	-	-	-	-
<i>Transfer of the Office of the Chief Psychiatrist to Administered Appropriation</i>	(61)	(2,262)	-	-	-	-	-
Adjusted Total Cost of Services	841,122	858,203	863,268	914,357	910,210	922,266	944,982
APPROPRIATIONS							
Service Appropriations as per Income Statement	654,815	669,489	684,695	706,470	702,655	704,761	719,665
<i>Transfer of the Mental Health Advocacy Service to Administered Appropriation</i>	(1,043)	-	-	-	-	-	-
<i>Transfer of the Mental Health Tribunal to Administered Appropriation</i>	(988)	-	-	-	-	-	-
<i>Transfer of the Office of the Chief Psychiatrist to Administered Appropriation</i>	(61)	-	-	-	-	-	-
Adjusted Total Appropriations Provided to Deliver Services	652,723	669,489	684,695	706,470	702,655	704,761	719,665
ADMINISTERED TRANSACTIONS							
Administered Appropriation as per Details of Administered Transactions	4,520	7,569	7,569	7,539	7,606	7,677	7,776
<i>Transfer of the Mental Health Advocacy Services</i>	1,043	-	-	-	-	-	-
<i>Transfer of the Mental Health Tribunal</i>	988	-	-	-	-	-	-
<i>Transfer of the Office of the Chief Psychiatrist</i>	61	-	-	-	-	-	-
<i>Transfer of the Office of the Chief Psychiatrist from WA Health</i>	705	-	-	-	-	-	-
Adjusted Total Administered Appropriation	7,317	7,569	7,569	7,539	7,606	7,677	7,776

DETAILS OF ADMINISTERED TRANSACTIONS

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
INCOME							
Other							
Administered Appropriation.....	4,520	7,569	7,569	7,539	7,606	7,677	7,776
Services Received Free of Charge.....	537	-	-	-	-	-	-
Other Revenue.....	1	-	-	-	-	-	-
TOTAL ADMINISTERED INCOME	5,058	7,569	7,569	7,539	7,606	7,677	7,776
EXPENSES							
Other							
Office of the Chief Psychiatrist.....	1,342	2,262	2,229	2,282	2,330	2,381	2,411
Mental Health Tribunal.....	1,596	2,653	2,615	2,630	2,642	2,654	2,689
Mental Health Advocacy Service.....	1,705	2,654	2,615	2,627	2,634	2,642	2,676
TOTAL ADMINISTERED EXPENSES	4,643	7,569	7,459	7,539	7,606	7,677	7,776

Agency Special Purpose Account Details

STATE MANAGED FUND SPECIAL PURPOSE ACCOUNT

Account Purpose: The State Health Funding Special Purpose Account provides a mechanism to receive Commonwealth funding for mental health-related activity from the State Pool Special Purpose Account for non-activity based hospital services and State funding for non-activity based hospital services, as required under the National Health Reform Agreement.

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000
Opening Balance	-	-	-	-
Receipts:				
Appropriations.....	176,434	181,537	178,552	183,259
Other	73,580	74,969	73,699	79,498
	250,014	256,506	252,251	262,757
Payments	250,014	256,506	252,251	262,757
CLOSING BALANCE	-	-	-	-

Part 5

Minister for Education and Training

Summary of Portfolio Appropriations

Agency	2016-17 Budget \$'000	2016-17 Estimated Actual '000	2017-18 Budget Estimate '000
Education			
– Delivery of Services	4,028,603	3,969,855	4,060,233
– Administered Grants, Subsidies and Other Transfer Payments	449,237	449,237	450,593
– Capital Appropriation	157,227	152,706	250,313
Total	4,635,067	4,571,798	4,761,139
Training and Workforce Development			
– Delivery of Services	353,472	352,290	353,551
– Capital Appropriation	12,216	12,216	237
Total	365,688	364,506	353,788
GRAND TOTAL			
– Delivery of Services	4,382,075	4,322,145	4,413,784
– Administered Grants, Subsidies and Other Transfer Payments	449,237	449,237	450,593
– Capital Appropriation	169,443	164,922	250,550
Total.....	5,000,755	4,936,304	5,114,927

Division 10 Education

Part 5 Minister for Education and Training

Appropriations, Expenses and Cash Assets ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 16 Net amount appropriated to deliver services ^(b)	3,915,861	4,026,758	3,968,010	4,058,388	4,109,163	4,118,012	4,201,656
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	1,807	1,845	1,845	1,845	1,845	1,845	1,845
Total appropriations provided to deliver services.....	3,917,668	4,028,603	3,969,855	4,060,233	4,111,008	4,119,857	4,203,501
ADMINISTERED TRANSACTIONS							
Item 17 Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....	439,446	449,237	449,237	450,593	461,526	474,026	474,026
CAPITAL							
Item 92 Capital Appropriation	167,175	157,227	152,706	250,313	193,381	163,304	89,230
TOTAL APPROPRIATIONS	4,524,289	4,635,067	4,571,798	4,761,139	4,765,915	4,757,187	4,766,757
EXPENSES							
Total Cost of Services.....	4,758,141	4,935,079	4,877,732	5,019,766	5,115,572	5,183,283	5,325,717
Net Cost of Services ^(c)	3,871,898	3,998,987	3,941,347	4,043,280	4,098,519	4,123,585	4,183,893
CASH ASSETS ^(d)	737,020	624,380	640,350	612,370	597,263	597,307	630,032

- (a) The 2015-16 Actual, 2016-17 Budget and the 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to the former Departments of Education and Education Services, School Curriculum and Standards Authority and Country High School Hostels Authority.
- (b) The Department's net amount appropriated to deliver services from the 2016-17 Estimated Actual onwards includes the transfer of appropriation for staff reallocated from the Department of Finance to various agencies in response to changes to government procurement policy.
- (c) Represents Total Cost of Services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (d) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Election Commitments					
Aboriginal and Islander Education Officers	-	864	2,616	3,532	3,585
Expensed Capital of Asset Investment Program	-	88	281	663	1,580
Explicit Instruction in Schools and Centre of Excellence ^(a)	-	500	1,000	1,000	1,000
Improving Teacher Quality ^(a)	-	4,448	8,963	9,097	9,234
Independent Learning Co-ordinators	-	721	1,461	1,479	1,498
Local Projects Local Jobs	577	6,000	-	-	-
Mental Health ^(a)	-	1,853	3,734	3,791	3,848
Put Education Assistants Back in the Classroom ^(a)	-	3,141	9,517	16,084	19,561
Regional Learning Specialists	-	635	1,290	1,309	1,329
Science and Coding: Introduce a Coding Program in Western Australian Curriculum ^(a)	-	2,000	-	-	-
Science Programs in Primary Schools ^(a)	-	1,250	1,250	1,250	1,250
Other					
2017-18 Streamlined Budget Process Incentive Funding	-	310	-	-	-
2017-18 Tariffs, Fees and Charges	-	(185)	(187)	(3)	782
Adjustment to Commonwealth Grants - Universal Access	-	16,500	29,508	-	-
Adjustment to Other Commonwealth Grants	(8,371)	2,073	(421)	(1,570)	(1,725)
Boarding Away From Home Allowance Funding Extension	-	-	(400)	773	546
Clontarf Foundation Academies Funding Extension	-	1,479	1,651	1,524	1,546
Foodbank Funding Extension	-	-	226	226	226
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(28)	(56)	(84)	(113)
Revisions to Student Enrolment and Cost Growth Forecasts	3,661	9,193	(22,411)	(58,051)	(118,988)
Non-Government Human Services Sector Indexation Adjustment	-	(142)	(145)	(149)	(153)
Regional Workers Incentives Allowance Funding Change	-	(294)	(384)	(512)	3,190
Revision to Indexation for Non-Salary Expenses	-	(2,755)	(10,742)	(18,780)	(27,271)
School Curriculum and Standards Authority 2016-17 Estimated Outturn	(4,072)	-	-	-	-

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

Significant Issues Impacting the Agency

- Legislative amendments to the Commonwealth funding of schools have been agreed by the Commonwealth Parliament, to come into effect from 2018. Under the new legislation, funding for Western Australian public schools is proposed to progressively increase over six years. As a condition of receiving funding from the Commonwealth, States and Territories would be required to maintain their real level of per-student funding using the Commonwealth's prescribed rate of indexation and implement a range of national reforms.
- Success for every student, best possible teaching practice and effective leadership remain key priorities for public schools. The focus is on explicit teaching of literacy and numeracy (particularly writing in the secondary years), students' skills for emerging industries and technologies, and school improvement through effective leadership.
- Resilience, emotional regulation and behaviour of children and young people continue to be issues in the community and schools. Priorities for public schools include strengthening cooperation among agencies and developing cross-agency partnerships to better support students, piloting a full service school, and enhancing student mental health and wellbeing programs.
- While Western Australia has made some gains, outcomes for Aboriginal students remain disproportionately and unacceptably low in comparison with non-Aboriginal students. Priorities for public schools, embedded in the Aboriginal Cultural Standards Framework, include targeted support, research partnerships, an Elders in Residence initiative and KindiLink.
- Increasing the connection between schools and children's care services can reduce the pressure on everyday family life and help parents pursue or maintain employment. Preparation and planning are underway for outside school hours care and long day care services to be set up on school sites in response to community needs.

- There is continued growth in vocational education and training in schools, and associated support needs of schools and students. A work plan addressing the findings of the Auditor General's report and prioritising improved support for public schools is being implemented.
- Creating shared understanding in schools of the newly developed Western Australian standards of student achievement from Pre-primary to Year 12 is challenging. To ensure comparability of standards, moderation processes are being developed for Pre-primary to Year 10, and implemented for examinable and non-examinable courses in Years 11 and 12.
- The Departments of Education and Education Services amalgamated on 1 July 2017, and the resulting agency was designated the Department of Education with effect on and from 1 July 2017. The School Curriculum and Standards Authority (the Authority) continues as a statutory authority, however all staff were transferred to the new Department where they will continue to deliver the Authority's services. The focus is on continuing to deliver high quality services, and refining governance arrangements for public and non-government school services.
- The number of teachers with expertise in teaching science, technology, engineering and mathematics (STEM) and languages remains a challenge to meet current and future needs. Continuing strategies for public schools include training and developing teachers, and engagement with universities on teacher education.
- Some schools in Western Australia were scheduled to complete the National Assessment Program - Literacy and Numeracy (NAPLAN) online in May 2017 as part of a phased implementation, with all schools to be online by 2019. As Education Ministers agreed to delay this implementation, work continues to support schools for NAPLAN online in 2018.
- Long term Commonwealth funding remains an issue for additional kindergarten hours. The amount for 2018 is set to drop due to a new national allocation methodology.
- Planning is commencing for the review of the student-centred funding model for public schools in 2018. In the interim, adjustments are being made ahead of the review to ensure more equitable funding arrangements for small senior high schools.
- The next enterprise bargaining agreement for public school teachers is anticipated to be finalised in 2017-18. Separate logs of claims are expected from the Principals' Federation of Western Australia and State School Teachers' Union of Western Australia. Bargaining parameters are being developed based on the Public Sector Wages Policy and Statement 2017.

Resource Agreement

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

Outcomes, Services and Key Performance Information

The Outcomes, Services and Key Performance Information reflect the Machinery of Government changes to the former Departments of Education and Education Services, School Curriculum and Standards Authority and Country High Schools Hostels Authority. Where practical, the 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual has been recast for comparative purposes.

Relationship to Government Goals

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

Government Goal	Desired Outcomes	Services
Strong Communities: Safe communities and supported families.	Through a strong public school system, students across Western Australia have access to a high quality education.	1. Public Primary Education 2. Public Secondary Education
	Western Australian education and training providers, and teachers, comply with appropriate regulatory and policy requirements.	3. Regulation, Review, Funding, and Policy Advice
	Western Australian schools implement the Western Australian Curriculum and Assessment Outline (Pre-primary to Year 10); Western Australian Certificate of Education (Years 11 and 12); and quality assessment, moderation and certification procedures.	4. Curriculum Development, Evaluation and Support 5. Student Assessment and Certification
	Quality accommodation, care and services for isolated students who have to board away from home to attend school.	6. Establishment, Operation and Maintenance of Residential Colleges

Service Summary

Expense	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
1. Public Primary Education	2,794,048	2,877,539	2,862,636	2,948,509	2,990,379	3,022,601	3,099,966
2. Public Secondary Education.....	1,873,999	1,963,015	1,926,755	1,984,553	2,039,512	2,075,179	2,137,955
3. Regulation, Review, Funding, and Policy Advice	39,598	40,724	38,190	36,754	37,838	39,378	41,449
4. Curriculum Development, Evaluation and Support.....	8,842	9,533	8,590	8,712	8,251	7,828	7,877
5. Student Assessment and Certification	26,645	28,828	26,121	26,134	24,754	23,485	23,629
6. Establishment, Operation and Maintenance of Residential Colleges	15,009	15,440	15,440	15,104	14,838	14,812	14,841
Total Cost of Services	4,758,141	4,935,079	4,877,732	5,019,766	5,115,572	5,183,283	5,325,717

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome 1: Through a strong public school system, students across Western Australia have access to a high quality education:					
Participation rate (proportion of persons aged 15 to 17 years in some form of education)	96.8%	92%	96.9%	97%	1
Secondary graduation rate (proportion of Year 8 cohort achieving secondary graduation in Year 12).....	72.7%	81%	63.1%	73%	2,3
Apparent retention rate (proportion of Year 8 cohort studying in Year 12).....	80.4%	91%	77.7%	81%	2
Literacy and numeracy performance in national tests at Years 3, 5, 7 and 9:					
Year 3 students achieving national minimum standards:					
Reading.....	91.7%	92%	92.7%	93%	
Writing.....	93.6%	94%	95%	96%	
Numeracy.....	92.6%	93%	94.1%	95%	
Year 5 students achieving national minimum standards:					
Reading.....	90.1%	91%	89.4%	91%	
Writing.....	89.1%	90%	91.4%	92%	
Numeracy.....	93%	94%	91.8%	94%	
Year 7 students achieving national minimum standards:					
Reading.....	92.2%	93%	91%	93%	
Writing.....	80.5%	87%	85%	86%	
Numeracy.....	93.6%	94%	92.9%	94%	
Year 9 students achieving national minimum standards:					
Reading.....	90.1%	91%	91.2%	92%	
Writing.....	76.7%	81%	80.2%	81%	
Numeracy.....	94.7%	95%	93.9%	95%	
Outcome 2: Western Australian education and training providers, and teachers comply with appropriate regulatory and policy requirements:					
Percentage of non-government schools complying with registration requirements of the School Education Act 1999.....	95%	90%	88%	90%	4,5
Percentage of providers of education services to full fee international students complying with registration requirements of the Education Service Providers (Full Fee Overseas Students) Registration Act 1991 (WA) and the Education Services for Overseas Students Act 2000 (Commonwealth)....	100%	100%	100%	100%	4
Percentage of Registered Training Organisations compliant with the Australian Quality Training Framework Essential Standards for Registration	99%	100%	100%	100%	4
Percentage of reviewed Independent Public Schools that have met service and delivery requirements	100%	100%	100%	100%	4
Percentage of teachers compliant with the Teacher Registration Act 2012	100%	100%	100%	100%	4
Outcome 3: Western Australian schools implement the Western Australian Curriculum and Assessment Outline (Pre-primary to Year 10); Western Australian Certificate of Education (Years 11 and 12); and quality assessment, moderation and certification procedures:					
Engagement of and acceptance by stakeholders of responsive syllabuses, accreditation and review.....	4.2	4.2	4.1	4.1	4,6
Engagement of and acceptance by stakeholders of comprehensive and easily understood assessment policy and support	4.2	4.2	4.1	4.1	4,6
Engagement of and acceptance by stakeholders of valid and reliable external and school-based assessments	4.2	4.2	4.2	4.2	4,6
Outcome 4: Quality accommodation, care and services for isolated students who have to board away from home to attend school:					
Average residential college occupancy rate.....	68%	68%	62%	62%	4
Families rating accommodation, care and services as good or better.....	92%	92%	92%	92%	4

(a) Further information about the key effectiveness indicators is provided in the 2015-16 Annual Reports of the former Departments of Education and Education Services, School Curriculum and Standards Authority and Country High School Hostels Authority.

Explanation of Significant Movements

(Notes)

1. The participation rate for the 2015-16 Actual reported here is different from that reported in the agency's 2015-16 Annual Report because it incorporates the Australian Bureau of Statistics' revised estimated residential population as at 30 June 2015, released in June 2017. The final revised participation rate for 2015-16 will be reported in the agency's 2016-17 Final Report.
2. Changes to net interstate and overseas migration inflated performance on the apparent retention and secondary graduation rates in 2014-15, and therefore the targets for 2016-17.
3. The requirements for the Western Australian Certificate of Education have changed, making secondary graduation more difficult to achieve for Year 12 students from 2016. These changes include the requirement that students meet specified standards in reading, writing and numeracy in national tests in Year 9 or the Online Literacy and Numeracy Assessment to achieve secondary graduation.
4. The 2017-18 Budget Target is based on the 2016-17 Estimated Actual or previous Budget Target. The 2017-18 Budget Targets for all other indicators are based on the higher of their 2015-16 Actuals or 2016-17 Estimated Actuals, rounded up to the next integer. The 2017-18 Budget Target for the average residential college occupancy rate is less than the 2015-16 Actual due to a reduction in residential college occupants in 2017 and an increase in capacity.
5. The result for the 2016-17 Estimated Actual is deflated compared to previous years' results by a material change in process that led to the data from 2016-17 including quality improvement notice issuances and conditions or directions imposed at any time during the financial year, whereas the data previously only included conditions or directions that were in effect on 30 June in the relevant financial year.
6. Scale range is from 1 (low) to 5 (high).

Services and Key Efficiency Indicators**1. Public Primary Education**

Since 2015, this service provides access to education in public schools for persons aged generally from four years and six months to 11 years and six months.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	2,794,048	2,877,539	2,862,636	2,948,509	
Less Income.....	488,726	514,090	519,345	544,948	
Net Cost of Service.....	2,305,322	2,363,449	2,343,291	2,403,561	
Employees (Full Time Equivalents).....	22,588	23,318	23,613	23,856	
Efficiency Indicator					
Cost per Student Full Time Equivalents.....	\$15,268	\$15,502	\$15,399	\$15,640	

2. Public Secondary Education

Since 2015, this service provides access to education in public schools for persons aged generally from 11 years and six months.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	1,873,999	1,963,015	1,926,755	1,984,553	
Less Income.....	363,070	384,137	379,525	394,506	
Net Cost of Service.....	1,510,929	1,578,878	1,547,230	1,590,047	
Employees (Full Time Equivalents).....	13,816	14,157	14,685	14,806	
Efficiency Indicator					
Cost per Student Full Time Equivalents.....	\$18,345	\$19,092	\$18,656	\$18,944	

3. Regulation, Review, Funding, and Policy Advice

This service provides regulatory, review, funding and policy advisory services, as required by legislation or government policy, to support provision of quality services by registered and/or accredited education and training providers.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	39,598	40,724	38,190	36,754	
Less Income.....	23,025	25,333	24,983	24,430	
Net Cost of Service.....	16,573	15,391	13,207	12,324	
Employees (Full Time Equivalents).....	89	106	86	103	
Efficiency Indicators					
Cost of Regulatory Services per Registered Provider/Institution	\$17,295	\$16,670	\$18,908	\$17,659	1
Cost of Recurrent Funding Programs per Student	\$8	\$6	\$5	\$6	2
Cost of Loan Services per Loan Advance.....	\$916	\$706	\$947	\$709	1
Hourly Cost of Providing Policy Advice and Support	\$147	\$110	\$147	\$107	1
Cost of Review Services per School.....	\$22,981	\$15,146	\$18,211	\$15,798	1
Cost of Regulatory Services per Teacher.....	\$121	\$125	\$121	\$107	1

Explanation of Significant Movements

(Notes)

1. The decrease in the indicators for the 2017-18 Budget Target compared to the 2016-17 Estimated Actual reflects the reduced Total Cost of Service budgeted for 2017-18. The decrease is predominantly due to the transfer of the International Education program to the Department of Jobs, Tourism, Science and Innovation.
2. The increase in the indicator for the 2017-18 Budget Target compared to the 2016-17 Estimated Actual is due to a decrease in the total average number of students budgeted for 2017-18.

4. Curriculum Development, Evaluation and Support

This service involves curriculum development and accreditation for all courses to ensure high quality and standards of contemporary curriculum provision and formal course review based on stakeholder feedback and consultation for Pre-primary to Year 12.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 8,842	\$'000 9,533	\$'000 8,590	\$'000 8,712	
Less Income.....	51	-	-	-	
Net Cost of Service.....	8,791	9,533	8,590	8,712	
Employees (Full Time Equivalents).....	51	44	46	46	
Efficiency Indicator					
Average Cost per Registered School for Syllabus Development and Review (Pre-primary – Year 12)	\$7,940	\$8,580	\$7,732	\$7,842	

5. Student Assessment and Certification

This service involves the provision of clear assessment policy and guidelines, provision of high quality external assessments and rigorous processes for standards setting and certification.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 26,645	\$'000 28,828	\$'000 26,121	\$'000 26,134	
Less Income.....	2,683	2,467	2,467	2,498	
Net Cost of Service.....	23,962	26,361	23,654	23,636	
Employees (Full Time Equivalents).....	96	89	86	86	
Efficiency Indicators					
Average Cost per Enrolled Student for Moderation (Years 3-12).....	\$92	\$52	\$78	\$74	1
Average Cost per Enrolled Student for External Assessment (Years 11-12).....	\$205	\$120	\$218	\$209	1
Average Cost per Enrolled Year 12 Student for Certification.....	\$913	\$668	\$1,004	\$965	1
Average Cost per Enrolled Student for NAPLAN	\$50	\$51	\$36	\$39	

Explanation of Significant Movements

(Notes)

- In the 2016-17 Budget, it was assumed that all the students who enrolled for the Australian Tertiary Admission Rank courses and Externally Set Tasks (EST) would sit for examinations and testings. This assumption was reviewed when the new Western Australian Certificate of Education was implemented in 2016 for Year 12 students, with more accurate collection of data, especially for EST.

6. Establishment, Operation and Maintenance of Residential Colleges

This service provides quality accommodation, care and services for isolated students who have to board away from home to attend school.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 15,009	\$'000 15,440	\$'000 15,440	\$'000 15,104	
Less Income.....	8,688	10,065	10,065	10,104	
Net Cost of Service.....	6,321	5,375	5,375	5,000	
Employees (Full Time Equivalents).....	114	114	114	114	
Efficiency Indicator					
Cost (Efficiency) Average Cost per Student.....	\$26,282	\$24,903	\$24,903	\$25,600	1

Explanation of Significant Movements

(Notes)

1. The increase in the indicator for the 2017-18 Budget Target compared to the 2016-17 Estimated Actual reflects the reduced student enrolments budgeted for 2017-18.

Asset Investment Program

The Department's planned Asset Investment Program in 2017-18 totals \$452.3 million and relates primarily to providing educational facilities to meet enrolment growth and improving infrastructure for public schools throughout the State.

Primary Schools

- The final stages of construction will continue on three new primary schools, at Wellard, Wandi (with a planning name of Honeywood Primary School) and Margaret River (with a planning name of Rapids Landing), which are scheduled to open for the start of the 2018 school year at an estimated total cost of \$46.6 million.
- A reallocation of \$146.8 million over the period 2017-18 to 2020-21 and a further \$8.6 million beyond 2020-21 from the existing annual primary school build program has been made to deliver 10 new primary schools in the following areas: Baldivis, Banksia Grove, Bletchley Park, Brabham, Burns Beach, Byford, Caversham South, Harrisdale/Piara Waters, Huntingdale, and Yanchep.
- Construction will commence on four new primary schools in Aveley North, Meadow Springs North, Forrestdale South West (an election commitment, previously announced Harrisdale/Piara Waters) and Southern River (an election commitment, previously announced as Bletchley Park) to open in 2019 at an estimated cost of \$83.2 million. Early childhood kindergarten - pre-primary facilities will open on all four of these sites in 2018 as precursors to the primary schools.
- Reconstruction of the Doubleview Primary School will continue at an estimated cost of \$15.4 million.
- Construction of two second storey additions will continue at the inner city primary schools of Inglewood, Wembley and West Leederville at an estimated cost of \$10.5 million.
- Construction is almost complete on the additional student accommodation at Highgate Primary School (\$5.5 million).
- Planning is being completed and construction will commence for the \$3.5 million additions at Mount Hawthorn Primary School.
- A new covered assembly area will be provided at Caversham Primary School at a cost of \$1 million.
- Construction will commence on a new \$1.5 million library at North Morley Primary School.
- An allocation of \$600,000 has been provided for minor upgrades at South Ballajura Primary School and Tapping Primary School.
- An allocation of \$12 million over four years has been provided to upgrade facilities for the 'Investing in Science Program' in primary schools.
- Construction and refurbishment of the primary school (Stage 2) component of Carnarvon College at an estimated cost of \$17.6 million will continue.
- An amount of \$1.5 million has been allocated for early childhood facilities at Glen Huon Primary School.

Secondary Schools

- Construction will continue on the new secondary school in Ellenbrook North due to open in 2018 and Lakelands (2019). Planning will continue for a new secondary school at Hammond Park (2020) and for a second stage at Harrisdale Senior High School (2020).
- Construction will continue for two new secondary schools at Yanchep (\$50.4 million) to open in 2018 and Baldivis South (\$48 million) to open in 2019.
- Planning will continue for a new secondary school at Butler North (\$52.4 million) to open in 2020.
- Planning has commenced for the new Inner City College on Kitchener Park in Subiaco at an initial cost of \$67.8 million with Stage 1 due to open in 2020.
- Construction for Byford Secondary College (Stage 3) will continue at a cost of \$15.9 million, due to be completed for 2018.

- Construction will continue for Joseph Banks Secondary College (Stage 2) scheduled to be completed for the start of the 2018 school year, at a cost of \$21.1 million.
- Construction will continue for additional facilities at Churchlands Senior High School (\$34.6 million) and the creation of the new Fremantle College (amalgamation of South Fremantle Senior High School and Hamilton Senior High School) scheduled for completion in 2018 at a cost of \$30 million.
- In response to increased enrolments in the Western Suburbs, construction will continue for additional facilities at Shenton College, scheduled for completion in 2018 at a cost of \$49.5 million.
- Planning will continue for the \$18.8 million additions and upgrades at Carine Senior High School, due for completion in 2019.
- Planning will commence for the redevelopment of Balcatta Senior High School at a cost of \$50 million.
- Construction will commence on upgrades to the performing arts centre at Melville Senior High School at a cost of \$4.5 million.
- An amount of \$2 million has been provided for upgrades and improvements at Canning Vale College.
- Planning will commence for new and upgraded facilities at Southern River College at a cost of \$8.4 million.
- Planning will commence for the refurbishment and upgrade of facilities and expansion of permanent student accommodation at Broome Senior High School (\$20 million).
- Construction will continue on the redevelopment of Kalgoorlie-Boulder Community High School at a cost of \$45 million, ready for the 2018 school year.
- Planning for the completion of the amalgamation of the Carnarvon College is continuing, at a cost of \$38.5 million.
- Construction for new works and refurbishments will continue at secondary schools in Geraldton - \$5 million at Geraldton College and \$20 million at John Willcock College.
- Funding of \$5 million will enable planning to commence on the upgrade of facilities at Bunbury Senior High School.
- Planning will continue for Cape Naturaliste College Stage 2 at a cost of \$32.1 million.
- Planning will continue for additions to the Margaret River Senior High School at a cost of \$30 million, scheduled for completion for the start of the 2020 school year.
- Funding of \$7.5 million will enable planning for new facilities at Collie Senior High School to commence.

Residential Colleges

- Planning will continue for the \$6.4 million additions to the City Beach Residential College, due for completion in 2019.

Other School Facilities

- Provision of \$5.6 million has been made in 2017-18 for administration upgrades, library resource centres, toilet upgrades/replacements and covered assembly areas.
- Funding of \$3 million has been allocated to continue the playground equipment and shade structure program.

	Estimated Total Cost	Estimated Expenditure to 30-6-17	2016-17 Estimated Expenditure	2017-18 Budget Estimate	2018-19 Forward Estimate	2019-20 Forward Estimate	2020-21 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
WORKS IN PROGRESS							
New Secondary Schools							
Butler North Senior High School.....	52,400	1,500	1,500	4,500	32,000	14,400	-
Harrisdale Senior High School.....	56,180	48,180	8,179	8,000	-	-	-
South Baldivis Senior High School.....	47,980	3,311	2,380	28,669	12,200	3,800	-
Willetton Senior High School - Replacement (Stage 1 and Stage 2).....	40,465	36,965	6,648	3,500	-	-	-
Yanchep Senior High School.....	50,408	21,094	16,500	25,796	3,518	-	-
Additional Stages at Secondary Schools							
Baldivis Secondary School (Stage 2).....	25,759	25,259	-	500	-	-	-
Byford Secondary College (Stage 2).....	43,000	40,700	1,286	2,300	-	-	-
Byford Secondary College (Stage 3).....	15,900	10,900	8,951	2,500	2,500	-	-
Joseph Banks Secondary College (Stage 2).....	21,075	16,000	14,389	5,075	-	-	-
Shenton College (Stage 2).....	49,500	1,500	1,500	30,500	17,500	-	-
Additions and Improvements to Secondary Schools							
Churchlands Senior High School - Additional Facilities	34,564	23,303	20,401	11,261	-	-	-
Fremantle College.....	30,000	19,100	16,550	10,900	-	-	-
Kalgoorlie-Boulder Community High School Redevelopment ^(a)	45,000	35,471	14,000	6,726	2,803	-	-
Revitalising Public Secondary Education in the Geraldton Area (part funded by Capital Appropriation)							
Geraldton Senior College ^(a)	5,000	1,050	1,027	3,950	-	-	-
John Willcock College ^(a)	20,000	1,375	1,266	10,400	8,225	-	-
New Primary Schools							
Doubleview Primary School - Rebuild.....	15,400	5,000	5,000	10,400	-	-	-
Interim Schools.....	1,845	600	600	300	315	315	315
Wandina Primary School (Stage 2).....	8,000	5,950	4,505	2,050	-	-	-
New Primary Schools for 2018							
Honeywood Primary School.....	15,300	4,850	4,265	10,450	-	-	-
Rapids Landing Primary School.....	16,000	5,050	4,690	9,950	1,000	-	-
Wellard Primary School.....	15,300	5,350	5,003	9,950	-	-	-
New Primary Schools for 2019							
Aveley North Primary School.....	15,600	-	-	9,000	6,600	-	-
Meadow Springs North Primary School.....	15,600	-	-	9,000	6,600	-	-
Site Works and Additional Accommodation Facilities for 2019 Primary Schools.....							
Remote Community Schools.....	20,782	3,175	3,175	17,182	425	-	-
	3,724	949	949	-	925	925	925
Additions and Improvements to Primary Schools							
Carnarvon Community College ^(a)	17,600	4,407	4,407	6,000	7,193	-	-
Expansion of School and Childcare Facilities							
Shire of Ashburton.....	3,000	1,000	1,000	2,000	-	-	-
Highgate Primary School.....	5,455	4,000	3,546	1,455	-	-	-
Inglewood Primary School.....	3,500	1,000	1,000	2,500	-	-	-
Wembley Primary School.....	3,500	1,000	1,000	2,500	-	-	-
Miscellaneous							
Air Conditioning Replacement Program.....	14,000	3,000	-	-	3,000	5,000	3,000
Fire Services Upgrade.....	1,800	400	400	400	400	600	-
Gas Heater Replacement Program.....	3,750	1,500	738	-	750	750	750
Infrastructure Power Upgrades Program.....	18,815	3,315	3,315	-	3,000	9,500	3,000
Land Acquisition							
Land Acquisition.....	75,912	42,358	6,000	28,454	-	-	-
Land for Primary Schools.....	45,739	17,739	10,739	7,000	7,000	7,000	7,000
Perimeter Security Fencing Program.....	3,600	2,000	987	-	-	1,600	-
Playground Equipment and Shade Structures.....	5,800	2,800	810	1,000	1,000	1,000	-
Power Supply Upgrade.....	2,975	1,286	500	250	313	813	313
Sewer Connections.....	2,961	1,161	410	-	600	600	600
Transportable Classrooms.....	25,830	7,491	4,500	4,500	4,613	4,613	4,613
Universal Access Program.....	40,916	31,826	6,500	9,090	-	-	-
Other School Facilities							
Administration Upgrade Program.....	9,264	3,039	3,039	2,000	175	2,025	2,025
Canteens Program.....	810	200	200	-	-	405	205
Covered Assembly Areas.....	9,189	2,000	2,000	1,000	2,063	2,063	2,063
Early Childhood Program.....	5,299	749	749	2,500	1,150	-	900
Ground Developments Program.....	1,524	300	300	300	308	308	308
Library Resources Centres.....	9,295	2,600	2,600	500	2,065	2,065	2,065
Student Services Improvements.....	13,399	7,000	7,000	1,300	1,033	3,033	1,033
Duncraig Secondary Education Support Centre							
Relocation to Warwick Senior High School.....	4,280	3,055	3,055	1,225	-	-	-
International School of Western Australia.....	21,600	500	500	9,200	11,900	-	-
Japanese School in Perth.....	7,050	400	400	4,350	2,300	-	-
Toilet Replacement Program.....	9,720	1,600	1,600	2,100	1,340	3,340	1,340
Maintenance Program - Residential Colleges.....	2,470	494	494	494	494	494	494

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Information Technology Upgrade and Replacement							
Education Services Information Technology Upgrade and Replacement Program	150	30	30	30	30	30	30
Teachers Registration Board Related Capital Expenditure	312	152	40	40	40	40	40
Student Information System	18,785	3,272	3,025	8,048	7,465	-	-
K-12 Student Records Management System	2,531	831	831	1,500	200	-	-
Small Asset Capital Purchases	285,192	103,772	73,664	44,614	45,602	45,602	45,602
Education Services Furniture and Fittings Program	25	5	5	5	5	5	5
Western Australian Schools Public Private Partnership Retained Costs.....	37,214	16,046	6,300	8,524	6,998	1,883	1,668
COMPLETED WORKS							
New Secondary Schools							
Joseph Banks Secondary College	36,674	36,674	500	-	-	-	-
New High School - Planning	1,000	1,000	1,000	-	-	-	-
Additional Stages at Secondary Schools							
Butler College (Stage 2)	29,181	29,181	1,800	-	-	-	-
Halls Head Community College (Stage 2).....	25,896	25,896	1,192	-	-	-	-
Additions and Improvements to Secondary Schools							
Armadale Senior High School.....	4,000	4,000	3,224	-	-	-	-
Cecil Andrews College	4,500	4,500	3,901	-	-	-	-
Kinross College - Specialist Facilities.....	4,500	4,500	4,500	-	-	-	-
Newman Senior High School - Fire Restoration	7,058	7,058	5,634	-	-	-	-
Perth Modern School.....	1,806	1,806	72	-	-	-	-
Relocation of Year 7's to Secondary Schools.....	180,989	180,989	1,866	-	-	-	-
New Primary Schools							
Alkimos Primary School.....	13,999	13,999	563	-	-	-	-
Broome North Primary School.....	19,012	19,012	50	-	-	-	-
Honeywood Primary School - Early Childhood Annex	1,400	1,400	1,400	-	-	-	-
Rivergums Primary School.....	18,088	18,088	1,000	-	-	-	-
Spring Hill Primary School	14,088	14,088	2,775	-	-	-	-
Treendale Primary School.....	12,878	12,878	100	-	-	-	-
Additions and Improvements to Primary Schools							
Child and Parent Centres (2016)	10,602	10,602	670	-	-	-	-
Condingup Primary School - Fire Damage.....	1,521	1,521	1,521	-	-	-	-
Trade Skills Centres.....	16,436	16,436	4,014	-	-	-	-
Miscellaneous							
Bore Replacement	1,500	1,500	750	-	-	-	-
Roof Replacement Program	7,971	7,971	7,971	-	-	-	-
Other School Facilities - Rural Integration Program	1,000	1,000	522	-	-	-	-
Redevelopment Programs - Residential Colleges							
Broome Residential College (Stage 2).....	11,500	11,500	5,665	-	-	-	-
Narrogin Residential College Upgrades	28	28	2	-	-	-	-
K-12 Student Records Management System.....	800	800	443	-	-	-	-
Online Curriculum Programming Tool for Kindergarten to Year 10	740	740	290	-	-	-	-
NEW WORKS							
New Secondary Schools - Election Commitment -							
Inner City College.....	67,800	-	-	2,000	36,000	29,800	-
Additions and Improvements to Secondary Schools							
Cape Naturaliste College (Stage 2) ^(a)	32,100	-	-	2,000	20,000	10,100	-
Carine Senior High School	18,770	-	-	870	12,100	5,800	-
Carnarvon Community College ^(a)	38,550	-	-	7,150	23,900	7,500	-
Margaret River Senior High School ^(a)	30,000	-	-	7,000	20,000	3,000	-
Election Commitments							
Balcatta Senior High School - Redevelopment	50,000	-	-	3,000	20,000	20,000	7,000
Ballajura Community College - Performing Arts Centre....	5,000	-	-	-	2,000	3,000	-
Belmont City College - Performing Arts Centre.....	5,000	-	-	-	-	2,000	3,000
Belridge Secondary College - Performing Arts Centre	5,000	-	-	-	-	2,000	3,000
Broome Senior High School - New Facilities ^(a)	20,000	-	-	-	10,000	5,000	5,000
Bunbury Senior High School - Upgrades ^(a)	5,000	-	-	5,000	-	-	-
Canning Vale College - Upgrades	2,000	-	-	2,000	-	-	-
Collie Senior High School - New Facilities ^(a)	7,500	-	-	2,500	5,000	-	-
Darling Range Sports College - New and Upgraded Facilities.....	10,000	-	-	-	1,000	8,000	1,000
Eaton Community College - New Facilities ^(a)	5,000	-	-	-	2,500	2,500	-
John Forrest Secondary College - Redevelopment	50,000	-	-	-	-	1,500	20,000
Kinross College - Upgrades	2,500	-	-	-	-	2,500	-
Lakelands Senior High School - Joint-Use Sport Facility ^(a)	2,500	-	-	2,500	-	-	-
Melville Senior High School - Performing Arts Centre.....	4,500	-	-	2,000	2,500	-	-
Morley Senior High School - Upgrades	1,500	-	-	-	1,500	-	-
Mount Lawley Senior High School - Specialist Facilities	4,000	-	-	-	-	4,000	-
Newton Moore Senior High School - STEM Centre ^(a) ...	3,000	-	-	-	1,500	1,500	-
Ocean Reef Senior High School - Performing Arts Centre.....	5,000	-	-	-	2,000	3,000	-
Southern River College - New and Upgraded Facilities....	8,400	-	-	500	5,000	2,900	-
Wanneroo Secondary College - Upgrades	5,000	-	-	-	-	2,000	3,000

Education - continued

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
New Primary Schools							
New Primary Schools (Location to be Determined)	125,400	-	-	1,000	8,000	9,600	21,600
Election Commitments							
Forrestdale South West Primary School.....	15,600	-	-	7,000	8,600	-	-
Southern River South East Primary School.....	15,600	-	-	7,000	8,600	-	-
Byford (Lawrence Way) Primary School.....	15,600	-	-	-	7,000	8,600	-
Baldivis East (South) Primary School.....	15,600	-	-	-	7,000	8,600	-
Caversham South Primary School	15,600	-	-	-	7,000	8,600	-
Banksia Grove (East) Primary School.....	15,600	-	-	-	1,000	6,000	8,600
Brabham Primary School.....	15,600	-	-	-	1,000	6,000	8,600
Huntingdale (West) Primary School	15,600	-	-	-	-	7,000	8,600
Yanchep Primary Schools - Rebuild.....	15,000	-	-	-	-	7,000	8,000
Burns Beach Primary School	15,600	-	-	-	-	-	7,000
Additions and Improvements to Primary Schools							
Election Commitments							
Arbor Grove Primary School - Parent and Child Centre ...	1,750	-	-	-	-	750	1,000
Ballajura Primary School - Early Childhood.....	3,200	-	-	3,200	-	-	-
Beaumaris Primary School - Perimeter Fence.....	200	-	-	-	200	-	-
Camboon Primary School - Minor Upgrades	250	-	-	-	250	-	-
Caversham Primary School - Undercover Area.....	1,000	-	-	1,000	-	-	-
Currabine Primary School - Perimeter Fence	200	-	-	-	200	-	-
Eaton Primary School ^(a)	3,000	-	-	-	1,500	1,500	-
Flinders Park Primary School - Early Childhood (part funded by Capital Appropriation) ^(a)	2,500	-	-	-	-	2,500	-
Glen Huon Primary School ^(a)	1,500	-	-	1,500	-	-	-
Investing in Science.....	12,000	-	-	3,000	3,000	3,000	3,000
Kinross Primary School - Early Childhood.....	1,600	-	-	-	-	1,000	600
Mount Hawthorn Primary School.....	3,500	-	-	1,500	2,000	-	-
Mount Lockyer Primary School - Upgrades ^(a)	3,000	-	-	-	-	-	3,000
North Morley Primary School - Library.....	1,500	-	-	1,500	-	-	-
South Ballajura Primary School - Staff Toilet Upgrade.....	200	-	-	200	-	-	-
South Bunbury Primary School - Upgrades ^(a)	3,000	-	-	-	1,000	2,000	-
Tapping Primary School - Minor Upgrades.....	400	-	-	200	200	-	-
Weld Square Primary School - Administration.....	1,500	-	-	-	1,500	-	-
Yokine Primary School - Administration Upgrades	350	-	-	-	350	-	-
West Leederville Primary School	3,500	-	-	1,000	2,500	-	-
Other School Facilities							
City Beach College.....	500	-	-	500	-	-	-
Central Reserve Schools.....	615	-	-	-	-	615	-
Residential Colleges - City Beach Residential College.....	6,440	-	-	1,440	5,000	-	-
Total Cost of Asset Investment Program.....	2,525,836	1,016,127	345,873	452,298	436,548	301,074	190,294
Loan and Other Repayments.....			952	952	952	952	952
Total.....	2,525,836	1,016,127	346,825	453,250	437,500	302,026	191,246
FUNDED BY							
Capital Appropriation			152,252	249,067	191,181	159,855	85,075
Commonwealth Grants			3,055	8,225	-	-	-
Drawdowns from the Holding Account.....			40,470	28,290	18,529	18,529	18,529
Funding Included in Department of Treasury							
Administered Item			-	51,400	69,500	35,900	27,000
Internal Funds and Balances.....			70,589	17,428	9,067	7,040	7,040
Other			73,664	44,614	45,602	45,602	45,602
Drawdowns from Royalties for Regions Fund ^(b)			6,795	54,226	93,621	30,100	3,000
Funding Included in Royalties for Regions							
Administered Item			-	-	10,000	5,000	5,000
Total Funding.....			346,825	453,250	437,500	302,026	191,246

(a) Funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund.

Financial Statements

The 2015-16 Actual, 2016-17 Budget and the 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to the former Departments of Education and Education Services, School Curriculum and Standards Authority and Country High School Hostels Authority.

Income Statement

Expenses

The Total Cost of Services in 2017-18 of \$5 billion represents an increase of \$142 million or 2.9% compared to the 2016-17 Estimated Actual.

The additional funding is mainly attributable to:

- forecast student enrolment growth in 2017-18; and
- election commitments.

These increases are partially offset by savings including:

- revisions to forecast cost growth;
- lower rental charges for teacher housing in regional areas and reduced insurance premiums; and
- revisions to the depreciation calculation methodology.

Income

Total income from all sources is estimated to be \$5.1 billion for 2017-18, an increase of \$137.5 million or 2.8% compared to the 2016-17 Estimated Actual of \$4.9 billion. The increase is predominantly attributable to increased service appropriations and Quality Schools Commonwealth funding.

Statement of Financial Position

The Department's total equity is expected to increase by \$407.1 million (2.9%) between the 2016-17 Estimated Actual and the 2017-18 Budget Estimate. This reflects a projected increase in total assets of \$501.7 million (3.3%) which is partially offset by an increase in total liabilities of \$94.6 million (6.7%) over the same period.

The expected increase in assets is mainly attributable to continuing investment in school building works and increases to the Department's Holding Account for asset replacement.

The increase in liabilities is attributable to borrowings predominantly associated with the Western Australian Schools Public Private Partnership (\$64.9 million) to design, build and maintain public schools and also attributable to the increase to employee provisions for leave liabilities of \$14.6 million.

Statement of Cashflows

The 2017-18 closing cash assets balance of \$612.4 million represents a decrease of \$28 million (-4.4%) in comparison to the 2016-17 Estimated Actual of \$640.4 million. This is predominantly attributable to schools spending cash reserves in addition to their annual funding allocation.

INCOME STATEMENT ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	3,507,508	3,711,719	3,697,012	3,825,645	3,877,448	3,910,106	4,015,201
Supplies and services.....	990,235	899,996	903,310	921,006	965,910	984,152	1,016,374
Grants and subsidies ^(c)	38,938	48,352	48,432	41,305	32,573	31,234	29,126
Depreciation and amortisation.....	193,363	247,307	203,807	200,837	203,607	215,384	217,988
Finance costs.....	18,351	23,693	21,159	26,961	32,022	38,395	42,848
Other expenses.....	9,746	4,012	4,012	4,012	4,012	4,012	4,180
TOTAL COST OF SERVICES	4,758,141	4,935,079	4,877,732	5,019,766	5,115,572	5,183,283	5,325,717
Income							
User contributions, charges and fees.....	127,940	139,977	139,977	141,346	143,520	146,770	150,528
Grants and subsidies.....	647,771	686,792	687,435	724,651	761,124	798,530	879,152
Other revenue.....	88,808	84,167	84,167	85,406	86,435	87,678	84,391
Interest.....	21,724	25,156	24,806	25,083	25,974	26,720	27,753
Total Income	886,243	936,092	936,385	976,486	1,017,053	1,059,698	1,141,824
NET COST OF SERVICES	3,871,898	3,998,987	3,941,347	4,043,280	4,098,519	4,123,585	4,183,893
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	3,917,668	4,028,603	3,969,855	4,060,233	4,111,008	4,119,857	4,203,501
Grants from State Government agencies.....	6,921	4,046	4,079	5,629	3,563	3,563	3,563
Resources received free of charge.....	30,751	3,030	13,752	14,103	14,517	15,020	15,597
Royalties for Regions Fund:							
Regional Community Services Fund.....	6,072	7,022	6,578	12,769	18,792	22,193	23,700
Regional Infrastructure and Headworks Fund.....	3,265	-	1,052	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	3,964,677	4,042,701	3,995,316	4,092,734	4,147,880	4,160,633	4,246,361
SURPLUS/(DEFICIENCY) FOR THE PERIOD	92,779	43,714	53,969	49,454	49,361	37,048	62,468

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

(b) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 36,754, 38,630 and 39,011 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Grants and Subsidies to Non-Government Schools and Other Organisations.....	38,757	48,302	48,382	41,255	32,521	31,180	29,072
Grants to Universities for Research Under the Australian Research Council Linkage Projects.....	30	-	-	-	-	-	-
Scholarships and Other Grants.....	151	50	50	50	52	54	54
TOTAL	38,938	48,352	48,432	41,305	32,573	31,234	29,126

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	646,822	557,476	575,785	543,517	516,463	502,872	521,495
Restricted cash	90,198	52,633	52,197	43,498	42,442	42,442	42,442
Holding account receivables	41,764	30,187	29,546	19,673	19,673	19,673	19,673
Receivables	52,566	47,028	52,665	52,764	52,863	52,962	53,061
Receivables - loans to schools	29,894	29,982	30,022	32,463	34,106	35,630	37,935
Other	9,699	20,410	9,699	9,699	9,699	9,699	9,699
Total Current Assets	870,943	737,716	749,914	701,614	675,246	663,278	684,305
NON-CURRENT ASSETS							
Holding account receivables	2,347,831	2,551,681	2,512,229	2,708,120	2,930,678	3,126,311	3,324,548
Property, plant and equipment	11,583,515	14,215,167	11,814,360	12,123,430	12,423,520	12,614,890	12,604,128
Intangibles	7,034	19,128	10,798	19,872	27,149	21,185	19,628
Restricted cash	-	14,271	12,368	25,355	38,358	51,993	66,095
Receivables - loans to schools	223,229	254,895	252,004	274,942	296,953	316,554	333,067
Total Non-Current Assets	14,161,609	17,055,142	14,601,759	15,151,719	15,716,658	16,130,933	16,347,466
TOTAL ASSETS	15,032,552	17,792,858	15,351,673	15,853,333	16,391,904	16,794,211	17,031,771
CURRENT LIABILITIES							
Provisions	624,904	585,178	601,287	601,781	625,877	625,877	625,877
Payables	130,382	92,635	138,867	142,005	142,323	167,433	184,686
Borrowings	45,431	45,069	45,554	45,236	46,879	48,403	50,708
Other	28,266	27,798	28,178	28,178	28,178	28,178	28,178
Total Current Liabilities	828,983	750,680	813,886	817,200	843,257	869,891	889,449
NON-CURRENT LIABILITIES							
Provisions	174,313	200,914	187,731	201,838	216,444	216,444	216,444
Borrowings	294,634	401,974	399,965	477,111	559,156	663,477	694,781
Other non-current liabilities	48	58	48	48	48	48	48
Total Non-Current Liabilities	468,995	602,946	587,744	678,997	775,648	879,969	911,273
TOTAL LIABILITIES	1,297,978	1,353,626	1,401,630	1,496,197	1,618,905	1,749,860	1,800,722
EQUITY							
Contributed equity	3,982,643	4,195,195	4,144,143	6,230,835	6,597,337	6,831,641	6,955,871
Accumulated surplus/(deficit) ^(b)	1,676,784	1,658,405	1,730,753	49,454	98,815	135,863	198,331
Reserves	8,075,147	10,585,632	8,075,147	8,076,847	8,076,847	8,076,847	8,076,847
Total Equity	13,734,574	16,439,232	13,950,043	14,357,136	14,772,999	15,044,351	15,231,049
TOTAL LIABILITIES AND EQUITY	15,032,552	17,792,858	15,351,673	15,853,333	16,391,904	16,794,211	17,031,771

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

(b) The Accumulated surplus 2016-17 Estimated Actual of \$1.7 billion is recognised as Contributed equity from 2017-18 onwards to acknowledge the transfer of functions to the new Department of Education.

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	3,673,904	3,791,159	3,775,911	3,844,669	3,868,777	3,904,551	3,985,591
Capital appropriation.....	167,175	157,227	152,706	250,313	193,381	163,304	89,230
Administered equity contributions.....	-	31,700	-	51,400	79,500	40,900	32,000
Holding account drawdowns.....	22,546	45,964	41,764	29,546	19,673	19,673	19,673
State Government grants.....	7,317	4,046	4,079	5,629	3,563	3,563	3,563
Royalties for Regions Fund:							
Regional Community Services Fund.....	6,072	7,022	6,578	12,769	18,792	22,193	23,700
Regional Infrastructure and Headworks							
Fund - recurrent.....	2,571	-	1,052	-	-	-	-
Regional Infrastructure and Headworks							
Fund - capital.....	36,335	18,000	6,795	54,226	93,621	30,100	3,000
Net cash provided by State Government.....	3,915,920	4,055,118	3,988,885	4,248,552	4,277,307	4,184,284	4,156,757
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(3,635,207)	(3,713,426)	(3,698,719)	(3,807,902)	(3,838,430)	(3,885,006)	(3,997,924)
Supplies and services.....	(930,361)	(895,400)	(887,992)	(905,117)	(949,738)	(967,418)	(999,082)
Grants and subsidies.....	(38,426)	(48,352)	(48,432)	(41,305)	(32,573)	(31,234)	(29,126)
GST payments.....	(85,568)	(109,833)	(109,833)	(109,796)	(109,824)	(109,875)	(109,874)
Finance costs.....	(10,941)	(16,945)	(15,431)	(20,784)	(25,477)	(31,421)	(35,530)
Receipts ^(b)							
User contributions, charges and fees.....	124,941	139,937	139,937	141,306	143,480	146,730	150,489
Grants and contributions.....	647,923	686,792	687,435	724,651	761,124	798,530	879,152
GST receipts.....	81,474	108,142	108,142	108,142	108,142	108,142	108,142
Interest receipts.....	15,850	17,156	17,302	18,215	18,999	19,961	20,831
Other receipts.....	117,001	84,067	84,067	85,306	86,335	87,578	84,291
Net cash from operating activities.....	(3,713,314)	(3,747,862)	(3,723,524)	(3,807,284)	(3,837,962)	(3,864,013)	(3,928,631)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(311,977)	(301,813)	(345,873)	(452,298)	(436,548)	(301,074)	(190,294)
Net cash from investing activities.....	(311,977)	(301,813)	(345,873)	(452,298)	(436,548)	(301,074)	(190,294)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(30,255)	(31,024)	(30,974)	(33,415)	(35,058)	(36,582)	(38,887)
Other payments.....	(69,883)	(72,306)	(72,306)	(73,098)	(74,052)	(75,301)	(61,255)
Proceeds from borrowings.....	55,700	57,100	57,100	57,100	57,100	57,100	57,100
Other Proceeds.....	28,352	29,982	30,022	32,463	34,106	35,630	37,935
Net cash from financing activities.....	(16,086)	(16,248)	(16,158)	(16,950)	(17,904)	(19,153)	(5,107)
NET INCREASE/(DECREASE) IN CASH HELD.....	(125,457)	(10,805)	(96,670)	(27,980)	(15,107)	44	32,725
Cash assets at the beginning of the reporting period.....	862,477	635,185	737,020	640,350	612,370	597,263	597,307
Cash assets at the end of the reporting period.....	737,020	624,380	640,350	612,370	597,263	597,307	630,032

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

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

NET APPROPRIATION DETERMINATION ^(a)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
User Contributions, Charges and Fees							
Fees - Agricultural Colleges.....	3,986	4,097	3,505	3,583	3,607	3,655	3,705
Fees - Other.....	1,777	2,281	2,873	2,993	3,053	3,092	3,131
Fees - Swimming Classes.....	598	628	628	648	648	648	648
Physical Education Camp School Receipts...	2,231	2,285	2,285	2,273	2,251	2,293	2,337
Schools Charges and Fees.....	99,156	112,110	112,110	113,904	115,954	118,969	121,943
Receipts - Sale of Goods and Services.....	14,649	15,993	15,993	15,550	15,735	15,807	16,736
Regulatory Fees - Receipts.....	1,371	1,719	1,719	1,500	1,376	1,409	1,132
Grants and Contributions							
Commonwealth Grants - Recurrent.....	635,190	686,792	684,380	716,426	761,124	798,530	879,152
Commonwealth Grants - Capital.....	12,733	-	3,055	8,225	-	-	-
GST Receipts							
GST Input Credits.....	77,187	100,792	100,792	100,792	100,792	100,792	100,792
GST Receipts on Sales.....	3,094	6,990	6,990	6,990	6,990	6,990	6,990
Interest Receipts							
Interest Received.....	15,850	17,156	17,302	18,215	18,999	19,961	20,831
Other Receipts							
Farm School Receipts.....	1,507	1,332	1,332	1,332	1,332	1,332	1,332
Other Receipts.....	57,052	27,455	27,877	28,194	28,194	28,194	24,458
Developers Contribution.....	7,338	7,422	7,000	7,000	7,000	7,000	7,000
Schools - Donations.....	16,521	17,761	17,761	18,045	18,370	18,847	19,318
Schools - Other Receipts.....	33,009	28,454	28,454	29,092	29,796	30,562	31,317
TOTAL	983,250	1,033,267	1,034,056	1,074,762	1,115,221	1,158,081	1,240,822

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

DETAILS OF ADMINISTERED TRANSACTIONS

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
INCOME							
Other							
Interest Revenue.....	2	7	7	7	7	7	7
Service Appropriation.....	439,446	449,237	449,237	450,593	461,526	474,026	474,026
TOTAL ADMINISTERED INCOME	439,448	449,244	449,244	450,600	461,533	474,033	474,033
EXPENSES							
Grants to Charitable and Other Public Bodies							
Per Capita Grants to Non-Government Schools.....	394,121	409,304	409,304	408,702	421,715	433,101	433,101
Supplementation Grants to Special Education Schools.....	23,861	23,572	23,572	24,320	25,239	26,352	26,352
Psychology Services Grant.....	4,605	4,605	4,605	4,605	4,605	4,605	4,605
Australian Music Examinations Board.....	181	181	181	181	181	181	181
Teacher Training for Vocational Education and Training in Schools.....	666	-	-	-	-	-	-
Students at Risk.....	1,216	1,273	1,273	1,273	1,273	1,273	1,273
Funding for Western Australian Hospital Services and Western Australian Institute for Deaf Education in Non-Government Schools.....	5,887	6,327	6,327	4,862	4,862	4,862	4,862
Capital Grant to Catholic Education Western Australia.....	-	-	-	3,000	-	-	-
All Other Grants.....	173	156	156	157	158	159	159
Statutory Authorities							
Curtin University of Technology - Debt Charges.....	37	15	15	-	-	-	-
Other							
Superannuation - Higher Education Institutions.....	3,661	3,800	3,800	3,500	3,500	3,500	3,500
Finance Costs.....	2	11	11	-	-	-	-
TOTAL ADMINISTERED EXPENSES	434,410	449,244	449,244	450,600	461,533	474,033	474,033

Division 11 Training and Workforce Development

Part 5 Minister for Education and Training

Appropriations, Expenses and Cash Assets

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 18 Net amount appropriated to deliver services ^(a)	363,378	350,482	350,482	351,736	346,909	301,528	305,836
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	2,990	2,990	1,808	1,815	1,815	1,815	1,815
Total appropriations provided to deliver services.....	366,368	353,472	352,290	353,551	348,724	303,343	307,651
CAPITAL							
Item 93 Capital Appropriation	8,279	12,216	12,216	237	-	-	-
TOTAL APPROPRIATIONS	374,647	365,688	364,506	353,788	348,724	303,343	307,651
EXPENSES							
Total Cost of Services.....	609,804	611,368	548,386	582,906	555,761	552,452	559,382
Net Cost of Services ^(b)	354,330	338,213	286,731	367,578	334,979	328,916	333,646
CASH ASSETS ^(c)	124,057	99,516	157,832	116,005	114,046	118,761	123,654

- (a) The Department's net amount appropriated to deliver services from the 2016-17 Estimated Actual onwards includes the transfer of appropriation for staff reallocated from the Department of Finance to various agencies in response to changes to government procurement policy.
- (b) Represents Total Cost of Services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (c) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Election Commitments					
Apprenticeships in Craft Industries ^(a)	-	963	1,945	1,983	2,023
Vocational Education and Training Fee Freeze	-	638	2,040	3,674	5,433
Other					
2016-17 Estimated Outturn	(61,000)	-	-	-	-
Adjustment to Commonwealth Grants	(887)	(554)	(709)	(559)	(539)
Adjustment to Training Delivery Forecast	-	26,900	-	-	-
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(27)	(55)	(83)	(111)
Increase to International Student Fees	-	-	354	708	708
Non-Government Human Services Sector Indexation Adjustment.....	-	(90)	(92)	(94)	(97)
Regional Workers Incentives Allowance	(771)	(830)	(887)	(973)	-
Revision to Indexation for Non-Salary Expenses	-	(1,101)	(2,162)	(3,223)	(4,306)
Revision to Own Source Revenue Estimates.....	-	(3,000)	-	-	-

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

Significant Issues Impacting the Agency

- The Department will progress initiatives to support the Government's jobs growth and training priorities including:
 - revamping the State Training Board and Industry Training Councils to ensure their input provides a direct link between industry needs and government economic direction;
 - introducing a quality control system including an ongoing audit process for private registered training providers seeking to deliver government funded training places with an increase in onsite audits and a focus on outcomes;
 - progressing the expansion of the Priority Start Policy to all major State funded construction investment to create more jobs for apprentices and trainees;
 - ensuring the State Priority Occupation List is more responsive to the regions and also ensuring regional TAFEs deliver training that aligns with future job growth in the regions;
 - implementing a Vocational Education and Training (VET) Regional Partnerships Program to provide an opportunity for regional TAFEs to invest in new and innovative long-term partnerships to create training and job opportunities;
 - progressing the implementation of TAFE Industry Skills Centres to provide a single point of contact for industry, business and individual jobseekers around their career and training needs;
 - working with the TAFE sector to contribute to the Government's long-term international education strategy to increase Western Australia's market share of international students; and
 - providing craft industry apprenticeship training in Western Australia rather than through interstate providers.
- The National Partnership Agreement on Skills Reform expired on 30 June 2017, with a final payment of \$53.8 million in 2016-17. The Commonwealth Government has announced a new National Partnership on the Skilling Australians Fund targeting growth in apprentices and trainees. The details and terms of the agreement are currently being negotiated.
- The Government has announced that from 2018, VET course fees will be frozen over the forward estimates period to address affordability concerns for prospective students and employers following a protracted period of significant fee increases.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcomes	Services
Future Jobs and Skills: Grow and diversify the economy, create jobs and support skills development.	A skilled workforce that meets the State's economic and community needs.	1. Workforce Planning and Development 2. Development of Vocational Education and Training Policy and Programs 3. Career and Workforce Development Services 4. Skilled Migration, including Overseas Qualification Assessment
	A flexible, responsive, innovative and quality training system.	5. Apprenticeship and Traineeship Administration and Regulation 6. Procurement of Training 7. Recruitment and Management of International Students 8. Infrastructure Management for TAFE Colleges 9. Support Services to TAFE Colleges

Service Summary

Expense	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
1. Workforce Planning and Development.....	10,777	12,357	9,006	10,232	10,267	10,302	10,336
2. Development of Vocational Education and Training Policy and Programs	6,850	8,370	6,686	8,381	8,426	8,471	8,516
3. Career and Workforce Development Services	13,157	14,459	12,451	14,861	14,906	14,950	14,994
4. Skilled Migration, including Overseas Qualification Assessment.....	1,726	2,062	1,710	1,991	2,003	2,015	2,028
5. Apprenticeship and Traineeship Administration and Regulation	9,091	10,180	8,827	10,005	10,071	10,137	10,203
6. Procurement of Training.....	483,782	476,863	426,004	452,123	424,507	420,726	427,184
7. Recruitment and Management of International Students.....	46,199	48,493	41,258	42,387	42,426	42,466	42,506
8. Infrastructure Management for TAFE Colleges	2,950	4,251	9,032	3,037	3,049	3,061	3,074
9. Support Services to TAFE Colleges	35,272	34,333	33,412	39,889	40,106	40,324	40,541
Total Cost of Services	609,804	611,368	548,386	582,906	555,761	552,452	559,382

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16	2016-17	2016-17	2017-18	
	Actual	Budget	Estimated Actual	Budget Target	Note
Outcome: A skilled workforce that meets the State's economic and community needs:					
Extent to which career and workforce development advice provided to clients results in employment or training outcomes	77.1%	60%	69.7%	70%	1
Proportion of State nominated skilled migrants employed in priority occupations after arrival	35%	40%	67.8%	70%	2
Outcome: A flexible, responsive, innovative and quality training system:					
Proportion of delivery in training aligned with State priority occupations.....	63.8%	65%	65.4%	65%	
Proportion of graduates satisfied with the overall quality of training.....	87.9%	89%	87.4%	90%	

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

Explanation of Significant Movements

(Notes)

- The 2016-17 Budget was set prior to the 2015-16 Actual and was understated due to a lack of historical data.
- The proportion of State nominated skilled migrants employed in priority occupations after arrival in the 2016-17 Estimated Actual and the 2017-18 Budget Target includes a proportional increase in the number of occupations requiring a full-time contract of employment on the Western Australian Skilled Migration Occupation List.

Services and Key Efficiency Indicators

1. Workforce Planning and Development ^(a)

The Department works closely with industry, the community and across government in gathering and analysing workforce data and intelligence to identify the State's workforce development and training priorities.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 10,777	\$'000 12,357	\$'000 9,006	\$'000 10,232	1
Less Income.....	58	43	106	316	
Net Cost of Service.....	10,719	12,314	8,900	9,916	
Employees (Full Time Equivalents) ^(b)	33	39	34	35	
Efficiency Indicator					
Average Cost per Industry and Stakeholder Contact.....	\$4,356	\$2,319	\$2,830	\$3,131	2,3

(a) The 2016-17 Estimated Actual and the 2017-18 Budget Target performance information reflects refinements to the calculation methodology relating to the allocation of overheads to Total Cost of Service, Income and Employees across the agency's services.

(b) The 2015-16 Actual and the 2016-17 Estimated Actual reflects paid Full Time Equivalents (FTEs) at the end of the period. The 2016-17 Budget and the 2017-18 Budget Target reflects the approved establishment.

Explanation of Significant Movements

(Notes)

- The Total Cost of Service has decreased between the 2016-17 Budget and the 2016-17 Estimated Actual largely due to lower than anticipated spend and the implementation of savings measures.
- The Average Cost per Industry and Stakeholder Contact in the 2015-16 Actual, the 2016-17 Estimated Actual and the 2017-18 Budget Target excludes grants for industry advisory arrangements. The 2016-17 Budget is based on assumptions which exclude a fixed percentage of the Total Cost of Service.
- The Average Cost per Industry and Stakeholder Contact has reduced between the 2015-16 Actual and the 2016-17 Estimated Actual largely as a result of an increase in industry and stakeholder contacts.

2. Development of Vocational Education and Training Policy and Programs ^(a)

The Department develops policies and programs that promote the effective and efficient operation of the State's VET system. Policy and program development is aligned to the Department's strategic direction for workforce development and training including higher education and the school sector.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 6,850	\$'000 8,370	\$'000 6,686	\$'000 8,381	
Less Income.....	74	55	128	411	
Net Cost of Service.....	6,776	8,315	6,558	7,970	
Employees (Full Time Equivalents) ^(b)	42	48	41	45	
Efficiency Indicator					
Average Cost of Meeting Major Policy Milestones.....	\$27,843	\$41,850	\$22,066	\$27,937	1

(a) The 2016-17 Estimated Actual and the 2017-18 Budget Target performance information reflects refinements to the calculation methodology relating to the allocation of overheads to Total Cost of Service, Income and Employees across the agency's services.

(b) The 2015-16 Actual and the 2016-17 Estimated Actual reflects paid FTEs at the end of the period. The 2016-17 Budget and the 2017-18 Budget Target reflects the approved establishment.

Explanation of Significant Movements

(Notes)

- The Average Cost of Meeting Major Policy Milestones has reduced between the 2016-17 Budget and the 2016-17 Estimated Actual largely as a result of one-off savings and an increase in briefings relating to research and policy development. The Average Cost of Meeting Major Policy Milestones is expected to increase between the 2016-17 Estimated Actual and the 2017-18 Budget Target largely due to the one-off savings in 2016-17.

3. Career and Workforce Development Services ^(a)

Career and Workforce Development Services provide education and training information, career guidance to the Western Australian community, as well as employment, training and mentoring services to Aboriginal people and communities.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 13,157	\$'000 14,459	\$'000 12,451	\$'000 14,861	
Less Income.....	69	54	107	405	
Net Cost of Service.....	13,088	14,405	12,344	14,456	
Employees (Full Time Equivalents) ^(b)	39	43	35	44	
Efficiency Indicator					
Average Cost per Career and Workforce Development Centre Client Contact.....	\$307	\$220	\$305	\$363	1,2

(a) The 2016-17 Estimated Actual and the 2017-18 Budget Target performance information reflects refinements to the calculation methodology relating to the allocation of overheads to Total Cost of Service, Income and Employees across the agency's services.

(b) The 2015-16 Actual and the 2016-17 Estimated Actual reflects paid FTEs at the end of the period. The 2016-17 Budget and the 2017-18 Budget Target reflects the approved establishment.

Explanation of Significant Movements

(Notes)

- The Average Cost per Career and Workforce Development Centre Client Contact reflects a change in the reporting of contracted services to ensure that the measure applies to the number of individual people serviced rather than the number of total occasions the services were provided. The 2015-16 Actual, 2016-17 Estimated Actual and the 2017-18 Budget Target are based on the individual contact only.
- The increase in the Average Cost per Career and Workforce Development Centre Client Contact between the 2016-17 Estimated Actual and the 2017-18 Budget Target is largely a result of lower than anticipated spend in 2016-17.

4. Skilled Migration, including Overseas Qualification Assessment ^(a)

Skilled Migration, including Overseas Qualification Assessment assesses applications from intending skilled migrants who wish to migrate to Western Australia, and assesses post-secondary qualifications gained overseas for Western Australian residents. The service aims to facilitate skilled migration to Western Australia to supplement the local workforce and enable overseas trained residents to access education, training and employment through recognition of overseas qualifications.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 1,726	\$'000 2,062	\$'000 1,710	\$'000 1,991	
Less Income.....	580	537	511	242	
Net Cost of Service.....	1,146	1,525	1,199	1,749	
Employees (Full Time Equivalents) ^(b)	12	15	12	12	
Efficiency Indicator					
Average Cost to Administer Migration Applications and Overseas Qualification Assessments.....	\$320	\$383	\$375	\$719	1

(a) The 2016-17 Estimated Actual and the 2017-18 Budget Target performance information reflects refinements to the calculation methodology relating to the allocation of overheads to Total Cost of Service, Income and Employees across the agency's services.

(b) The 2015-16 Actual and the 2016-17 Estimated Actual reflects paid FTEs at the end of the period. The 2016-17 Budget and the 2017-18 Budget Target reflects the approved establishment.

Explanation of Significant Movements

(Notes)

- The Average Cost to Administer Migration Applications and Overseas Qualification Assessments has increased between the 2016-17 Estimated Actual and the 2017-18 Budget Target largely as a result of a decrease in migration applications, in line with an overall reduction in the number of occupations on the Western Australian Skilled Migration Occupation List and the suspension of Perth from the Regional Skilled Migration Scheme.

5. Apprenticeship and Traineeship Administration and Regulation ^(a)

Apprenticeship and Traineeship Administration and Regulation includes registration of training contracts and administration of contract variations, educating participants on training contract and legislation requirements, dispute resolution and monitoring of legislative compliance.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 9,091	\$'000 10,180	\$'000 8,827	\$'000 10,005	1
Less Income.....	127	144	195	601	
Net Cost of Service.....	8,964	10,036	8,632	9,404	
Employees (Full Time Equivalents) ^(b)	60	74	63	66	
Efficiency Indicator					
Average Cost per Active Training Contract.....	\$225	\$236	\$246	\$250	

(a) The 2016-17 Estimated Actual and the 2017-18 Budget Target performance information reflects refinements to the calculation methodology relating to the allocation of overheads to Total Cost of Service, Income and Employees across the agency's services.

(b) The 2015-16 Actual and the 2016-17 Estimated Actual reflects paid FTEs at the end of the period. The 2016-17 Budget and the 2017-18 Budget Target reflects the approved establishment.

Explanation of Significant Movements

(Notes)

- The Total Cost of Service has decreased between the 2016-17 Budget and the 2016-17 Estimated Actual largely due to lower than anticipated apprenticeship and traineeship activity in 2016-17. The increase between the 2016-17 Estimated Actual and the 2017-18 Budget Target reflects a forecast increase in the level of activity resulting from policy changes targeting growth in apprentices and trainees.

6. Procurement of Training ^(a)

Procurement of Training comprises the purchasing of training delivery services from TAFE Colleges and private training providers in accordance with the State's priorities and the State Training Plan. The service is differentiated according to the major training funding categories.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 483,782	\$'000 476,863	\$'000 426,004	\$'000 452,123	1
Less Income.....	201,677	217,250	215,419	164,011	2
Net Cost of Service.....	282,105	259,613	210,585	288,112	
Employees (Full Time Equivalents) ^(b)	63	60	64	62	
Efficiency Indicators ^(c)					
Cost per Student Curriculum Hour:					3
Diploma and Above.....	\$10.71	\$10.33	\$9.24	\$9.32	
Apprenticeships and Traineeships (Certificate IV and Below).....	\$13.96	\$13.53	\$12.68	\$12.79	
Priority Industry Training (Certificate I to Certificate IV).....	\$12.72	\$12.27	\$12.13	\$12.23	
General Industry Training (Certificate I to Certificate IV).....	\$15.25	\$14.71	\$14.89	\$14.99	
Foundation Skills Courses.....	\$16.75	\$16.17	\$15.59	\$15.73	

(a) The 2016-17 Estimated Actual and the 2017-18 Budget Target performance information reflects refinements to the calculation methodology relating to the allocation of overheads to Total Cost of Service, Income and Employees across the agency's services.

(b) The 2015-16 Actual and the 2016-17 Estimated Actual reflects paid FTEs at the end of the period. The 2016-17 Budget and the 2017-18 Budget Target reflects the approved establishment.

(c) The Cost per Student Curriculum Hour is derived using calendar year training delivery data.

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service has decreased between the 2016-17 Budget and the 2016-17 Estimated Actual largely due to lower levels of training demand. The increase between the 2016-17 Estimated Actual and the 2017-18 Budget Target is largely due to the utilisation of cash balances to fund training delivery.
2. Income has decreased between the 2016-17 Estimated Actual and the 2017-18 Budget Target largely due to the expiry of the Commonwealth National Partnership Agreement on Skills Reform on 30 June 2017.
3. The Cost per Student Curriculum Hour has increased between the 2016-17 Estimated Actual and the 2017-18 Budget Target largely as a result of indexation.

7. Recruitment and Management of International Students

Recruitment and Management of International Students involves the marketing of Western Australian TAFE Colleges and public schools offshore and onshore, and the management of admissions, compliance and the welfare of international students according to relevant legislation.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	46,199	48,493	41,258	42,387	1
Less Income.....	45,975	48,393	40,944	42,075	2
Net Cost of Service.....	224	100	314	312	
Employees (Full Time Equivalents) ^(a).....	45	40	46	40	
Efficiency Indicator					
Average Cost of Recruitment and Management per Full Time Equivalent International Student	\$1,445	\$1,802	\$1,397	\$1,501	3

(a) The 2015-16 Actual and the 2016-17 Estimated Actual reflects paid FTEs at the end of the period. The 2016-17 Budget and the 2017-18 Budget Target reflects the approved establishment.

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service has decreased between the 2016-17 Budget and the 2016-17 Estimated Actual largely due to lower than anticipated levels of training delivery grants and spend in TAFE International Western Australia.
2. Income has decreased between the 2016-17 Budget and the 2016-17 Estimated Actual largely due to lower than anticipated student tuition fee revenue.
3. The Average Cost of Recruitment and Management per Full Time Equivalent International Student has reduced between the 2016-17 Budget and the 2016-17 Estimated Actual largely as a result of lower than anticipated spend in TAFE International Western Australia.

8. Infrastructure Management for TAFE Colleges ^(a)

Infrastructure Management for TAFE Colleges includes the maintenance, administration and strategic development of land and buildings used to deliver publicly funded training in campuses across the State.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 2,950	\$'000 4,251	\$'000 9,032	\$'000 3,037	1
Less Income.....	1,979	6	43	112	
Net Cost of Service.....	971	4,245	8,989	2,925	
Employees (Full Time Equivalents) ^(b)	13	17	14	12	
Efficiency Indicator					
Average Cost to Administer Training Infrastructure per TAFE College	\$262,555	\$511,676	\$546,174	\$507,389	2,3

(a) The 2016-17 Estimated Actual and the 2017-18 Budget Target performance information reflects refinements to the calculation methodology relating to the allocation of overheads to Total Cost of Service, Income and Employees across the agency's services.

(b) The 2015-16 Actual and the 2016-17 Estimated Actual reflects paid FTEs at the end of the period. The 2016-17 Budget and the 2017-18 Budget Target reflects the approved establishment.

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service is higher in the 2016-17 Estimated Actual due to one-off grants to TAFE Colleges for critical equipment upgrades and replacement.
2. The 2016-17 Budget, the 2016-17 Estimated Actual and the 2017-18 Budget Target are based on the five new TAFE Colleges created on 11 April 2016. The 2015-16 Actual is based on the previous number of colleges in existence during the year.
3. The Average Cost to Administer Training Infrastructure per TAFE College has reduced between the 2016-17 Estimated Actual and the 2017-18 Budget Target largely as a result of higher than anticipated spend in 2016-17.

9. Support Services to TAFE Colleges ^(a)

Support Services to TAFE Colleges include the supply, management and maintenance of information communication technology, finance and human resource services.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 35,272	\$'000 34,333	\$'000 33,412	\$'000 39,889	
Less Income.....	4,935	6,673	4,202	7,155	
Net Cost of Service.....	30,337	27,660	29,210	32,734	
Employees (Full Time Equivalents) ^(b)	179	205	188	218	
Efficiency Indicator					
Average Cost to Administer Support Services per TAFE College.....	\$4,058,153	\$6,866,600	\$6,682,323	\$7,958,503	1,2

(a) The 2016-17 Estimated Actual and the 2017-18 Budget Target performance information reflects refinements to the calculation methodology relating to the allocation of overheads to Total Cost of Service, Income and Employees across the agency's services.

(b) The 2015-16 Actual and the 2016-17 Estimated Actual reflects paid FTEs at the end of the period. The 2016-17 Budget and the 2017-18 Budget Target reflects the approved establishment.

Explanation of Significant Movements

(Notes)

1. The 2016-17 Budget, the 2016-17 Estimated Actual and the 2017-18 Budget Target are based on the five new TAFE Colleges created on 11 April 2016. The 2015-16 Actual is based on the previous number of colleges in existence during the year.
2. The Average Cost to Administer Support Services per TAFE College has increased between the 2016-17 Estimated Actual and the 2017-18 Budget Target largely due to refinements to the overhead cost calculation methodology and lower than anticipated spend in 2016-17.

Asset Investment Program

Works that are expected to be completed in 2017-18 include the following projects:

- \$12.4 million Specialist Engineering Training Centre at South Metropolitan TAFE's Australian Centre for Energy Process Training campus in Munster;
- \$42 million multi-storey training centre for South Metropolitan TAFE's Murdoch campus;
- \$9.5 million Centre of Specialisation for Electrical Instrumentation at the North Regional TAFE's Karratha campus;
- \$12.1 million Health and Allied Services Training Centre at North Regional TAFE's Pundulmurra campus; and
- \$0.9 million Muresk Agricultural Skills Development Pathway Program.

Works with estimated expenditure continuing in 2017-18 include the following projects:

- \$13 million Information and Communications Technology Student Management System for the training sector; and
- \$69.8 million Remedial Works Program which will be used for a range of essential projects to upgrade ageing infrastructure and better equip TAFE Colleges so that students and industry have access to contemporary and industry relevant training infrastructure.

New works include the following:

- \$0.2 million election commitment for project planning and preparation of the business case for the major upgrade of South Regional TAFE's Collie campus; and
- \$17.9 million Esperance replacement campus at South Regional TAFE to provide industry relevant training facilities to support the training and workforce development needs of the Esperance region.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
WORKS IN PROGRESS							
ICT Student Management System for the Training Sector....	13,000	5,700	5,422	5,242	2,058	-	-
New Buildings and Additions at TAFE Colleges							
South Metropolitan TAFE							
Engineering Training Centre (Munster)	12,416	10,961	9,491	1,455	-	-	-
Murdoch Stage 4	41,969	33,009	22,591	8,960	-	-	-
Pilbara Education Partnership							
North Regional TAFE							
Electrical Instrumentation Centre of Specialisation (a)	9,500	9,300	4,425	200	-	-	-
Health and Allied Services Training Centre (a)	12,137	11,937	4,458	200	-	-	-
Regional Capital Works Initiative - Muresk Agricultural							
Skills Development (a)	850	407	225	443	-	-	-
Remedial Works Program	69,767	16,417	5,893	15,300	15,300	9,450	13,300
COMPLETED WORKS							
Regional Capital Works Initiative							
Central Regional TAFE - Student Services Interactive							
Hub (a)	2,755	2,755	2,563	-	-	-	-
Goldfields Art Centre (a)	5,000	5,000	15	-	-	-	-
Skills Training Initiative							
Muresk Institute (a)	4,707	4,707	1,002	-	-	-	-
North Regional TAFE - South Hedland and Karratha							
Campuses Upgrade and Expansion (a)	15,219	15,219	1,085	-	-	-	-
Training Record System and Quality Business System.....	6,300	6,300	1,021	-	-	-	-
NEW WORKS							
New Buildings and Additions at TAFE Colleges							
Election Commitment - Plan for Collie-Preston:							
Collie TAFE Major Upgrade (a)	200	-	-	200	-	-	-
South Regional TAFE Esperance New Replacement							
Campus (a)	17,850	-	-	-	-	5,850	12,000
Total Cost of Asset Investment Program.....	211,670	121,712	58,191	32,000	17,358	15,300	25,300
FUNDED BY							
Capital Appropriation			12,216	237	-	-	-
Internal Funds and Balances.....			24,265	15,420	2,058	-	-
Drawdowns from Royalties for Regions Fund (b)			6,710	1,043	-	-	10,000
Commonwealth Recurrent Funding for Capital Purposes....			15,000	15,300	15,300	15,300	15,300
Total Funding.....			58,191	32,000	17,358	15,300	25,300

(a) Funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund.

Financial Statements

Income Statement

Expenses

The \$63 million, or 10.3%, reduction in the Total Cost of Services between the 2016-17 Budget and the 2016-17 Estimated Actual is largely due to lower levels of training demand.

The forecast \$34.5 million, or 6.3%, increase in the Total Cost of Services between the 2016-17 Estimated Actual and the 2017-18 Budget Estimate is largely due to the utilisation of cash balances to fund training delivery.

Income

The forecast \$46.3 million, or 17.7%, reduction in total income between the 2016-17 Estimated Actual and the 2017-18 Budget Estimate is largely due to the expiry of the Commonwealth National Partnership Agreement on Skills Reform on 30 June 2017.

Statement of Financial Position

The \$57.6 million, or 57.5%, increase in total cash assets between the 2016-17 Budget and the 2016-17 Estimated Actual is largely due to the lower than anticipated Total Cost of Services, largely reflecting lower levels of training demand.

The forecast \$41.8 million, or 26.5%, decrease in total cash assets between the 2016-17 Estimated Actual and the 2017-18 Budget Estimate is largely due to the utilisation of cash balances to fund training delivery.

The forecast \$56.4 million, or 53.4%, decrease in property, plant and equipment between the 2016-17 Estimated Actual and the 2017-18 Budget Estimate is largely due to the transfer of completed capital works to the TAFE Colleges.

The \$86.8 million, or 45.2%, increase in total equity between the 2016-17 Budget and the 2016-17 Estimated Actual is largely due to the timing of transfers of completed capital works to the TAFE Colleges and the lower than anticipated Total Cost of Services.

The forecast \$91.9 million, or 33%, decrease in total equity between the 2016-17 Estimated Actual and the 2017-18 Budget Estimate is largely due to the timing of transfers of completed capital works to the TAFE Colleges and the utilisation of funds for training delivery.

Statement of Cashflows

The \$57.5 million, or 57.4%, increase in cash assets at the end of the reporting period between the 2016-17 Budget and the 2016-17 Estimated Actual is largely due to the lower than anticipated Total Cost of Services, largely reflecting lower levels of training demand.

The forecast \$41.8 million, or 26.5%, decrease in cash assets between the 2016-17 Estimated Actual and the 2017-18 Budget Estimate is largely due to the utilisation of cash balances to fund training delivery.

INCOME STATEMENT ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	53,193	63,765	55,484	59,794	59,078	58,031	58,083
Grants and subsidies ^(c)	464,856	471,328	422,100	445,596	416,009	413,620	420,092
Supplies and services.....	32,498	30,262	25,208	28,715	29,232	29,043	30,015
Accommodation.....	6,266	7,048	7,048	7,418	8,133	8,309	8,309
Depreciation and amortisation.....	2,118	1,857	1,857	3,100	3,100	3,100	3,100
Other expenses.....	50,873	37,108	36,689	38,283	40,209	40,349	39,783
TOTAL COST OF SERVICES	609,804	611,368	548,386	582,906	555,761	552,452	559,382
Income							
Sale of goods and services.....	1,923	5,679	1,161	1,654	1,604	1,604	1,604
Grants and subsidies.....	198,824	216,792	213,449	161,800	163,900	166,300	168,500
Other revenue.....	54,727	50,684	47,045	51,874	55,278	55,632	55,632
Total Income	255,474	273,155	261,655	215,328	220,782	223,536	225,736
NET COST OF SERVICES	354,330	338,213	286,731	367,578	334,979	328,916	333,646
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	366,368	353,472	352,290	353,551	348,724	303,343	307,651
Resources received free of charge.....	1,092	294	294	294	294	294	294
Royalties for Regions Fund:							
Regional Community Services Fund.....	7,853	3,999	3,643	2,588	1,269	45,116	45,716
Regional Infrastructure and Headworks Fund.....	329	1,002	887	1,076	1,125	-	-
TOTAL INCOME FROM STATE GOVERNMENT	375,642	358,767	357,114	357,509	351,412	348,753	353,661
SURPLUS/(DEFICIENCY) FOR THE PERIOD	21,312	20,554	70,383	(10,069)	16,433	19,837	20,015

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

(b) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 486, 497 and 534 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES ^(a)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Contracts and Agreements for the Delivery of Training and Employment Services by TAFE Colleges, Private Training Providers and the Western Australian Academy of Performing Arts at Edith Cowan University. ...	460,861	463,958	417,277	440,657	410,990	408,926	415,398
Other Grants and Subsidies.....	3,995	7,370	4,823	4,939	5,019	4,694	4,694
TOTAL	464,856	471,328	422,100	445,596	416,009	413,620	420,092

(a) Controlled Grants and Subsidies differs from the Department's 2015-16 Annual Report due to differences in the calculation methodology applied.

**STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)**

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	59,324	18,342	83,457	55,011	51,591	50,130	49,143
Restricted cash	64,733	81,844	74,375	60,994	62,455	68,631	74,511
Receivables	4,730	7,797	4,730	4,730	4,730	4,730	4,730
Other.....	4,635	3,418	4,635	4,635	4,635	4,635	4,635
Total current assets	133,422	110,731	167,197	125,370	123,411	128,126	133,019
NON-CURRENT ASSETS							
Holding account receivables.....	37,017	38,874	38,874	41,381	43,888	46,395	48,902
Property, plant and equipment.....	74,991	77,258	105,546	49,196	49,196	54,989	61,782
Intangibles	4,911	10,148	7,961	11,903	12,661	11,361	10,061
Other.....	819	847	819	819	819	819	819
Total non-current assets	117,738	127,127	153,200	103,299	106,564	113,564	121,564
TOTAL ASSETS	251,160	237,858	320,397	228,669	229,975	241,690	254,583
CURRENT LIABILITIES							
Employee provisions	9,887	9,569	9,887	9,887	9,887	9,887	9,887
Payables	1,827	1,441	1,827	1,827	1,827	1,827	1,827
Other.....	26,793	32,785	26,958	27,127	27,300	27,478	27,656
Total current liabilities	38,507	43,795	38,672	38,841	39,014	39,192	39,370
NON-CURRENT LIABILITIES							
Employee provisions	2,973	2,880	2,973	2,973	2,973	2,973	2,973
Other.....	13	35	13	13	13	13	13
Total non-current liabilities	2,986	2,915	2,986	2,986	2,986	2,986	2,986
TOTAL LIABILITIES.....	41,493	46,710	41,658	41,827	42,000	42,178	42,356
EQUITY							
Contributed equity	88,791	49,604	87,480	5,652	(9,648)	(17,948)	(25,248)
Accumulated surplus/(deficit).....	120,675	140,560	191,057	180,988	197,421	217,258	237,273
Reserves.....	201	984	202	202	202	202	202
Total equity	209,667	191,148	278,739	186,842	187,975	199,512	212,227
TOTAL LIABILITIES AND EQUITY	251,160	237,858	320,397	228,669	229,975	241,690	254,583

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	365,161	351,615	350,433	351,044	346,217	300,836	305,144
Capital appropriation.....	8,279	12,216	12,216	237	-	-	-
Royalties for Regions Fund:							
Regional Community Services Fund.....	8,253	4,224	3,671	3,031	1,269	45,116	45,716
Regional Infrastructure and Headworks Fund.....	19,604	8,084	7,569	1,676	1,125	-	10,000
Receipts paid into Consolidated Account.....	(1,290)	-	-	-	-	-	-
Net cash provided by State Government.....	400,007	376,139	373,889	355,988	348,611	345,952	360,860
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(57,189)	(63,600)	(55,319)	(59,625)	(58,905)	(57,853)	(57,905)
Grants and subsidies.....	(466,917)	(471,328)	(422,100)	(445,596)	(416,009)	(413,620)	(420,092)
Supplies and services.....	(32,916)	(28,211)	(24,657)	(28,138)	(28,595)	(28,406)	(29,378)
Accommodation.....	(6,358)	(7,048)	(7,323)	(7,693)	(8,408)	(8,584)	(8,584)
Other payments.....	(68,988)	(56,811)	(56,617)	(60,912)	(62,898)	(61,831)	(61,265)
Receipts ^(b)							
Grants and subsidies.....	200,876	216,792	213,449	161,800	163,900	166,300	168,500
Sale of goods and services.....	1,942	2,915	397	1,654	1,604	1,604	1,604
GST receipts.....	18,009	20,821	20,821	20,821	20,821	20,821	20,821
Other receipts.....	54,916	50,573	46,934	51,874	55,278	55,632	55,632
Net cash from operating activities.....	(356,625)	(335,897)	(284,415)	(365,815)	(333,212)	(325,937)	(330,667)
CASHFLOWS FROM INVESTING ACTIVITIES							
Payments							
Purchase of non-current assets.....	(38,017)	(59,489)	(58,191)	(32,000)	(17,358)	(15,300)	(25,300)
Receipts							
Proceeds from sale of non-current assets.....	1,308	-	-	-	-	-	-
Net cash from investing activities.....	(36,709)	(59,489)	(58,191)	(32,000)	(17,358)	(15,300)	(25,300)
NET INCREASE/(DECREASE) IN CASH HELD.....							
	6,673	(19,247)	31,283	(41,827)	(1,959)	4,715	4,893
Cash assets at the beginning of the reporting period.....	114,781	118,008	124,057	157,832	116,005	114,046	118,761
Net cash transferred to/from other agencies.....	2,603	755	2,492	-	-	-	-
Cash assets at the end of the reporting period.....	124,057	99,516	157,832	116,005	114,046	118,761	123,654

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

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

NET APPROPRIATION DETERMINATION ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Grants and Subsidies							
Commonwealth Capital	14,710	15,000	15,000	15,300	15,300	15,300	15,300
Commonwealth Recurrent	186,166	201,792	198,449	146,500	148,600	151,000	153,200
Sale of Goods and Services							
Sale of Goods and Services	1,942	2,915	397	1,654	1,604	1,604	1,604
GST Receipts							
GST Receipts	18,009	20,821	20,821	20,821	20,821	20,821	20,821
Other Receipts							
International Student Delivery	44,954	42,974	38,974	40,999	44,403	44,757	44,757
Interest Receipts	1,568	1,408	1,285	1,408	1,408	1,408	1,408
Other Receipts	8,394	6,191	6,675	9,467	9,467	9,467	9,467
TOTAL	275,743	291,101	281,601	236,149	241,603	244,357	246,557

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

DETAILS OF ADMINISTERED TRANSACTIONS

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
INCOME							
Other							
Temporary Worker (Skilled) Visa Holder (Subclass 457) Child School Fee	5,979	5,360	5,360	5,360	5,360	5,360	5,360
TOTAL ADMINISTERED INCOME	5,979	5,360	5,360	5,360	5,360	5,360	5,360
EXPENSES							
Other							
Payments to the Consolidated Account	6,107	5,360	5,360	5,360	5,360	5,360	5,360
TOTAL ADMINISTERED EXPENSES	6,107	5,360	5,360	5,360	5,360	5,360	5,360

TAFE Colleges

Part 5 Minister for Education and Training

Asset Investment Program

The five TAFE Colleges are undertaking Asset Investment Programs in 2017-18 comprising various refurbishments and improvements to accommodation and infrastructure, as well as the replacement of equipment for training and minor works.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CENTRAL REGIONAL TAFE							
WORKS IN PROGRESS							
Asset Replacement Program.....	14,654	8,854	1,618	1,450	1,450	1,450	1,450
Total Cost of Asset Investment Program.....	14,654	8,854	1,618	1,450	1,450	1,450	1,450
NORTH METROPOLITAN TAFE							
WORKS IN PROGRESS							
Asset Replacement Program.....	26,778	20,198	2,679	2,630	1,250	1,350	1,350
Critical Remedial Works and Refurbishment Aberdeen Street and Leederville Campuses.....	2,950	-	-	1,950	500	500	-
COMPLETED WORKS							
McLarty Campus Remedial Works.....	2,577	2,577	1,314	-	-	-	-
NEW WORKS							
Accommodation and Infrastructure - Building Renewal and Improvements	3,300	-	-	-	1,100	1,100	1,100
Total Cost of Asset Investment Program.....	35,605	22,775	3,993	4,580	2,850	2,950	2,450
NORTH REGIONAL TAFE							
WORKS IN PROGRESS							
Asset Replacement Program.....	4,872	1,772	369	900	900	650	650
Total Cost of Asset Investment Program.....	4,872	1,772	369	900	900	650	650
SOUTH METROPOLITAN TAFE							
WORKS IN PROGRESS							
Asset Replacement Program.....	30,170	19,698	2,458	2,587	2,625	2,630	2,630
COMPLETED WORKS							
Critical Remedial Works.....	2,101	2,101	506	-	-	-	-
Total Cost of Asset Investment Program.....	32,271	21,799	2,964	2,587	2,625	2,630	2,630
SOUTH REGIONAL TAFE							
WORKS IN PROGRESS							
Asset Replacement Program	6,050	1,925	566	1,126	1,054	984	961
Total Cost of Asset Investment Program.....	6,050	1,925	566	1,126	1,054	984	961
Total Cost of TAFE Colleges Asset Investment Program	93,452	57,125	9,510	10,643	8,879	8,664	8,141
FUNDED BY							
Internal Funds and Balances.....			9,510	10,643	8,879	8,664	8,141
Total Funding.....			9,510	10,643	8,879	8,664	8,141

Building and Construction Industry Training Board

Part 5 Minister for Education and Training

Asset Investment Program

The Asset Investment Program (AIP) for 2017-18 comprises the completion of construction of the Career Information Centre (CIC) and office accommodation project.

The CIC project will be a school excursion venue incorporating interactive displays of building techniques and processes, plant simulators, and try-a-trade activities, as well as lecture space. The CIC will support the Board's career information and promotion functions to aid students' decision making on school-based vocational education and training and subsequent training and employment pathways.

The AIP is fully funded by the Board's internal cash balances.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
WORKS IN PROGRESS							
Career Information Centre.....	11,964	8,964	4,267	3,000	-	-	-
Total Cost of Asset Investment Program.....	11,964	8,964	4,267	3,000	-	-	-
FUNDED BY							
Internal Funds and Balances.....			4,267	3,000	-	-	-
Total Funding.....			4,267	3,000	-	-	-

Part 6

Minister for Environment

Minister for Tourism

Summary of Portfolio Appropriations

Agency	2016-17 Budget \$'000	2016-17 Estimated Actual '000	2017-18 Budget Estimate '000
Biodiversity, Conservation and Attractions			
– Delivery of Services	242,096	241,518	251,404
– Capital Appropriation	1,377	1,377	2,427
Total	243,473	242,895	253,831
GRAND TOTAL			
– Delivery of Services	242,096	241,518	251,404
– Capital Appropriation	1,377	1,377	2,427
Total.....	243,473	242,895	253,831

Division 12 Biodiversity, Conservation and Attractions

Part 6 Minister for Environment

Minister for Tourism

Appropriations, Expenses and Cash Assets ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 19 Net amount appropriated to deliver services ^(b)	262,085	241,721	241,143	251,029	247,853	249,020	249,249
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	375	375	375	375	375	375	375
Total appropriations provided to deliver services.....	262,460	242,096	241,518	251,404	248,228	249,395	249,624
CAPITAL							
Item 94 Capital Appropriation	1,667	1,377	1,377	2,427	3,762	5,855	5,581
TOTAL APPROPRIATIONS	264,127	243,473	242,895	253,831	251,990	255,250	255,205
EXPENSES							
Total Cost of Services.....	405,214	392,237	398,182	420,889	403,336	395,129	394,941
Net Cost of Services ^(c)	243,891	251,280	256,769	279,994	262,290	253,533	253,119
CASH ASSETS ^(d)	117,450	107,985	119,442	110,440	110,039	113,123	116,218

(a) The 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to amalgamate the Department of Parks and Wildlife, Botanic Gardens and Parks Authority, Zoological Parks Authority and the Rottnest Island Authority on 1 July 2017.

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

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

(d) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Election Commitments					
Aboriginal Ranger Program	-	4,000	4,000	4,000	4,000
Creation of a National Park - Mosaic of National Parks in the Kimberley	(1,000)	1,000	-	-	-
Swan and Canning Rivers Community Rivercare Funding	-	-	300	300	300
Other					
2017-18 Streamlined Budget Process Incentive Funding	-	80	-	-	-
2017-18 Tariffs, Fees and Charges	-	872	876	881	885
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(17)	(33)	(50)	(67)
Murujuga Joint Management	-	9,000	1,000	1,000	1,000
Regional Workers Incentive Allowance	-	(65)	(87)	(119)	810
Revision to Indexation for Non-Salary Expenses	-	(905)	(1,858)	(2,617)	(3,343)
Wanjarri Nature Reserve	-	200	200	700	700
Yawuru Joint Management	-	650	1,100	1,100	1,100

Significant Issues Impacting the Agency

Government Initiatives

- An Aboriginal Ranger Program will be established to capitalise on the economic and social benefits that employment provides in remote and regional Western Australian communities and to protect the environment. This five year \$20 million program will employ Aboriginal people through direct employment and fee-for-service contracts, carrying out work such as biodiversity monitoring and research, management of tourism and cultural sites, weeds and feral animals, prescribed burning, bushfire suppression and environmental protection works.
- A new Fitzroy River National Park will be created and managed jointly by the Department and Traditional Owners to protect the environment and culture of the Fitzroy River area. The park is proposed to extend the existing Geikie Gorge National Park along the Fitzroy River to the north and along the Margaret River to the east.
- A national/marine park will be established to include the remote islands and fringing reefs of the Buccaneer Archipelago. As part of this project, the Department will negotiate Indigenous Land Use Agreements (ILUA) with multiple Traditional Owner groups and prepare management plans, which will facilitate employment of Aboriginal rangers for park management and opportunities for Aboriginal people to create sustainable economic enterprises.
- The Department is identifying priorities and potential projects with community groups that have local knowledge, experience and volunteer resources to complete restoration along the Swan River.
- The Department will expand the Wellington National Park, near Collie, with a view to enhancing the potential tourism and recreation opportunities in the area.
- The Department will develop Lake Kepwari, near Collie, as a water based tourism precinct. Works will include the construction of boating infrastructure, public facilities and road access that will provide the foundations for future tourism investment.

Joint Management and Visitor Services

- As part of joint management arrangements with Traditional Owners at Murujuga National Park on the Burrup Peninsula, the Department will assist the development of a Living Knowledge Centre and park infrastructure in collaboration with Woodside and Rio Tinto. Consultation will also be undertaken with the Murujuga Aboriginal Corporation and other stakeholders to consider the nomination of the Burrup Peninsula for World Heritage listing.
- In the northern Goldfields, the Department will negotiate and implement an ILUA and Joint Management Agreement with Tjiwarl Traditional Owners relating to land tenure changes associated with the Class A Wanjarri Nature Reserve.
- The Department will continue to jointly manage the Yawuru terrestrial conservation estate with Traditional Owners to meet the State's commitments under the Yawuru Agreements.
- An ILUA with the Gnulli Traditional Owners for reservation and joint management arrangements for the Ningaloo Coast will be finalised. A management plan developed by the Department and the Gnulli Traditional Owners will be completed in the first half of 2018.
- Visitation to Department-managed lands and waters is maintaining a strong upwards trend, with a record high 20 million visits in 2016-17. Significant increase in demand is being experienced in the Swan and South West regions.
- There will be increasing engagement and reliance on volunteers to assist the Department in undertaking conservation and park management activities. The value of volunteer contributions exceeded \$24 million in 2016-17.
- In 2017-18, the externally-funded stage two upgrade to Rio Tinto Naturescape Kings Park will be completed, enhancing and refreshing this nature-based discovery and educational attraction that has proven to be very popular with the community since opening in 2011. Funding was secured in 2009 for a 10 year sponsorship contract including annual operating funding of \$0.3 million to 2020.
- The Kalbarri Skywalk and National Park Tourist Infrastructure project will be finalised in 2018 including two new lookout structures overlooking the Murchison River Gorge in Kalbarri National Park, providing a significant economic driver to the regional community.

- The Swan Canning River Protection Strategy continues to improve coordination across Government to protect and enhance the ecological and community benefits of the Swan Canning Riverpark. A progress report on the implementation of this strategy, which will include on-ground achievements being delivered throughout the river system, is currently being prepared and will be released later this year.
- Consistent with the 'Rottnest Island Management Plan 2014-2019', development opportunities and increased accommodation offerings on Rottnest Island continue to be a priority.
- The Perth Zoo will continue to seek opportunities to increase commercial revenue returns and this will include planning for a new cafe, function and catering facilities.
- Kings Park and Botanic Garden remains the State's single most visited destination, with an estimated 6.3 million visits in 2016-17. A high level of visitation continues to apply pressure on existing operations and infrastructure, necessitating ongoing upgrades to public amenities such as footpaths, cycle paths and public toilets, and a review of services to meet high levels of demand.

Fire Management

- The Department will continue to undertake an active fire management program in an increasingly complex operating environment, exacerbated by drying conditions in the South West. From 1 July 2017, \$5.5 million will be available for prescribed burning to reduce bushfire risk.

Science and Conservation

- Western Australia has a highly significant biodiversity that faces threats and complex challenges, requiring integrated multi-disciplinary approaches to conservation and management that are underpinned by high quality science.
- Priority will be given to developing regulations, in consultation with stakeholders, to support full proclamation of the *Biodiversity Conservation Act 2016*, which will replace the *Wildlife Conservation Act 1950* and *Sandalwood Act 1929*.
- The Department will continue to apply adaptive management strategies to assist in meeting the challenges of climate change, particularly in response to the reduced rainfall and hotter conditions predicted for the South West.
- The Department will continue to provide timely and high quality advice, together with regional biodiversity surveys in the La Grange region in the Kimberley, to support the Land Tenure Pathway for the Irrigated Agriculture initiative in the State's northern regions.
- Invasive pests, weeds and diseases will continue to be managed. The Department will maintain the Western Shield fauna recovery program in partnership with industry and the community, including expansion of trials of the Eradicat® bait for feral cats.
- A focus remains on the conservation and enhancement of Bold Park and Kings Park to achieve environmental targets, provide appropriate visitor access and manage risks.
- The second stage of construction for the lion exhibit upgrade at Perth Zoo will commence in 2017-18. Planning will continue for upgrades to aviaries, the tiger exhibit, visitor amenities and for a new 'medium-sized mammal' captive breeding facility to increase the Zoo's capacity to conserve threatened native fauna populations.

Forest Management

- The State's forests will continue to be managed to conserve plants and animals, provide for a sustainable timber industry, protect water catchments, enable recreation and tourism activities and allow mining and other public uses under the direction of the 'Forest Management Plan 2014-2023'.
- The Department will prepare a sandalwood biodiversity management program, the first to be developed under the new *Biodiversity Conservation Act 2016*. This will complement other initiatives to enhance the conservation and management of wild sandalwood resources, including additional resources dedicated to controlling illegal harvesting.

Resource Agreement

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

The relationship of Ministers to services is shown below.

Responsible Minister	Services
Minister for Environment	<ol style="list-style-type: none"> 1. Visitor Services and Public Programs Provided at Kings Park and Bold Park 3. Visitor Services and Public Programs Provided at Perth Zoo 4. Visitor Services and Public Programs Provided in the Swan and Canning Riverpark 5. Visitor Services and Public Programs Provided in National Parks and Other Lands and Waters 6. Conserving Habitats, Species and Ecological Communities (shared Ministerial responsibility) 7. Research and Conservation Partnerships (shared Ministerial responsibility) 8. Implementation of the Forest Management Plan 9. Prescribed Burning and Fire Management 10. Bushfire Suppression
Minister for Tourism	<ol style="list-style-type: none"> 2. Visitor Services and Public Programs Provided at Rottnest Island 6. Conserving Habitats, Species and Ecological Communities (shared Ministerial responsibility) 7. Research and Conservation Partnerships (shared Ministerial responsibility)

Outcomes, Services and Key Performance Information

The Outcomes, Services and Key Performance Information reflect the amalgamation of the Department of Parks and Wildlife, Botanic Gardens and Parks Authority, Zoological Parks Authority and the Rottnest Island Authority due to Machinery of Government changes on 1 July 2017. Where practical, the 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual have been recast for comparative purposes.

Relationship to Government Goals

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

Government Goal	Desired Outcomes	Services
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	Community enjoyment, appreciation and understanding of attractions under the Department's care.	1. Visitor Services and Public Programs Provided at Kings Park and Bold Park 2. Visitor Services and Public Programs Provided at Rottnest Island 3. Visitor Services and Public Programs Provided at Perth Zoo 4. Visitor Services and Public Programs Provided in the Swan and Canning Riverpark 5. Visitor Services and Public Programs Provided in National Parks and Other Lands and Waters
	Plants and animals are conserved and habitat, ecosystem and landscape-scale conservation utilises evidenced-based science.	6. Conserving Habitats, Species and Ecological Communities 7. Research and Conservation Partnerships
	Sustainable use of forest resources.	8. Implementation of the Forest Management Plan
	Lands under the Department's care are managed to protect communities, visitors and built and natural assets from bushfire damage and planned fire is used to achieve other land, forest and wildlife management objectives.	9. Prescribed Burning and Fire Management 10. Bushfire Suppression

Service Summary

Expense	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
1. Visitor Services and Public Programs Provided at Kings Park and Bold Park	10,985	11,659	11,659	11,994	11,117	10,968	11,018
2. Visitor Services and Public Programs Provided at Rottnest Island.....	42,586	42,678	41,736	45,338	42,629	40,780	40,834
3. Visitor Services and Public Programs Provided at Perth Zoo.....	23,264	22,484	22,617	22,548	22,646	22,879	23,045
4. Visitor Services and Public Programs Provided in the Swan and Canning Riverpark.....	16,477	16,927	16,980	15,027	14,689	14,700	14,700
5. Visitor Services and Public Programs Provided in National Parks and Other Lands and Waters	79,663	85,225	86,046	107,297	91,749	85,348	84,816
6. Conserving Habitats, Species and Ecological Communities	75,273	83,357	82,138	81,858	83,901	89,033	89,074
7. Research and Conservation Partnerships	31,952	35,429	35,576	35,162	34,981	34,988	35,020
8. Implementation of the Forest Management Plan	18,493	23,503	24,086	24,095	23,992	24,074	24,075
9. Prescribed Burning and Fire Management ...	46,708	39,218	44,807	45,022	45,073	39,778	39,778
10. Bushfire Suppression	59,813	31,757	32,537	32,548	32,559	32,581	32,581
Total Cost of Services	405,214	392,237	398,182	420,889	403,336	395,129	394,941

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: Community enjoyment, appreciation and understanding of attractions under the Department's care:					
Average level of visitor satisfaction at Kings Park and Bold Park	99%	98%	98%	99%	
Average level of visitor satisfaction at Rottnest Island.....	97%	97%	97%	97%	
Average level of visitor satisfaction at Perth Zoo.....	96%	100%	96%	97%	
Average level of visitor satisfaction in the Swan and Canning Riverpark.....	99.1%	-	-	95%	1
Average level of visitor satisfaction in national parks and other lands and waters	91.4%	85%	92.5%	95%	
Outcome: Plants and animals are conserved and habitat, ecosystem and landscape-scale conservation utilises evidenced-based science:					
Proportion of critically endangered and endangered taxa and ecological communities that have a recovery plan.....	69.4%	71%	72.9%	73%	
Outcome: Sustainable use of forest resources:					
Cumulative removal of jarrah and karri sawlogs by approved harvesting operations compared to limits in the Forest Management Plan.....	253,850 m ³	573,000 m ³	381,941 m ³	764,000 m ³	2
Outcome: Lands under the Department's care are managed to protect communities, visitors and built and natural assets from bushfire damage and planned fire is used to achieve other land, forest and wildlife management objectives:					
Proportion of South West bushfires contained to less than two hectares.....	75%	75%	83%	75%	
Proportion of planned Priority 1 prescribed burns achieved	64%	55%	49%	55%	

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

Explanation of Significant Movements

(Notes)

1. Visitor satisfaction surveys were previously undertaken every two years, the last being completed in September 2015. No survey was undertaken for 2016-17. The visitor satisfaction survey will now be conducted annually.
2. From 2014-15 and successive years, the target figure is a cumulative annual figure of 10% (that is 10, 20, 30 and 40% for the years one, two, three and four respectively) of the total first and second grade jarrah and karri sawlog resource available for removal for the 10 year life of the 'Forest Management Plan 2014-2023', which commenced on 1 January 2014.

Services and Key Efficiency Indicators

1. Visitor Services and Public Programs Provided at Kings Park and Bold Park

Provide facilities, experiences and programs for visitors to Kings Park and Bold Park for their enjoyment and appreciation of natural, cultural and heritage values and to strengthen community understanding and support for conservation of plants, animals and habitats.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 10,985	\$'000 11,659	\$'000 11,659	\$'000 11,994	
Less Income.....	6,220	7,305	7,305	7,126	
Net Cost of Service.....	4,765	4,354	4,354	4,868	
Employees (Full Time Equivalents).....	62	62	62	62	
Efficiency Indicator					
Average Cost per Visitor at Kings Park and Bold Park.....	\$1.94	\$1.99	\$1.77	\$1.88	

2. Visitor Services and Public Programs Provided at Rottnest Island

Provide facilities, experiences and programs for visitors to Rottnest Island for their enjoyment and appreciation of natural, cultural and heritage values and to strengthen community understanding and support for maintaining the built and cultural heritage of the island, while conserving natural marine and terrestrial habitats.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 42,586	\$'000 42,678	\$'000 41,736	\$'000 45,338	1
Less Income.....	34,967	33,379	33,377	35,396	
Net Cost of Service.....	7,619	9,299	8,359	9,942	
Employees (Full Time Equivalents).....	83	84	84	85	
Efficiency Indicator					
Average Cost per Visitor at Rottnest Island.....	\$69.60	\$74.09	\$64.45	\$71.97	2

Explanation of Significant Movements

(Notes)

- The decrease in the Total Cost of Service between the 2016-17 Estimated Actual and the 2016-17 Budget predominately relates to the roofing integrity replacement program being delayed. The increase in the 2017-18 Budget Target predominantly relates to the roofing integrity replacement program delivering significant works and increases in the depreciation profile due to completion of the Waste Water Treatment Plant and the Renewable Energy Project.
- The significant decrease in the Average Cost per Visitor at Rottnest Island for the 2016-17 Estimated Actual primarily relates to decreases in expenditures identified in Note 1. The projected number of visitors to Rottnest Island also significantly increased by 12.4% or 71,000 compared to the 2016-17 Budget.

3. Visitor Services and Public Programs Provided at Perth Zoo

Provide facilities, experiences and educational programs for visitors to the Perth Zoo for their enjoyment and appreciation of natural, cultural and heritage values and to encourage positive behavioural change and community participation in the conservation of plants, animals and habitats.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	23,264	22,484	22,617	22,548	
Less Income.....	14,146	15,022	13,723	15,203	
Net Cost of Service.....	9,118	7,462	8,894	7,345	
Employees (Full Time Equivalents).....	146	147	143	147	
Efficiency Indicator					
Average Cost per Visitor at Perth Zoo.....	\$33.47	\$34.86	\$34.41	\$34.42	

4. Visitor Services and Public Programs Provided in the Swan and Canning Riverpark

Provide facilities, experiences and programs for visitors to the Swan and Canning Riverpark for their enjoyment and appreciation of natural, cultural and heritage values and to strengthen community understanding and support for conservation of plants, animals and habitats.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	16,477	16,927	16,980	15,027	1
Less Income.....	4,577	3,670	3,670	3,258	
Net Cost of Service.....	11,900	13,257	13,310	11,769	
Employees (Full Time Equivalents).....	52	52	52	51	
Efficiency Indicator					
Average Cost per Hectare in the Swan and Canning Riverpark.....	\$2,250.34	\$2,311.80	\$2,319.03	\$2,052.30	

Explanation of Significant Movements

(Notes)

- The 2017-18 Budget Target for Total Cost of Service is lower compared to the 2016-17 Estimated Actual due to the conclusion of a fixed-term funding boost of \$1 million per annum over three years for priority riverbank restoration projects, combined with the cessation of funding of approximately \$0.5 million per annum over four years from the Commonwealth National Landcare Program.

5. Visitor Services and Public Programs Provided in National Parks and Other Lands and Waters

Provide facilities, experiences and programs for visitors to national parks and other lands and waters for their enjoyment and appreciation of natural, cultural and heritage values and to strengthen community understanding and support for conservation of plants and animals.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	79,663	85,225	86,046	107,297	1
Less Income.....	31,244	30,939	33,080	31,400	
Net Cost of Service.....	48,419	54,286	52,966	75,897	
Employees (Full Time Equivalents).....	391	391	391	382	
Efficiency Indicator					
Average Cost per Hectare in National Parks and Other Lands and Waters...	\$2.73	\$2.99	\$2.73	\$3.40	

Explanation of Significant Movements

(Notes)

- The 2017-18 Budget Target for Total Cost of Service is higher compared to the 2016-17 Estimated Actual, which mainly reflects new funding, principally for joint management with Traditional Owners of lands and waters, including \$4 million per annum for the Aboriginal Ranger Program over a five year period, and \$9 million in 2017-18 and \$1 million per annum thereafter for joint management of lands with the Murujuga Aboriginal Corporation. An increase in the depreciation budget for this service of \$5 million was also included in the 2017-18 Budget Target reflecting actual depreciation expense trends.

6. Conserving habitats, species and ecological communities

Develop and implement programs for the conservation of biodiversity.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	75,273	83,357	82,138	81,858	
Less Income.....	9,905	8,477	7,579	7,618	
Net Cost of Service.....	65,368	74,880	74,559	74,240	
Employees (Full Time Equivalents).....	495	495	495	483	
Efficiency Indicator					
Average Cost per Hectare of Wildlife Habitat.....	\$2.58	\$2.92	\$2.61	\$2.56	

7. Research and conservation partnerships

Work with the community, industry, Traditional Owners and other stakeholders to deliver research and conservation outcomes.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	31,952	35,429	35,576	35,162	
Less Income.....	42,371	32,348	32,772	30,877	
Net Cost of Service.....	(10,419)	3,081	2,804	4,285	
Employees (Full Time Equivalents).....	118	119	118	116	
Efficiency Indicator					
Average Cost per Hectare of Wildlife Habitat.....	\$1	\$1.14	\$1.04	\$1.01	

8. Implementation of the Forest Management Plan

Manage State forests in accordance with the approved Forest Management Plan and provide services that support forest production activities.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 18,493	\$'000 23,503	\$'000 24,086	\$'000 24,095	
Less Income.....	8,678	6,559	6,649	6,759	
Net Cost of Service.....	9,815	16,944	17,437	17,336	
Employees (Full Time Equivalents).....	142	142	142	139	
Efficiency Indicator					
Average Cost per Hectare of Forest.....	\$14.31	\$18.19	\$18.64	\$18.65	

9. Prescribed Burning and Fire Management

Deliver prescribed burning and fire management to protect the community and enhance natural values.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 46,708	\$'000 39,218	\$'000 44,807	\$'000 45,022	1
Less Income.....	2,071	230	230	230	
Net Cost of Service.....	44,637	38,988	44,577	44,792	
Employees (Full Time Equivalents).....	210	210	216	212	
Efficiency Indicator					
Average Cost per Hectare Burnt.....	\$18.61	\$15.69	\$15.70	\$15.70	

(Notes)

1. The 2017-18 Budget Target for Total Cost of Service for Prescribed Burning and Fire Management has been revised since the 2016-17 Budget to reflect recent trends in 2015-16 Actual and 2016-17 Estimated Actual costs.

10. Bushfire Suppression

Suppress bushfires that threaten or occur on lands managed by the Department.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 59,813	\$'000 31,757	\$'000 32,537	\$'000 32,548	
Less Income.....	7,144	3,028	3,028	3,028	
Net Cost of Service.....	52,669	28,729	29,509	29,520	
Employees (Full Time Equivalents).....	150	140	140	137	
Efficiency Indicator					
Average Cost per Hectare Burnt.....	\$31.68	\$15.88	\$33.04	\$32	

Asset Investment Program

The Department will continue with ongoing investment programs at the Perth Zoo, Rottnest Island, Kings Park and in national parks and other lands and waters across the State. The total Asset Investment Program is \$47.7 million in 2017-18.

New capital funding has been provided for election commitments to establish tourism and visitor use facilities at Lake Kepwari (total project budget of \$3 million) and for Walk Trails at Wellington Dam (\$200,000).

Other major projects include the scheduled completion of the Kalbarri Skywalk (\$14.3 million in 2017-18) and related infrastructure, Koombana Park Facilities (\$6.7 million in 2017-18), completion of the lion exhibit upgrade at the Perth Zoo (\$2 million in 2017-18) and the ongoing upgrade of holiday and tourism facilities at Rottnest Island (\$4.4 million in 2017-18).

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
WORKS IN PROGRESS							
Koombana Park Facilities ^(a)	11,904	5,230	4,726	6,674	-	-	-
Park Improvement Program							
Caravan and Camping (Parks for People) ^(a)	21,053	21,003	7,424	50	-	-	-
Kalbarri Skywalk and National Park							
Tourist Infrastructure ^(a)	20,033	5,747	5,410	14,286	-	-	-
Roebuck Bay Marine Park ^(a)	590	30	30	270	270	20	-
Public Recreation and Joint Management							
Arrangements for the Ningaloo Coast ^(a)	3,255	330	150	1,355	1,570	-	-
Zoological Parks Authority							
Animal Exhibits and Park Facilities.....	1,809	1,107	1,107	702	-	-	-
Lion Exhibit Upgrade.....	2,940	932	932	2,008	-	-	-
Facilities and Equipment - Water Infrastructure							
Management Project.....	11,901	9,486	315	1,662	753	-	-
COMPLETED WORKS							
Botanic Gardens and Parks Authority							
Asset Replacement - 2016-17 Program.....	1,525	1,525	1,525	-	-	-	-
Conservation Land Acquisition - 2016-17 Program.....	305	305	305	-	-	-	-
Fire Related Bridge Maintenance and Replacement							
2016-17 Program.....	1,688	1,688	1,688	-	-	-	-
Firefighting Fleet Replacement - 2016-17 Program.....	6,513	6,513	6,513	-	-	-	-
Park Improvement Program							
2016-17 Program.....	3,550	3,550	3,550	-	-	-	-
Gnangara Park Development - 2016-17 Program.....	400	400	400	-	-	-	-
Great Kimberley Marine Park ^(a)	2,740	2,740	1,490	-	-	-	-
Kimberley Tourism Initiatives ^(a)	3,125	3,125	866	-	-	-	-
New Kimberley National Parks ^(a)	1,030	1,030	1,030	-	-	-	-
Ngari Capes Marine Parks ^(a)	779	779	301	-	-	-	-
Plant and Equipment							
2016-17 Program.....	2,901	2,901	2,901	-	-	-	-
Swan Canning Riverpark - 2016-17 Program.....	51	51	51	-	-	-	-
Rottnest Island Authority							
Essential Infrastructure - Upgrade to the Waste Water							
Treatment Plant.....	6,140	6,140	1,610	-	-	-	-
Holiday and Tourism Facilities - 2016-17 Program.....	4,680	4,680	4,680	-	-	-	-
Tourism Road Improvement - 2016-17 Program.....	1,500	1,500	1,500	-	-	-	-
Zoological Parks Authority - Facilities and Equipment							
Computer Equipment - 2016-17 Program.....	100	100	100	-	-	-	-
Minor Equipment and Works - 2016-17 Program.....	63	63	63	-	-	-	-
NEW WORKS							
Botanic Gardens and Parks Authority - Asset Replacement							
2017-18 Program.....	1,000	-	-	1,000	-	-	-
2018-19 Program.....	1,000	-	-	-	1,000	-	-
2019-20 Program.....	1,000	-	-	-	-	1,000	-
2020-21 Program.....	1,000	-	-	-	-	-	1,000
Conservation Land Acquisition							
2017-18 Program.....	320	-	-	320	-	-	-
2018-19 Program.....	340	-	-	-	340	-	-
2019-20 Program.....	360	-	-	-	-	360	-
2020-21 Program.....	380	-	-	-	-	-	380
Enhanced Prescribed Burning ^(a)	220	-	-	110	110	-	-
Fire Related Bridge Maintenance and Replacement							
2017-18 Program.....	1,739	-	-	1,739	-	-	-
2018-19 Program.....	1,791	-	-	-	1,791	-	-
2019-20 Program.....	1,845	-	-	-	-	1,845	-
2020-21 Program.....	1,900	-	-	-	-	-	1,900

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Firefighting Fleet Replacement							
2017-18 Program	2,200	-	-	2,200	-	-	-
2018-19 Program	2,200	-	-	-	2,200	-	-
2019-20 Program	2,200	-	-	-	-	2,200	-
2020-21 Program	2,200	-	-	-	-	-	2,200
Park Improvement Program							
2017-18 Program	3,700	-	-	3,700	-	-	-
2018-19 Program	3,900	-	-	-	3,900	-	-
2019-20 Program	4,100	-	-	-	-	4,100	-
2020-21 Program	4,300	-	-	-	-	-	4,300
Election Commitments							
Lake Kepwari ^(a)	3,000	-	-	500	1,000	1,500	-
Wellington Dam Walk Trails ^(a)	200	-	-	200	-	-	-
Gnangara Park Development							
2017-18 Program	400	-	-	400	-	-	-
2018-19 Program	400	-	-	-	400	-	-
2019-20 Program	400	-	-	-	-	400	-
2020-21 Program	400	-	-	-	-	-	400
Kimberley Science and Conservation Strategy							
Kimberley National Park and Oomeday National Park (Horizontal Falls)							
	150	-	-	50	50	50	-
Marine Parks							
	290	-	-	120	120	50	-
Plant and Equipment							
2017-18 Program	3,807	-	-	3,807	-	-	-
2018-19 Program	4,796	-	-	-	4,796	-	-
2019-20 Program	6,685	-	-	-	-	6,685	-
2020-21 Program	7,348	-	-	-	-	-	7,348
Swan Canning Riverpark							
2017-18 Program	432	-	-	432	-	-	-
2018-19 Program	189	-	-	-	189	-	-
2019-20 Program	47	-	-	-	-	47	-
Rottneet Island Authority - Holiday and Tourism Facilities							
2017-18 Program	4,365	-	-	4,365	-	-	-
2018-19 Program	4,669	-	-	-	4,669	-	-
2019-20 Program	4,265	-	-	-	-	4,265	-
2020-21 Program	4,265	-	-	-	-	-	4,265
Tourism Road Improvement Program							
2017-18 Program	1,650	-	-	1,650	-	-	-
2018-19 Program	1,750	-	-	-	1,750	-	-
2019-20 Program	1,850	-	-	-	-	1,850	-
2020-21 Program	1,950	-	-	-	-	-	1,950
Zoological Parks Authority							
Animal Exhibits and Park Facilities							
2018-19 Program	1,905	-	-	-	1,905	-	-
2019-20 Program	1,905	-	-	-	-	1,905	-
2020-21 Program	1,905	-	-	-	-	-	1,905
Facilities and Equipment - Computer Equipment							
2017-18 Program	100	-	-	100	-	-	-
2018-19 Program	100	-	-	-	100	-	-
2019-20 Program	100	-	-	-	-	100	-
2020-21 Program	100	-	-	-	-	-	100
Total Cost of Asset Investment Program	207,693	80,955	48,667	47,700	26,913	26,377	25,748
FUNDED BY							
Capital Appropriation			1,377	2,427	3,762	5,855	5,581
Asset Sales			500	578	500	500	500
Drawdowns from the Holding Account			11,123	11,118	10,879	10,737	11,802
Internal Funds and Balances			9,250	14,357	8,822	7,765	7,865
Drawdowns from Royalties for Regions Fund ^(b)			26,417	19,220	2,950	1,520	-
Total Funding			48,667	47,700	26,913	26,377	25,748

(a) Funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund and Regional Community Services Fund.

Financial Statements

The 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to amalgamate the Department of Parks and Wildlife, Botanic Gardens and Parks Authority, Zoological Parks Authority and the Rottneest Island Authority on 1 July 2017.

Income Statement

Expenses

The Total Cost of Services is estimated to increase by \$28.7 million (7.3%) between the 2016-17 Budget and the 2017-18 Budget Estimate, primarily due to increased funding for joint management of parks and other lands with Traditional Owners, and the associated new Aboriginal Ranger Program.

Income

The increase in expenses noted above will be funded through increases in income from service appropriations and the Royalties for Regions Fund. Total income from the State Government is projected to increase by \$23.9 million to \$279.4 million in the 2017-18 Budget Estimate compared to the 2016-17 Budget.

Statement of Financial Position

The largest asset for the Department is land held for conservation and multiple uses and is reported within the category 'Property, plant and equipment'. Restricted cash represents the majority of the Department's cash holdings and is utilised for specific purposes accounts funded by external parties.

Statement of Cashflows

Purchase of non-current assets is expected to be maintained at approximately the same level comparing the 2016-17 Estimated Actual of \$48.7 million to the 2017-18 Budget Estimate of \$47.7 million, largely reflecting the continuation of works at the Kalbarri Skywalk and Koombana Park Facilities.

INCOME STATEMENT ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	214,194	221,348	220,633	223,662	224,441	223,691	225,591
Grants and subsidies ^(c)	7,945	6,759	7,490	4,850	4,650	4,650	4,650
Supplies and services.....	110,883	97,911	97,740	117,723	98,004	90,703	88,620
Accommodation.....	10,599	10,375	10,375	7,098	7,127	7,143	7,143
Depreciation and amortisation.....	34,858	29,344	36,144	38,167	39,667	39,667	39,667
Other expenses.....	26,735	26,500	25,800	29,389	29,447	29,275	29,270
TOTAL COST OF SERVICES	405,214	392,237	398,182	420,889	403,336	395,129	394,941
Income							
Sale of goods and services.....	68,646	67,662	66,787	70,772	71,778	72,181	72,311
Regulatory fees and fines.....	1,448	1,121	1,121	1,259	1,264	1,269	1,265
Grants and subsidies.....	47,651	32,803	34,134	28,893	28,955	28,945	28,945
Other revenue.....	43,578	39,371	39,371	39,971	39,049	39,201	39,301
Total Income	161,323	140,957	141,413	140,895	141,046	141,596	141,822
NET COST OF SERVICES	243,891	251,280	256,769	279,994	262,290	253,533	253,119
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	262,460	242,096	241,518	251,404	248,228	249,395	249,624
Resources received free of charge.....	982	1,523	1,523	1,524	1,525	1,526	1,526
Royalties for Regions Fund:							
Regional Community Services Fund.....	7,043	11,950	11,930	25,603	14,872	7,440	6,910
Regional Infrastructure and Headworks Fund.....	-	-	150	900	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	270,485	255,569	255,121	279,431	264,625	258,361	258,060
SURPLUS/(DEFICIENCY) FOR THE PERIOD	26,594	4,289	(1,648)	(563)	2,335	4,828	4,941

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

(b) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 1,849, 1,843 and 1,814 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Local Projects Local Jobs.....	-	-	1,331	-	-	-	-
Other.....	36	-	-	-	-	-	-
Swan and Canning Rivers Community Rivercare.....	-	-	-	-	300	300	300
Swan and Canning Rivers Management.....	6,680	5,340	5,208	4,450	3,950	3,950	3,950
Western Australian Museum (Species Identification in the Pilbara).....	850	1,019	551	-	-	-	-
Wildlife Conservation.....	379	400	400	400	400	400	400
TOTAL	7,945	6,759	7,490	4,850	4,650	4,650	4,650

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CURRENT ASSETS							
Cash assets	41,466	34,431	37,337	37,212	36,741	39,755	42,780
Restricted cash	73,664	69,892	78,815	68,968	68,068	67,168	67,168
Holding account receivables	11,123	11,118	11,118	10,879	10,737	11,802	-
Receivables	21,880	18,793	21,885	21,885	21,885	21,885	21,885
Other	11,991	8,628	11,491	11,355	11,355	11,355	11,355
Total current assets	160,124	142,862	160,646	150,299	148,786	151,965	143,188
NON-CURRENT ASSETS							
Holding account receivables	142,749	155,775	155,775	177,340	200,547	222,689	256,633
Property, plant and equipment	3,415,567	3,456,808	3,427,568	3,434,924	3,421,900	3,409,407	3,396,657
Intangibles	1,664	1,674	1,664	1,590	1,516	1,516	1,192
Restricted cash	70	1,412	1,040	2,010	2,980	3,950	4,020
Other	49,005	52,426	49,517	51,403	51,246	50,499	49,654
Total non-current assets	3,609,055	3,668,095	3,635,564	3,667,267	3,678,189	3,688,061	3,708,156
TOTAL ASSETS	3,769,179	3,810,957	3,796,210	3,817,566	3,826,975	3,840,026	3,851,344
CURRENT LIABILITIES							
Employee provisions	35,771	32,932	35,813	35,825	35,837	35,849	35,861
Payables	13,601	11,118	13,601	13,601	13,601	13,601	13,601
Other	23,684	27,196	24,016	24,276	24,626	24,912	25,196
Total current liabilities	73,056	71,246	73,430	73,702	74,064	74,362	74,658
NON-CURRENT LIABILITIES							
Employee provisions	7,757	10,972	7,757	7,757	7,757	7,757	7,757
Other	14	2,450	15	15	15	15	15
Total non-current liabilities	7,771	13,422	7,772	7,772	7,772	7,772	7,772
TOTAL LIABILITIES	80,827	84,668	81,202	81,474	81,836	82,134	82,430
EQUITY							
Contributed equity	3,041,378	3,061,385	3,069,362	3,263,768	3,270,480	3,277,855	3,283,436
Accumulated surplus/(deficit) ^(b)	174,407	154,561	172,759	(563)	1,772	6,600	11,541
Reserves	472,567	510,343	472,887	472,887	472,887	473,437	473,937
Total equity	3,688,352	3,726,289	3,715,008	3,736,092	3,745,139	3,757,892	3,768,914
TOTAL LIABILITIES AND EQUITY	3,769,179	3,810,957	3,796,210	3,817,566	3,826,975	3,840,026	3,851,344

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

(b) The Accumulated surplus 2016-17 Estimated Actual of \$172.8 million is recognised as Contributed equity from 2017-18 onwards to acknowledge the transfer of functions to the new Department of Biodiversity, Conservation and Attractions.

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	238,242	217,952	217,374	218,960	214,284	215,451	215,680
Capital appropriation.....	1,667	1,377	1,377	2,427	3,762	5,855	5,581
Holding account drawdowns.....	13,646	11,123	11,123	11,118	10,879	10,737	11,802
Royalties for Regions Fund:							
Regional Community Services Fund.....	13,770	19,818	20,241	28,088	17,822	8,960	6,910
Regional Infrastructure and Headworks Fund.....	2,725	22,763	18,256	17,635	-	-	-
Net cash provided by State Government.....	270,050	273,033	268,371	278,228	246,747	241,003	239,973
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(219,856)	(221,029)	(220,314)	(223,450)	(224,155)	(223,360)	(225,366)
Grants and subsidies.....	(8,178)	(6,159)	(7,490)	(4,850)	(4,650)	(4,650)	(4,650)
Supplies and services.....	(81,450)	(81,560)	(80,789)	(99,137)	(85,091)	(78,077)	(76,044)
Accommodation.....	(10,620)	(10,377)	(10,377)	(10,530)	(7,161)	(7,178)	(7,173)
Other payments.....	(74,781)	(57,193)	(56,493)	(59,361)	(57,976)	(57,635)	(57,491)
Receipts ^(b)							
Regulatory fees and fines.....	1,448	1,121	1,121	1,259	1,264	1,269	1,265
Grants and subsidies.....	47,651	32,803	34,134	28,893	28,955	28,945	28,945
Sale of goods and services.....	69,605	67,672	66,797	70,967	72,809	73,221	73,361
GST receipts.....	23,887	15,827	15,827	16,392	16,405	16,405	16,405
Other receipts.....	35,796	39,371	39,371	39,709	38,865	39,018	39,118
Net cash from operating activities.....	(216,498)	(219,524)	(218,213)	(240,108)	(220,735)	(212,042)	(211,630)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(64,905)	(54,742)	(48,667)	(47,700)	(26,913)	(26,377)	(25,748)
Proceeds from sale of non-current assets.....	504	501	501	578	500	500	500
Net cash from investing activities.....	(64,401)	(54,241)	(48,166)	(47,122)	(26,413)	(25,877)	(25,248)
NET INCREASE/(DECREASE) IN CASH HELD							
	(10,849)	(732)	1,992	(9,002)	(401)	3,084	3,095
Cash assets at the beginning of the reporting period.....	125,671	108,717	117,450	119,442	110,440	110,039	113,123
Net cash transferred to/from other agencies.....	2,628	-	-	-	-	-	-
Cash assets at the end of the reporting period.....	117,450	107,985	119,442	110,440	110,039	113,123	116,218

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

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

NET APPROPRIATION DETERMINATION ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Grants and Subsidies							
Grants and Subsidies	46,236	30,733	32,064	26,823	26,835	26,835	26,835
Sale of Goods and Services							
Sale of Goods and Services	20,909	19,893	19,893	20,524	20,583	20,621	20,621
GST Receipts							
GST Input Credits	7,823	5,827	5,827	5,827	5,827	5,827	5,827
GST Receipts on Sales	6,607	5,500	5,500	5,500	5,500	5,500	5,500
Other Receipts							
Other Receipts	26,951	29,079	29,079	29,679	29,779	29,879	29,979
Interest Received	1,948	1,988	1,988	1,988	1,988	1,988	1,988
TOTAL	110,474	93,020	94,351	90,341	90,512	90,650	90,750

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

DETAILS OF ADMINISTERED TRANSACTIONS

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
INCOME							
Royalties							
Fauna Royalties	41	60	60	60	60	60	60
Fines							
Receipts from Regulatory Fees and Fines ...	37	30	30	30	30	30	30
TOTAL ADMINISTERED INCOME	78	90	90	90	90	90	90
EXPENSES							
Other							
Receipts Paid into the Consolidated Account.....	78	90	90	90	90	90	90
TOTAL ADMINISTERED EXPENSES	78	90	90	90	90	90	90

Part 7

Minister for Environment

Minister for Water

Summary of Portfolio Appropriations

Agency	2016-17 Budget \$'000	2016-17 Estimated Actual '000	2017-18 Budget Estimate '000
Water and Environmental Regulation			
– Delivery of Services	86,609	88,528	90,813
– Capital Appropriation	11,091	5,732	11,329
Total	97,700	94,260	102,142
GRAND TOTAL			
– Delivery of Services	86,609	88,528	90,813
– Capital Appropriation	11,091	5,732	11,329
Total.....	97,700	94,260	102,142

Division 13 Water and Environmental Regulation

Part 7 Minister for Environment

Minister for Water

Appropriations, Expenses and Cash Assets ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 20 Net amount appropriated to deliver services ^(b)	88,738	86,023	87,915	90,200	85,148	86,378	91,334
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	578	586	613	613	613	613	613
Total appropriations provided to deliver services.....	89,316	86,609	88,528	90,813	85,761	86,991	91,947
CAPITAL							
Item 95 Capital Appropriation	6,319	11,091	5,732	11,329	6,294	7,603	7,226
TOTAL APPROPRIATIONS	95,635	97,700	94,260	102,142	92,055	94,594	99,173
EXPENSES							
Total Cost of Services.....	172,090	178,097	184,730	180,259	172,320	183,165	183,189
Net Cost of Services ^(c)	69,710	73,735	81,432	71,215	61,308	71,936	71,539
CASH ASSETS ^(d)	65,986	47,528	58,350	55,854	56,162	56,522	57,399

- (a) The 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to amalgamate the Departments of Water and Environment Regulation and the Office of the Environmental Protection Authority on 1 July 2017.
- (b) The Department's net amount appropriated to deliver services from the 2016-17 Estimated Actual onwards includes the transfer of appropriation for staff reallocated from the Department of Finance to various agencies in response to changes to government procurement policy.
- (c) Represents Total Cost of Services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (d) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Election Commitment					
Peel-Harvey Estuary ^(a)	-	-	500	500	500
Other					
2016-17 Estimated Outturn	(114)	(157)	(157)	(157)	(157)
2017-18 Resources Received Free of Charge Review.....	830	830	830	830	830
2017-18 Streamlined Budget Process Incentive Funding.....	-	720	-	-	-
Agency Expenditure Review Savings Measure.....	-	(57)	(57)	(58)	(58)
Asset Investment Plan Funding Reclassifications.....	641	2,495	400	400	400
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(9)	(19)	(28)	(29)
Keralup Iron-Man-Gypsum Testing.....	150	-	-	-	-
Regional Workers Incentive Allowance Payments	-	(34)	(38)	(43)	(20)
Review of Depreciation and Amortisation of Intangibles.....	767	767	767	767	767
Revision to Indexation for Non-Salary Expenses	-	-	(372)	(710)	(962)
Transforming Peel Phase 1	(192)	(470)	-	-	-
Water for Food Innovation and Infrastructure Fund.....	-	(13,500)	(25,190)	(10,243)	4,232
Watering Western Australia.....	-	(5,579)	(5,435)	(11,786)	-
Western Suburbs Regional Organisation of Councils.....	25	35	170	-	-

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

Significant Issues Impacting the Agency

- As a result of Machinery of Government changes announced by the Government on 28 April 2017, and implemented on 1 July 2017, the Department is creating a 'one-stop shop' for industry and developers with the aim of streamlining and simplifying Western Australia's water and environmental regulation.
- The Government has committed to funding the development of a \$1.7 million Container Deposit scheme in Western Australia. The Department is designing the scheme and, following consultation with stakeholders and finalisation of the scheme design, will be responsible for its implementation. It is anticipated that the scheme will commence from 1 January 2019.
- In 2017-18, the Department will review its waste levy policy and the operation of the Waste Avoidance and Resource Recovery Account.
- A series of major initiatives will be implemented over the period from 2017-18 to 2020-21 to support development in the Perth and Peel regions, including delivery of a new water allocation plan to support the long-term, sustainable use of the Gnangara groundwater system (which makes up nearly half of Perth's scheme water supply), improving the management of the Peel-Harvey Estuary and catchment to support long-term water quality improvements and identifying and securing key environmental values in the region.
- As more than 80% of Western Australians live in, or around, estuaries, the Department will continue to deliver priority strategic initiatives to improve the health of some of the State's most at-risk estuaries through the \$20 million Regional Estuaries Initiative and the four year Revitalising Geopraphe Waterways Royalties for Regions projects.
- The Department will work to ensure that water, waste and environmental issues and opportunities for innovative approaches to these issues are considered during urban design and planning, including major Government infrastructure initiatives such as METRONET.
- In 2017-18, the Department will commence work on a Fitzroy River water allocation plan, using the outcomes of scientific programs undertaken by local, State and national organisations and working with community, pastoral and Aboriginal stakeholders.
- As a result of a changing climate, the South West of Western Australia is experiencing declining annual rainfall. This trend is creating significant water resource management and supply planning issues, driving reduced dam inflows, lower stream flows, and declining groundwater levels. In response to this, the Department is undertaking a stocktake of actions and measures being taken across general government agencies and Government Trading Enterprises to guide the Government's future approach and priorities in this area.
- In 2017-18, the Department will finalise the Perth Region Confined Aquifer Capacity study and the RfR funded groundwater investigations and commence a series of investigations in priority areas across the State, including identifying potential water supply options to maintain urban green spaces.
- The Department will continue to provide up-to-date contaminated sites guidance specific to Western Australia, including updates to its Assessment and Management of Contaminated Sites and Use of Monitored Natural Attenuation for Groundwater Remediation guidelines.
- In partnership with Aboriginal stakeholders, industry, technical experts, communities and local governments, the Department will develop a strategy to provide a long-term framework for monitoring and analysing changes to the world-class Aboriginal rock art located at the Burrup Peninsula and to ensure management responses are in place to address any changes to the rock art.
- Strategic monitoring programs to investigate local and ambient air quality issues in regional areas will be commenced, with a focus on Port Hedland, Newman, Kalgoorlie and Collie.
- The Department is seeking to reduce red tape, and simplify how its stakeholders do business, by progressing a comprehensive digital strategy and investigating enhanced data management capacity options. This work will also provide stakeholders with greater online accessibility to information and services, while ensuring security of information.
- Through high-calibre science and strong partnerships across Government, industry, water utilities, research and community stakeholders, the Department will continue to demonstrate how water in the urban landscape can improve the sustainability, productivity, resilience and liveability of Western Australian communities, while achieving water quality improvements in drainage to rivers and estuaries.

Resource Agreement

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

The relationship of Ministers to services is shown below.

Responsible Minister	Services
Minister for Water	1. Water Information and Advice 2. Water Planning, Allocation and Optimisation 3. Water Regulation, Licensing and Industry Governance
Minister for Environment	4. Environmental Regulation 5. Environment Policy 6. Waste Strategies 7. Environmental Impact Assessment Services to the Environmental Protection Authority (EPA) 8. Environmental Management Services to the EPA 9. Compliance Monitoring Services to the Minister for Environment

Outcomes, Services and Key Performance Information

The Outcomes, Services and Key Performance Information reflect the amalgamation of the Departments of Water and Environment Regulation and the Office of the Environmental Protection Authority due to Machinery of Government changes on 1 July 2017. Where practical, the 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual has been recast for comparative purposes.

Relationship to Government Goals

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

Government Goal	Desired Outcomes	Services
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	Western Australia's growth and development is supported by the sustainable management of water resources for the long-term benefit of the State.	1. Water Information and Advice 2. Water Planning, Allocation and Optimisation 3. Water Regulation, Licensing and Industry Governance
	Emissions, discharges and clearing of native vegetation are effectively regulated to avoid unacceptable risks to public health and the environment.	4. Environmental Regulation
	Development and implementation of strategic policy and legislation that promoted sustainable environmental outcomes.	5. Environment Policy
	Waste avoided and the recovery of materials from landfill maximised.	6. Waste Strategies
	Quality advice to the EPA and Minister for Environment on significant proposals and environmental issues.	7. Environmental Impact Assessment Services to the EPA 8. Environmental Management Services to the EPA
	Compliance with Ministerial statement implementation conditions are monitored effectively.	9. Compliance Monitoring Services to the Minister for Environment

Service Summary

Expense	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
1. Water Information and Advice	41,717	40,204	41,348	43,286	38,107	42,781	45,299
2. Water Planning, Allocation and Optimisation	33,407	36,017	40,281	34,373	32,529	35,699	31,166
3. Water Regulation, Licensing and Industry Governance	18,495	16,405	17,797	17,706	16,576	19,389	20,660
4. Environmental Regulation	40,678	40,954	40,463	39,277	39,721	39,732	40,089
5. Environment Policy	6,296	6,999	8,057	6,910	6,988	6,991	7,054
6. Waste Strategies	17,395	23,197	22,163	24,604	24,665	24,670	24,798
7. Environmental Impact Assessment Services to the EPA	8,890	8,958	8,905	8,229	7,956	8,113	8,241
8. Environmental Management Services to the EPA	3,353	3,330	3,562	3,483	3,426	3,433	3,488
9. Compliance Monitoring Services to the Minister for Environment	1,859	2,033	2,154	2,391	2,352	2,357	2,394
Total Cost of Services	172,090	178,097	184,730	180,259	172,320	183,165	183,189

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: Western Australia's growth and development is supported by the sustainable management of water resources for the long-term benefit of the State:					
Proportion of stakeholders who perceive the Department to be effectively managing the State's water as a resource for sustainable, productive use	57%	60%	69%	60%	
Proportion of priority growth areas that have a water supply planning strategy	56%	63%	63%	94%	1
Outcome: Emissions, discharges and clearing of native vegetation are effectively regulated to avoid unacceptable risks to public health and the environment:					
Percentage of regulatory compliance activities completed as planned ^(b)	n/a	n/a	n/a	100%	
Percentage of potential environmental risks identified during compliance monitoring program that are rectified within two months ^(b)	n/a	n/a	n/a	80%	
Outcome: Development and implementation of strategic policy and legislation that promoted sustainable environmental outcomes:					
Percentage of advice and recommendations that met Ministerial approval, without the need for significant modification	99%	95%	99%	95%	
Outcome: Waste avoided and the recovery of materials from landfill maximised:					
Percentage of municipal solid waste reported as diverted from landfill through recycling compared to waste strategy target in the Perth Metropolitan Region	40%	50%	36%	50%	2
Percentage of commercial and industrial waste reported as diverted from landfill through recycling compared to the State-wide waste strategy target	52%	55%	56%	55%	3
Percentage of construction and demolition waste reported as diverted from landfill through recycling compared to the State-wide waste strategy target	42%	60%	57%	60%	4
Outcome: Quality advice to the EPA and the Minister for Environment on significant proposals and environmental issues:					
The EPA's satisfaction with the Department's Environmental Impact Assessment (EIA) services, during the year, in line with Best Practice Principles of EIA	88%	80%	89%	82%	
Percentage of project-specific conditions which did not require significant change following the appeal process	82%	80%	94%	80%	5
Percentage of assessments that met agreed timelines	67%	75%	82%	83%	
The EPA's satisfaction with the Department's provision of environmental management services during the year	87%	80%	83%	83%	
Outcome: Compliance with Ministerial statement implementation conditions are monitored effectively:					
The number of Ministerial statements audited compared to targets	100%	100%	100%	100%	

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

(b) This key effectiveness indicator was introduced for the 2017-18 financial year. Comparative data is not available for prior years.

Explanation of Significant Movements

(Notes)

1. The increase in the proportion of priority growth areas that have a water supply planning strategy between the 2016-17 Estimated Actual and the 2017-18 Budget Target is due to an increase in the expected number of completed reports against the 16 identified priority growth areas over the period from 2013-14 to 2016-17.
2. Municipal solid waste includes construction and demolition waste generated by local governments. There was a reduction of 74,000 tonnes in construction and demolition materials reported as recovered from municipal solid waste between the 2015-16 Actual and the 2016-17 Estimated Actual. This was largely attributable to uncertainty around the discontinuation of local government amalgamations affecting long-term planning decisions about investment in improved mixed waste processing and the recovery of materials from municipal solid waste.
3. An increase of almost 130,000 tonnes of additional commercial and industrial waste between the 2015-16 Actual and the 2016-17 Estimated Actual was reported as recovered, continuing a trend of improved performance.
4. There was a 50% reduction in construction and demolition waste reported as disposed of to landfill between the 2015-16 Actual and the 2016-17 Estimated Actual.
5. Due primarily to improvements in EPA policy and guidance released in December 2016, a high proportion of the recommended conditions did not require significant change.

Services and Key Efficiency Indicators

1. Water Information and Advice

The Department enables investment decisions of regional and State significance through the provision of data and information on the quantity, quality, location of, and demand for, water across the State. The information also underpins policy advice for consideration by Government and supports other Government agencies and stakeholders in their planning for future economic growth and urban and rural development.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 41,717	\$'000 40,204	\$'000 41,348	\$'000 43,286	
Less Income.....	1,663	1,522	291	314	1
Net Cost of Service.....	40,054	38,682	41,058	42,972	
Employees (Full Time Equivalents).....	204	204	203	194	
Efficiency Indicators					
Proportion of Statutory Referrals from Decision-making Authorities Where Advice is Provided within Target Timeframes ^(a)	97%	96%	95%	96%	
Average Cost per Statutory Referral Assessment.....	\$7,675	\$8,898	\$9,457	\$10,273	2
Average Cost per Water Measurement Site Managed.....	\$8,718	\$8,264	\$10,656	\$12,933	3

(a) Decision-making Authorities include the Departments of Water and Environmental Regulation, Planning, Lands and Heritage, Mines, Industry Regulation and Safety and Local Government, Sports and Cultural Industries. The target timeframe is 35 business days.

Explanation of Significant Movements

(Notes)

1. The 2016-17 Estimated Actual income is less than the 2016-17 Budget due to a review and subsequent reduction in the expected levels of revenues received for fees and charges.
2. The increase in the Average Cost per Statutory Referral Assessment in the 2016-17 Estimated Actual compared to the 2016-17 Budget is mainly due to a reduction in the number of assessments carried out while overhead costs increased, resulting in an increase in costs allocated to each application.
3. The increase in Average Cost per Water Measurement Site Managed from the 2016-17 Budget to the 2016-17 Estimated Actual is due to higher depreciation and overhead costs being allocated to a reduced number of currently monitored hydrometric stations.

2. Water Planning, Allocation and Optimisation

Water planning, allocation and optimisation ensure the sustainable management of water resources for the long-term benefit of the State and rely on good science. This includes planning and allocating water for sustainable productive use, protecting public drinking water sources, and ensuring the sustainability of water resources and their dependent ecosystems.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 33,407	\$'000 36,017	\$'000 40,281	\$'000 34,373	1
Less Income.....	494	2,300	207	223	2
Net Cost of Service.....	32,913	33,717	40,074	34,150	
Employees (Full Time Equivalents).....	132	132	146	139	
Efficiency Indicators					
Average Cost per Plan, Report or Guidance Document to Support Water Planning, Allocation and Optimisation.....	\$265,185	\$259,847	\$310,260	\$218,250	3
Average Cost per Hour of Scientific Support for Water Planning, Allocation and Optimisation.....	\$172	\$192	\$221	\$210	4

Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service between the 2016-17 Budget and the 2016-17 Estimated Actual is due to additional spending associated with the Water for Food and Regional Estuaries Initiative RfR projects.
2. The reduction of income between the 2016-17 Budget and the 2016-17 Estimated Actual is following a review of the amount of fees received.
3. The increase in the Average Cost per Plan, Report or Guidance Document to Support Water Planning, Allocation and Optimisation is due to additional spending associated with the Water for Food and Regional Estuaries Initiative RfR projects.
4. The Average Cost per Hour of Scientific Support for Water Planning, Allocation and Optimisation increased between the 2016-17 Budget and the 2016-17 Estimated Actual due to increased expenditure associated with the Water for Food and Regional Estuaries Initiative RfR projects.

3. Water Regulation, Licensing and Industry Governance

Responsible and proportional regulation ensures that investment, growth and development is underpinned by sustainable management of the State's water resources for the long-term benefit of the State. This service includes the management of water licensing and the management of the legislation governing the operations of water service providers.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 18,495	\$'000 16,405	\$'000 17,797	\$'000 17,706	1
Less Income.....	869	475	149	160	2
Net Cost of Service.....	17,626	15,930	17,648	17,546	
Employees (Full Time Equivalents).....	108	108	104	99	
Efficiency Indicators					
Average Cost of Assessing a Water Licence Application by Risk					
Assessment Category:					
Low Risk.....	\$4,099	\$5,553	\$4,136	\$4,709	3
Medium Risk.....	\$4,763	\$4,909	\$6,159	\$5,551	
High Risk.....	\$6,518	\$6,064	\$6,381	\$8,571	
Average Time Taken (Days) to Assess a Licence Application by Risk					
Assessment Category:					
Low Risk.....	62	65	65	65	4
Medium Risk.....	60	75	75	75	
High Risk.....	50	95	57	57	
Average Cost of Compliance Monitoring and Enforcement Action.....	\$839	\$543	\$544	\$576	

Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service between the 2016-17 Budget and the 2016-17 Estimated Actual is due to additional external expenditure including the Transforming Peel project.
2. The reduction in income between the 2016-17 Budget and the 2016-17 Estimated Actual is following a review of the amount of fees expected.
3. The variance between the 2016-17 Budget and the 2016-17 Estimated Actual Average Cost of Assessing a Water Licence Application by Risk Category Assessment for Medium Risk applications is primarily due to increased application volumes.
4. The Average Time Taken (Days) to Assess a Licence Application by Risk Assessment Category variance of High Risk applications between the 2016-17 Budget and the 2016-17 Estimated Actual is due to the implementation of a new recording system which enabled a high volume of High Risk applications to be finalised.

4. Environmental Regulation

The Department seeks to prevent, control and abate activities that have the potential to cause pollution or environmental harm. It has adopted a risk-based approach to delivering its regulatory role, which broadly fits into three main functions:

- approvals and licensing;
- monitoring, audit and compliance inspections; and
- enforcement, including complaint and incident investigation.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	40,678	40,954	40,463	39,277	
Less Income.....	29,821	29,165	29,774	30,646	
Net Cost of Service.....	10,857	11,789	10,689	8,631	
Employees (Full Time Equivalents).....	243	241	243	223	1
Efficiency Indicators					
Average Cost per Works Approval and Licence Application.....	\$14,146	\$19,823	\$28,856	\$24,263	2
Average Cost per Native Vegetation Clearing Permit Application.....	\$7,001	\$7,296	\$7,620	\$7,991	3

Explanation of Significant Movements

(Notes)

1. The decrease in Full Time Equivalents (FTEs) between the 2016-17 Estimated Actual and the 2017-18 Budget Target relates to the change in the methodology applied to the FTEs calculation.
2. The Average Cost per Works Approval and Licence Application increased between the 2016-17 Budget and the 2016-17 Estimated Actual due to a lower number of approvals and applications, without a corresponding reduction in Total Cost of Service, resulting in the allocation of greater expenses per application.
3. The Average Cost per Native Vegetation Clearing Permit Application increased between the 2016-17 Budget and the 2016-17 Estimated Actual due to increased salary costs and a higher number of permit approvals.

5. Environment Policy

Develop and implement policies and strategies that promote environmental outcomes.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	6,296	6,999	8,057	6,910	1
Less Income.....	465	-	135	135	2
Net Cost of Service.....	5,831	6,999	7,922	6,775	
Employees (Full Time Equivalents).....	35	39	44	46	3
Efficiency Indicator					
Average Cost per Hour of Policy Advice and Recommendations	\$95	\$103	\$101	\$107	

Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service between the 2016-17 Budget and the 2016-17 Estimated Actual is due to additional expenditure incurred by the Low Emissions Energy Development grant program.
2. The increase in income between the 2016-17 Budget and the 2016-17 Estimated Actual relates to the interest on investments allocation.
3. The increase in FTEs between the 2016-17 Budget and the 2017-18 Budget Target relates to the change in the methodology applied to the FTEs calculation.

6. Waste Strategies

Waste avoided and the recovery of materials from landfill maximised.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 17,395	\$'000 23,197	\$'000 22,163	\$'000 24,604	
Less Income.....	69,045	70,750	72,591	77,446	
Net Cost of Service.....	(51,650)	(47,553)	(50,428)	(52,842)	
Employees (Full Time Equivalents).....	23	60	44	46	1
Efficiency Indicator					
Cost of Landfill Levy Compliance as a Percentage of Landfill Levy Income Collected.....	2.9%	3%	2.3%	2.8%	

Explanation of Significant Movements

(Notes)

- The decrease in FTEs between the 2016-17 Budget and the 2016-17 Estimated Actual is due to a change in the methodology for determining FTE allocations during 2016-17.

7. Environmental Impact Assessment Services to the EPA

Conduct, for the EPA, environmental impact assessments of significant proposals and schemes.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 8,890	\$'000 8,958	\$'000 8,905	\$'000 8,229	
Less Income.....	15	150	151	120	
Net Cost of Service.....	8,875	8,808	8,754	8,109	
Employees (Full Time Equivalents).....	52	52	54	51	
Efficiency Indicator					
Cost per Standardised Unit of Assessment Output.....	\$30,760	\$29,362	\$29,901	\$23,513	

8. Environmental Management Services to the EPA

Develop, for the EPA, statutory policies, guidelines and strategic advice to manage environmental impacts and protect the environment.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 3,353	\$'000 3,330	\$'000 3,562	\$'000 3,483	
Less Income.....	5	-	-	-	
Net Cost of Service.....	3,348	3,330	3,562	3,483	
Employees (Full Time Equivalents).....	18	20	22	21	
Efficiency Indicator					
Cost per Standardised Unit of Environmental Management Services Output....	\$46,573	\$33,297	\$26,983	\$26,790	1

Explanation of Significant Movements

(Notes)

- The Cost per Standardised Unit of Environmental Management Services Output indicator measures policy and strategic advice prepared for the EPA. The 2016-17 Estimated Actual reduced relative to the 2016-17 Budget due to a lower complexity of policies and strategic advice work carried out.

9. Compliance Monitoring Services to the Minister for Environment

Audit the compliance with conditions set under Ministerial approvals and undertake enforcement action as appropriate.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 1,859	\$'000 2,033	\$'000 2,154	\$'000 2,391	
Less Income.....	3	-	-	-	
Net Cost of Service.....	1,856	2,033	2,154	2,391	
Employees (Full Time Equivalents).....	12	12	16	15	
Efficiency Indicator					
Average Cost per Environmental Audit Completed.....	\$29,985	\$33,875	\$35,907	\$39,846	

Asset Investment Program

The Department is forecast to spend \$17.1 million on its Asset Investment Program (AIP) in 2017-18, and \$60.1 million over the forward estimates period. This expenditure will see the purchase of Priority 1 Land Acquisition, and the completion of the Kent Street Weir, the Water Online and the Peel Development Commission Transforming Peel Stage 1 projects.

The Department will also continue investment in:

- the groundwater investigation and monitoring bore program;
- the plant and equipment asset replacement program; and
- information and communications technology, in order to integrate one or more of the legacy applications inherited as part of the Machinery of Government amalgamation with the Water Online project.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
WORKS IN PROGRESS							
Engineering Works - Kent Street Weir.....	4,805	1,805	1,687	3,000	-	-	-
Water Online.....	14,132	13,896	1,491	236	-	-	-
COMPLETED WORKS							
Computing and Office Equipment Replacement Program ... Information Management and Equipment Case Management System.....	531	531	6	-	-	-	-
Peel Development Commission Transforming Peel Stage 1 - 2016-17 Program.....	263	263	186	-	-	-	-
Pilbara Cities Initiative ^(a)	192	192	192	-	-	-	-
Plant and Equipment 2015-16 Program.....	12,292	12,292	682	-	-	-	-
2016-17 Program.....	875	875	561	-	-	-	-
Plant, Equipment and Minor Works - 2016-17 Program....	167	167	167	-	-	-	-
Replace and Maintain Monitoring Bores 2016-17 Program.....	120	120	120	-	-	-	-
Replace and Maintain River Gauging Stations 2016-17 Program.....	2,764	2,764	2,764	-	-	-	-
State Groundwater Investigation - 2016-17 Program.....	1,574	1,574	1,574	-	-	-	-
Upgrades to Oxygenation Plants - Bacon Street and Camsell Way.....	2,528	2,528	2,528	-	-	-	-
Water Modelling - 2016-17 Program.....	765	765	597	-	-	-	-
NEW WORKS	1,327	1,327	1,327	-	-	-	-
Land Purchase in Priority 1 Areas 2016-17 Program.....	2,738	-	-	2,738	-	-	-
2019-20 Program.....	1,000	-	-	-	-	1,000	-
2020-21 Program.....	1,000	-	-	-	-	-	1,000
Peel Development Commission - Transforming Peel Stage 1 - 2017-18 Program.....	470	-	-	470	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Plant, Equipment and Minor Works							
2017-18 Program	2,055	-	-	2,055	-	-	-
2018-19 Program	1,328	-	-	-	1,328	-	-
2019-20 Program	1,346	-	-	-	-	1,346	-
2020-21 Program	1,410	-	-	-	-	-	1,410
Replace and Maintain Monitoring Bores							
2017-18 Program	2,843	-	-	2,843	-	-	-
2018-19 Program	4,492	-	-	-	4,492	-	-
2019-20 Program	4,492	-	-	-	-	4,492	-
2020-21 Program	4,492	-	-	-	-	-	4,492
Replace and Maintain River Gauging Stations							
2017-18 Program	1,507	-	-	1,507	-	-	-
2018-19 Program	2,148	-	-	-	2,148	-	-
2019-20 Program	2,148	-	-	-	-	2,148	-
2020-21 Program	2,148	-	-	-	-	-	2,148
State Groundwater Investigation Program							
2017-18 Program	2,943	-	-	2,943	-	-	-
2018-19 Program	3,974	-	-	-	3,974	-	-
2019-20 Program	4,519	-	-	-	-	4,519	-
2020-21 Program	4,295	-	-	-	-	-	4,295
Water Modelling							
2017-18 Program	1,347	-	-	1,347	-	-	-
2018-19 Program	1,367	-	-	-	1,367	-	-
2019-20 Program	1,387	-	-	-	-	1,387	-
2020-21 Program	1,408	-	-	-	-	-	1,408
Total Cost of Asset Investment Program.....	99,192	39,099	13,882	17,139	13,309	14,892	14,753
FUNDED BY							
Capital Appropriation			5,732	11,329	6,294	7,603	7,226
Drawdowns from the Holding Account.....			3,887	4,622	7,015	7,289	7,527
Internal Funds and Balances.....			3,660	1,188	-	-	-
Other			80	-	-	-	-
Drawdowns from Royalties for Regions Fund ^(b)			523	-	-	-	-
Total Funding.....			13,882	17,139	13,309	14,892	14,753

(a) Funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund.

Financial Statements

The 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to amalgamate the Departments of Water and Environment Regulation and the Office of the Environmental Protection Authority on 1 July 2017.

Income Statement

Expenses

The decrease in Total Cost of Services in 2017-18 and 2018-19 is due to an increase in grant expenditure for Watering WA funded projects and Water for Food Infrastructure Fund, offset by a reduction in employee benefits and supplies and services costs.

Statement of Financial Position

The Department's total equity is expected to increase by \$9.8 million in 2017-18 compared to the 2016-17 Estimated Actual. This is mainly attributable to increases in non-current assets from the AIP.

INCOME STATEMENT ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	94,523	101,733	103,823	99,592	95,447	94,962	96,770
Grants and subsidies ^(c)	15,991	16,827	12,314	14,209	18,089	28,509	27,048
Supplies and services.....	34,542	32,648	42,469	38,306	30,497	30,444	25,718
Accommodation.....	10,238	10,752	10,471	10,542	10,615	10,659	10,734
Depreciation and amortisation.....	9,815	9,195	11,381	13,334	13,376	14,302	18,622
Other expenses.....	6,981	6,942	4,272	4,276	4,296	4,289	4,297
TOTAL COST OF SERVICES	172,090	178,097	184,730	180,259	172,320	183,165	183,189
Income							
Sale of goods and services.....	4,042	4,108	3,783	3,783	3,783	3,783	3,783
Regulatory fees and fines.....	22,217	25,111	22,925	23,797	26,311	26,724	27,145
Grants and subsidies.....	4,230	2,467	5,098	3,951	3,355	3,187	3,187
Landfill Levy.....	68,046	70,000	70,000	76,000	76,000	76,000	76,000
Other revenue.....	3,845	2,676	1,492	1,513	1,563	1,535	1,535
Total Income	102,380	104,362	103,298	109,044	111,012	111,229	111,650
NET COST OF SERVICES	69,710	73,735	81,432	71,215	61,308	71,936	71,539
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	89,316	86,609	88,528	90,813	85,761	86,991	91,947
Resources received free of charge.....	2,091	1,077	1,817	1,775	1,734	1,743	1,743
Royalties for Regions Fund:							
Regional Community Services Fund.....	8,486	9,000	10,530	8,261	5,443	17,095	18,595
Regional Infrastructure and Headworks Fund.....	3,725	9,018	8,695	8,905	8,341	6,334	-
TOTAL INCOME FROM STATE GOVERNMENT	103,618	105,704	109,570	109,754	101,279	112,163	112,285
SURPLUS/(DEFICIENCY) FOR THE PERIOD	33,908	31,969	28,138	38,539	39,971	40,227	40,746

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

(b) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 827, 876 and 834 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Contaminated Sites Management Account							
Grants.....	11	442	442	442	442	442	442
Grants - Other.....	14	-	58	-	-	-	-
Low Emissions Energy Development Fund.....	568	1,018	1,018	-	-	-	-
Mowanjum Pastoral Lease Irrigation Trial	322	-	-	-	-	-	-
Royalties for Regions - Watering WA	-	-	685	700	2,080	-	-
Rural Water Grants.....	1,624	2,350	1,474	2,350	1,950	1,950	1,250
State-wide Water Efficiency Measures.....	56	50	53	50	50	50	50
Waste Avoidance and Resource Recovery Account.....	13,040	12,550	8,284	10,250	10,150	10,150	10,150
Water for Food Water Innovation and Infrastructure Fund.....	-	-	-	-	3,000	15,500	14,739
Water Innovation Partnership.....	197	267	173	267	267	267	267
Water Sensitive Cities - Cooperative Research Centre.....	159	150	127	150	150	150	150
TOTAL	15,991	16,827	12,314	14,209	18,089	28,509	27,048

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CURRENT ASSETS							
Cash assets	12,451	13,098	9,958	10,080	11,946	13,468	15,672
Restricted cash	53,535	33,968	48,045	45,056	43,139	41,617	39,914
Holding account receivables	6,342	6,567	6,617	7,711	7,689	7,977	7,977
Receivables	2,950	2,931	1,214	1,214	1,214	1,214	1,214
Other	18,894	20,364	17,737	17,737	17,737	17,737	17,737
Assets held for sale	1,701	2,237	-	-	-	-	-
Total current assets	95,873	79,165	83,571	81,798	81,725	82,013	82,514
NON-CURRENT ASSETS							
Holding account receivables	20,049	22,677	24,532	32,318	38,616	45,556	56,868
Property, plant and equipment	262,933	293,523	266,589	274,245	278,645	284,336	289,830
Intangibles	26,933	13,726	25,772	21,953	17,557	12,435	3,073
Restricted cash	-	462	347	718	1,077	1,437	1,813
Other	92	795	81	59	48	39	38
Total non-current assets	310,007	331,183	317,321	329,293	335,943	343,803	351,622
TOTAL ASSETS	405,880	410,348	400,892	411,091	417,668	425,816	434,136
CURRENT LIABILITIES							
Employee provisions	19,722	19,171	19,346	19,515	19,686	19,861	20,037
Payables	3,187	5,042	1,503	1,503	1,503	1,503	1,503
Other	1,012	2,967	1,066	1,249	1,410	1,573	1,734
Total current liabilities	23,921	27,180	21,915	22,267	22,599	22,937	23,274
NON-CURRENT LIABILITIES							
Employee provisions	5,504	5,719	5,432	5,471	5,511	5,551	5,592
Other	7	6	7	7	7	7	7
Total non-current liabilities	5,511	5,725	5,439	5,478	5,518	5,558	5,599
TOTAL LIABILITIES	29,432	32,905	27,354	27,745	28,117	28,495	28,873
EQUITY							
Contributed equity	289,621	286,740	284,040	284,307	250,541	218,084	185,280
Accumulated surplus/(deficit) ^(b)	26,327	31,969	28,138	38,539	78,510	118,737	159,483
Reserves	60,500	58,734	61,360	60,500	60,500	60,500	60,500
Total equity	376,448	377,443	373,538	383,346	389,551	397,321	405,263
TOTAL LIABILITIES AND EQUITY	405,880	410,348	400,892	411,091	417,668	425,816	434,136

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

(b) The Accumulated surplus 2016-17 Estimated Actual of \$28.1 million is recognised as Contributed equity from 2017-18 onwards to acknowledge the transfer of functions to the new Department of Water and Environmental Regulation.

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	81,607	77,414	79,298	77,311	72,174	72,474	73,108
Capital appropriation.....	6,319	11,091	5,732	11,329	6,294	7,603	7,226
Holding account drawdowns.....	6,020	6,342	4,472	4,622	7,311	7,289	7,527
Royalties for Regions Fund:							
Regional Community Services Fund.....	8,486	9,000	10,530	8,261	5,443	17,095	18,595
Regional Infrastructure and Headworks Fund.....	5,175	9,553	9,218	8,905	8,341	6,334	-
Receipts paid into Consolidated Account.....	(28,250)	(35,530)	(35,530)	(40,030)	(40,030)	(40,030)	(40,030)
Net cash provided by State Government.....	79,357	77,870	73,720	70,398	59,533	70,765	66,426
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(97,044)	(101,110)	(104,155)	(99,201)	(95,075)	(94,584)	(96,392)
Grants and subsidies.....	(16,676)	(16,827)	(12,314)	(14,209)	(18,089)	(28,509)	(27,048)
Supplies and services.....	(33,282)	(31,020)	(42,100)	(34,672)	(26,807)	(26,739)	(21,984)
Accommodation.....	(10,288)	(10,752)	(10,471)	(10,542)	(10,625)	(10,669)	(10,744)
Other payments.....	(12,915)	(16,836)	(12,900)	(14,662)	(13,453)	(13,680)	(12,026)
Receipts ^(b)							
Regulatory fees and fines.....	22,927	25,111	22,871	23,797	26,311	26,724	27,145
Grants and subsidies.....	4,308	2,467	5,098	3,951	3,355	3,187	3,187
Sale of goods and services.....	4,007	4,108	3,783	3,783	3,783	3,783	3,783
Landfill Levy.....	68,987	70,000	70,054	76,000	76,000	76,000	76,000
GST receipts.....	6,953	9,275	9,105	8,487	7,221	7,439	5,748
Other receipts.....	3,582	2,676	1,854	1,513	1,463	1,535	1,535
Net cash from operating activities.....	(59,441)	(62,908)	(69,175)	(55,755)	(45,916)	(55,513)	(50,796)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(19,022)	(19,967)	(13,882)	(17,139)	(13,309)	(14,892)	(14,753)
Proceeds from sale of non-current assets.....	1,460	-	1,701	-	-	-	-
Net cash from investing activities.....	(17,562)	(19,967)	(12,181)	(17,139)	(13,309)	(14,892)	(14,753)
NET INCREASE/(DECREASE) IN CASH HELD							
	2,354	(5,005)	(7,636)	(2,496)	308	360	877
Cash assets at the beginning of the reporting period.....	63,632	52,533	65,986	58,350	55,854	56,162	56,522
Cash assets at the end of the reporting period.....	65,986	47,528	58,350	55,854	56,162	56,522	57,399

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

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

NET APPROPRIATION DETERMINATION ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Regulatory Fees and Fines							
Regulatory Fees - Receipts	22,927	25,111	22,871	23,797	26,311	26,724	27,145
Grants and Subsidies							
Other Grants and Contributions	4,308	2,467	5,098	3,951	3,355	3,187	3,187
Sale of Goods and Services							
Sales of Goods and Services	4,007	4,108	3,783	3,783	3,783	3,783	3,783
Landfill Levy							
Landfill Levy	68,987	70,000	70,054	76,000	76,000	76,000	76,000
GST Receipts							
GST Receipts	6,953	9,275	9,105	8,487	7,221	7,439	5,748
Other Receipts							
Interest Received	1,412	750	750	750	750	750	750
Lease of Commercial Land and Buildings	458	441	296	319	344	346	346
Other Receipts	1,712	1,485	808	444	369	439	439
TOTAL	110,764	113,637	112,765	117,531	118,133	118,668	117,398

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

DETAILS OF ADMINISTERED TRANSACTIONS

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
INCOME							
Commonwealth Grants							
National Water Infrastructure Development Fund - Feasibility	-	-	2,516	3,770	-	-	-
Fines							
Regulatory Fines	212	55	55	55	55	55	55
TOTAL ADMINISTERED INCOME	212	55	2,571	3,825	55	55	55
EXPENSES							
Grants to Charitable and Other Public Bodies							
National Water Infrastructure Development Fund - Feasibility	-	-	2,516	3,770	-	-	-
Other							
Receipts Paid into the Consolidated Account	212	55	55	55	55	55	55
TOTAL ADMINISTERED EXPENSES	212	55	2,571	3,825	55	55	55

Agency Special Purpose Account Details

CONTAMINATED SITES MANAGEMENT ACCOUNT

Account Purpose: The purpose of the trust account is to enable investigation or remediation of any site where the State or a public authority (excluding Local Government) is responsible for remediation.

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000
Opening Balance	1,325	998	1,771	1,629
Receipts:				
Other	478	335	300	300
	1,803	1,333	2,071	1,929
Payments	32	442	442	442
CLOSING BALANCE	1,771	891	1,629	1,487

WASTE AVOIDANCE AND RESOURCE RECOVERY ACCOUNT

Account Purpose: The purpose of the trust account is to fund nominated programs and other waste management initiatives approved by the Minister for Environment on the advice of the Waste Authority of Western Australia.

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000
Opening Balance	20,628	17,658	30,398	33,247
Receipts:				
Other	26,882	18,250	18,055	19,750
	47,510	35,908	48,453	52,997
Payments	17,112	17,334	15,206	19,000
CLOSING BALANCE	30,398	18,574	33,247	33,997

RESERVE 31165 TRUST ACCOUNT

Account Purpose: The purpose of the trust account is to hold moneys to be used for the purposes of protecting the water resource values of Lake Argyle and the Ord River Dam, protecting the Lake Argyle wetland values and maintaining and enhancing the traditional culture of the Miriwung-Gajerrong people.

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000
Opening Balance	-	-	-	387
Receipts:				
Other	-	-	399	48
	-	-	399	435
Payments	-	-	12	12
CLOSING BALANCE	-	-	387	423

Part 8

Minister for Child Protection; Women's Interests; Prevention of Family and Domestic Violence; Community Services

Minister for Disability Services

Minister for Housing; Veterans Issues; Youth

Minister for Seniors and Ageing; Volunteering

Summary of Portfolio Appropriations

Agency	2016-17 Budget \$'000	2016-17 Estimated Actual '000	2017-18 Budget Estimate '000
Communities			
– Delivery of Services	1,457,212	1,458,980	1,618,176
– Administered Grants, Subsidies and Other Transfer Payments	300	300	300
– Capital Appropriation	2,338	3,945	32,818
Total	1,459,850	1,463,225	1,651,294
GRAND TOTAL			
– Delivery of Services	1,457,212	1,458,980	1,618,176
– Administered Grants, Subsidies and Other Transfer Payments	300	300	300
– Capital Appropriation	2,338	3,945	32,818
Total.....	1,459,850	1,463,225	1,651,294

Division 14 Communities

Part 8 Minister for Child Protection; Women's Interests; Prevention of Family and Domestic Violence; Community Services

Minister for Disability Services

Minister for Housing; Veterans Issues; Youth

Minister for Seniors and Ageing; Volunteering

Appropriations, Expenses and Cash Assets ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 21 Net amount appropriated to deliver services ^(b)	1,472,042	1,456,516	1,458,279	1,617,475	1,780,627	1,878,592	1,681,712
Contribution to the Western Australian Family Foundation Trust Account.....	250	-	-	-	-	-	-
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975.....	696	696	701	701	701	701	701
Total appropriations provided to deliver services.....	1,472,988	1,457,212	1,458,980	1,618,176	1,781,328	1,879,293	1,682,413
ADMINISTERED TRANSACTIONS							
Item 22 Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....	300	300	300	300	300	300	300
CAPITAL							
Item 96 Capital Appropriation	71,329	2,338	3,945	32,818	7,500	9,008	1,830
TOTAL APPROPRIATIONS	1,544,617	1,459,850	1,463,225	1,651,294	1,789,128	1,888,601	1,684,543
EXPENSES							
Total Cost of Services.....	3,051,556	3,318,559	3,202,410	3,671,631	3,695,606	4,054,590	4,289,162
Net Cost of Services ^(c)	1,516,292	1,466,158	1,686,291	1,720,002	1,907,624	1,984,247	1,770,182
CASH ASSETS ^(d)	442,325	332,439	308,191	377,845	247,986	318,815	363,952

(a) The 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to amalgamate the Department for Child Protection and Family Support, the Disability Services Commission and the Housing Authority, as well as community service functions transferred from the Department of Local Government and Communities, the community patrol program and regional-related services transferred from the Department of Aboriginal Affairs and the Regional Services Reform Unit transferred from the Department of Regional Development. The recast figures also reflect the transfer of funding responsibility for the Anzac Day Trust to the Department of Communities.

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

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

(d) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Election Commitments					
Dalyellup Family Centre	-	-	-	1,500	-
Funding for Financial Counselling Services	-	1,018	2,081	2,133	2,186
Local Projects Local Jobs	539	1,770	-	-	-
Remote Swimming Pools - Balgo and Kalumburu	-	4,000	7,300	3,615	615
Stopping Family and Domestic Violence					
Culturally Appropriate Services to Aboriginal and Culturally and Linguistically Diverse Victims of Domestic Violence	-	407	416	427	437
Family and Domestic Violence Counselling Services in the Peel Region	-	64	260	267	273
Male Perpetrators of Family and Domestic Violence Service	-	200	-	-	-
National 'Our Watch' Program	-	120	123	126	129
Respectful Relationship Programs in Schools	-	127	260	267	273
Two Additional Women's Refuges	-	-	-	1,066	2,186
Target 120 Program Development	-	600	-	-	-
Other					
2016-17 Estimated Outturn	(47,602)	-	-	-	-
Accommodation Movements	-	401	239	214	-
Adjustments to Commonwealth Grants					
National Affordable Housing Agreement	(827)	(543)	-	-	-
National Disability Agreement Specific Purpose Payments	-	339	587	747	-
National Partnership Agreement (NPA) on Homelessness	-	15,420	-	-	-
NPA on Pay Equity for the Social and Communities Sector	-	22,716	4,695	-	-
District Allowance	(18)	(253)	(305)	(380)	1,801
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(10)	(21)	(32)	(43)
Government Trading Enterprise Efficiency Dividend	-	(16,750)	(22,314)	(26,381)	(32,977)
Growth Funding - Pre-NDIS Disability Services	-	8,305	13,431	8,421	-
Hardship Utility Grant Scheme	9,015	12,569	12,681	10,181	10,181
Memorandum of Understanding with Child and Adolescent Health Services	208	502	513	526	-
National Disability Insurance Scheme	-	305,582	518,670	864,523	1,109,454
National Rental Affordability Scheme	-	1,995	-	-	-
Non-Government Human Services Sector Indexation Adjustment	-	(5,988)	(4,732)	(2,818)	(1,679)
Regional Services Reform Unit - Provision for Continuation	-	-	4,471	-	-
Remote Essential and Municipal Services Program	-	-	-	56,000	56,000
Revision to Indexation for Non-Salary Expenses	-	(125)	(973)	(2,558)	(4,169)
Revisions to Own Source Revenue Estimates	(359)	(410)	(527)	(632)	(743)
Transfer of Aboriginal Client Records to the Department of Local Government, Sport and Cultural Industries	-	(47)	(47)	(47)	(47)

Significant Issues Impacting the Agency

- The Department will provide services to a diverse range of Western Australians, including people with disability, children who are in the legal care of the State and those who need a place to call home. The focus is on people so they can thrive and have real life choices. The Machinery of Government change has provided a unique opportunity to influence and better support the lives of individuals, families and entire communities. Some people are frustrated by trying to access human services from multiple government agencies. The new portfolio will seek to cut red tape and better integrate services that meet individual, family and community needs. This will be done with a clear focus on inclusion, building resilience and providing services and support based on individual needs.
- The State-wide roll-out of the National Disability Insurance Scheme (NDIS) will be a high priority for the Department. While the decision about the delivery model for the NDIS is yet to be determined, the transition to full scheme commenced on 1 July 2017 in the Pilbara, Kimberley and South Metropolitan areas (i.e. Rockingham and Mandurah). This is in addition to the existing Lower South West and Cockburn-Kwinana NDIS trial areas.
- The expansion of the non-government services sector, including increase in supply, geographical reach and diversity of service offerings, is critically important for the successful roll-out of the NDIS in Western Australia. The Department has a key role to play in promoting and supporting the development of the sector.

- Demand for child protection services in Western Australia continues to grow. The Department is responding to more notifications of children at risk of abuse and harm, as well as reports of family and domestic violence. In addition, an increasing number of children are being placed in care for their safety.
- Children are entering care earlier, staying longer and exhibiting increasingly complex behaviours. There is extra pressure on the capacity of the Department and the community services sector to recruit and support foster carers. The pressure is particularly notable for Aboriginal children who are mostly cared for by extended family members who need wide-ranging supports and services.
- To address these significant issues, the Department is focusing on two strategic priorities:
 - earlier and more targeted supports to Aboriginal children and families to prevent Aboriginal children from entering care; and
 - more effective supports for children in out-of-home care to improve their life outcomes.
- The reforms in progress aim to create system-wide shifts and rely on partnerships across Government and the community sector, to better align and coordinate services to high-risk children and families with multiple and complex needs, particularly Aboriginal families.
- The Department has begun planning to implement various election commitments including:
 - a significant number of new family and domestic violence initiatives and services, including becoming a member of the national Our Watch program;
 - an Aboriginal short-stay facility in Broome (procurement phase); and
 - developing the Target 120 program, a scheme targeting the most prolific 120 juvenile offenders and their families to help turn lives around and reduce the rate of offending in the community.
- The implementation of these election commitments amid a period of wide-ranging reforms requires intensive cross-agency planning, consultation, coordination and risk management.
- There is a growing unmet need for financial counselling services for vulnerable families and individuals in the metropolitan area, due to current economic conditions, low wages growth and other factors. Current services are achieving positive outcomes for their clients, and additional funding over the next four years and revised procurement arrangements will enable the services to be expanded.
- There is a growing community demand for high quality and consistent early childhood education and care services. All services are visited annually to monitor compliance against the National Law and Regulations. All services are assessed and given a national quality standard rating. These standards are currently under review, with enhanced standards expected to be implemented in 2018.
- The social, economic and cultural value of volunteering in Western Australia is estimated at \$39 billion per annum. Assistance continues to be needed for organisations to recruit, screen, train, manage and support volunteers, and for their contributions to the community to be promoted and celebrated in annual awards.
- More than 320,000 Western Australians are providing unpaid care in the community, in response to the needs of growing numbers of seniors, people with disability and children being raised by grandparents. Programs are provided that raise awareness of carers and their rights.
- With the proportion of Western Australia's population aged over 60 years continuing to grow, there is increasing demand for services for seniors. It is therefore essential that these services, concessions and benefits are well targeted and sustainable. Support is also provided to assist planning for age-friendly communities, to encourage active participation by seniors in community life and to prevent elder abuse.
- There are half a million young people aged 12 to 25 in Western Australia requiring encouragement and support in navigating the transition to adulthood. The Government invests in a range of programs to develop youth leadership, life skills and participation in community life, and supports events and awards that promote and celebrate youth achievement.
- The barriers to women's full participation in the workforce continue to be reflected in low levels of representation in senior leadership positions, board membership and science, technology, engineering and maths (STEM) occupations. The gender pay gap in Western Australia is larger than the national average, and women are achieving lower levels of economic independence at retirement. A range of collaborative, cross-agency initiatives are promoted and supported that address these issues.

- Affordable housing is still out of reach for many Western Australians on low incomes even though the Western Australian property market has been in a cyclical downswing over the past few years. As at March 2017, the median house price in Perth was \$506,500, with a lower quartile price of \$405,000, and median rents at \$360 per week with lower quartile rents at \$320 per week. The gap between what people can afford and what it costs means that there is an ongoing demand and need for assistance across the housing continuum. This includes sustained demand and need for social housing (including from people who also have health, disability or complex personal circumstances in addition to low incomes), with an overall waiting list of 16,516 and a priority waitlist of 1,590 households as at 30 June 2017.
- The Commonwealth has proposed changes to funding for social housing and homelessness services to take effect from 1 July 2018. The Commonwealth is seeking to replace both the National Affordable Housing Agreement and NPA on Homelessness with a new National Housing and Homelessness Agreement, which is broader in scope than current agreements but with no additional funding allocated in the Federal Budget. State officials are actively engaged with the Commonwealth and other jurisdictions to progress these negotiations but the scope of the new agreement is not finalised and the timeframe for negotiating the new agreement may be difficult to achieve. In addition, to date, there is no further Commonwealth funding commitment beyond 2017-18 in relation to housing in remote communities after the current National Partnership on Remote Housing concludes on 30 June 2018.
- The Commonwealth's proposed National Housing Finance and Investment Corporation, which will look to increase private sector investment into social and affordable rental housing, has potential to alleviate some of the demand pressures for rental housing in the long-term. The Department will continue to work closely with the Department of Treasury to maximise the outcomes for social and affordable housing that can be achieved under this initiative.
- The Department, through the State funded Remote Essential and Municipal Services (REMS) program, is responsible for maintaining essential services infrastructure and the provision of fuel, maintenance of power, water, waste water, and other local government like activities e.g. rubbish collection, landfill management, maintenance of roads, cemeteries and aerodromes, to specified remote Aboriginal communities. The Commonwealth Government's withdrawal from key areas of services delivery, which took effect from 1 July 2015, presents significant challenges in small, isolated locations (especially in a state as large as Western Australia), as does the continuing withdrawal of Commonwealth funding for capital upgrades and replacement of ageing infrastructure. The Department will receive \$66 million in 2017-18 for the delivery of key essential and municipal services in remote Aboriginal communities. Over the next four years, the State Government has committed \$244 million for the REMS program.

Resource Agreement

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister for Child Protection; Women's Interests; Prevention of Family and Domestic Violence; Community Services, Minister for Disability Services, Minister for Housing; Veterans Issues; Youth, Minister for Seniors and Ageing; Volunteering, the Accountable Authority and the Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

The relationship of Ministers to services is shown below.

Responsible Minister	Services
Minister for Child Protection; Women's Interests; Prevention of Family and Domestic Violence; Community Services	1. Homelessness and Other Support Services 2. Preventing and Responding to Family and Domestic Violence 3. Earlier Intervention and Family Support Services 4. Working with Children Checks 5. Child Protection Assessments and Investigations 6. Care Arrangements for Children in the Chief Executive Officer's (CEO's) Care 7. Support Services for Children in the CEO's Care 8. Regulation and Support of the Early Education and Care Sector
Minister for Child Protection; Women's Interests; Prevention of Family and Domestic Violence; Community Services Minister for Seniors and Ageing; Volunteering	9. Payments to Individuals 10. Delivery of Community Services, Grants and Resources
Minister for Disability Services	11. Planning and Coordination 12. Residential Services 13. Community Living Support 14. Independent Living Support 15. Therapy and Specialised Care 16. Community Participation 17. Advocacy, Access and Inclusion
Minister for Housing; Veterans Issues; Youth	18. Rental Housing 19. Home Loans 20. Land and Housing Supply 21. Government Regional Officers' Housing

Outcomes, Services and Key Performance Information

The Outcomes, Services and Key Performance Information reflect the Machinery of Government changes to amalgamate the Department for Child Protection and Family Support, the Disability Services Commission and the Housing Authority, as well as community service functions transferred from the Department of Local Government and Communities, the community patrol program and regional-related services transferred from the Department of Aboriginal Affairs and the Regional Services Reform Unit transferred from the Department of Regional Development on 1 July 2017. Where practical, the 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual has been recast for comparative purposes.

Relationship to Government Goals

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

Government Goal	Desired Outcomes	Services
Strong Communities: Safe communities and supported families.	Families and individuals experiencing homelessness or other crises are assisted to overcome these crises.	1. Homelessness and Other Support Services
	People who have experienced or are at risk of experiencing family and domestic violence are and remain safe.	2. Preventing and Responding to Family and Domestic Violence
	Children and young people at risk of needing protection are kept safe, diverted from the child protection system and prevented from entering care.	3. Earlier Intervention and Family Support Services
	Children and young people needing protection are safe from abuse and harm.	4. Working with Children Checks 5. Child Protection Assessments and Investigations
	Children and young people in the CEO's care receive a high quality of care and have much improved life outcomes.	6. Care Arrangements for Children in the CEO's Care 7. Support Services for Children in the CEO's Care
	The Early Education and Care sector met required quality standards.	8. Regulation and Support of the Early Education and Care Sector
	Seniors received concessions and rebates administered by the Department.	9. Payments to Individuals
	Local community services and community building programs met the identified needs of individuals and families.	10. Delivery of Community Services, Grants and Resources
	People with disability have choice and control in determining services that meet individual needs.	11. Planning and Coordination
	The quality of life of people with disability is enhanced.	12. Residential Services 13. Community Living Support 14. Independent Living Support 15. Therapy and Specialised Care
	People with disability have the opportunity to participate in community life.	16. Community Participation 17. Advocacy, Access and Inclusion
	Housing eligible Western Australians.	18. Rental Housing 19. Home Loans 20. Land and Housing Supply 21. Government Regional Officers' Housing

Service Summary

Expense	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
1. Homelessness and Other Support Services.....	76,640	76,234	78,793	85,793	61,132	57,171	53,408
2. Preventing and Responding to Family and Domestic Violence.....	39,783	41,604	43,285	46,064	44,943	43,445	45,149
3. Earlier Intervention and Family Support Services.....	86,845	85,635	74,975	80,648	78,759	79,394	79,655
4. Working with Children Checks.....	13,925	14,079	12,271	12,562	12,448	12,573	12,683
5. Child Protection Assessments and Investigations.....	77,435	77,317	79,392	82,827	83,261	84,287	85,154
6. Care Arrangements for Children in the CEO's Care.....	241,810	258,636	265,352	279,007	288,390	301,132	315,817
7. Support Services for Children in the CEO's Care.....	86,540	88,734	93,797	98,504	100,284	102,326	104,491
8. Regulation and Support of the Early Education and Care Sector.....	14,935	14,075	16,114	17,063	14,685	14,734	14,837
9. Payments to Individuals.....	25,035	26,180	26,234	28,909	29,659	31,335	31,339
10. Delivery of Community Services, Grants and Resources.....	55,037	56,826	58,331	56,000	47,532	49,861	48,757
11. Planning and Coordination.....	47,209	53,376	60,522	99,703	138,759	168,923	183,235
12. Residential Services.....	71,614	80,845	65,185	66,357	67,020	68,425	58,784
13. Community Living Support.....	274,328	272,321	265,320	330,720	368,786	440,423	471,673
14. Independent Living Support.....	245,503	246,506	235,406	303,467	342,238	421,018	446,995
15. Therapy and Specialised Care.....	94,789	99,038	106,223	169,788	209,759	283,808	368,333
16. Community Participation.....	164,662	186,015	194,187	285,014	340,613	447,362	550,053
17. Advocacy, Access and Inclusion.....	6,690	6,126	5,812	6,093	6,196	6,559	5,405
18. Rental Housing.....	827,723	838,617	840,432	897,728	779,748	720,906	702,259
19. Home Loans.....	142,685	124,448	101,277	110,239	128,453	150,443	194,499
20. Land and Housing Supply.....	299,576	487,786	414,567	461,775	403,661	432,355	385,952
21. Government Regional Officers' Housing....	158,792	184,161	164,935	170,120	171,594	164,491	163,661
22. Government Trading Enterprise Efficiency Dividend.....	-	-	-	(16,750)	(22,314)	(26,381)	(32,977)
Total Cost of Services.....	3,051,556	3,318,559	3,202,410	3,671,631	3,695,606	4,054,590	4,289,162

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16	2016-17	2016-17	2017-18	Note
	Actual	Budget	Estimated Actual	Budget Target	
Outcome: Families and individuals experiencing homelessness or other crises are assisted to overcome these crises:					
Percentage of homelessness clients with some or all goals achieved at the completion of a homelessness service support period.....	84%	85%	84%	85%	
Outcome: People who have experienced or are at risk of experiencing family and domestic violence are and remain safe:					
Percentage of family and domestic violence clients with some or all goals achieved at the completion of an accommodation or support service ^(b)	n/a	n/a	91%	90%	
Percentage of departmental clients who were assessed and received a response as a result of a family and domestic violence (FDV) incident and did not require another FDV-related response within 12 months ^(c)	76%	n/a	75%	80%	
Outcome: Children and young people at risk of needing protection are kept safe, diverted from the child protection system and prevented from entering care:					
Percentage of clients who received an earlier intervention and family support service whose child(ren) did not enter care within 12 months of service completion ^{(b) (d)}	n/a	n/a	87%	90%	
Outcome: Children and young people needing protection are safe from abuse and harm:					
Proportion of working with children cards issued within 30 days of lodgement where the applicant had no criminal record.....	99%	90%	98%	95%	
Proportion of decisions finalised within 60 days where the applicant for a working with children card had a criminal record.....	97%	90%	97%	95%	

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Improved safety - Proportion of children not subject to a subsequent substantiation of harm within 12 months of a previous substantiation of harm.....	93%	95%	91%	95%	
Improved safety - Proportion of children not subject to a substantiation of harm 12 months after an assessment of harm that was unsubstantiated.....	95%	95%	93%	95%	
Outcome: Children and young people in the Chief Executive Officer's (CEO's) care receive a high quality of care and have much improved life outcomes:					
Proportion of Aboriginal children in the CEO's care placed in accordance with the Aboriginal and Torres Strait Islander Child Placement Principle	66%	80%	64%	80%	1
Proportion of children in the CEO's care who felt safe in their care arrangement.....	94%	95%	96%	95%	
Proportion of children in the CEO's care with comprehensive care planning undertaken within set timeframes	84%	90%	82%	90%	2
Outcome: The Early Education and Care sector met required quality standards:					
Percentage of assessed early childhood education and care services that met or exceeded national standards	65%	76%	61%	85%	3
Outcome: Seniors received concessions and rebates administered by the Department:					
The take-up rate of Seniors Card	94%	94%	95%	94%	
Outcome: Local community services and community building programs met the identified needs of individuals and families:					
Percentage of service users that had their identified needs met.....	96%	96%	96%	96%	
Percentage of community building grants that were acquitted against identified outcomes	77%	90%	92%	90%	
Outcome: People with disability have choice and control in determining services that meet individual needs:					
Percentage of service users who achieve their individual plan outcomes	78%	79%	79%	79%	
Satisfaction with individualised planning process ^(e)	n/a	80%	79%	80%	
Outcome: The quality of life of people with disability is enhanced:					
Proportion of quality evaluations which meet national standards ^(e)	n/a	75%	95%	85%	4
Satisfaction with service received.....	82%	86%	83%	83%	
Proportion of the population in need who receive services.....	48%	47%	49%	59%	5
Outcome: People with disability have the opportunity to participate in community life:					
Proportion of service users who achieve community participation outcomes ^(e)	n/a	70%	77%	77%	6
Service users' satisfaction with community access and inclusion.....	75%	75%	74%	75%	
Outcome: Housing eligible Western Australians:					
The extent to which the Housing Authority is responsive to the housing needs of eligible Western Australians (total housing assistances relative to the public rental waiting list).....	0.95	0.95	1.17	1.38	7
Waiting times for accommodation - applicants housed:					
Average	153 weeks	145 weeks	145 weeks	144 weeks	
Median.....	121 weeks	113 weeks	101 weeks	110 weeks	8
The extent to which the Government Regional Officers' Housing is responsive to the provision of housing to meet the needs of eligible Western Australian Government employees (total demand relative to current supply)	97%	95%	95%	95%	

- (a) Further detail in support of the key effectiveness indicators is provided in the respective agencies' Annual Reports (Department of Communities, Disability Services Commission, and Housing Authority).
- (b) This is a new indicator, therefore prior year data is not available.
- (c) The methodology for this indicator has been refined and therefore data is not available for the 2016-17 Budget.
- (d) The 2017-18 Budget Target has been based on historical services that will be redesigned along with the establishment of new services as a part of the implementation of the Department's Earlier Intervention and Family Support Strategy.
- (e) Comparative data is not available for the 2015-16 Actual for these effectiveness indicators as they were reported for the first time in 2016-17, subsequent to the implementation of a new Outcome Based Management (OBM) structure. Results for indicators under the previous structure were published in the Disability Services Commission's 2015-16 Annual Report.

Explanation of Significant Movements

(Notes)

1. The number and proportion of Aboriginal children in care continues to increase at a higher rate than the number of available placement options with Aboriginal carers or relatives. While the application of the principle is generally in the child's best interests, there are other factors that must be considered in placement decisions to ensure a child's safety and wellbeing.
2. The 2016-17 Estimated Actual has been affected by the implementation of the Needs Assessment Tool, which in the long-term will enhance the identification and planning for the complex and special needs of children in care.
3. Variation between the 2016-17 Estimated Actual and the 2016-17 Budget is due to the 2016-17 Budget being based on a small number of services that had been assessed and rated at the time of setting the 2016-17 Budget. This sample data indicated a greater likelihood of achieving or exceeding national standards. The trend indicated in the sample data did not continue, resulting in a lower 2016-17 Estimated Actual.

The 2017-18 Budget Target is higher than the 2016-17 Estimated Actual as national trends are showing improvement in quality ratings for services receiving second assessments.

4. The 2016-17 Estimate Actual is higher than the 2016-17 Budget due to the Department working closely with existing organisations to meet national standards within a defined compliance timeframe. As the NDIS rolls out across Western Australia, the number of new organisations providing services is expected to increase and therefore the 2017-18 Budget Target is lower than the 2016-17 Estimated Actual to account for their transition in the first year into the NDIS.
5. The increase in the 2017-18 Budget Target for the proportion of the population in need who receive services is due to the expected increase in the number of participants resulting from the roll-out of the NDIS in Western Australia.
6. The 2016-17 Estimated Actual proportion of service users who achieved community participation outcomes was greater than the 2016-17 Budget due to an increase in individual plan outcomes relating to community participation. This aligns with the Department's focus to assist people with disability to have an opportunity to participate in community life.
7. The 2017-18 Budget Target is higher than the 2016-17 Estimated Actual and the 2016-17 Budget. The positive variances are due to an anticipated reduction in the public housing waiting list (as at June 2017) combined with an anticipated increase in housing assistances.

The increase in housing assistances includes more loans provided through the Bond Assistance Loan Scheme and higher occupations into public housing. The number of bond loans increased due to reducing rental costs and increasing vacancy rates in the private rental market. Public housing occupations increased as a residual result of the Social Housing Investment Package which was introduced in 2015-16.

8. The 2016-17 Estimated Actual is lower than the 2016-17 Budget due to an increase in occupations from the Social Housing Investment Package.

Services and Key Efficiency Indicators

1. Homelessness and Other Support Services

A range of accommodation and related support services for individuals and families who are homeless or at risk of homelessness and other family support services that strengthen families’ ability to overcome crisis in their lives.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 76,640	\$'000 76,234	\$'000 78,793	\$'000 85,793	
Less Income.....	30,850	27,995	30,125	32,135	
Net Cost of Service.....	45,790	48,239	48,668	53,658	
Employees (Full Time Equivalents).....	136	139	71	67	1
Efficiency Indicator					
Average Cost per Homelessness Client ^{(a) (b)}	\$3,397	\$3,713	\$3,340	\$3,670	2

- (a) The number of clients for the 2015-16 Actual, 2016-17 Budget, 2016-17 Estimated Actual and 2017-18 Budget Target are 14,858, 14,000, 15,227 and 15,200 respectively.
- (b) This indicator focuses on the provision of homelessness services, the most significant in the suite of services that support clients experiencing crisis in their lives. The calculation of this indicator excludes expenditure on services that do not have a quantifiable client.

Explanation of Significant Movements

(Notes)

1. The reduction in the number of Full Time Equivalents (FTEs) attributed to the service is a result of the Department’s District Structure Review which developed consistent structures across the child protection and family support service delivery districts to enhance service delivery outcomes. As a result, FTEs within the districts were realigned to different services and the Strong Families program ceased.
2. The higher than anticipated number of clients in the 2016-17 Estimated Actual has resulted in a lower than anticipated Average Cost per Homelessness Client.

2. Preventing and Responding to Family and Domestic Violence

A range of services to people experiencing family and domestic violence, including the provision of crisis accommodation, counselling and community-based response teams that provide coordinated agency responses to family and domestic violence incidents.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 39,783	\$'000 41,604	\$'000 43,285	\$'000 46,064	
Less Income.....	12,021	10,692	13,978	14,554	1
Net Cost of Service.....	27,762	30,912	29,307	31,510	
Employees (Full Time Equivalents).....	27	27	29	30	
Efficiency Indicator					
Average Cost per Family and Domestic Violence Case ^(a)	n/a	n/a	\$2,702	\$2,870	

- (a) This is a new efficiency indicator from 1 July 2017. The number of clients for the 2016-17 Estimated Actual and 2017-18 Budget Target are 15,972 and 16,000 respectively.

Explanation of Significant Movements

(Notes)

1. The increase in income for the 2016-17 Estimated Actual is due to additional Commonwealth funding through the National Initiatives Program - Women’s Safety Package for family and domestic violence prevention and support services, as well as the realignment of Commonwealth funding for the National Partnership Agreement on Pay Equity for the Social and Community Services Sector (NPA on Pay Equity).

3. Earlier Intervention and Family Support Services

Earlier and more intensive services are provided to divert children and young people from the child protection system and prevent them from entering care.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 86,845	\$'000 85,635	\$'000 74,975	\$'000 80,648	1
Less Income.....	445	312	488	190	
Net Cost of Service.....	86,400	85,323	74,487	80,458	
Employees (Full Time Equivalents).....	428	393	298	285	1
Efficiency Indicator					
Average Cost per Earlier Intervention and Family Support Case ^(a) ^(b)	n/a	n/a	\$5,221	\$5,663	

(a) This is a new efficiency indicator resulting from the Department's revised OBM structure.

(b) Comparative data for the 2015-16 Actual and 2016-17 Budget are not available. The number of clients for the 2016-17 Estimated Actual and 2017-18 Budget Target are 14,314 and 14,200 respectively.

Explanation of Significant Movements

(Notes)

- The decrease in the Total Cost of Service for the 2016-17 Estimated Actual is due to the restructure of the Responsible Parenting Services following the implementation of the Department's Earlier Intervention and Family Support Strategy and the establishment of a dedicated Intensive Family Support team in each child protection and family support district. The realignment of existing resources as a result of the District Structure Review also contributed to the reduction in expenditure.

4. Working with Children Checks

Working with Children Checks increase child safety by helping to prevent people from working with children where they have a criminal history that indicates they may harm children.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 13,925	\$'000 14,079	\$'000 12,271	\$'000 12,562	1
Less Income.....	7,015	6,842	7,109	7,282	
Net Cost of Service.....	6,910	7,237	5,162	5,280	
Employees (Full Time Equivalents).....	50	50	51	51	
Efficiency Indicators ^(a)					
Average Cost per Application Processed ^(b)	\$42	\$44	\$33	\$35	1
Average Cost per Screening Outcome ^(b)	\$65	\$66	\$53	\$55	1

(a) The calculation of these indicators excludes the direct costs of compliance activities.

(b) The number of applications for the 2015-16 Actual, 2016-17 Budget, 2016-17 Estimated Actual and 2017-18 Budget Target are 123,555, 120,000, 122,773 and 120,000 respectively. The number of screenings for the 2015-16 Actual, 2016-17 Budget, 2016-17 Estimated Actual and 2017-18 Budget Target are 124,062, 120,000, 122,387 and 120,000 respectively.

Explanation of Significant Movements

(Notes)

- The Total Cost of Service for the 2016-17 Estimated Actual is lower than the 2016-17 Budget due to cost savings from the efficiency of the online renewal system. This combined with the higher than predicted number of applications has resulted in a lower than average cost for the 2016-17 Estimated Actual compared to the 2016-17 Budget.

5. Child Protection Assessments and Investigations

Assessing concerns reported to the Department about the wellbeing of children and young people and responding appropriately, including child protection assessments, investigations and making applications for court orders.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 77,435	\$'000 77,317	\$'000 79,392	\$'000 82,827	
Less Income.....	741	562	605	362	
Net Cost of Service.....	76,694	76,755	78,787	82,465	
Employees (Full Time Equivalents).....	500	510	499	527	
Efficiency Indicator					
Average Cost per Child Involved in Child Protection Cases ^(a)	\$4,273	\$4,299	\$4,224	\$4,338	

(a) The number of cases for the 2015-16 Actual, 2016-17 Budget, 2016-17 Estimated Actual and 2017-18 Budget Target are 18,446, 18,000, 18,748 and 19,000 respectively.

6. Care Arrangements for Children in the CEO's Care

Provision of safe and stable care arrangements for children and young people in the care of the CEO.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 241,810	\$'000 258,636	\$'000 265,352	\$'000 279,007	
Less Income.....	481	470	1,845	354	
Net Cost of Service.....	241,329	258,166	263,507	278,653	
Employees (Full Time Equivalents).....	666	682	747	762	
Efficiency Indicators ^(a)					
Average Cost per Day of a Foster Care Arrangement ^(b)	\$118	\$123	\$127	\$129	
Average Cost per Day of a Residential Based Care Arrangement ^(c)	\$1,343	\$1,235	\$1,617	\$1,534	1
Average Cost per Day of an Exceptionally Complex Needs Care Arrangement ^(d)	\$1,723	\$1,987	\$1,542	\$1,589	2
Average Cost per Day of a Secure Care Arrangement ^(e)	\$3,422	\$3,541	\$3,602	\$3,578	

(a) The calculation of these indicators excludes expenditure on adoption services and other services that are not directly related to the provision of specific care arrangements.

(b) The number of days of foster care arrangements for the 2015-16 Actual, 2016-17 Budget, 2016-17 Estimated Actual and 2017-18 Budget Target are 1,416,897, 1,458,000, 1,447,314 and 1,512,000 respectively.

(c) The number of days of residential based care arrangements for the 2015-16 Actual, 2016-17 Budget, 2016-17 Estimated Actual and 2017-18 Budget Target are 36,074, 40,000, 32,763 and 35,000 respectively.

(d) The number of days of exceptionally complex needs care arrangements for the 2015-16 Actual, 2016-17 Budget, 2016-17 Estimated Actual and 2017-18 Budget Target are 6,492, 7,000, 7,054 and 7,500 respectively.

(e) The number of days of secure care arrangements for the 2015-16 Actual, 2016-17 Budget, 2016-17 Estimated Actual and 2017-18 Budget Target are 1,586, 1,500, 1,576 and 1,600 respectively.

Explanation of Significant Movements

(Notes)

- The higher 2016-17 Estimated Actual is primarily due to an increased number of children and young people with extreme behaviours and complex needs being placed in residential care homes as emergency placements. As a result, the bed capacity of the residential care homes has been reduced to allow staff to adequately manage the challenging behaviours of these children and young people and to minimise the risk to other residents and staff.
- The 2016-17 Estimated Actual is lower than the 2016-17 Budget following the implementation of improved procurement and contracting processes that reduced the costs associated with a number of individualised placement contractual arrangements.

7. Support Services for Children in the CEO's Care

Services for the safety, support and wellbeing of children and young people in the care of the CEO.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 86,540	\$'000 88,734	\$'000 93,797	\$'000 98,504	
Less Income.....	965	669	713	419	
Net Cost of Service.....	85,575	88,065	93,084	98,085	
Employees (Full Time Equivalents).....	517	521	611	625	1
Efficiency Indicator					
Average Cost per Day to Plan for and Support a Child in the CEO's Care ^(a)	\$53	\$52	\$55	\$55	

(a) The total number of days for the 2015-16 Actual, 2016-17 Budget, 2016-17 Estimated Actual and 2017-18 Budget Target are 1,662,254, 1,708,000, 1,692,825 and 1,769,000 respectively.

Explanation of Significant Movements

(Notes)

- The increase in the number of FTEs attributed to the service is a result of the Department's District Structure Review which developed consistent structures across the child protection and family support service delivery districts to enhance service delivery outcomes. As a result, FTEs within the districts were realigned to different services.

8. Regulation and Support of the Early Education and Care Sector

Regulation and quality assurance of early education and care services against required service standards. This includes development of planning, capacity building and support for early education and care services.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 14,935	\$'000 14,075	\$'000 16,114	\$'000 17,063	1
Less Income.....	2,252	744	2,404	2,330	1
Net Cost of Service.....	12,683	13,331	13,710	14,733	
Employees (Full Time Equivalents).....	79	85	90	90	
Efficiency Indicator					
Average Cost per Licenced Service for Regulation and Support.....	\$11,151	\$9,655	\$12,463	\$12,668	2

Explanation of Significant Movements

(Notes)

- The 2015-16 Actual and 2016-17 Estimated Actual are greater than the 2016-17 Budget mainly due to additional Commonwealth funding and expenditure associated with the extension of the Early Childhood Education and Care NPA not being committed to at the time of 2016-17 Budget.
- In addition to the factors in Note 1, the variances for the efficiency indicator are impacted by the number of Licenced Services. That is, the indicator is calculated by dividing the cost to regulate the sector by the number of Licenced Services. The 2016-17 Budget is less than both the 2015-16 Actual and 2016-17 Estimated Actual due to the 2016-17 Budget being based on a greater growth in the number of Licenced Services than actually occurred.

9. Payments to Individuals

Delivery of benefits and concessions administered by the Department, including the Seniors Card.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 25,035	\$'000 26,180	\$'000 26,234	\$'000 28,909	1
Less Income.....	96	33	29	32	
Net Cost of Service.....	24,939	26,147	26,205	28,877	
Employees (Full Time Equivalents).....	14	18	18	18	
Efficiency Indicator					
Average Management Cost per Seniors Card	\$7.01	\$6.54	\$6.74	\$6.64	

Explanation of Significant Movements

(Notes)

- The 2017-18 Budget Target is greater than the 2016-17 Estimated Actual mainly due to an increase in the number of cardholders eligible to receive the Seniors Cost of Living Rebate resulting in increased payments in 2017-18 compared to 2016-17.

10. Delivery of Community Services, Grants and Resources

Development, planning and provision of information, programs and support for Western Australians across community services and local governments.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 55,037	\$'000 56,826	\$'000 58,331	\$'000 56,000	1
Less Income.....	5,457	1,441	2,274	2,403	
Net Cost of Service.....	49,580	55,385	56,057	53,597	
Employees (Full Time Equivalents).....	103	81	80	57	2
Efficiency Indicators					
Number of Grants and Service Agreements per FTE.....	39.4	39.6	39.9	39.2	
Proportion of Administrative and Management Expenditure to Service Delivery Expenditure	8.3%	7.9%	7.2%	6.8%	

Explanation of Significant Movements

(Notes)

- The 2016-17 Estimated Actual is greater than the 2016-17 Budget mainly due to additional funding associated with progressing the Enhance Transition to School project and facilitating the Parenting Support Service (Parenting Line).

The 2015-16 Actual is greater than the 2016-17 Budget mainly due to the accounting recognition of land and buildings contributed by the Shire of Collie and contributions from other government departments associated with the transfer of Financial Counselling services, which were once-off and hence the budget impact was not included in 2016-17.

- The 2015-16 Actual is greater than both the 2016-17 Budget and the 2016-17 Estimated Actual due to the implementation of Agency Expenditure Review Savings Measures.

11. Planning and Coordination

This service assists people with disability to have choice and control in decision-making through a planning process which identifies their personal goals and provides regular reviews of whether the goals are achieved.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	47,209	53,376	60,522	99,703	1
Less Income.....	8,832	19,244	14,172	31,508	2
Net Cost of Service.....	38,377	34,132	46,350	68,195	
Employees (Full Time Equivalents).....	220	330	371	642	3
Efficiency Indicators					
Proportion of Individual Plans Commenced within the Required Timeframe ^(a)	n/a	75%	80%	80%	
Cost per Intensity of Individual Support Requirements ^{(a)(b)}	n/a	\$1,946	\$1,827	\$1,830	

(a) Comparative data is not available for the 2015-16 Actual as these indicators were reported for the first time in 2016-17 subsequent to the implementation of a new OBM structure.

(b) This indicator measures the service user's average level of funded support. Service users are categorised in terms of whether their support needs are high, medium or low and are weighted accordingly (3, 2 or 1). The average service user total is divided into the total cost for the service area to derive the Cost per Intensity of Individual Support Requirements.

Explanation of Significant Movements

(Notes)

- The increase in expenditure between the 2015-16 Actual, 2016-17 Budget, 2016-17 Estimated Actual and 2017-18 Budget Target mainly reflects local coordinator staff, planning and administration costs associated with the Western Australian NDIS trial sites and first year roll-out of the NDIS. The increased expenditure also includes State and Commonwealth funded growth and indexation.
- The increase in income between the 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Target mainly reflects Commonwealth funding received via National Partnership Payments in recognition of the Western Australian NDIS trials and first year roll-out of the NDIS, and the NPA on Pay Equity.
- The increase in employees between the 2015-16 Actual, 2016-17 Budget, 2016-17 Estimated Actual and 2017-18 Budget Target reflects the increase in expenditure for additional local coordinators associated with the Western Australian NDIS trial sites and first year roll-out of the NDIS. Additional local coordinators are required to extend the NDIS trial sites and expand into the Kimberly-Pilbara in 2017-18.

12. Residential services

This service is delivered in congregate or cluster settings of seven or more persons, and includes larger residential services for 20 or more persons. It is normally located on large parcels of land and provides 24-hour residential support with specialist disability support services. This service area includes large and small institutions, and emergency accommodation.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	71,614	80,845	65,185	66,357	1
Less Income.....	14,657	19,668	16,107	21,530	2
Net Cost of Service.....	56,957	61,177	49,078	44,827	
Employees (Full Time Equivalents).....	319	345	273	273	3
Efficiency Indicators					
Cost per Intensity of Individual Support Requirements ^{(a)(b)}	n/a	\$97,168	\$78,726	\$78,832	4
Cost per Service Activity ^(a)	n/a	\$273,120	\$207,596	\$211,328	4

(a) Comparative data is not available for the 2015-16 Actual as these indicators were reported for the first time in 2016-17 subsequent to the implementation of a new OBM structure.

(b) This indicator measures the service user's average level of funded support. Service users are categorised in terms of whether their support needs are high, medium or low and are weighted accordingly (3, 2 or 1). The average service user total is divided into the total cost for the service area to derive the Cost per Intensity of Individual Support Requirements.

Explanation of Significant Movements

(Notes)

1. The decrease in expenditure between the 2016-17 Budget and 2016-17 Estimated Actual mainly reflects the re-direction of growth funding to other key service areas due to the changing needs and priorities of people with disability. Further, the move towards an increase in individualised funding arrangements has resulted in the re-allocation of some support costs from residential services to other service areas. The increase in expenditure between the 2015-16 Actual and 2016-17 Budget was due to additional growth and indexation funding.
2. The increase in income between the 2015-16 Actual, 2016-17 Budget, 2016-17 Estimated Actual and 2017-18 Budget Target mainly reflects Commonwealth funding received via National Partnership Payments in recognition of the Western Australian NDIS trials and first year roll-out of the NDIS, and the NPA on Pay Equity.
3. The 2016-17 Estimated Actual is lower than the 2015-16 Actual and 2016-17 Budget due to reduced salary costs as a result of the re-allocation of staff resources across other services to support the Western Australian NDIS trials, which also reflects the move towards individualised services.
4. The decrease in the Cost per Intensity of Individual Support Requirements and the Cost per Service Activity between the 2016-17 Budget and the 2016-17 Estimated Actual is primarily due to the decrease in expenditure on Residential Services. The move towards an increase in individualised funding arrangements has resulted in the re-allocation of support costs from Residential Services to other service areas.

13. Community Living Support

This is supported accommodation in a residential setting which is a more home-like environment than that of Service 12 'Residential Services'. It is generally delivered to a smaller group of persons, always less than 20 persons and may be less than seven persons. It may not provide specialist disability support services. This service area includes hostels and group homes.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	274,328	272,321	265,320	330,720	1
Less Income.....	56,180	68,026	65,578	107,324	2
Net Cost of Service.....	218,148	204,295	199,742	223,396	
Employees (Full Time Equivalents).....	669	671	669	681	
Efficiency Indicators					
Cost per Intensity of Individual Support Requirements ^{(a)(b)}	n/a	\$62,195	\$74,237	\$74,357	3
Cost per Service Activity ^(a)	n/a	\$146,381	\$170,782	\$170,324	4

(a) Comparative data is not available for the 2015-16 Actual as these indicators were reported for the first time in 2016-17 subsequent to the implementation of a new OBM structure.

(b) This indicator measures the service user's average level of funded support. Service users are categorised in terms of whether their support needs are high, medium or low and are weighted accordingly (3, 2 or 1). The average service user total is divided into the total cost for the service area to derive the Cost per Intensity of Individual Support Requirements.

Explanation of Significant Movements

(Notes)

1. The increase in expenditure between the 2016-17 Estimated Actual and the 2017-18 Budget Target reflects additional participants expected in the first year roll-out of the NDIS in Western Australia. The 2017-18 Budget Target is based on trial site experiences for approved plans for 2016-17. The review and renewal of current approved plans, and additional participants entering into the scheme during 2017-18, is expected to result in changes to the allocation of costs across services, based on each individual's reasonable and necessary support needs. The increased expenditure also includes State and Commonwealth funded growth and indexation.
2. The increase in income between the 2015-16 Actual, 2016-17 Budget, 2016-17 Estimated Actual and 2017-18 Budget Target mainly reflects Commonwealth funding received via National Partnership Payments in recognition of the Western Australian NDIS trials and first year roll-out of the NDIS, and the NPA on Pay Equity.
3. The increase in the Cost per Intensity of Individual Support Requirements between the 2016-17 Budget and the 2016-17 Estimated Actual is primarily due to a decrease in the intensity of individual support requirements due to differing support needs of individuals in group homes. The Cost per Intensity of Individual Support Requirements increases as the intensity of support needs reduces.
4. The increase in the Cost per Service Activity between the 2016-17 Budget and the 2016-17 Estimated Actual is due to service activity being lower than initially estimated.

14. Independent Living Support

This covers a range of community based services that enable individuals to live as independently as possible in the community. This service area includes in-home accommodation support, alternative family placement and respite.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 245,503	\$'000 246,506	\$'000 235,406	\$'000 303,467	1
Less Income.....	45,624	57,951	54,822	95,521	2
Net Cost of Service.....	199,879	188,555	180,584	207,946	
Employees (Full Time Equivalents).....	59	66	65	78	3
Efficiency Indicators					
Cost per Intensity of Individual Support Requirements ^{(a) (b)}	n/a	\$20,704	\$19,874	\$19,857	
Cost per Service Activity ^(a)	n/a	\$33,879	\$33,091	\$38,492	4

(a) Comparative data is not available for the 2015-16 Actual as these indicators were reported for the first time in 2016-17 subsequent to the implementation of a new OBM structure.

(b) This indicator measures the service user's average level of funded support. Service users are categorised in terms of whether their support needs are high, medium or low and are weighted accordingly (3, 2 or 1). The average service user total is divided into the total cost for the service area to derive the Cost per Intensity of Individual Support Requirements.

Explanation of Significant Movements

(Notes)

- The increase in expenditure between the 2016-17 Estimated Actual and the 2017-18 Budget Target reflects additional participants expected in the first year roll-out of the NDIS in Western Australia. The 2017-18 Budget Target is based on trial site experiences for approved plans for 2016-17. The review and renewal of current approved plans, and additional participants entering into the scheme during 2017-18, is expected to result in changes to the allocation of costs across services, based on each individual's reasonable and necessary support needs. The increased expenditure also includes State and Commonwealth funded growth and indexation.
- The increase in income between the 2015-16 Actual, 2016-17 Budget, 2016-17 Estimated Actual and 2017-18 Budget Target mainly reflects Commonwealth funding received via National Partnership Payments in recognition of the Western Australian NDIS trials and first year roll-out of the NDIS, and the NPA on Pay Equity.
- The movement in employees between the 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Target are consistent with the increase in salary costs relating to the trial sites and first year roll-out of the NDIS in Western Australia.
- A higher than anticipated increase in Cost per Service Activity between the 2016-17 Estimated Actual and the 2017-18 Budget mainly reflects additional Commonwealth funding under the NPA on Pay Equity.

15. Therapy and Specialised Care

Basic and specialised care support and assistance with daily living activities (personal, mobility and communication) for individuals with complex needs or unable to complete tasks for themselves, to enable them to remain living as independently as possible in the community.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	94,789	99,038	106,223	169,788	1
Less Income.....	17,148	22,881	24,738	53,443	2
Net Cost of Service.....	77,641	76,157	81,485	116,345	
Employees (Full Time Equivalents).....	171	193	221	229	3
Efficiency Indicators					
Cost per Intensity of Individual Support Requirements ^(a) / _(b)	n/a	\$4,413	\$4,134	\$4,136	
Cost per Service Activity ^(a)	n/a	\$7,486	\$6,338	\$7,883	4

(a) Comparative data is not available for the 2015-16 Actual as these indicators were reported for the first time in 2016-17 subsequent to the implementation of a new OBM structure.

(b) This indicator measures the service user's average level of funded support. Service users are categorised in terms of whether their support needs are high, medium or low and are weighted accordingly (3, 2 or 1). The average service user total is divided into the total cost for the service area to derive the Cost per Intensity of Individual Support Requirements.

Explanation of Significant Movements

(Notes)

- The increase in expenditure between the 2015-16 Actual, 2016-17 Budget, 2016-17 Estimated Actual and 2017-18 Budget Target reflects additional participants in the NDIS trial sites and first year roll-out of the NDIS. The 2017-18 Budget Target is based on the Western Australian trial site experiences for approved plans for 2016-17. The review and renewal of current approved plans, and additional participants entering into the scheme during 2017-18, is expected to result in changes to the allocation of costs across services, based on each individual's reasonable and necessary support needs. The increased expenditure also includes State and Commonwealth funded growth and indexation.
- The increase in income between the 2015-16 Actual, 2016-17 Budget, 2016-17 Estimated Actual and 2017-18 Budget Target mainly reflects Commonwealth funding received via National Partnership Payments in recognition of the Western Australian NDIS trials and first year roll-out of the NDIS, and the NPA on Pay Equity.
- The movement in employees between the 2015-16 Actual, 2016-17 Budget, 2016-17 Estimated Actual, and 2017-18 Budget Target are consistent with the increase in salary costs relating to the trial sites and first year roll-out of the NDIS in Western Australia.
- The decrease in the Cost per Service Activity between the 2016-17 Budget and the 2016-17 Estimated Actual is primarily due to an increase in service activity due to greater choice participants have over the services they access with their individualised funding. The increase in the Cost per Service Activity between the 2016-17 Estimated Actual and the 2017-18 Budget Target is primarily due to increased expenditure in 2017-18 in the first year of the NDIS roll-out. It is anticipated that individuals in their second and third plans will have improved access to greater and more personalised therapy and specialised care services.

16. Community Participation

Supports and assistive technology that provides opportunities for people with disability to gain and use their abilities to enjoy their full potential for social independence.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	164,662	186,015	194,187	285,014	1
Less Income.....	30,136	42,476	45,223	89,713	2
Net Cost of Service.....	134,526	143,539	148,964	195,301	
Employees (Full Time Equivalents).....	53	66	72	93	3
Efficiency Indicators					
Cost per Intensity of Individual Support Requirements ^{(a)(b)}	n/a	\$7,681	\$7,079	\$7,075	
Cost per Service Activity ^(a)	n/a	\$11,090	\$9,603	\$12,549	4

(a) Comparative data is not available for the 2015-16 Actual as these indicators were reported for the first time in 2016-17 subsequent to the implementation of a new OBM structure.

(b) This indicator measures the service user's average level of funded support. Service users are categorised in terms of whether their support needs are high, medium or low and are weighted accordingly (3, 2 or 1). The average service user total is divided into the total cost for the service area to derive the Cost per Intensity of Individual Support Requirements.

Explanation of Significant Movements

(Notes)

- The increase in expenditure between the 2015-16 Actual, 2016-17 Budget, 2016-17 Estimated Actual, and 2017-18 Budget Target reflects additional participants in the NDIS trial sites and first year roll-out of the NDIS. The 2017-18 Budget Target is based on the Western Australia trial site experiences for approved plans for 2016-17. The review and renewal of current approved plans, and additional participants entering into the scheme during 2017-18, is expected to result in changes to the allocation of costs across services, based on each individual's reasonable and necessary support needs. The increased expenditure also includes State and Commonwealth funded growth and indexation.
- The increase in income between the 2015-16 Actual, 2016-17 Budget, 2016-17 Estimated Actual and 2017-18 Budget Target mainly reflects Commonwealth funding received via National Partnership Payments in recognition of the Western Australian NDIS trials and first year roll-out of the NDIS, and the NPA on Pay Equity.
- The movement in employees between the 2015-16 Actual, 2016-17 Budget, 2016-17 Estimated Actual and 2017-18 Budget Target are consistent with the increase in salary costs relating to the trial sites and is expected to continue in the first year roll-out of the NDIS in Western Australia.
- The decrease in the Cost per Service Activity between the 2016-17 Budget and the 2016-17 Estimated Actual is primarily due to an increase in service activity due to greater choice participants have over the services they access with their individualised funding. The increase in the Cost per Service Activity between the 2016-17 Estimated Actual and the 2017-18 Budget Target is primarily due to increased expenditure in 2017-18 in the first year of the NDIS roll-out. It is anticipated that individuals in their second and third plans will have improved access to greater and more personalised community participation services.

17. Advocacy, Access and Inclusion

Indirect support to people with disabilities through community and service enhancements.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 6,690	\$'000 6,126	\$'000 5,812	\$'000 6,093	1
Less Income.....	1,236	1,435	1,353	1,918	2
Net Cost of Service.....	5,454	4,691	4,459	4,175	
Employees (Full Time Equivalents).....	12	12	12	12	
Efficiency Indicators					
Cost per Service Activity ^(a)	n/a	\$37,358	\$30,915	\$32,410	3
Proportion of Access, Inclusion and Advocacy Projects Completed within the Required Time ^(a)	n/a	90%	89%	90%	

(a) Comparative data is not available for the 2015-16 Actual as these indicators were reported for the first time in 2016-17 subsequent to the implementation of a new OBM structure.

Explanation of Significant Movements

(Notes)

1. The decrease in expenditure between the 2015-16 Actual and the 2016-17 Estimated Actual is mainly due to a reduction in initiatives in this area resulting from the implementation of individualised funding. As direct support increases, the need for indirect support is reduced.
2. The increase in income between the 2016-17 Estimated Actual and the 2017-18 Budget Target mainly reflects Commonwealth funding received via the National Partnership Payments in recognition of the Western Australian NDIS trials and first year roll-out of the NDIS, and the NPA on Pay Equity.
3. The decrease in the Cost per Service Activity between the 2016-17 Budget and the 2016-17 Estimated Actual is primarily due to an increase in completed projects.

18. Rental Housing

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 827,723	\$'000 838,617	\$'000 840,432	\$'000 897,728	
Less Income.....	544,361	511,378	434,653	583,084	
Net Cost of Service.....	283,362	327,239	405,779	314,644	1
Employees (Full Time Equivalents).....	1,219	1,296	1,334	1,372	
Efficiency Indicator					
Operating Cost per Rental Property.....	\$15,342	\$16,261	\$15,150	\$15,236	

Explanation of Significant Movements

(Notes)

1. The 2017-18 Budget Target varies from the 2016-17 Estimated Actual primarily due to most of the planned asset transfers to the community housing sector being delivered in 2016-17 as the Housing Authority continues to meet its commitment with the community housing sector.

The 2016-17 Estimated Actual varies from the 2016-17 Budget mainly due to changes in the timing of planned assets to be delivered to the community housing sector.

The 2016-17 Budget varies from the 2015-16 Actual mainly due to higher Commonwealth funding for the 2014-16 NPA on Remote Indigenous Housing being received in 2015-16.

19. Home Loans

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	142,685	124,448	101,277	110,239	
Less Income.....	201,769	225,069	164,630	168,644	
Net Cost of Service.....	(59,084)	(100,621)	(63,353)	(58,405)	1
Employees (Full Time Equivalents).....	20	22	22	22	
Efficiency Indicator					
Operating Cost per Current Loan Account ^(a)	\$2,395	\$2,299	\$2,419	\$2,613	2

(a) This key efficiency indicator includes consolidated Keystart and Housing Authority costs.

Explanation of Significant Movements

(Notes)

- The 2016-17 Estimated Actual varies from the 2016-17 Budget due to Keystart distribution payments initially budgeted to be paid to the Housing Authority fully via profit distributions being revised at the 2017-18 Budget process to reflect payment being split between profit distribution and capital distribution.

The 2016-17 Budget varies from the 2015-16 Actual due to budgeting for an additional Keystart distribution in 2016-17 towards the Social Housing Investment Package.

- The 2017-18 Budget Target is higher than the 2016-17 Budget due to an anticipated increase in the charge for bad and doubtful debts expenses caused by weaker economic conditions.

20. Land and Housing Supply

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	299,576	487,786	414,567	461,775	
Less Income.....	373,170	641,969	479,431	582,436	
Net Cost of Service.....	(73,594)	(154,183)	(64,864)	(120,661)	1
Employees (Full Time Equivalents).....	104	110	113	117	
Efficiency Indicators					
Operating Cost per Lot Developed.....	\$25,107	\$21,937	\$34,583	\$20,644	2
Operating Cost per Property Sold.....	\$31,737	\$23,645	\$22,968	\$15,291	3

Explanation of Significant Movements

(Notes)

- The 2017-18 Budget Target varies from the 2016-17 Estimated Actual primarily due to commercially structuring some land projects to raise capital upfront.

The 2016-17 Estimated Actual varies from the 2016-17 Budget mostly as a result of lower sales forecast due to slower market conditions.

The 2016-17 Budget varies from the 2015-16 Actual. This is largely due to softening market conditions and protracted settlement timeframes resulting in lower inventory sales in 2015-16 for the affordable housing and public housing stock redevelopment.

- The 2017-18 Budget Target is lower than the 2016-17 Estimated Actual primarily due to a number of anticipated new projects beginning to produce lots.

The 2016-17 Estimated Actual is higher than the 2016-17 Budget due to lower lot production levels as a result of a slowing residential real estate market while operating costs were relatively stable.

- The 2017-18 Budget Target is lower than the 2016-17 Estimated Actual and 2016-17 Budget primarily due to a reduction in financing costs associated with loans paid back prior to 2017-18.

21. Government Regional Officers' Housing

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	158,792	184,161	164,935	170,120	
Less Income.....	181,828	192,544	155,842	156,447	
Net Cost of Service.....	(23,036)	(8,383)	9,093	13,673	1
Employees (Full Time Equivalents).....	105	112	115	117	
Efficiency Indicator					
Operating Cost per Property.....	\$27,912	\$31,843	\$28,838	\$29,101	

Explanation of Significant Movements

(Notes)

- The 2017-18 Budget Target varies from the 2016-17 Estimated Actual primarily due to an increase in operational costs as a result of Government Regional Officers' Housing (GROH) ageing portfolio.

The 2016-17 Estimated Actual varies from the 2016-17 Budget primarily due to lower GROH rent revenue as a result of softer regional housing market activity.

The 2016-17 Budget varies from the 2015-16 Actual mostly as a result of increased lease expenditure to meet the higher demand for GROH properties from agencies.

Asset Investment Program

The Department's Asset Investment Program for 2017-18 is approximately \$344 million. Significant programs in 2017-18 include:

- \$44.1 million for the Construction and Spot Purchase program, including reinvestment of \$20 million proceeds from high value property sales and \$9 million proceeds from Commonwealth stimulus funded property sales into public housing to allow the commencement of 335 public housing homes, which will be completed in the following year;
- the development of 1,509 housing lots, including 1,017 lots developed with joint venture partners. Significant land development will support affordable, public and community housing throughout metropolitan and regional areas;
- \$21.7 million to secure a range of entry-level properties across the State for low to moderate income earners, through the Affordable Housing Shared Equity program; and
- \$58.5 million for the acquisition of suitable land to meet land supply for current and future Government housing programs, and to maintain a stream of affordable land supply for homebuyers.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COMPLETED WORKS							
Broome Aboriginal Short Stay Accommodation Facility ^(a)	5,242	5,242	5,242	-	-	-	-
Carnarvon Independent Living ^(a)	4,081	4,081	4,081	-	-	-	-
Computer Hardware and Software Program.....	11,784	11,784	11,784	-	-	-	-
Construction and Purchase of Government Regional Officers Housing Program.....	24,088	24,088	24,088	-	-	-	-
Construction and Purchase of Houses Program.....	11,203	11,203	11,203	-	-	-	-
A Place to Call Home - Commonwealth Election Commitment - Homelessness Capital.....	100	100	100	-	-	-	-
Crisis Accommodation Program.....	5,991	5,991	5,991	-	-	-	-
Housing for Workers Program ^(a)	15,502	15,502	15,502	-	-	-	-
Land							
Acquisition Program.....	47,974	47,974	47,974	-	-	-	-
Development Program.....	72,976	72,976	72,976	-	-	-	-
Estate Improvement Land Redevelopment Program.....	2,425	2,425	2,425	-	-	-	-
Holding Costs Program.....	499	499	499	-	-	-	-
Redevelopment Program.....	19,419	19,419	19,419	-	-	-	-

	Estimated Total Cost	Estimated Expenditure to 30-6-17	2016-17 Estimated Expenditure	2017-18 Budget Estimate	2018-19 Forward Estimate	2019-20 Forward Estimate	2020-21 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Loans to Homebuyers							
Affordable Housing and Public Housing Stock							
Redevelopment Shared Equity Program	36,011	36,011	36,011	-	-	-	-
Goodstart Shared Equity Program	11,700	11,700	11,700	-	-	-	-
Minor Works Program	418	418	418	-	-	-	-
National Partnership on Remote Housing	1,630	1,630	1,630	-	-	-	-
Offices Program	9,033	9,033	9,033	-	-	-	-
Residential Group Homes Replacement	750	750	750	-	-	-	-
Social Housing							
Disability Services Program	3,401	3,401	3,401	-	-	-	-
Investment Package ^(b)	326,406	326,406	326,406	-	-	-	-
Mental Health Care Units Program	842	842	842	-	-	-	-
Sub-acute Facilities in Karratha and Bunbury	126	126	126	-	-	-	-
Upgrades to Childcare, Family and Neighbour Centres	832	832	832	-	-	-	-
West Kimberley Transitional Housing Program ^(a)	7,998	7,998	7,998	-	-	-	-
NEW WORKS							
Broome Aboriginal Short Stay Accommodation Facility ^(a)	11,630	-	-	11,630	-	-	-
Computer Hardware and Software Program	24,250	-	-	6,043	5,939	6,068	6,200
Construction and Purchase of Government Regional							
Officers' Housing Program	72,894	-	-	6,446	6,448	30,000	30,000
Construction and Purchase of Houses	152,448	-	-	44,120	68,104	24,224	16,000
A Place to Call Home Commonwealth Election							
Commitment - Homelessness Capital	956	-	-	956	-	-	-
Crisis Accommodation Program	43,823	-	-	15,078	9,357	9,732	9,656
Family and Domestic Violence Refuges ^(b)	5,000	-	-	-	2,500	2,500	-
Housing for Workers Program ^(a)	585	-	-	585	-	-	-
Land							
Acquisition Program	217,600	-	-	58,500	35,000	63,500	60,600
Development Program	405,460	-	-	89,720	96,808	103,682	115,250
Estate Improvement Land Redevelopment Program	11,530	-	-	600	431	432	10,067
Holding Costs Program	2,150	-	-	513	530	545	562
Redevelopment Program	9,528	-	-	7,191	1,155	727	455
Loans to Homebuyers							
Affordable Housing Shared Equity Program	101,021	-	-	21,701	24,642	27,068	27,610
Goodstart Shared Equity Program	54,000	-	-	12,000	13,000	14,000	15,000
Minor Works Program	2,000	-	-	500	500	500	500
National Disability Insurance Scheme							
Information Technology System	20,000	-	-	20,000	-	-	-
Office Fit-outs	17,723	-	-	7,339	5,694	4,690	-
National Partnership on Remote Housing	8,695	-	-	7,950	745	-	-
Offices Program	13,897	-	-	8,851	1,768	1,639	1,639
Residential Group Homes Replacement	182	-	-	182	-	-	-
Service Workers Program	5,107	-	-	-	5,107	-	-
Social Housing							
Disability Services Program	5,264	-	-	5,264	-	-	-
Investment Package ^(b)	9,637	-	-	9,637	-	-	-
Sub-acute Facilities in Karratha and Bunbury	8,954	-	-	8,494	460	-	-
Upgrades to Childcare, Family and Neighbourhood Centres	769	-	-	769	-	-	-
Total Cost of Asset Investment Program	1,825,534	620,431	620,431	344,069	278,188	289,307	293,539
FUNDED BY							
Capital Appropriation			3,945	32,818	7,500	9,008	1,830
Asset Sales			381,849	450,204	449,247	382,440	374,715
Borrowings			125,000	-	-	-	-
Commonwealth Grants			1,630	7,950	-	-	-
Internal Funds and Balances			61,753	(170,966)	(181,127)	(102,209)	(83,074)
Drawdown from Holding Account			577	472	68	68	68
Drawdowns from Royalties for Regions Fund ^(c)			45,677	23,591	2,500	-	-
Total Funding			620,431	344,069	278,188	289,307	293,539

(a) Fully funded from the Royalties for Regions Fund.

(b) Partially funded from the Royalties for Regions Fund.

(c) Regional Infrastructure and Headworks Fund.

Financial Statements

The 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to amalgamate the Department for Child Protection and Family Support, the Disability Services Commission and the Housing Authority as well as community service functions transferred from the Department of Local Government and Communities, the community patrol program and regional-related services transferred from the Department of Aboriginal Affairs and the Regional Services Reform Unit transferred from the Department of Regional Development on 1 July 2017.

Income Statement

Expenses

Total Cost of Services is projected to increase by \$469.2 million (14.7%) in the 2017-18 Budget Estimate compared to the 2016-17 Estimated Actual primarily due to \$447 million higher supplies and services expenditure resulting mainly from:

- an increase in expenses for the first transition year to roll-out the NDIS in Western Australia (funded by the Commonwealth and the State);
- a majority of the expenditure under the 2016-18 NPA on Remote Housing occurring in 2017-18 as a result of delays in the finalisation of the agreement; and
- an increase in cost of goods sold consistent with higher inventory sales from the Social Housing Investment Package in 2017-18.

Income

Total Income is forecast to increase by \$435.5 million (28.7%) in the 2017-18 Budget Estimate compared to the 2016-17 Estimated Actual and is mainly the combined effect of:

- \$103 million increase in sale of goods, mostly as a result of commercially structuring some land projects that raises capital upfront and higher forecast inventory sales from the Social Housing Investment Package in 2017-18; and
- \$336.8 million higher grants and subsidies mostly relating to:
 - increase in Commonwealth NPA on Remote Housing as a result of delays in finalising the 2016-18 agreement;
 - additional Commonwealth funding for the first transition year to roll-out the NDIS in Western Australia; and
 - increase in Commonwealth Specific Purpose Payment Revenue as a result of higher population and indexation estimates for Western Australia.

Statement of Financial Position

The Department's equity (net assets) is projected to decrease by \$12.1 million (0.1%) compared to the 2016-17 Estimated Actual. This movement is mainly related to higher non-cash amortisation expenditure resulting in lower intangibles in 2017-18.

Statement of Cashflows

The 2017-18 net cash holdings for the Department is forecast to be \$377.8 million, which is an increase of \$69.7 million (22.6%) compared to the 2016-17 Estimated Actual of \$308.2 million. The forecast increase is primarily the net effect of:

- \$277.8 million decrease in purchase of non-current assets mostly due to the bulk of activity for the Social Housing Investment Package occurring in 2016-17; and
- \$186.5 million decrease in net cash from financing activities primarily due to proceeds of borrowings being received for the Social Housing Investment Package in 2016-17 and the Department making higher borrowing repayments in 2017-18.

INCOME STATEMENT ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	588,812	603,148	610,594	660,121	689,484	712,131	723,762
Grants and subsidies ^(c)	145,972	154,599	162,101	180,162	171,863	177,232	185,075
Supplies and services ^(d)	1,418,094	1,581,792	1,481,984	1,929,027	1,935,037	2,265,121	2,471,946
Accommodation	227,813	226,133	229,087	234,787	238,451	238,522	242,140
Depreciation and amortisation	164,309	160,642	164,521	167,067	170,590	172,833	176,441
Efficiency dividend	-	-	-	(16,750)	(22,314)	(26,381)	(32,977)
Finance costs.....	160,942	154,540	125,958	128,998	142,532	159,228	199,020
Cost of land sold	77,332	204,923	92,155	128,417	123,701	124,779	117,557
Net assets transferred out	60,358	-	67,294	-	7,225	12,774	-
Other expenses.....	207,924	232,782	268,716	259,802	239,037	218,351	206,198
TOTAL COST OF SERVICES	3,051,556	3,318,559	3,202,410	3,671,631	3,695,606	4,054,590	4,289,162
Income							
Sale of goods and services ^(e)	390,818	652,777	496,565	599,532	536,444	567,265	511,417
Grants and subsidies.....	494,348	516,262	411,260	748,105	625,086	842,322	1,310,769
Interest revenue	111,227	107,987	85,111	92,422	110,722	134,095	179,296
Rent.....	409,542	447,047	411,148	419,674	429,971	440,420	442,589
Developers contribution.....	87,432	117,195	77,063	75,227	69,094	69,659	58,485
Other revenue	41,897	11,133	34,972	16,669	16,665	16,582	16,424
Total Income.....	1,535,264	1,852,401	1,516,119	1,951,629	1,787,982	2,070,343	2,518,980
NET COST OF SERVICES	1,516,292	1,466,158	1,686,291	1,720,002	1,907,624	1,984,247	1,770,182
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	1,472,988	1,457,212	1,458,980	1,618,176	1,781,328	1,879,293	1,682,413
Resources received free of charge	8,175	3,302	7,476	8,594	8,656	8,719	8,765
Royalties for Regions Fund:							
Regional Community Services Fund	15,962	10,965	7,946	18,123	15,380	69,470	60,728
Regional and State Wide Initiatives.....	3,349	3,450	2,601	4,427	4,821	-	-
Regional Infrastructure and Headworks Fund	-	285	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	1,500,474	1,475,214	1,477,003	1,649,320	1,810,185	1,957,482	1,751,906
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	(15,818)	9,056	(209,288)	(70,682)	(97,439)	(26,765)	(18,276)

- (a) Full audited financial statements are published in the respective agencies' Annual Reports (Department of Communities, Disability Services Commission, and Housing Authority).
- (b) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and the 2017-18 Budget Estimate are 5,471, 5,761 and 6,148 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.
- (c) Refer to the Details of Controlled Grants and Subsidies table below for further information.
- (d) Supplies and Services include cost of housing inventory sold.
- (e) Sale of goods and services includes land and housing inventory for sale.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Bereavement Assistance.....	946	694	995	705	705	705	705
Cadets WA.....	694	869	869	869	869	869	869
Children in Care and Family Support.....	105,505	115,354	110,780	121,191	125,094	129,652	138,845
Community Gardens.....	114	100	100	100	100	100	100
Community Support Schemes.....	1,696	2,211	4,288	4,951	3,535	3,678	3,825
Dalyellup Family Centre.....	-	-	-	-	-	1,500	-
Enhanced Transition to School Project.....	300	-	500	500	-	-	-
Grandcarer's Assistance (Respite) Program....	125	125	125	125	-	-	-
Grandcarer's Support Scheme.....	555	854	854	960	1,050	1,050	1,050
Hardship and Utility Grant Scheme.....	7,703	8,493	17,508	20,000	12,500	10,000	10,000
Individualised Disability Services.....	-	-	-	1,011	1,011	1,011	1,011
Local Projects Local Jobs.....	-	-	484	1,770	-	-	-
Natural Disaster Assistance.....	741	-	252	-	-	-	-
Other Grants.....	3,149	1,501	1,295	991	841	766	766
Our Watch Program.....	-	-	-	120	123	126	129
Regional Community Childcare Development Fund.....	1,960	1,500	1,153	1,399	-	-	-
Seniors Cost of Living Rebates.....	21,844	22,708	22,708	25,280	25,845	27,585	27,585
Women's Grants.....	90	85	85	85	85	85	85
Youth Grants.....	550	105	105	105	105	105	105
TOTAL.....	145,972	154,599	162,101	180,162	171,863	177,232	185,075

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	214,477	209,045	201,253	304,003	172,605	241,408	285,099
Restricted cash	227,848	121,906	105,450	70,866	70,866	70,866	70,866
Holding account receivables	577	472	472	68	68	68	68
Receivables	210,957	127,247	181,814	187,726	181,610	188,322	175,649
Other	2,680,135	2,141,213	1,049,388	1,174,477	1,197,500	1,217,359	1,244,380
Assets held for sale	36,800	43,440	35,960	35,960	35,960	28,401	28,401
Total current assets	3,370,794	2,643,323	1,574,337	1,773,100	1,658,609	1,746,424	1,804,463
NON-CURRENT ASSETS							
Restricted Cash	-	1,488	1,488	2,976	4,515	6,541	7,987
Property, plant and equipment	14,345,722	14,954,519	14,135,623	13,798,567	13,459,903	13,151,152	12,914,223
Holding account receivables	137,344	154,086	154,086	170,641	187,428	203,022	218,618
Intangibles	65,774	53,825	60,162	53,142	45,447	36,707	28,341
Other	2,664,143	3,184,074	3,401,689	4,040,999	4,213,077	4,401,941	4,610,483
Total non-current assets	17,212,983	18,347,992	17,753,048	18,066,325	17,910,370	17,799,363	17,779,652
TOTAL ASSETS	20,583,777	20,991,315	19,327,385	19,839,425	19,568,979	19,545,787	19,584,115
CURRENT LIABILITIES							
Employee provisions	118,914	112,781	118,906	119,406	119,906	120,406	120,906
Payables	116,545	118,451	62,718	48,970	37,232	30,571	30,312
Other	110,469	378,171	103,077	103,271	106,033	106,767	99,558
Total current liabilities	345,928	609,403	284,701	271,647	263,171	257,744	250,776
NON-CURRENT LIABILITIES							
Employee provisions	48,227	53,734	49,333	49,334	49,335	49,335	49,335
Borrowings	5,335,250	5,135,836	4,412,424	4,949,580	4,775,106	4,782,666	4,844,459
Other	5,913	5,103	5,913	5,913	5,913	5,913	5,913
Total non-current liabilities	5,389,390	5,194,673	4,467,670	5,004,827	4,830,354	4,837,914	4,899,707
TOTAL LIABILITIES	5,735,318	5,804,076	4,752,371	5,276,474	5,093,525	5,095,658	5,150,483
EQUITY							
Contributed equity	2,525,663	2,590,015	2,603,939	2,641,070	2,651,012	2,652,452	2,654,231
Accumulated surplus/(deficit) ^(b)	2,949,932	2,623,175	2,740,644	2,691,450	2,594,011	2,567,246	2,548,970
Reserves	9,372,864	9,974,049	9,230,431	9,230,431	9,230,431	9,230,431	9,230,431
Total equity	14,848,459	15,187,239	14,575,014	14,562,951	14,475,454	14,450,129	14,433,632
TOTAL LIABILITIES AND EQUITY	20,583,777	20,991,315	19,327,385	19,839,425	19,568,979	19,545,787	19,584,115

(a) Full audited financial statements are published in the respective agencies' Annual Reports (Department of Communities, Disability Services Commission, and Housing Authority).

(b) The Department for Child Protection and Family Support, the community service functions transferred from the Department of Local Government and Communities, the community patrol program and regional-related services transferred from the Department of Aboriginal Affairs and the Regional Services Reform Unit transferred from the Department of Regional Development recorded a total 2016-17 Estimated Actual Accumulated deficit of \$21.5 million. This is recognised as Contributed equity from 2017-18 onwards to acknowledge the transfer of functions to the new Department of Communities.

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	1,471,823	1,439,998	1,441,766	1,601,553	1,764,473	1,863,631	1,666,749
Capital appropriation.....	71,329	2,338	3,945	32,818	7,500	9,008	1,830
Royalties for Regions Fund:							
Regional Community Services Fund.....	15,962	10,965	7,969	18,123	15,380	69,470	60,728
Regional and State-wide Initiatives.....	3,349	3,450	2,601	4,427	4,821	-	-
Regional Infrastructure and Headworks Fund.....	49,759	56,497	45,677	23,591	2,500	-	-
Holding account drawdowns.....	972	577	577	472	68	68	68
Net cash provided by State Government.....	1,613,194	1,513,825	1,502,535	1,680,984	1,794,742	1,942,177	1,729,375
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(589,252)	(602,149)	(610,275)	(660,041)	(689,523)	(710,264)	(722,932)
Grants and subsidies.....	(145,684)	(154,599)	(162,101)	(180,162)	(171,863)	(177,232)	(185,075)
Supplies and services ^(b)	(1,486,482)	(1,654,684)	(1,469,382)	(1,906,483)	(1,929,039)	(2,278,616)	(2,544,496)
Accommodation.....	(238,416)	(223,831)	(240,979)	(245,784)	(249,435)	(249,675)	(253,101)
Finance costs.....	(151,902)	(150,608)	(137,574)	(131,571)	(142,534)	(159,228)	(199,021)
GST payments.....	(152,755)	(113,857)	(114,355)	(106,796)	(109,717)	(115,254)	(116,277)
Efficiency dividend.....	-	-	-	16,750	22,314	26,381	32,977
Other payments.....	(294,513)	(330,630)	(387,399)	(309,194)	(289,131)	(282,166)	(275,600)
Receipts ^(c)							
Grants and subsidies.....	545,175	516,262	432,644	748,105	625,086	842,322	1,310,769
Sale of goods and services ^(d)	414,829	608,368	515,381	599,531	536,444	567,265	511,417
Rent.....	409,174	443,180	411,148	419,674	429,971	440,420	442,589
Interest.....	100,256	108,014	96,727	94,995	110,724	134,095	179,297
Dividend/State contribution received.....	69,100	117,195	87,432	64,684	69,320	58,728	66,175
GST receipts.....	157,274	113,620	118,668	106,552	109,466	114,995	116,010
Other receipts.....	37,895	11,331	35,893	16,895	16,921	16,847	16,697
Net cash from operating activities.....	(1,325,301)	(1,312,388)	(1,424,172)	(1,472,845)	(1,660,996)	(1,771,382)	(1,620,571)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(183,925)	(430,610)	(465,378)	(187,545)	(144,264)	(120,421)	(106,605)
Proceeds from sale of non-current assets.....	131,103	135,128	156,019	168,440	170,247	105,840	109,901
Net cash from investing activities.....	(52,822)	(295,482)	(309,359)	(19,105)	25,983	(14,581)	3,296
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(4,022,453)	(8,592,902)	(7,814,891)	(3,467,843)	(4,184,474)	(4,002,440)	(3,943,207)
Other payments.....	(3,865,000)	(8,502,544)	(6,767,065)	(4,005,000)	(4,010,000)	(4,010,000)	(4,005,000)
Proceeds from borrowings.....	4,126,928	8,627,544	6,892,065	4,005,000	4,010,000	4,010,000	4,005,000
Other proceeds.....	3,690,000	8,535,000	7,756,989	3,348,463	3,894,886	3,917,055	3,876,244
Net cash from financing activities.....	(70,525)	67,098	67,098	(119,380)	(289,588)	(85,385)	(66,963)
NET INCREASE/(DECREASE) IN CASH HELD.....	164,546	(26,947)	(163,898)	69,654	(129,859)	70,829	45,137
Cash assets at the beginning of the reporting period.....	283,517	359,386	442,325	308,191	377,845	247,986	318,815
Net cash transferred to/from other agencies.....	(5,738)	-	29,764	-	-	-	-
Cash assets at the end of the reporting period.....	442,325	332,439	308,191	377,845	247,986	318,815	363,952

(a) Full audited financial statements are published in the respective agencies' Annual Reports (Department of Communities, Disability Services Commission, and Housing Authority).

(b) Supplies and Services include payment for the purchase of land and housing inventory.

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

(d) Sale of goods and services includes land and housing inventory for sale.

NET APPROPRIATION DETERMINATION ^{(a) (b)}

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Grants and Subsidies							
Commonwealth Grants and Contributions.....	1,470	401	2,062	1,881	363	363	363
Department of the Premier and Cabinet							
Local Projects Local Jobs	-	-	434	-	-	-	-
National Affordable Housing Agreement	22,454	23,239	22,759	23,066	23,463	23,776	24,094
National Initiatives Women's Safety Package	-	-	1,399	730	176	-	-
National Outcome Standards for Perpetrator Interventions	314	-	135	-	-	-	-
National Partnership Agreement Funding Homelessness	14,970	14,970	14,970	15,420	-	-	-
National Partnership Agreement on Pay Equity ..	2,631	-	2,369	6,990	4,695	-	-
Other Grants and Contributions	2,587	1,080	1,875	1,882	1,193	1,206	680
Provision of Services to the Commonwealth in Respect of Indian Ocean Territories	306	390	353	413	413	413	413
Unaccompanied Humanitarian Minors	33	25	33	33	33	33	33
Western Australian Natural Disaster Relief and Recovery Arrangement	850	-	834	-	-	-	-
Sale of Goods and Services							
Adoption Fees	55	64	55	55	55	55	55
Other	14	17	11	11	11	11	11
Regulatory Fees and Services Rendered	482	508	533	548	567	583	612
Working With Children Screening Fees	7,014	6,842	7,108	7,281	7,397	7,530	7,665
GST Receipts							
GST Input Credits	31,695	34,665	34,135	32,251	33,107	34,311	33,737
GST Receipts on Sale	442	66	80	80	80	80	80
Other Receipts							
Other Receipts	1,679	669	3,372	694	731	773	817
TOTAL	86,996	82,936	92,517	91,335	72,284	69,134	68,560

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

(b) The Housing Authority and Disability Services Commission are statutory authorities and as a result are excluded from the Net Appropriation Determination.

DETAILS OF ADMINISTERED TRANSACTIONS

	2015-16 Actual ^(a) \$'000	2016-17 Budget ^(a) \$'000	2016-17 Estimated Actual ^(a) \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
INCOME							
Other							
Anzac Day Trust	300	300	300	300	300	300	300
TOTAL ADMINISTERED INCOME	300	300	300	300	300	300	300
EXPENSES							
Other							
Anzac Day Trust	300	300	300	300	300	300	300
TOTAL ADMINISTERED EXPENSES	300	300	300	300	300	300	300

(a) The 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual financial data has been recast for comparative purposes to reflect the transfer of funding responsibility for the Anzac Day Trust to the Department of Communities.

Agency Special Purpose Account Details

MUNICIPAL AND ESSENTIAL SERVICES ACCOUNT

Account Purpose: This account has been established to set aside funds for essential and municipal services for remote Aboriginal communities in Western Australia.

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000
Opening Balance	-	59,820	62,789	34,190
Receipts: Appropriations.....	90,000	-	-	-
	90,000	59,820	62,789	34,190
Payments	27,211	25,630	28,599	34,190
CLOSING BALANCE	62,789	34,190	34,190	-

WESTERN AUSTRALIAN FAMILY FOUNDATION SPECIAL PURPOSE ACCOUNT

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

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000
Opening Balance	303	303	304	304
Receipts: Appropriations.....	250	-	-	-
	553	303	304	304
Payments	249	-	-	-
CLOSING BALANCE	304	303	304	304

Keystart Housing Scheme Trust

Part 8

**Minister for Child Protection; Women's Interests;
Prevention of Family and Domestic Violence; Community Services**

Minister for Disability Services

Minister for Housing; Veterans Issues; Youth

Minister for Seniors and Ageing; Volunteering

Asset Investment Program

Keystart's Asset Investment Program is limited to an ongoing program to update information technology (IT) that supports the delivery of its services.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
WORKS IN PROGRESS							
IT Systems.....	13,079	8,368	642	1,261	1,150	1,150	1,150
Total Cost of Asset Investment Program.....	13,079	8,368	642	1,261	1,150	1,150	1,150
FUNDED BY							
Internal Funds and Balances.....			642	1,261	1,150	1,150	1,150
Total Funding.....			642	1,261	1,150	1,150	1,150

Part 9

Minister for Police; Road Safety

Summary of Portfolio Appropriations

Agency	2016-17 Budget \$'000	2016-17 Estimated Actual '000	2017-18 Budget Estimate '000
Western Australia Police			
– Delivery of Services	1,298,409	1,308,495	1,336,527
– Capital Appropriation	44,001	53,531	29,451
Total	1,342,410	1,362,026	1,365,978
GRAND TOTAL			
– Delivery of Services	1,298,409	1,308,495	1,336,527
– Capital Appropriation	44,001	53,531	29,451
Total.....	1,342,410	1,362,026	1,365,978

Division 15 Western Australia Police

Part 9 Minister for Police; Road Safety

Appropriations, Expenses and Cash Assets

	2015-16 Actual ^(a) \$'000	2016-17 Budget ^(a) \$'000	2016-17 Estimated Actual ^(a) \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 23 Net amount appropriated to deliver services ^(b)	1,221,276	1,293,587	1,303,670	1,331,702	1,333,375	1,335,308	1,350,286
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	4,704	4,822	4,825	4,825	4,825	4,825	4,825
Total appropriations provided to deliver services.....	1,225,980	1,298,409	1,308,495	1,336,527	1,338,200	1,340,133	1,355,111
CAPITAL							
Item 97 Capital Appropriation	44,632	44,001	53,531	29,451	17,177	7,067	6,600
TOTAL APPROPRIATIONS	1,270,612	1,342,410	1,362,026	1,365,978	1,355,377	1,347,200	1,361,711
EXPENSES							
Total Cost of Services.....	1,437,469	1,513,835	1,549,808	1,528,238	1,452,733	1,452,177	1,466,631
Net Cost of Services ^(c)	1,269,516	1,350,910	1,390,405	1,349,958	1,283,467	1,287,461	1,302,793
Adjusted Total Cost of Services ^(d)	1,350,602	1,406,451	1,429,933	1,462,360	1,438,321	1,440,174	1,454,535
CASH ASSETS ^(e)	149,374	87,808	78,432	72,203	154,739	235,142	314,843

- (a) The 2015-16 Actual, 2016-17 Budget and the 2016-17 Estimated Actual financial data have been recast for comparative purposes due to Machinery of Government changes to amalgamate the Western Australia Police with the Road Safety Commission on 1 July 2017.
- (b) The Western Australia Police net amount appropriated to deliver services from the 2016-17 Estimated Actual onwards includes the transfer of appropriation for staff reallocated from the Department of Finance to various agencies in response to changes to government procurement policy.
- (c) Represents Total Cost of Services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (d) Adjusted Total Cost of Services excludes Road Trauma Trust Account grants for road safety initiatives delivered by other entities. These grants are considered on an annual basis and contribute to variability in the Total Cost of Services recorded from 2017-18 to 2020-21. For further detail, please see the Total Cost of Services - Reconciliation Table.
- (e) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Election Commitments					
24 Hour Police Stations.....	-	-	1,776	1,803	1,830
CCTV Mandurah War Memorial	-	-	350	-	-
Local Projects Local Jobs Grants	-	454	-	-	-
Meth Border Force.....	-	13,346	21,788	21,377	20,644
Regional Enforcement Unit	-	2,544	5,202	5,332	5,465
Road Trauma Trust Account - Increased Roadside Alcohol and Drug Testing.....	-	1,183	854	864	875

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Road Trauma Trust Account					
Alcohol Interlocks Implementation	-	1,165	-	-	-
Coalfields Highway	-	2,565	-	-	-
Community Education Program	-	7,000	-	-	-
Community Grants	-	360	360	360	360
Cranbrook Vehicle Rest Area	-	1,200	-	-	-
Crash Blood Legislation	-	211	225	240	254
Electronic School Zone Sign Project	-	4,000	4,000	4,000	4,000
Enhanced Speed Enforcement Administration Costs (Department of Transport)	-	2,409	2,499	-	-
Impaired Driving Alcohol and Drugs	-	580	682	785	889
Metropolitan Intersection Crash Program	-	10,000	-	-	-
Road Safety Information Centre	-	1,000	-	-	-
Run-Off Road Crashes Road Improvements	-	18,000	-	-	-
Safer Vehicles Policy, Crash Testing and Data	-	225	225	225	225
Speed Camera Replacement Program	-	855	769	-	-
Strategy, Policy and Research	-	518	-	-	-
Wheatbelt Safety Review - Great Eastern Highway/Great Southern Highway	-	1,250	-	-	-
Wheatbelt Safety Review - Toodyay Road	-	17,200	-	-	-
Other					
2017-18 Tariffs, Fees and Charges	-	463	463	463	463
Additional Accommodation - Dumas House	-	42	42	43	44
Additional Staff for Australian Criminal Intelligence Commission	-	158	161	162	165
Australia-New Zealand Counter-Terrorism Committee Drill Exercise and Training Consumables	-	160	160	160	160
Community Safety Network/Regional Radio Network	-	7,694	7,865	8,015	8,232
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(73)	(146)	(220)	(296)
Information and Communications Technology Optimisation Program	-	3,000	3,000	3,000	3,000
Non-Government Human Services Sector Indexation Adjustment	-	(10)	(10)	(10)	(11)
Police Radio Network - Commonwealth Legislated Radio Frequency Change	-	1,000	1,120	1,180	155
Reflowing Salaries Expense	-	(19,178)	4,554	6,052	12,916
Regional Incentive Scheme	-	1,262	2,500	2,500	2,500
Regional Workers Incentives Allowance Payments	-	(408)	(473)	(569)	2,212
Revision to Indexation for Non-Salary Expenses	-	(3,321)	(6,446)	(9,489)	(12,520)
Salaries - Roe 8 Construction Site	2,307	-	-	-	-
South West Leavers Transport Services	-	200	200	200	200

Significant Issues Impacting the Agency

- The crime environment is complex and changing. In order to respond to that challenge, Western Australia Police continues to identify and focus on priority areas. These priorities include:
 - the disruption of the supply of methamphetamine and other drugs entering Western Australia and reducing the distribution in the community;
 - maintaining counter terrorism preparedness in alignment with the national agenda; and
 - focusing traffic enforcement effort on driver behaviour that contributes to fatal and serious crashes, particularly in regional Western Australia.
- Offenders often target the more vulnerable groups within a community. The challenge for Western Australia Police is to develop a clearer focus on victims and those at risk of further harm in order to identify and better support vulnerable communities in an effort to improve resilience, and reduce re-victimisation. This creates an understanding of deeper social issues and implementation mechanisms to remove the barriers to reporting, so as to reduce further harm and re-victimisation in areas such as family violence, child abuse and mental health.
- A significant challenge for Western Australia Police is ensuring that its extensive assets and infrastructure keep pace with the delivery of an agile, efficient and innovative policing service. Areas of priority include:
 - improving connectivity through radio network upgrades;
 - the modernisation and replacement of ageing facilities and assets; and
 - the refresh of technology and systems for continuity of services and to enable improved cyber security.

- There are deeper social issues within the community that contribute towards people being offenders and victims. Combating the fundamental factors that contribute towards crime requires a multi-layered response. Western Australia Police is committed to the development of partnerships in order to identify and address these issues, including engaging with the community and developing inter-agency and other partnerships at all levels, such as the local and national family violence forums and working with multicultural communities. Frontline policing teams continue to work in districts to target high-risk juveniles, support elders and engage local services, such as schools.
- In order to respond within a constantly changing and complex crime environment, Western Australia Police's challenge is to ensure that it has an adaptive, trained and responsive workforce. This is achieved by focusing on the management, planning, attraction, retention, diversity and structure of its workforce.
- The expanse of the metropolitan and regional road network presents challenges. Road safety is an important priority and shared responsibility for Government and the community. The State is guided by its Towards Zero strategy, which is focused on improving results in priority crash types causing the most harm. The key responses are focused on:
 - reducing the number of people killed and seriously injured at intersections;
 - single vehicle run-off road crashes due to impaired driving and speeding; and
 - addressing crashes involving vulnerable road users such as motorcyclists, cyclists and pedestrians.

Education, enforcement, vehicle and road engineering and speed management responses are utilised in a safe system approach for road safety improvement, informed by evidence and monitored through data collection and analysis.

Resource Agreement

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

Outcomes, Services and Key Performance Information

The Outcomes, Services and Key Performance Information reflect the amalgamation of the Western Australia Police and the Road Safety Commission due to Machinery of Government changes on 1 July 2017. Where practical, the 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual have been recast for comparative purposes.

Relationship to Government Goals

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

Government Goal	Desired Outcomes	Services
Strong Communities: Safe communities and supported families.	Contribute to community safety and security.	1. Metropolitan Policing Services 2. Regional and Remote Policing Services 3. Specialist Policing Services
	Improve coordination and community awareness of road safety in Western Australia.	4. Road Safety Commission

Service Summary

Expense	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
1. Metropolitan Policing Services.....	531,821	553,910	560,119	572,253	566,769	567,827	573,484
2. Regional and Remote Policing Services.....	380,486	396,216	390,490	398,950	395,127	395,864	399,808
3. Specialist Policing Services.....	426,276	444,706	462,719	472,743	468,214	469,087	473,760
4. Road Safety Commission ^(a)	98,886	119,003	136,480	84,292	22,623	19,399	19,579
Total Cost of Services	1,437,469	1,513,835	1,549,808	1,528,238	1,452,733	1,452,177	1,466,631

(a) Road safety projects and programs delivered by the Western Australia Police and funded via the Road Trauma Trust Account have been eliminated from Service 4 - Road Safety Commission. Service 4 comprises external grants expenditure to other entities and the operational costs of the Road Safety Commission. Road safety projects funded via the Road Trauma Trust Account and delivered by the Western Australia Police are included in Service 3.

Total Cost of Services – Reconciliation Table

Expense	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
Total Cost of Services	1,437,469	1,513,835	1,549,808	1,528,238	1,452,733	1,452,177	1,466,631
Less:							
Road Trauma Trust Account Grants to Other Entities ^(a)	86,867	107,384	119,875	65,878	14,412	12,003	12,096
Adjusted Total Cost of Services.....	1,350,602	1,406,451	1,429,933	1,462,360	1,438,321	1,440,174	1,454,535

(a) The Western Australia Police distribute Road Trauma Trust Account grants to other State Government agencies, local governments and non-government organisations. These grants are included in Service 4 in the Service Summary Table.

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: Contribute to community safety and security:					
Rate of offences against the person (excluding family violence-related offences) per 100,000 people ^(b)	854.3	810	845.7	810	
Rate of offences against property (excluding family violence-related offences) per 100,000 people ^(c)	6,858.7	6,200	6,315.4	6,200	
Percentage of sworn police officer hours available for frontline policing duties	73.6%	75%	74.2%	75%	
Percentage of priority one and two incidents in the metropolitan area responded to within 12 minutes	78.2%	80%	81.6%	80%	
Percentage of priority three incidents in the metropolitan area responded to within 60 minutes.....	82.8%	80%	82.6%	80%	
Percentage of family and domestic-related incidents where an offender was processed for an offence against the person within seven days.....	72.3%	75%	78.7%	75%	
Percentage of offences against the person investigations finalised within 60 days	86%	85%	87.6%	85%	
Percentage of offences against property investigations finalised within 30 days	89.5%	90%	90.1%	90%	
Percentage of traffic law enforcement contacts made by police officers that target 'Category A' offences ^(d)	97.7%	90%	97.9%	90%	
The percentage of the community who were 'satisfied' or 'very satisfied' with the service received during their most recent contact with police	84.8%	82%	80.8%	82%	
The percentage of the community who 'agreed' or 'strongly agreed' that they have confidence in police.....	82.2%	85%	82.3%	85%	
Outcome: Improve coordination and community awareness of road safety in Western Australia:					
Effectiveness of road safety awareness campaigns.....	79%	70%	70%	70%	

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

(b) This Key Effectiveness Indicator (KEI) has been amended to: Rate of offences against the person (excluding family violence-related offences) per 100,000 people. This amendment does not affect the calculation of this KEI.

(c) This KEI has been amended to: Rate of offences against property (excluding family violence-related offences) per 100,000 people. This amendment does affect the calculation of this KEI resulting in a reduction in the rate of offences per 100,000 persons. The 2015-16 Actual and 2016-17 Estimated Actual have been recast for comparative purposes.

(d) 'Category A' offences include: driving under the influence of alcohol/drugs, careless/dangerous/reckless driving, non-speed camera speeding offences, no authority to drive/unlicensed vehicle, use of mobile phones whilst driving, and non-wearing of seatbelts/restraints/helmets.

Services and Key Efficiency Indicators

1. Metropolitan Policing Services

General policing services provided by districts within the metropolitan region including: crime prevention, maintaining public order, and responding to and investigating criminal and general incidents.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	531,821	553,910	560,119	572,253	
Less Income.....	12,704	13,571	12,345	12,157	
Net Cost of Service.....	519,117	540,339	547,774	560,096	
Employees (Full Time Equivalents).....	3,722	3,817	3,880	3,923	
Efficiency Indicator					
Average Cost of Metropolitan Policing Services per Person in the Perth Metropolitan Area.....	\$266	\$267	\$277	\$280	

2. Regional and Remote Policing Services

General policing services provided by districts within regional Western Australia including: crime prevention, maintaining public order, and responding to and investigating criminal and general incidents.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	380,486	396,216	390,490	398,950	
Less Income.....	15,101	17,956	15,094	14,865	
Net Cost of Service.....	365,385	378,260	375,396	384,085	
Employees (Full Time Equivalents).....	1,960	2,011	1,962	1,985	
Efficiency Indicator					
Average Cost of Regional and Remote Policing Services per Person in Regional Western Australia.....	\$702	\$718	\$727	\$750	

3. Specialist Policing Services

Specialist policing services include: major crime, serious and organised crime, sex crime, commercial crime, licensing enforcement, forensic, intelligence, traffic enforcement, and counter terrorism and emergency response.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	426,276	444,706	462,719	472,743	
Less Income.....	24,707	20,822	25,564	26,605	
Net Cost of Service.....	401,569	423,884	437,155	446,138	
Employees (Full Time Equivalents).....	2,564	2,631	2,752	2,783	
Efficiency Indicator					
Average Cost of Specialist Services per Person in Western Australia.....	\$168	\$169	\$181	\$184	

4. Road Safety Commission

The objective of this program is to improve coordination and community awareness of road safety in Western Australia.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	98,886	119,003	136,480	84,292	1
Less Income.....	115,441	110,576	106,400	124,653	2
Net Cost of Service.....	(16,555)	8,427	30,080	(40,361)	
Employees (Full Time Equivalents).....	19	28	20	28	3
Efficiency Indicators					
Percentage of Road Safety Commission Projects Completed on Time	92%	90%	90%	90%	
Percentage of Road Safety Commission Projects Completed on Budget	100%	95%	95%	95%	

Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service from the 2016-17 Budget to the 2016-17 Estimated Actual is primarily due to the carryover of \$14 million for regional road projects and \$2.6 million for the installation of Electronic School Zone Signs. The decrease in Total Cost of Service from the 2016-17 Estimated Actual to the 2017-18 Budget Target is primarily due to one-off funding provided in 2016-17 for various road projects and one-off carryover funding of \$16.6 million provided in 2016-17.
2. The increase in Income between the 2016-17 Estimated Actual and the 2017-18 Budget Target reflects higher anticipated traffic infringement revenue from additional red light and speed cameras.
3. The Road Safety Commission was a standalone agency from 1 July 2015 to 30 June 2017. A significant number of positions were not substantively filled until the second half of 2016-17, resulting in a lower level of Full Time Equivalent employees for the 2016-17 Estimated Actual compared to the 2016-17 Budget.

Asset Investment Program

To support the delivery of services by the Western Australia Police, the planned Asset Investment Program (AIP) for 2017-18 is \$68.1 million. Major projects include:

- Information and Communications Technology (ICT) Optimisation Program – Western Australia Police relies heavily on its ICT to deliver services across Western Australia. This includes crucial core infrastructure that underpins '000' call taking, incident tasking and response, radio communications and information services. A rolling program of \$10 million per annum (\$7 million capital investment and \$3 million capital expense) has been allocated to replace critical ICT infrastructure.
- Capel Police Station – Capital funding of \$8 million has been allocated towards the construction of a new police facility in Capel. The cost of the project includes land acquisition, planning and construction. The new facility, which will service the Collie-Preston District, is expected to be open to the public in July 2020.
- Meth Border Force – Western Australia has the second highest rate of methamphetamine use in Australia. The new mobile Meth Border Force will target drug transit routes and known methamphetamine houses to reduce the supply of methamphetamine into Western Australia. Capital funding of \$5 million in 2017-18 has been allocated to fit-out a new deployment centre and for specialist vehicles and equipment including a mobile x-ray truck.
- Speed Camera Replacement Program – Capital funding of \$7.5 million in 2017-18 has been allocated to implement a scheduled procurement and replacement program, funded from the Road Trauma Trust Account. Fifteen red-light and speed cameras, 13 mobile speed cameras and five fixed speed cameras will be replaced over the next two years including installation, testing, gazettal and calibration of the new equipment.
- Police Radio Network: Commonwealth Legislated Radio Frequency Change – The Australian Communications and Media Authority has changed the radio frequency range for all Government radio communications. Royalties for Regions funding of \$3.7 million in 2017-18, which includes \$2.7 million for capital investment and \$1 million for capital expense, has been allocated to update 47 analogue sites to maintain radio communication across the Kimberley, Pilbara, Mid West-Gascoyne and Goldfields districts.

The figures in the AIP table include project spending relating to asset investment activities only and exclude related recurrent project expenditure reflected in the Income Statement.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
WORKS IN PROGRESS							
Fleet and Equipment Purchases - New and Replacement							
CCTV Cameras for Hoons.....	140	98	72	42	-	-	-
Fleet and Equipment Replacement Program 2015-2018	18,647	12,117	6,416	6,530	-	-	-
Information Technology (IT) Infrastructure							
Community Safety Network - Regional Radio Network							
Replacement Program (a)	54,562	47,246	9,345	6,843	473	-	-
ICT Infrastructure Replacement and Continuity							
2013-2015	31,862	27,972	7,339	3,890	-	-	-
ICT Core Business Systems - Development 2011-2015	35,679	33,979	4,822	1,700	-	-	-
State-wide CCTV Network.....	2,938	1,438	1,438	1,500	-	-	-
Police Facilities							
Additions and Alterations to Existing Facilities							
Police Facilities Major Refurbishment and Upgrade							
Program 2015-16 to 2018-19.....	15,681	6,251	5,031	5,880	3,550	-	-
Westralia Square Accommodation	5,795	3,795	3,462	2,000	-	-	-
Boost to Police Resources							
Accommodation Infrastructure Upgrades	36,487	30,510	18,012	4,861	1,116	-	-
Ballajura Police Station.....	5,546	4,508	1,960	1,038	-	-	-
New and Replacement Police Facilities							
Cockburn Central Police Station	18,178	16,628	4,067	1,550	-	-	-
Upgrades							
Custodial Facilities Upgrade Program 2015-2018.....	7,914	4,120	1,074	3,794	-	-	-
Police Station Upgrade Program 2015-2018	10,096	7,648	4,511	2,448	-	-	-
Road Trauma Trust Account							
Expansion of Automated Traffic Enforcement Strategy	6,472	4,697	3,952	1,775	-	-	-
Speed Camera Replacement Program	15,669	3,562	3,562	7,533	4,574	-	-
COMPLETED WORKS							
IT Infrastructure Core Business Systems Tranche 2							
Computer Aided Dispatch (CAD) System.....	14,665	14,665	5,892	-	-	-	-
Police Facilities							
New and Replacement Police Facilities							
Armadale Courthouse and Police Complex							
Planning and Land Acquisition	5,200	5,200	167	-	-	-	-
Mundijong Police Station	6,041	6,041	1,191	-	-	-	-
NEW WORKS							
Fleet and Equipment Purchases - New and Replacement							
Fleet and Equipment Replacement Program 2018-2021	21,600	-	-	-	7,200	7,200	7,200
IT Infrastructure							
Criminal Organisations Control Bill 2011 - IT Systems	757	-	-	757	-	-	-
ICT Optimisation Program.....	28,000	-	-	7,000	7,000	7,000	7,000
Police Facilities							
Additions and Alterations to Existing Facilities							
Election Commitments							
24 Hour Police Stations.....	1,050	-	-	1,050	-	-	-
Extra Opening Hours at Police Stations.....	300	-	-	300	-	-	-
Meth Border Force	6,378	-	-	5,000	911	467	-
New and Replacement Police Facilities							
Armadale Courthouse and Police Complex	73,752	-	-	-	5,229	11,975	24,168
Election Commitment - Capel Police Station (a)	8,000	-	-	-	4,000	4,000	-
Upgrades							
Custodial Facilities Upgrade Program 2018-2021.....	7,920	-	-	-	2,640	2,640	2,640
Police Station Upgrade Program 2018-2021	11,880	-	-	-	3,960	3,960	3,960
Police Radio Network							
Commonwealth Legislated Radio Frequency Change (a) ...	9,805	-	-	2,650	4,760	2,395	-
Total Cost of Asset Investment Program.....	461,014	230,475	82,313	68,141	45,413	39,637	44,968
FUNDED BY							
Capital Appropriation			53,531	29,451	17,177	7,067	6,600
Drawdowns from the Holding Account.....			7,856	13,530	14,200	14,200	14,200
Funding Included in Department of Treasury							
Administered Item.....			-	-	5,229	11,975	24,168
Internal Funds and Balances.....			5,040	6,359	(5,000)	-	-
Other			7,514	9,308	4,574	-	-
Drawdowns from Royalties for Regions Fund (b)			8,372	9,493	9,233	6,395	-
Total Funding.....			82,313	68,141	45,413	39,637	44,968

(a) Funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund.

Financial Statements

The 2015-16 Actual, 2016-17 Budget and the 2016-17 Estimated Actual financial data have been recast for comparative purposes due to Machinery of Government changes to amalgamate the Western Australia Police with the Road Safety Commission on 1 July 2017.

Income Statement

Expenses

The Income Statement shows a decrease in the Total Cost of Services of \$21.6 million (1.4%) in 2017-18 compared to the 2016-17 Estimated Actual. This decrease is mainly attributable to one-off projects for road safety amounting to \$52.2 million, offset by funding provided to the Western Australia Police mainly for the Meth Border Force and the additional employee program.

Income

Total own source revenue is expected to increase by \$18.9 million (11.8%) in 2017-18 compared to the 2016-17 Estimated Actual. This is largely attributable to the expectation that more infringement revenue will be generated from the operation of additional speed cameras.

Statement of Financial Position

Total assets is increasing over the forward estimates period as the allocation of grants for road safety programs from the Road Trauma Trust Account is yet to be determined.

Statement of Cashflows

The net decrease in cash held of \$6.2 million in 2017-18 compared to the 2016-17 Estimated Actual is mainly due to a reduction in capital appropriation.

INCOME STATEMENT ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	1,009,987	1,051,091	1,056,544	1,076,290	1,092,850	1,112,923	1,137,225
Grants and subsidies ^(c)	91,252	115,714	127,279	73,230	16,073	13,253	13,346
Supplies and services.....	168,679	154,075	163,668	168,457	144,585	135,661	129,365
Accommodation.....	51,457	61,416	61,998	67,630	69,414	65,826	65,088
Depreciation and amortisation.....	53,171	64,112	64,112	66,398	66,974	66,974	66,974
Other expenses.....	62,923	67,427	76,207	76,233	62,837	57,540	54,633
TOTAL COST OF SERVICES	1,437,469	1,513,835	1,549,808	1,528,238	1,452,733	1,452,177	1,466,631
Income							
Sale of goods and services.....	1,349	4,224	4,224	4,224	4,224	4,224	4,224
Regulatory fees and fines.....	17,782	17,625	17,625	18,088	18,088	18,088	18,088
Grants and subsidies.....	4,523	2,729	4,333	3,275	911	911	911
Road Trauma Trust Account revenue.....	109,647	108,076	103,696	121,950	114,343	108,771	107,889
Other revenue.....	34,652	30,271	29,525	30,743	31,700	32,722	32,726
Total Income	167,953	162,925	159,403	178,280	169,266	164,716	163,838
NET COST OF SERVICES	1,269,516	1,350,910	1,390,405	1,349,958	1,283,467	1,287,461	1,302,793
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	1,225,980	1,298,409	1,308,495	1,336,527	1,338,200	1,340,133	1,355,111
Resources received free of charge.....	7,024	4,264	4,264	4,264	4,264	4,264	4,264
Royalties for Regions Fund:							
Regional Community Services Fund.....	3,956	5,306	4,742	15,950	18,899	19,239	18,564
Regional Infrastructure and Headworks Fund.....	6,319	9,722	9,511	2,114	-	-	-
Other appropriations.....	-	-	-	-	11	25	352
TOTAL INCOME FROM STATE GOVERNMENT	1,243,279	1,317,701	1,327,012	1,358,855	1,361,374	1,363,661	1,378,291
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(26,237)	(33,209)	(63,393)	8,897	77,907	76,200	75,498

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

(b) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 8,265, 8,614 and 8,719 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CCTV Network Infrastructure Fund.....	-	3,000	2,855	2,145	-	-	-
CCTV Mandurah War Memorial Fund.....	-	-	-	-	350	-	-
Community Safety and Crime Prevention Partnership Fund.....	927	1,250	1,091	1,409	1,250	1,250	1,250
Countering Violent Extremism Intervention Process Fund.....	-	80	80	80	-	-	-
Emergency Alert Phase 4.....	-	-	-	642	61	-	-
Infrastructure Funding to PCYC.....	3,367	4,000	3,378	2,622	-	-	-
Local Projects Local Jobs Grants.....	-	-	-	454	-	-	-
Other Grants.....	91	-	-	-	-	-	-
Road Safety Initiatives.....	86,867	107,384	119,875	65,878	14,412	12,003	12,096
TOTAL	91,252	115,714	127,279	73,230	16,073	13,253	13,346

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CURRENT ASSETS							
Cash assets	48,222	39,448	39,668	23,934	28,061	27,188	27,188
Restricted cash - Road Trauma Trust							
Account	95,444	36,692	30,046	35,348	109,554	186,627	262,998
Restricted cash - other	5,708	7,465	4,515	4,515	4,515	4,515	4,515
Holding account receivables	7,856	6,530	13,530	14,200	14,200	14,200	7,200
Receivables	6,617	7,581	6,617	6,617	6,617	6,617	6,617
Other	10,651	19,959	10,651	10,651	10,651	10,651	10,651
Assets held for sale	1,917	-	-	-	-	-	-
Total current assets	176,415	117,675	105,027	95,265	173,598	249,798	319,169
NON-CURRENT ASSETS							
Holding account receivables	406,722	464,304	457,304	509,502	562,276	615,050	674,824
Property, plant and equipment	955,025	990,527	960,889	973,546	964,646	954,544	949,773
Intangibles	72,500	61,144	64,583	53,669	41,008	23,773	6,538
Restricted cash	-	4,203	4,203	8,406	12,609	16,812	20,142
Total non-current assets	1,434,247	1,520,178	1,486,979	1,545,123	1,580,539	1,610,179	1,651,277
TOTAL ASSETS	1,610,662	1,637,853	1,592,006	1,640,388	1,754,137	1,859,977	1,970,446
CURRENT LIABILITIES							
Employee provisions	154,655	155,230	154,655	154,655	154,655	154,655	154,655
Payables	4,558	15,360	4,558	4,558	4,558	4,558	4,558
Other	26,250	11,594	30,453	34,656	38,859	43,062	47,265
Total current liabilities	185,463	182,184	189,666	193,869	198,072	202,275	206,478
NON-CURRENT LIABILITIES							
Employee provisions	61,641	51,281	61,641	61,641	61,641	61,641	61,641
Other	54	55	54	54	54	54	54
Total non-current liabilities	61,695	51,336	61,695	61,695	61,695	61,695	61,695
TOTAL LIABILITIES	247,158	233,520	251,361	255,564	259,767	263,970	268,173
EQUITY							
Contributed equity	751,106	815,642	791,640	1,004,878	1,036,517	1,061,954	1,092,722
Accumulated surplus/(deficit) ^(b)	241,349	189,135	177,956	8,897	86,804	163,004	238,502
Reserves	371,049	399,556	371,049	371,049	371,049	371,049	371,049
Total equity	1,363,504	1,404,333	1,340,645	1,384,824	1,494,370	1,596,007	1,702,273
TOTAL LIABILITIES AND EQUITY	1,610,662	1,637,853	1,592,006	1,640,388	1,754,137	1,859,977	1,970,446

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

(b) The Accumulated surplus 2016-17 Estimated Actual of \$178 million is recognised as Contributed equity from 2017-18 onwards to acknowledge the transfer of functions to the new Western Australia Police.

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	1,166,755	1,234,297	1,244,383	1,270,129	1,271,226	1,273,159	1,288,137
Capital appropriation.....	44,632	44,001	53,531	29,451	17,177	7,067	6,600
Administered equity contribution ^(b)	-	-	-	-	5,229	11,975	24,168
Holding account drawdowns.....	15,137	7,856	7,856	13,530	14,200	14,200	14,200
Royalties for Regions Fund:							
Regional Community Services Fund.....	3,956	5,306	4,742	15,950	18,899	19,239	18,564
Regional Infrastructure and Headworks Fund.....	7,472	18,567	17,883	11,607	9,233	6,395	-
Receipts paid into Consolidated Account.....	-	-	(560)	(3,662)	-	-	-
Administered appropriations.....	-	-	-	-	11	25	352
Net cash provided by State Government.....	1,237,952	1,310,027	1,327,835	1,337,005	1,335,975	1,332,060	1,352,021
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(1,019,036)	(1,046,888)	(1,052,341)	(1,072,087)	(1,088,647)	(1,108,720)	(1,133,022)
Grants and subsidies.....	(88,495)	(115,764)	(127,329)	(73,230)	(16,073)	(13,253)	(13,346)
Supplies and services.....	(162,984)	(150,996)	(160,589)	(161,003)	(137,074)	(128,014)	(121,707)
Accommodation.....	(55,343)	(61,416)	(61,998)	(67,630)	(69,414)	(65,826)	(65,088)
Other payments.....	(87,617)	(92,491)	(101,271)	(105,757)	(92,453)	(87,332)	(84,436)
Receipts ^(c)							
Regulatory fees and fines.....	17,706	17,625	17,625	18,088	18,088	18,088	18,088
Grants and subsidies.....	4,589	2,729	4,333	3,275	911	911	911
Sale of goods and services.....	1,272	4,224	4,224	4,224	4,224	4,224	4,224
GST receipts.....	37,103	29,911	29,911	29,911	29,911	29,911	29,911
Road Trauma Trust Account receipts.....	109,647	108,076	103,696	121,950	114,343	108,771	107,889
Other receipts.....	30,034	26,659	25,913	27,166	28,158	29,220	29,224
Net cash from operating activities.....	(1,213,124)	(1,278,331)	(1,317,826)	(1,275,093)	(1,208,026)	(1,212,020)	(1,227,352)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(91,080)	(76,331)	(82,313)	(68,141)	(45,413)	(39,637)	(44,968)
Proceeds from sale of non-current assets.....	560	-	1,362	-	-	-	-
Net cash from investing activities.....	(90,520)	(76,331)	(80,951)	(68,141)	(45,413)	(39,637)	(44,968)
NET INCREASE/(DECREASE) IN CASH HELD							
	(65,692)	(44,635)	(70,942)	(6,229)	82,536	80,403	79,701
Cash assets at the beginning of the reporting period.....	215,066	132,443	149,374	78,432	72,203	154,739	235,142
Cash assets at the end of the reporting period.....	149,374	87,808	78,432	72,203	154,739	235,142	314,843

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

(b) Reflects funding provisioned in Treasury Administered for the construction and associated project costs for a new Armadale Courthouse and Police Complex. The provision will be released to the Western Australia Police upon Government approval of a project definition plan.

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

NET APPROPRIATION DETERMINATION ^(a)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Regulatory Fees and Fines							
Licenses.....	9,717	10,190	10,190	10,653	10,653	10,653	10,653
Departmental	7,989	7,435	7,435	7,435	7,435	7,435	7,435
Grants and Subsidies							
Departmental	2,625	546	2,150	2,604	400	400	400
Commonwealth - Other	1,964	2,183	2,183	671	511	511	511
Sale of Goods and Services							
Departmental	1,272	4,224	4,224	4,224	4,224	4,224	4,224
GST Receipts							
GST Input Credits	32,573	27,523	27,523	27,523	27,523	27,523	27,523
GST Receipt on Sales	4,530	2,388	2,388	2,388	2,388	2,388	2,388
Other Receipts							
Departmental	22,809	21,738	20,992	22,555	23,769	24,790	24,791
Commonwealth - Other	2,155	2,421	2,421	2,111	1,889	1,930	1,933
TOTAL	85,634	78,648	79,506	80,164	78,792	79,854	79,858

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

DETAILS OF ADMINISTERED TRANSACTIONS

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
INCOME							
Fines							
Firearms Licensing Infringements	52	200	100	100	100	100	100
Minor Infringement Penalties	489	360	710	710	710	710	710
Other							
Sale of Lost, Stolen and Forfeited Property	1,481	450	600	600	600	600	600
TOTAL ADMINISTERED INCOME	2,022	1,010	1,410	1,410	1,410	1,410	1,410
EXPENSES							
Other							
Receipts Paid into the Consolidated Account.....	1,285	760	1,160	1,160	1,160	1,160	1,160
All Other Expenses.....	737	250	250	250	250	250	250
TOTAL ADMINISTERED EXPENSES	2,022	1,010	1,410	1,410	1,410	1,410	1,410

Part 10

Minister for Regional Development; Agriculture and Food

Minister for Fisheries

Summary of Portfolio Appropriations

Agency	2016-17 Budget \$'000	2016-17 Estimated Actual '000	2017-18 Budget Estimate '000
Primary Industries and Regional Development			
– Delivery of Services	171,767	172,356	186,631
– Administered Grants, Subsidies and Other Transfer Payments	1,600	1,600	1,600
– Capital Appropriation	1,306	2,606	1,085
Total	174,673	176,562	189,316
GRAND TOTAL			
– Delivery of Services	171,767	172,356	186,631
– Administered Grants, Subsidies and Other Transfer Payments	1,600	1,600	1,600
– Capital Appropriation	1,306	2,606	1,085
Total.....	174,673	176,562	189,316

Division 16 Primary Industries and Regional Development

Part 10 Minister for Regional Development; Agriculture and Food

Minister for Fisheries

Appropriations, Expenses and Cash Assets (a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 24 Net amount appropriated to deliver services (b).....	173,014	167,350	167,230	179,776	176,711	168,338	163,049
Amount Authorised by Other Statutes							
- Biosecurity and Agriculture Management Act 2007.....	1,235	1,235	1,944	3,673	4,304	4,388	2,765
- Salaries and Allowances Act 1975.....	3,116	3,182	3,182	3,182	3,182	3,182	3,182
Total appropriations provided to deliver services.....	177,365	171,767	172,356	186,631	184,197	175,908	168,996
ADMINISTERED TRANSACTIONS							
Item 25 Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....	1,600	1,600	1,600	1,600	-	-	-
CAPITAL							
Item 98 Capital Appropriation	5,087	1,306	2,606	1,085	85	85	85
TOTAL APPROPRIATIONS	184,052	174,673	176,562	189,316	184,282	175,993	169,081
EXPENSES							
Total Cost of Services.....	613,573	446,591	501,720	528,413	456,944	385,598	335,976
Net Cost of Services (c).....	501,281	355,568	404,445	423,483	366,808	298,961	255,473
CASH ASSETS (d)	124,671	75,023	87,144	81,197	72,200	78,228	83,006

- (a) The 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to amalgamate the Departments of Agriculture and Food, Fisheries and Regional Development and the nine Regional Development Commissions on 1 July 2017.
- (b) The Department's net amount appropriated to deliver services from the 2016-17 Estimated Actual onwards includes the transfer of appropriation for staff reallocated from the Department of Finance to various agencies in response to changes to government procurement policy.
- (c) Represents Total Cost of Services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (d) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Election Commitments					
Albany Renewable Energy Project.....	-	1,000	6,160	6,170	6,170
Balingup Town Hall.....	-	200	-	-	-
Capel Town Centre Revitalisation.....	-	1,300	1,000	(2,249)	-
Collie River Revitalisation.....	-	125	125	-	-

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Donnybrook Town Centre Revitalisation.....	-	-	200	1,800	-
Eaton-Australind Waterfront Historic Walk Trail	-	500	-	-	-
Fishability Western Australia ^(a)	-	25	26	27	27
Fishing Safety Strategy ^(a)	-	25	26	27	27
Goldfields Major Solar Feasibility	-	250	250	-	-
Goldfields-Esperance Arts and Culture Trail	-	-	100	100	100
Halifax Business Park	-	-	1,500	1,500	-
Local Projects Local Jobs.....	8,571	1,429	-	-	-
Mandurah Eastern Foreshore Redevelopment	-	-	5,000	5,000	-
Natural Resource Management Program	-	-	2,213	6,200	6,200
Oyster Reef Habitat Restoration.....	-	250	250	250	250
Peel Harvey Estuary - Grants.....	-	500	500	500	-
Peel Harvey Estuary - One Full Time Equivalent	-	113	115	117	-
Riverview Residence - Upgrade to Over 55's Estate in Collie	-	-	-	2,000	-
Shark Deterrent Rebate Scheme ^(a)	-	200	200	-	-
Stockton Lake.....	-	250	-	-	-
Other					
2017-18 Tariff, Fees and Charges.....	(437)	(868)	(742)	(778)	(851)
Commonwealth Funding - Indian Ocean Territories.....	-	519	-	-	-
Falcon Beach Enclosure	-	200	-	-	-
Fisheries Structural Adjustment.....	4,083	4,345	3,038	1,842	511
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(48)	(96)	(145)	(203)
Loans (Co-operative Companies).....	(236)	183	202	272	187
Pest Animal and Weed Management in Drought Affected Areas.....	-	500	-	-	-
Red Imported Fire Ant Eradication Program	151	2,094	2,146	2,199	2,253
Regional Development Leverage Unit	-	5,000	5,000	5,000	5,000
Revision to Indexation for Non-Salary Expenses	-	(837)	(1,655)	(2,222)	(2,303)
Shark Hazard Mitigation - Changes to Serious Threat Guidelines.....	-	(250)	(250)	(250)	(250)
Surf Life Saving Western Australia Patrols	-	3,338	3,389	-	-
Sustainable Development of the Abrolhos Islands	-	-	-	5,000	5,000
Western Australian Regional Film Project.....	-	4,000	3,000	3,000	-
Wild Dogs Action Plan.....	1,133	633	500	-	-

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

Significant Issues Impacting the Agency

- Ongoing structural changes to the Western Australian economy reinforce the importance of driving growth and development in our regions. The Government will focus future investment on programs that create long-term jobs, diversify the economy and build the capacity of regional people. To support this, there will be a focus on digital connectivity, agribusiness, Aboriginal development, economic infrastructure and energy futures.
- A comprehensive review of the Royalties for Regions (RfR) program has been undertaken to prioritise the delivery of regional election commitments and to support ongoing sustainability of regional programs. Over the forward estimates, there is a strengthened emphasis on health, including mental health, education, transport, tourism and economic development.
- The Government will maximise the impact of investment through a renewed focus on local content and the active targeting of leverage funding. Regional local content officers in each of the nine regions will support local suppliers, businesses and contractors to secure more government work and connect businesses to private sector projects.
- The regions have significant opportunities for growth, over the long-term, driven primarily by productivity, population and economic growth in global markets, particularly in Asia. These opportunities were highlighted in a 2017 survey of agriculture and food businesses, which found that three-quarters of respondents were more positive about their future than they were five years ago. This optimism translated into over half of the respondents highlighting their intention to increase their business over the next three years, and capitalise on (among other things) current high produce prices, strong demand for products and their overall confidence in the future of the industry. These results reinforce the growth potential for the State's agricultural sector.
- Western Australia's reputation as a producer of high quality, clean produce is one of our greatest competitive advantages, along with our proximity and supply to key and emerging markets. The Government is reprioritising its investment in the State's agriculture and food sectors towards high value produce and quality processing. Investment in biosecurity will be increased to protect our access to markets.

- Machinery of Government changes acknowledge the importance of agriculture and food, fisheries and regional development in building strong and resilient regions across the State. The Department brings together key agencies focused on identifying the best opportunities for transformational growth in our agribusiness sectors and regional economies, without compromising the quality of our natural resources.
- The Government is committed to rebuilding the State's agricultural science, research and development capabilities. The plan to double the value of the State's agricultural sector by 2025 must be underpinned by the right research structures and close collaboration with and between Western Australia's universities and industry. In building capacity, the Department aims to also gain a fairer share of national research and development funding.
- Many grain-belt communities and agribusinesses face a tough year as a result of low rainfall at the start of the 2017 growing season. The Department is providing planning information and decision-making tools to growers to best help manage their livestock and cropping programs, and is gearing up to adjust the level and types of support offered.
- The importance of biosecurity surveillance and emergency response was highlighted by the recent emergence of two exotic species: *Dickeya Dianthicola* - a disease-causing bacterium of potatoes; and Tomato Potato Psyllid - an invasive insect of vegetable crops such as tomato, eggplant, capsicum and sweet potato. The Department will continue to work with industry and government counterparts to manage these incidents. Learnings from these two incidents will inform the improvement of the Department's emergency response procedures and decision-making support to ensure Western Australia has the capability to deal with future incidents.
- The Department's work in agriculture and food will be heavily influenced by the recent, inaugural forum of the Premier's Agribusiness Industry Engagement Consortium. Held on 1 June 2017, the forum saw leading agrifood businesses, the Premier and relevant Ministers discuss the factors that limit the sector's future prospects. The work program will seek to address these factors, with a focus on digital connectivity, increasing food processing and strengthening the State's research and development capabilities.
- The *Aquatic Resources Management Act 2016* (the ARMA) received royal assent in November 2016. The ARMA is due to commence on 1 January 2019 and will replace the *Fish Resources Management Act 1994* and the *Pearling Act 1990*. The ARMA provides significant opportunity to enhance fisheries management arrangements in Western Australia for long-term sustainability, including a focus on risk-based resource management and strengthening of access rights for the commercial and recreational sectors. The new legislation will also provide enhanced capacity for aquaculture and biosecurity management.
- Western Australia has a significant opportunity to develop a major aquaculture industry, based on large-scale production of marine finfish and shellfish. Critical infrastructure to support aquaculture includes the development of a state-of-the-art fish health laboratory. The development of aquaculture zones in the Kimberley and Mid West regions, and a planned zone in the Southern region, continues to be a key focus. The construction of a shellfish hatchery near Albany to provide spat (juvenile shellfish) for commercial farms is a major infrastructure initiative to support industry growth.
- The assessment of the State's commercial fisheries under the world leading Marine Stewardship Council (MSC) sustainable fishing standard continues to be an important component of Western Australia's fisheries management program. To date, some six fisheries have been certified, joining the iconic Western Rock Lobster Fishery as MSC-certified fisheries in Western Australia. The MSC program provides a transparent, independent and science-based approach to assess and demonstrate the ongoing sustainability of the State's fisheries.
- A significant challenge for fisheries management is dealing with the environmental fluctuations and major climatic events that can affect Western Australia's aquatic resources, including those related to climate change. For example, it has taken six years for the crab and scallop stocks in Shark Bay to recover following the 'marine heatwave' in early 2011. A level of recovery has also been observed in other affected fisheries. The management of nearshore resources, given their vulnerability to environmental change and their value to multiple stakeholders, continues to be a focus.
- There is a strong focus on effective measures and initiatives aimed at providing additional protection for those most at risk from shark attacks, including surfers and divers. These measures include a trial rebate for independently verified personal shark deterrents, funding for a Beach Emergency Numbering system, the use of drones to support helicopter and beach patrols and extending the Shark Monitoring Network to Esperance. A suite of other initiatives such as a public notification system, helicopter and beach patrols, education and awareness and beach enclosures continue as important elements of the Government's overall shark hazard mitigation program.

Resource Agreement

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

The relationship of Ministers to services is shown below.

Responsible Minister	Services
Minister for Fisheries	<ol style="list-style-type: none"> 1. Fisheries Management 2. Enforcement and Education 3. Research and Assessment
Minister for Regional Development; Agriculture and Food	<ol style="list-style-type: none"> 4. Market Development, Investment and Market Access 5. Productivity Improvement and Innovation 6. Business Development and Promotion 7. Productive Natural Resources 8. Biosecurity and Product Integrity 9. A Business Environment for Growth 10. Regional Investment 11. Regional Policy 12. Regional Development

Outcomes, Services and Key Performance Information

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

Relationship to Government Goals

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

Government Goal	Desired Outcomes	Services
Future Jobs and Skills: Grow and diversify the economy, create jobs and support skills development.	Conservation and sustainable development of the State's fish resources.	<ol style="list-style-type: none"> 1. Fisheries Management 2. Enforcement and Education 3. Research and Assessment
	A profitable, innovative and sustainable agrifood sector that benefits Western Australia.	<ol style="list-style-type: none"> 4. Market Development, Investment and Market Access 5. Productivity Improvement and Innovation 6. Business Development and Promotion 7. Productive Natural Resources 8. Biosecurity and Product Integrity 9. A Business Environment for Growth
	Increased capacity of regional communities to develop economic growth and social well-being.	<ol style="list-style-type: none"> 10. Regional Investment 11. Regional Policy
	The sustainable economic and social development of the State's remote and regional areas.	<ol style="list-style-type: none"> 12. Regional Development

Service Summary

Expense	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
1. Fisheries Management	27,677	21,686	27,896	28,628	28,111	26,488	26,317
2. Enforcement and Education	39,671	40,912	39,984	41,034	40,292	37,966	37,721
3. Research and Assessment	24,910	24,867	25,106	25,765	25,300	23,839	23,685
4. Market Development, Investment and Market Access	23,389	26,469	29,079	27,691	23,665	20,886	16,849
5. Productivity Improvement and Innovation	38,722	38,735	42,555	35,243	30,120	26,582	21,445
6. Business Development and Promotion	16,396	20,772	22,820	20,139	17,211	15,190	12,254
7. Productive Natural Resources	33,141	26,254	28,843	32,726	27,968	24,684	19,913
8. Biosecurity and Product Integrity	58,104	66,208	72,737	83,072	70,996	62,658	50,550
9. A Business Environment for Growth	38,432	40,595	44,598	52,864	45,179	39,874	32,167
10. Regional Investment	145,237	54,382	64,018	66,003	58,932	38,210	35,764
11. Regional Policy	105,171	39,381	46,358	60,926	54,398	35,271	33,012
12. Regional Development	62,723	46,330	57,726	54,322	34,772	33,950	26,299
Total Cost of Services	613,573	446,591	501,720	528,413	456,944	385,598	335,976

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16	2016-17	2016-17	2017-18	Note
	Actual	Budget	Estimated Actual	Budget Target	
Outcome: Conservation and sustainable development of the State's fish resources:					
The proportion of fish stocks identified as not being at risk or vulnerable through exploitation	95%	97%	95%	97%	
The proportion of commercial fisheries where catches or effort levels are acceptable	90%	95%	93%	95%	
The proportion of recreational fisheries where catches or effort levels are acceptable	100%	85%	100%	85%	
The volume (tonnes) of State commercial fisheries (including aquaculture) production	20,814	21,000	21,229	21,500	
The participation rate in recreational fishing	31%	30%	28%	30%	
Satisfaction rating of the broader community and stakeholders as to their perceptions of the extent to which the Department is achieving aquatic resources management objectives:					
Community	86%	85%	86%	85%	
Stakeholders	n/a	75%	80%	n/a	1
Outcome: A profitable, innovative and sustainable agrifood sector that benefits Western Australia:					
Proportion of co-investment in Department-led initiatives	25%	25%	23%	25%	
Proportion of businesses that consider the Department has positively influenced the profitability of the sector	38%	40%	42%	42%	
Proportion of businesses that consider the Department has fostered innovation in the sector	38%	40%	44%	44%	
Proportion of businesses and key stakeholders that consider the Department has positively influenced the sustainability of the sector	40%	43%	48%	48%	
Outcome: Increased capacity of regional communities to develop economic growth and social well-being:					
Client satisfaction with regional development services	86%	85%	87%	85%	

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: The sustainable economic and social development of the State's remote and regional areas:					
Gascoyne Region:					
The Commission is effective and makes a positive contribution to the economic and social development of the Gascoyne region.....	79%	93%	89%	93%	
Goldfields-Esperance Region:					
Client satisfaction with the provision of an environment conducive to the balanced economic and social development of the Goldfields-Esperance region.....	81.5%	75%	84%	84%	
Great Southern Region					
Favourable responses from a minimum of 75% of clients from the client survey.....	83%	83%	81%	80%	
Kimberley Region					
Delivers effective activities in assisting economic and social development.....	93%	90%	91%	91%	
Makes a positive contribution to economic and social development in the Kimberley	93%	90%	91%	91%	
Provides a reliable source of information and advice.....	93%	90%	92%	92%	
Is an accessible source of information and advice	92%	90%	92%	92%	
Mid West Region					
Clients agreeing that the Commission reduced obstacles to economic growth and employment.....	44%	42%	47%	44%	
Clients agreeing that the Commission contributed to the development of a new business opportunity.....	57%	63%	63%	62%	
Clients agreeing that the Commission contributed to more trade activity	28%	30%	33%	32%	
Clients agreeing that the Commission contributed to the retention of staff and/or expansion of employment opportunities.....	30%	28%	34%	33%	
Peel Region					
Client satisfaction with contribution to the region's economic base.....	89%	90%	87%	85%	
Pilbara Region					
Customers satisfied that the Commission is effective in meeting its service objectives	95%	90%	95%	95%	
South West Region					
Customer satisfaction survey.....	90%	85%	90%	90%	
Wheatbelt Region					
Satisfaction survey that the Commission is achieving its outcome - Sample size	130	130	130	130	
Strongly Agree	31%	32%	30%	32%	
Agree	63%	60%	58%	62%	
Neither Agree or Disagree.....	3%	1%	1%	1%	
Disagree	1%	1%	1%	1%	
Strongly Disagree.....	0%	1%	1%	1%	
Don't Know	2%	5%	9%	3%	

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

Explanation of Significant Movements

(Notes)

1. The survey of main stakeholders is only conducted every two years so the next survey is due in 2018-19.

Services and Key Efficiency Indicators

1. Fisheries Management

Fisheries Management includes the development of policy and procedural frameworks for the management of the State's fisheries, aquaculture and the aquatic environment including legislation and management plans, consultation with fishing industry stakeholders and the community.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 27,677	\$'000 21,686	\$'000 27,896	\$'000 28,628	1
Less Income.....	11,081	10,511	10,569	11,875	2
Net Cost of Service.....	16,596	11,175	17,327	16,753	
Employees (Full Time Equivalents).....	92	85	88	87	
Efficiency Indicator					
Average Cost per Hour of Management (Excluding Grants and Fisheries Adjustments).....	\$174	\$179	\$165	\$159	

Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service from the 2016-17 Budget to the 2016-17 Estimated Actual of \$6.2 million (28.6%) is due to a change in calculation methodology, after publication of the 2016-17 Budget, which led to a redistribution of costs between the Fisheries Management, Enforcement and Education and Research and Assessment services.
2. The increase in income from the 2016-17 Estimated Actual to the 2017-18 Budget Target of \$1.3 million (12.4%) is primarily due to the increase in commercial and recreational license fees.

2. Enforcement and Education

Through the Enforcement and Education service, the Department raises community awareness and understanding of fisheries and aquatic management issues and the need to adhere to the rules governing these activities. This service enforces fishing rules and also plans and instigates investigations and enforcement strategies.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 39,671	\$'000 40,912	\$'000 39,984	\$'000 41,034	
Less Income.....	15,882	18,040	17,735	18,815	
Net Cost of Service.....	23,789	22,872	22,249	22,219	
Employees (Full Time Equivalents).....	203	189	196	194	
Efficiency Indicator					
Average Cost per Hour of Enforcement and Education.....	\$140	\$159	\$145	\$146	

3. Research and Assessment

The Research and Assessment service provides scientific knowledge for the sustainable management of the State's fisheries and aquatic resources and the associated environment.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 24,910	\$'000 24,867	\$'000 25,106	\$'000 25,765	
Less Income.....	9,972	6,653	11,000	12,360	1
Net Cost of Service.....	14,938	18,214	14,106	13,405	2
Employees (Full Time Equivalents).....	193	179	183	180	
Efficiency Indicator					
Average Cost per Hour of Research and Assessment.....	\$104	\$116	\$110	\$111	

Explanation of Significant Movements

(Notes)

1. The increase in income from the 2016-17 Estimated Actual to the 2017-18 Budget Target of \$1.3 million (12.4%) is primarily due to the increase in commercial and recreational license fees.
2. The reduction in Net Cost of Service from 2016-17 Budget to 2016-17 Estimated Actual of \$4.1 million (-22.6%) is due to a change in calculation methodology, after publication of the 2016-17 Budget, which led to a redistribution of costs/income between services.

4. Market Development, Investment and Market Access

The service supports Western Australian agriculture and food businesses to increase their access to domestic and international markets. It aims to support current and prospective industries to develop the marketing and business arrangements they need to remain globally competitive. It focuses on the development of coordinated growth initiatives, collaborative processes and networks that help the State's agriculture and food sector increase its contribution to the Western Australian economy.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 23,389	\$'000 26,469	\$'000 29,079	\$'000 27,691	
Less Income.....	6,206	3,528	6,277	6,419	
Net Cost of Service.....	17,183	22,941	22,802	21,272	
Employees (Full Time Equivalents).....	110	111	111	110	
Efficiency Indicators					
Net Service Cost as a Factor of Gross Value of Agricultural Production (GVAP).....	0.3%	0.3%	0.3%	0.3%	1
Public and Private Sector Co-investment in Department-led Market Development Initiatives as a Factor of the Net Cost of this Service.....	20%	15%	12%	13%	

Explanation of Significant Movements

(Notes)

1. Based on the Australian Bureau of Statistics' GVAP five year rolling average of \$7.8 billion.

5. Productivity Improvement and Innovation

This service supports businesses to optimise the technical side of their enterprise by increasing the volume and cost effectiveness of their products. It applies to all elements of the supply chain and to the key systems and processes required for an internationally competitive sector. This focus is particularly important in the current economic environment where businesses are being challenged by rapid technical changes, increasing climate variability and evolving capital and financing arrangements. The Department provides a range of tools to foster innovation in target industries, and is constantly developing new tools in response to emerging trends and opportunities.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 38,722	\$'000 38,735	\$'000 42,555	\$'000 35,243	
Less Income.....	10,275	15,448	9,186	8,170	
Net Cost of Service.....	28,447	23,287	33,369	27,073	1
Employees (Full Time Equivalents).....	152	154	154	150	
Efficiency Indicators					
Net Service Cost as a Factor of GVAP.....	0.4%	0.3%	0.3%	0.3%	2
Public and Private Sector Co-investment in Department-led Productivity Improvement and Innovation Initiatives as a Factor of the Net Cost of this Service.....	60%	45%	70%	57%	3

Explanation of Significant Movements

(Notes)

1. The decrease in Net Cost of Service from the 2016-17 Estimated Actual to the 2017-18 Budget Target of \$6.3 million (-18.9%) is due to a delay in commencement of externally funded projects as a result of the need to reprioritise work commitments to meet high priority emerging issues such as biosecurity incidents.
2. Based on the Australian Bureau of Statistics' GVAP five year rolling average of \$7.8 billion.
3. Variations between the 2016-17 Budget and the 2016-17 Estimated Actual figures stem primarily from difficulties in estimating third-party and in-kind co-investment patterns for each new service on the basis of those of the three former services. The 2017-18 Budget Target has been developed on the basis of 2016-17 investment patterns.

6. Business Development and Promotion

This service relates to the Department's focus on the commercial components needed for business success. It involves working with industry to facilitate the development of investment-ready supply chains: helping business owners align their corporate skills and knowledge with global best practices and developing decision-aiding tools that support business success. It aims to help growing businesses in their efforts to increase the quality and marketability of their existing and emerging products; and in managing their business risks.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 16,396	\$'000 20,772	\$'000 22,820	\$'000 20,139	
Less Income.....	4,351	5,401	4,926	4,669	
Net Cost of Service.....	12,045	15,371	17,894	15,470	1
Employees (Full Time Equivalents).....	73	74	74	73	
Efficiency Indicators					
Net Service Cost as a Factor of GVAP.....	0.2%	0.2%	0.2%	0.2%	2
Public and Private Sector Co-investment in Department-led Business Development and Promotion Initiatives as a Factor of the Net Cost of this Service.....	30%	25%	22%	23%	

Explanation of Significant Movements

(Notes)

1. The decrease in Net Cost of Service from the 2016-17 Estimated Actual to the 2017-18 Budget Target of \$2.4 million (-13.5%) is due to a delay in RfR funded project timeframes as a result of the need to reprioritise work commitments to meet high priority emerging issues such as biosecurity incidents.
2. Based on the Australian Bureau of Statistics' GVAP five year rolling average of \$7.8 billion.

7. Productive Natural Resources

This service supports the productive capacity of the natural resources; land, water, native vegetation and biodiversity, that underpin the sector. This is essential both to the viability of the sector and to maintaining the physical environment and amenity that all Western Australians value and enjoy. This work involves partnerships with industry and a wide range of government agencies to fulfil shared responsibilities.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	33,141	26,254	28,843	32,726	
Less Income.....	8,794	9,160	6,226	7,586	
Net Cost of Service.....	24,347	17,094	22,617	25,140	1
Employees (Full Time Equivalents).....	118	119	119	119	
Efficiency Indicators					
Net Service Cost as a Factor of GVAP	0.4%	0.2%	0.1%	0.1%	2
Public and Private Sector Co-investment in Department-led Productive Resource Management Initiatives as a Factor of the Net Cost of this Service	35%	35%	100%	65%	3

Explanation of Significant Movements

(Notes)

1. The increase in Net Cost of Service from the 2016-17 Estimated Actual to the 2017-18 Budget Target of \$2.5 million (11.2%) is due to increases in industry funding schemes.
2. Based on the Australian Bureau of Statistics' GVAP five year rolling average of \$7.8 billion.
3. Variations between the 2016-17 Budget and the 2016-17 Estimated Actual figures stem primarily from difficulties in estimating third-party and in-kind co-investment patterns for each new service on the basis of those of the three former services. The 2017-18 Budget Target has been developed on the basis of 2016-17 investment patterns.

8. Biosecurity and Product Integrity

This service protects the productivity, marketing, environmental and social advantages that all Western Australians enjoy from being free of the world's most serious weed, pest and disease threats. While the Australian Quarantine and Inspection Service offers the front line of defence against biosecurity threats arriving from overseas, all other biosecurity management responsibilities rest with the states, including keeping out a number of significant threats endemic to the Eastern States but not Western Australia. The world's premium food markets are increasingly demanding that their suppliers have highly-sophisticated biosecurity management capabilities at local to international levels to build and demonstrate that capability.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	58,104	66,208	72,737	83,072	
Less Income.....	16,028	14,091	16,349	19,288	
Net Cost of Service.....	42,076	52,117	56,388	63,784	1,2
Employees (Full Time Equivalents).....	355	359	359	379	
Efficiency Indicators					
Net Service Cost as a Factor of GVAP	0.7%	0.8%	0.6%	0.7%	3
Public and Private Sector Co-investment in Department-led Biosecurity and Product Integrity Initiatives as a Factor of the Net Cost of this Service	30%	25%	11%	18%	4

Explanation of Significant Movements

(Notes)

1. The increase in Net Cost of Service from the 2016-17 Estimated Actual to the 2017-18 Budget Target of \$7.4 million (13.1%) primarily relates to the delivery of 19 recommendations as detailed in the Animal Welfare Review Report, contribution to a national cost-shared funding program to deliver the Red Imported Fire Ant Eradication Program, as well as the reallocation of internal resources towards biosecurity incidents.
2. The increase in Net Cost of Service from the 2016-17 Budget to the 2016-17 Estimated Actual of \$4.3 million (8.2%) is due to an increase in expenditure related to the management of a number of unbudgeted biosecurity incidents in 2016-17.
3. Based on the Australian Bureau of Statistics' GVAP five year rolling average of \$7.8 billion.
4. Variations between the 2016-17 Budget and the 2016-17 Estimated Actual figures stem primarily from difficulties in estimating third-party and in-kind co-investment patterns for each new service on the basis of those of the three former services. The 2017-18 Budget Target has been developed on the basis of 2016-17 investment patterns.

9. A Business Environment for Growth

This service optimises policy settings and relationships across government, industry and related organisations. It reflects the leadership the Department provides in partnering with stakeholders in terms of the regulatory, policy and planning settings that affect the agrifood sector. It involves building the combined ability of governments, industry and the broader community to develop the agriculture and food sector while dealing with biosecurity and natural resource risks. An increasingly complex and changing world requires a collaborative approach that allows the agrifood sector to develop in the most efficient and effective manner possible.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	38,432	40,595	44,598	52,864	
Less Income.....	10,198	4,502	9,628	12,255	
Net Cost of Service.....	28,234	36,093	34,970	40,609	1
Employees (Full Time Equivalents).....	179	180	180	205	
Efficiency Indicators					
Net Service Cost as a Factor of GVAP.....	0.5%	0.5%	0.5%	0.5%	2
Public and Private Sector Co-investment in Department-led Growth Initiatives as a Factor of the Net Cost of this Service.....	10%	10%	8%	9%	

Explanation of Significant Movements

(Notes)

1. The increase in Net Cost of Service from the 2016-17 Estimated Actual to the 2017-18 Budget Target of \$5.6 million (16.1%) primarily relates to additional RfR and other externally funded activities.
2. Based on the Australian Bureau of Statistics' GVAP five year rolling average of \$7.8 billion.

10. Regional Investment

This service delivers a pipeline of quality initiatives to drive a long-term, high value approach to the RfR program. This is achieved through identifying and assessing projects against regional priorities, needs and solutions including, infrastructure, economic development, job creation and community services.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	145,237	54,382	64,018	66,003	
Less Income.....	10,340	1,977	2,341	1,198	
Net Cost of Service.....	134,897	52,405	61,677	64,805	1
Employees (Full Time Equivalents).....	112	99	74	81	
Efficiency Indicators					
Average Cost per Funded Initiative Administered.....	\$16,998	\$19,564	\$22,157	\$28,837	2
Average Internal Cost per Satellite Site Supported.....	\$4,661	\$4,232	\$4,239	-	3

Explanation of Significant Movements

(Notes)

1. The decrease of \$82.5 million (-61.2%) in Net Cost of Service between the 2015-16 Actual to the 2016-17 Budget is mainly attributable to large grants expenditure on Growing Our South, Goldfields Esperance Revitalisation and Mid West Revitalisation projects in 2015-16. Similarly the increase in Net Cost of Service of \$9.3 million (17.7%) between the 2016-17 Budget to the 2016-17 Estimated Actual is primarily due to the increases in expenditure for various grant initiatives.
2. The increase in Average Cost per Funded Initiative Administered between the 2016-17 Estimated Actual and the 2017-18 Budget Target is mainly attributable to the reallocation of initiatives between services.
3. There is no Average Internal Cost per Satellite Site Supported for the 2017-18 Budget Target. The number of satellite sites supported relates to broadcasting by the Westlink program. As part of the Agency Expenditure Review process, Westlink was identified for closure in 2017-18 due to the diminishing interest in using Westlink as a communication tool in recent years.

11. Regional Policy

This service provides strategic input into policy and strategy directions to support increased regional business development and investment to grow and attract business for the economic and social benefits of regional communities and the State.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	105,171	39,381	46,358	60,926	
Less Income.....	7,487	1,432	1,696	1,725	
Net Cost of Service.....	97,684	37,949	44,662	59,201	1
Employees (Full Time Equivalents).....	51	50	82	75	2
Efficiency Indicator					
Average Cost per Item of Written Advice Requiring Minister's Attention.....	\$5,974	\$12,674	\$11,112	\$11,105	

Explanation of Significant Movements

(Notes)

1. The decrease of \$59.7 million (-61.2%) in Net Cost of Service between the 2015-16 Actual to the 2016-17 Budget is mainly attributable to large grants expenditure on Growing Our South, Goldfields Esperance Revitalisation and Mid West Revitalisation projects in 2015-16. Similarly the increase in Net Cost of Service of \$6.7 million (17.7%) between the 2016-17 Budget to the 2016-17 Estimated Actual is primarily due to the increases in expenditure for various grant initiatives.
2. The increase in Employees (Full Time Equivalents) between the 2016-17 Budget to the 2016-17 Estimated Actual is primarily due to the reallocation of initiatives between services.

12. Regional Development ^(a)

This service works to deliver the economic and social development of the regions in conjunction with the nine Regional Development Commissions. This will be achieved by maximising job creation and broadening the regions' economic base in partnership with other government services and the private sector.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	62,723	46,330	57,726	54,322	
Less Income.....	1,678	280	1,342	570	
Net Cost of Service.....	61,045	46,050	56,384	53,752	1
Employees (Full Time Equivalents).....	132	137	137	136	

(a) Due to the Machinery of Government changes, key services for the nine Regional Development Commissions have been rationalised. Accordingly, key efficiency indicators are under review and will be developed in 2017-18. Further detail in support of the key efficiency indicators are provided for in the agencies' Annual Reports.

Explanation of Significant Movements

(Notes)

1. The increase in Net Cost of Service of \$10.3 million (22.4%) between the 2016-17 Budget to the 2016-17 Estimated Actual is primarily due to the increases in grant expenditure related to the Local Projects Local Jobs program.

Asset Investment Program

The Asset Investment Program for the Department provides for the replacement, maintenance, upgrade and expansion of assets that support the delivery of services throughout the State. These assets include, but are not limited to, buildings and infrastructure, progressive replacement of marine vessels, information systems and operational equipment.

As part of the Government's election commitments, a new fish health laboratory will be developed in 2017-18 at the Indian Ocean Marine Research Centre at Watermans Bay to deliver research and investigative services for the State's aquaculture industry

Other projects being undertaken include the:

- Multi Species Mollusc Hatchery at the Albany Aquaculture Park;
- Wild Dog Action plan;
- Dolphin Discovery Centre; and
- Remote Communities North West Housing project.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
WORKS IN PROGRESS							
Abrolhos Islands Program							
Abrolhos Islands Airstrips Rolling Program	874	474	-	100	100	100	100
Abrolhos Islands General Rolling Program	1,922	1,122	36	200	200	200	200
Replacement and Upgrade of Public Jetties at							
East Wallabi and Beacon Islands	1,126	1,108	898	18	-	-	-
Boosting Bio-Security Defences ^(a)	641	487	487	154	-	-	-
Dolphin Discovery Centre ^(a)	12,290	2,403	2,403	3,687	6,200	-	-
Equipment Replacement Program							
Fit-out Furniture and Office Equipment Rolling Program	5,243	2,843	569	600	600	600	600
Operational and Office Equipment Rolling Program	29,303	16,478	615	1,679	2,653	2,793	2,793
Operational Equipment Rolling Program	4,194	2,538	550	414	414	414	414
Small Boats and Trailers Rolling Program	11,569	5,955	650	972	1,520	1,561	1,561
Grains Entity Infrastructure ^(a)	6,836	3,542	2,800	3,294	-	-	-
Help Grain Growers to Better Manage Risk							
(eConnected) ^(a)	3,331	2,501	2,501	830	-	-	-
Information Systems Upgrade							
Computing Hardware and Software Rolling Program	3,800	3,200	150	150	150	150	150
Information Management Systems Upgrade	32,362	26,522	1,414	4,000	1,840	-	-
Information System Development Rolling Program	2,792	1,192	400	400	400	400	400
Shark Monitoring Network	795	495	495	75	75	75	75
Regional Natural Resource Management Program ^(a)	9,983	5,054	750	2,001	1,150	1,778	-
Wild Dogs Action Plan ^(a)	12,571	2,428	2,428	6,780	2,763	600	-
COMPLETED WORKS							
Equipment Replacement Program							
2016-17 Program ^(a)	167	167	167	-	-	-	-
Albany Multi Species Mollusc Hatchery	1,800	1,800	1,800	-	-	-	-
Aquaculture Park Upgrades Rolling Program	502	502	165	-	-	-	-
Great Kimberley Marine Park Vessel	70	70	70	-	-	-	-
Great Kimberley Marine Park ^(a)	425	425	425	-	-	-	-
Headquarters - South Perth site - Accommodation							
Business Case	250	250	98	-	-	-	-
Information and Communications Technology							
Infrastructure from Department of Lands	673	673	350	-	-	-	-
Information Systems Upgrade							
Decommissioning of the Office of Shared Services	5,971	5,971	500	-	-	-	-
Shark Monitoring Network	600	600	351	-	-	-	-
South West Recreational Fishing Enhancement Pilot							
Project ^(a)	23	23	23	-	-	-	-
Transform Peel - Information Technology ^(a)	28	28	28	-	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
NEW WORKS							
Coral Bay Seasonal Staff Accommodation (a).....	387	-	-	387	-	-	-
Equipment Replacement Program							
2017-18 Program.....	112	-	-	112	-	-	-
2018-19 Program.....	91	-	-	-	91	-	-
2019-20 Program.....	91	-	-	-	-	91	-
Election Commitment - Fish Health Laboratory Watermans Research.....	1,000	-	-	1,000	-	-	-
Essential and Municipal Services Improvement in Remote Aboriginal Communities (a).....	52,000	-	-	2,000	25,000	25,000	-
Royalties for Regions Program (a)							
Asset Investment Underspend Provision (b).....	(84,088)	-	-	(53,853)	(30,235)	-	-
Global Provision.....	121,553	-	-	-	31,992	22,674	66,887
North-West Aboriginal Housing Initiative.....	75,000	-	-	5,000	20,000	20,000	30,000
Total Cost of Asset Investment Program.....	316,287	88,851	21,123	(20,000)	64,913	76,436	103,180
FUNDED BY							
Capital Appropriation			2,606	1,085	85	85	85
Asset Sales.....			107	107	107	107	107
Drawdowns from the Holding Account.....			7,597	4,355	4,897	5,846	5,846
Administered Funds.....			-	(46,853)	46,757	67,674	96,887
Internal Funds and Balances.....			-	214	8,131	91	-
Other			(201)	971	1,023	255	255
Drawdowns from Royalties for Regions Fund (c)			11,014	20,121	3,913	2,378	-
Total Funding.....			21,123	(20,000)	64,913	76,436	103,180

(a) Funded from the RfR Fund.

(b) The asset investment underspend provision ensures the total RfR expenditure, across the entire program, remains under the approved expenditure limit, recognising that not all projects will spend their respective budgets.

(c) Regional Infrastructure and Headworks Fund and Regional Community Services Fund.

Financial Statements

The 2015-16 Actual, 2016-17 Budget and 2016-17 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to amalgamate the Departments of Agriculture, Fisheries and Regional Development and the nine Regional Development Commissions on 1 July 2017.

Income Statement

Expenses

The increase in supplies and services expenditure of \$7.2 million (6.4%) from the 2016-17 Estimated Actual to the 2017-18 Budget Estimate largely reflects an increase in RfR and externally funded expenditure, including a once-off grant payment for \$3.3 million in 2017-18 to the Surf Life Saving Association of Western Australia.

Income

The increase in regulatory fees and fines of \$5.5 million (13%) from the 2016-17 Estimated Actual to the 2017-18 Budget Estimate is mainly attributable to a \$4.3 million increase from commercial and recreational fishing licence fees.

The increase in grants and subsidies of \$4.5 million (12.9%) from the 2016-17 Estimated Actual to the 2017-18 Budget Estimate relates to the reforecasting of external funds revenue within the Agriculture and Food Division as many projects have been delayed due to the management of several biosecurity incidents in the 2016-17 financial year.

INCOME STATEMENT ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	203,531	207,115	208,533	216,242	206,096	188,810	180,302
Grants and subsidies ^(c)	245,420	72,261	110,143	126,659	98,197	64,238	50,685
Supplies and services	84,226	109,751	113,401	120,624	93,552	76,633	51,719
Accommodation	15,444	14,025	14,638	14,873	13,905	13,905	13,684
Depreciation and amortisation	31,382	19,678	24,832	25,330	24,517	23,254	21,265
Other expenses.....	33,570	23,761	30,173	24,685	20,677	18,758	18,321
TOTAL COST OF SERVICES	613,573	446,591	501,720	528,413	456,944	385,598	335,976
Income							
Sale of goods and services.....	4,084	5,074	5,074	4,825	4,825	4,825	4,825
Regulatory fees and fines.....	40,010	38,021	42,393	47,887	49,294	49,465	48,069
Grants and subsidies.....	32,568	33,473	34,973	39,493	25,066	22,164	19,571
Other revenue	35,630	14,455	14,835	12,725	10,951	10,183	8,038
Total Income.....	112,292	91,023	97,275	104,930	90,136	86,637	80,503
NET COST OF SERVICES	501,281	355,568	404,445	423,483	366,808	298,961	255,473
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	177,365	171,767	172,356	186,631	184,197	175,908	168,996
Resources received free of charge	2,372	2,167	2,173	2,169	2,162	2,166	1,849
Royalties for Regions Fund:							
Country Local Government Fund	3,333	-	500	-	-	-	-
Regional Community Services Fund	49,365	89,569	92,837	117,902	85,860	66,526	39,460
Regional Infrastructure and Headworks							
Fund	225,303	31,284	43,793	49,396	37,447	6,868	6,128
Regional and State-wide Initiatives	45,665	45,459	45,084	45,372	46,336	47,431	46,163
TOTAL INCOME FROM STATE GOVERNMENT	503,403	340,246	356,743	401,470	356,002	298,899	262,596
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	2,122	(15,322)	(47,702)	(22,013)	(10,806)	(62)	7,123

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

(b) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 1,792, 1,783 and 1,789 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Aboriginal Initiatives	206	3,935	2,585	977	101	-	-
Action Agenda Projects.....	859	-	-	-	-	-	-
Agriculture Research Grant Allocations.....	595	3,100	2,607	14,050	17,102	17,155	4,709
Fisheries Research Grant Allocations.....	1,797	1,002	1,002	1,002	1,002	1,002	1,002
Gascoyne Revitalisation Plan.....	9,578	283	563	220	1,920	152	1,128
Goldfields-Esperance Revitalisation Plan	22,396	3,300	13,735	5,517	3,628	-	-
Grant to Recfishwest Snapper Guardians Program.....	-	150	150	150	-	-	-
Grants to Fishers with Disabilities Association Inc.....	-	75	75	75	75	75	75
Growing Our South Plan	104,864	-	-	-	-	-	-
Jawun Indigenous Partnership Program.....	-	-	250	300	300	-	-
Mid West Investment Plan.....	17,343	62	62	-	-	-	-
Other Fisheries Grants.....	-	500	500	950	950	750	750
Other Regional Development Grants.....	1,020	2,500	8,236	6,497	7,820	4,267	-
Pilbara Cities Initiative.....	15,651	6,410	7,201	10,521	6,399	-	-
Potato Marketing Structural Readjustment	-	-	14,000	-	-	-	-
Regional Capital Works Initiatives	2,000	-	-	-	-	-	-
Regional Community Programs and Schemes	2,390	6,354	8,810	4,993	3,434	3,014	189
Regional Development Grants	18,127	4,062	15,919	10,095	8,943	9,124	268
Regional Grants Scheme	10,938	9,600	9,605	18,905	1,151	-	-
Regional Infrastructure Projects	-	-	350	2,000	1,400	5,000	5,000
Regional Strategic Projects	-	-	422	7,542	11,775	16,287	30,370
Regional Telecommunications Project.....	9,138	9,800	13,052	18,380	21,500	-	-
Seizing the Opportunity Agriculture	-	12,740	-	-	-	-	-
State Agriculture Telecommunications Infrastructure Improvement Fund.....	-	-	-	15,053	3,503	218	-
Subsidies and Other Agriculture Grants.....	18,518	8,388	11,019	9,432	7,194	7,194	7,194
West Kimberley Revitalisation Plan.....	10,000	-	-	-	-	-	-
TOTAL	245,420	72,261	110,143	126,659	98,197	64,238	50,685

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	15,107	19,442	15,322	13,479	16,259	20,766	24,973
Restricted cash	109,564	55,179	71,276	66,632	54,355	55,377	55,449
Holding account receivables	5,806	5,279	4,649	4,781	4,511	4,270	4,029
Receivables	22,774	7,729	22,947	22,742	22,993	23,431	23,941
Other	13,425	11,840	13,424	13,670	13,104	15,123	11,029
Assets held for sale	2,749	3,400	2,749	2,749	2,749	2,749	2,749
Total current assets	169,425	102,869	130,367	124,053	113,971	121,716	122,170
NON-CURRENT ASSETS							
Holding account receivables	92,719	106,758	105,057	124,742	143,814	160,611	177,717
Property, plant and equipment	281,107	288,321	277,640	272,930	288,558	293,938	280,830
Intangibles	16,392	20,403	13,785	13,711	11,639	8,828	6,478
Restricted cash	-	546	546	1,086	1,586	2,085	2,584
Other	86,033	88,743	86,253	83,662	79,537	77,685	75,244
Total non-current assets	476,251	504,771	483,281	496,131	525,134	543,147	542,853
TOTAL ASSETS	645,676	607,640	613,648	620,184	639,105	664,863	665,023
CURRENT LIABILITIES							
Employee provisions	45,048	44,872	44,818	44,776	44,926	45,104	45,266
Payables	3,726	7,987	3,103	3,681	3,477	3,510	3,543
Other	14,661	21,611	14,882	16,736	15,943	16,288	9,717
Total current liabilities	63,435	74,470	62,803	65,193	64,346	64,902	58,526
NON-CURRENT LIABILITIES							
Employee provisions	9,068	8,308	8,833	8,760	8,735	8,752	8,752
Borrowings	34,905	26,744	27,687	18,539	10,068	2,886	1,922
Other	120	181	100	80	60	34	34
Total non-current liabilities	44,093	35,233	36,620	27,379	18,863	11,672	10,708
TOTAL LIABILITIES	107,528	109,703	99,423	92,572	83,209	76,574	69,234
EQUITY							
Contributed equity	240,306	262,504	263,793	285,258	324,056	356,219	356,304
Accumulated surplus/(deficit) ^(b)	34,059	(24,838)	(13,643)	(22,013)	(32,819)	(32,881)	(25,758)
Reserves	263,783	260,271	264,075	264,367	264,659	264,951	265,243
Total equity	538,148	497,937	514,225	527,612	555,896	588,289	595,789
TOTAL LIABILITIES AND EQUITY	645,676	607,640	613,648	620,184	639,105	664,863	665,023

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

(b) The Accumulated deficit 2016-17 Estimated Actual of \$13.6 million is recognised as Contributed equity from 2017-18 onwards to acknowledge the transfer of functions to the new Department of Primary Industries and Regional Development.

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	159,060	152,856	153,578	162,459	160,498	153,506	146,285
Capital appropriation.....	5,087	1,306	2,606	1,085	85	85	85
Holding account drawdowns.....	5,682	5,753	7,597	4,355	4,897	5,846	5,846
Royalties for Regions Fund:							
Country Local Government Fund.....	3,333	-	510	-	-	37	-
Regional Community Services Fund.....	49,306	92,468	95,716	131,948	88,623	67,089	39,460
Regional Infrastructure and Headworks Fund.....	226,531	42,802	51,917	55,471	38,597	8,646	6,128
Regional and State-wide Initiatives.....	45,699	45,460	45,085	45,373	46,337	47,431	46,163
Net cash provided by State Government.....	494,698	340,645	357,009	400,691	339,037	282,640	243,967
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(214,073)	(207,304)	(208,833)	(216,225)	(205,960)	(188,703)	(180,295)
Grants and subsidies.....	(245,768)	(71,253)	(110,135)	(126,679)	(98,217)	(64,264)	(50,685)
Supplies and services.....	(81,505)	(104,145)	(106,471)	(114,168)	(85,157)	(69,068)	(46,087)
Accommodation.....	(15,613)	(14,279)	(14,907)	(14,716)	(13,731)	(13,748)	(13,684)
Other payments.....	(65,415)	(53,042)	(55,510)	(51,873)	(51,178)	(38,909)	(37,712)
Receipts ^(b)							
Regulatory fees and fines.....	36,816	38,021	42,393	47,887	49,294	49,465	48,069
Grants and subsidies.....	32,552	33,473	34,973	39,493	25,066	22,164	19,571
Sale of goods and services.....	6,149	7,151	7,151	7,997	8,315	8,315	8,315
GST receipts.....	30,578	27,322	27,344	26,804	27,100	16,260	15,788
Other receipts.....	33,641	10,671	11,061	9,359	6,284	5,414	3,635
Net cash from operating activities.....	(482,638)	(333,385)	(372,934)	(392,121)	(338,184)	(273,074)	(233,085)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(12,082)	(27,965)	(21,123)	(28,853)	(43,156)	(33,762)	(6,293)
Other payments.....	(5,490)	-	(4,430)	-	-	-	-
Proceeds from sale of non-current assets.....	61	334	107	107	152	362	362
Other receipts.....	665	-	-	-	-	-	-
Net cash from investing activities.....	(16,846)	(27,631)	(25,446)	(28,746)	(43,004)	(33,400)	(5,931)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(4,271)	(4,522)	(4,522)	(4,791)	(6,598)	(5,966)	(6,301)
Proceeds from borrowings.....	963	-	-	-	-	-	-
Other proceeds.....	3,510	4,522	4,522	4,790	4,790	5,966	5,966
Net cash from financing activities.....	202	-	-	(1)	(1,808)	-	(335)
NET INCREASE/(DECREASE) IN CASH HELD.....	(4,584)	(20,371)	(41,371)	(20,177)	(43,959)	(23,834)	4,616
Cash assets at the beginning of the reporting period.....	182,950	95,394	124,671	87,144	81,197	72,200	78,228
Net cash transferred to/from other agencies.....	(53,695)	-	3,844	14,230	34,962	29,862	162
Cash assets at the end of the reporting period.....	124,671	75,023	87,144	81,197	72,200	78,228	83,006

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

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

NET APPROPRIATION DETERMINATION ^(a)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Regulatory Fees and Fines							
Regulatory Fees.....	6,430	9,008	9,280	10,431	11,556	11,627	9,931
Grants and Subsidies							
Direct Grants and Subsidies Revenue							
Recurrent.....	28,843	30,305	30,766	36,629	22,298	20,398	17,805
Capital.....	-	350	350	-	-	-	-
Commonwealth - Recurrent.....	1,750	1,846	2,269	1,892	1,796	1,766	1,766
National Partnership Payments							
Managing Established Pest Animals and							
Weeds.....	1,459	972	972	972	972	-	-
Pest and Disease Preparedness and							
Response Programs.....	-	-	116	-	-	-	-
Pest Animal and Weed Management in							
Drought-affected Areas.....	500	-	500	-	-	-	-
Sale of Goods and Services							
Sale of Goods and Services.....	6,149	7,151	7,151	7,997	8,315	8,315	8,315
GST Receipts							
GST Input Credits.....	24,930	21,533	21,526	21,035	21,396	10,556	9,327
GST Receipts on Sales.....	5,648	5,789	5,818	5,769	5,704	5,704	6,461
Other Receipts							
Interest Received - Monies Held in							
Participating Trust Funds.....	1,042	808	808	858	1,009	1,009	1,058
Other Revenue.....	29,183	5,763	6,153	4,631	1,470	1,463	1,390
Receipts from Service Delivery Agreement...	3,212	2,215	2,215	2,254	2,189	1,862	107
TOTAL	109,146	85,740	87,924	92,468	76,705	62,700	56,160

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

DETAILS OF ADMINISTERED TRANSACTIONS

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
INCOME							
Fines							
Fisheries Infringements.....	313	-	-	-	-	-	-
Other							
Appropriation.....	1,600	1,600	1,600	1,600	-	-	-
Revenue from Regional Infrastructure and Headworks Fund - Recurrent.....	6,330	46,252	6,695	6,022	8,320	6,333	6,000
Revenue from Regional Community Services Fund - Recurrent.....	-	-	-	-	2,624	19,153	6,200
Revenue from Regional and State-wide Initiatives - Recurrent	50,000	-	-	(59,494)	(21,998)	26,005	56,814
Interest Revenue	1,071	1,314	1,429	1,439	1,194	971	791
Other Revenue	98	-	-	-	-	-	-
TOTAL ADMINISTERED INCOME	59,412	49,166	9,724	(50,433)	(9,860)	52,462	69,805
EXPENSES							
Grants to Charitable and Other Public Bodies							
Regional Saleyards Strategy Commonwealth Grants.....	-	3,895	1,397	-	-	-	-
Grants and Subsidies Expenses							
Essential and Municipal Services Improvement in Remote Aboriginal Communities Project	-	-	-	2,000	25,000	25,000	-
State Contribution to Natural Resource Management	6,872	6,900	6,195	3,682	5,732	6,200	6,200
Royalties for Regions Program Global Provision.....	1,975	39,821	6,338	13,483	28,374	49,991	61,041
Other							
Royalties for Regions Program - Underspend Provision.....	-	-	-	(63,143)	(35,828)	-	-
Western Australian Co-operatives Loan Scheme - Interest Expense to Western Australian Treasury Corporation	647	1,022	1,041	1,052	878	719	588
Supplies and Services	2,309	1,787	1,243	1,238	1,106	223	198
TOTAL ADMINISTERED EXPENSES	11,803	53,425	16,214	(41,688)	25,262	82,133	68,027

Agency Special Purpose Account Details

FISHERIES ADJUSTMENT SCHEMES SPECIAL PURPOSE ACCOUNT

Account Purpose: The Fisheries Adjustment Schemes Special Purpose Account was established under the *Fisheries Adjustment Schemes Act 1987* (the Act). The purpose of this account is to hold funds in accordance with section 5 of the Act which shall be applied by the Minister for the purposes prescribed by section 6 of the Act. It is mainly utilised to fund the payment of compensation agreed under the Fisheries Adjustment Scheme.

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000
Opening Balance	1,062	1,462	631	551
Receipts:				
Appropriations.....	-	500	-	-
Other	4,667	4,522	6,117	5,848
	5,729	6,484	6,748	6,399
Payments	5,098	5,022	6,197	5,868
CLOSING BALANCE	631	1,462	551	531

FISHERIES RESEARCH AND DEVELOPMENT SPECIAL PURPOSE ACCOUNT

Account Purpose: The Fisheries Research and Development Special Purpose Account was continued under the *Fish Resources Management Act 1994*. It is utilised to fund the management of commercial, fish and fish habitat protection and pearling and aquaculture activities.

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000
Opening Balance	10,515	2,843	2,472	1,200
Receipts:				
Appropriations.....	33,664	37,820	43,712	39,244
Other	34,631	31,422	29,145	39,822
	78,810	72,085	75,329	80,266
Payments	76,338	71,562	74,129	78,095
CLOSING BALANCE	2,472	523	1,200	2,171

RECREATIONAL FISHING SPECIAL PURPOSE ACCOUNT

Account Purpose: The Recreational Fishing Special Purpose Account was established under the *Fish Resources Management Act 1994* (the Act). The purpose of the account is to hold funds which may be applied by the Minister to any of the purposes prescribed by section 239 of the Act. The funds support activity relating to recreational fishing.

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000
Opening Balance	1,420	282	2,045	2,500
Receipts:				
Appropriations.....	11,111	9,545	8,070	7,564
Other	7,783	7,654	7,687	8,743
	20,314	17,481	17,802	18,807
Payments	18,269	17,071	15,302	16,307
CLOSING BALANCE	2,045	410	2,500	2,500

ROYALTIES FOR REGIONS REGIONAL REFORM FUND

Account Purpose: The account will fund strategic reform initiatives in regional Western Australia designed to support Government's objectives over time.

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000
Opening Balance	50,000	100,000	100,000	99,830
Receipts:				
Appropriations.....	50,000	-	-	50,000
	100,000	100,000	100,000	149,830
Payments	-	-	170	13,500
CLOSING BALANCE	100,000	100,000	99,830	136,330

Part 11

Minister for Regional Development; Agriculture and Food

Summary of Portfolio Appropriations

Agency	2016-17 Budget \$'000	2016-17 Estimated Actual '000	2017-18 Budget Estimate '000
Rural Business Development Corporation			
– Delivery of Services	236	236	235
Total	236	236	235
GRAND TOTAL			
– Delivery of Services	236	236	235
Total.....	236	236	235

Division 17 Rural Business Development Corporation

Part 11 Minister for Regional Development; Agriculture and Food

Appropriations, Expenses and Cash Assets

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 26 Net amount appropriated to deliver services	232	236	236	235	233	233	233
Total appropriations provided to deliver services.....	232	236	236	235	233	233	233
TOTAL APPROPRIATIONS	232	236	236	235	233	233	233
EXPENSES							
Total Cost of Services.....	946	744	744	736	641	485	485
Net Cost of Services ^(a)	409	633	633	632	543	393	393
CASH ASSETS ^(b)	5,685	5,358	5,288	4,891	4,581	4,421	4,261

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

(b) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
2017-18 Streamlined Budget Process Incentive Funding.....	-	2	-	-	-
Revision to Indexation for Non-Salary Expenses	-	-	(6)	(8)	(10)

Significant Issues Impacting the Agency

- The Corporation (on behalf of the State Government) administers a number of assistance schemes through the *Rural Business Development Corporation Act 2000*. The Corporation currently administers five schemes, including four Commonwealth Government initiated and funded concessional loans schemes. As at 30 June 2017, the Corporation is managing 49 loans, with a total of \$18.1 million in outstanding loan principal.
- The Commonwealth Government's Farm Finance Concessional Loans Scheme commenced taking applications in Western Australia in January 2014, while the Drought Concessional Loans Scheme commenced taking applications in September 2014. These schemes resulted in 159 applications, of which 53 (totalling \$19.2 million) were approved. The loans were approved with a concessional interest rate, and loan terms of five years, with a possibility of another two years. The first loan is scheduled for repayment in April 2019, and the last for April 2022.

- At the request of the Commonwealth Government, the State Government has commenced negotiations for two new loans schemes to be in place as transitional arrangements before the Commonwealth Government establishes its own Regional Investment Corporation, from 1 July 2018. The two new loans schemes will be the Drought Assistance Loans and the Business Improvement Concessional Loans - both available under the Farm Business Concessional Loans Scheme. The new schemes are proposed to offer loans over a 10 year term. Further engagement and consultation in relation to administration of the loans, and the responsible authority, is required ahead of any agreement being entered into between the State and Commonwealth Governments.
- The State Government commenced the Farm Debt Mediation Scheme (the Scheme) through the Corporation in June 2015, which is expected to remain open on an on-going basis. The Scheme is voluntary for both the financier and the farmer, and has been modelled around schemes operating in New South Wales and Victoria. The Commonwealth Government is seeking a nationally consistent approach to farm debt mediation via a legislative approach as already adopted by New South Wales and Victoria, and recently Queensland. Western Australia is currently reviewing how farm debt mediation is functioning locally, and how it compares to the legislative models in place nationally. This is expected to be completed by the end of 2017.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcome	Service
Better Places: A quality environment with liveable and affordable communities and vibrant regions.	Improved ecologically sustainable development of agri-industry.	1. Farm Business Development

Service Summary

Expense	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
1. Farm Business Development	946	744	744	736	641	485	485
Total Cost of Services	946	744	744	736	641	485	485

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: Improved ecologically sustainable development of agri-industry:					
The extent to which recipients were satisfied with the way schemes are administered	84.6%	90%	89%	90%	

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

Services and Key Efficiency Indicators

1. Farm Business Development

This service provides financial support to farmers who have been significantly impacted by exceptional seasonal events. It assists them to enhance their skills in order to improve and sustain long-term profitability and be better equipped to deal with risks inherent in farming.

This service contributes to the ecologically sustainable development of agri-industry in a number of ways. The Corporation aims to implement the industry support within the funding guidelines to maximise the protection of the resources of the agri-industries.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	946	744	744	736	
Less Income.....	537	111	111	104	
Net Cost of Service.....	409	633	633	632	
Efficiency Indicators					
Administrative Cost Per Loan Advanced Amount.....	\$12,000	\$7,000	\$4,000	\$5,000	1
Administrative Cost as a Percentage of Loan Advanced Amount.....	4%	15%	1.2%	1.2%	2

Explanation of Significant Movements

(Notes)

1. The reduction in Administrative Cost per Loan Advanced Amount from the 2016-17 Budget (\$7,000) to the 2016-17 Estimated Actual (\$4,000) reflects that the Corporation dispersed a greater number of loans than first anticipated, and also reduced its associated administration expenses through internal processing efficiencies.
2. Consistent with the above, the improvement in Administrative Cost as a Percentage of Loan Advanced Amount from the 2016-17 Budget (15%) to the 2016-17 Estimated Actual (1.2%) reflects that the total value of loans disbursed was larger than first anticipated, and that administration expenses were reduced through internal processing efficiencies.

Financial Statements

Statement of Financial Position

The estimated decrease in total liabilities between the 2016-17 Budget and the 2016-17 Estimated Actual of \$59,000 (48.4%) reflects a reduction in accrued expenses for concessional loan scheme administration costs incurred by the Corporation during the 2016-17 financial year. The Corporation expects the administration costs to remain at this amount over the forward estimates.

Statement of Cashflows

Cash assets at the end of the reporting period will continue to decline over the forward estimates period. This reflects the cost of administration for the Commonwealth's Farm Finance Concessional Loans and Drought Concessional Loans Schemes, where the cash was received in previous periods.

INCOME STATEMENT ^(a) (Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits.....	-	9	9	10	10	10	10
Grants and subsidies ^(b)	18	200	200	190	150	150	150
Supplies and services.....	265	109	109	110	105	100	100
Other expenses.....	663	426	426	426	376	225	225
TOTAL COST OF SERVICES	946	744	744	736	641	485	485
Income							
Other revenue.....	537	111	111	104	98	92	92
Total Income.....	537	111	111	104	98	92	92
NET COST OF SERVICES	409	633	633	632	543	393	393
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	232	236	236	235	233	233	233
TOTAL INCOME FROM STATE GOVERNMENT	232	236	236	235	233	233	233
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	(177)	(397)	(397)	(397)	(310)	(160)	(160)

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

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Future Rural Support Schemes.....	10	100	100	100	150	150	150
Research Grants.....	8	100	100	90	-	-	-
TOTAL	18	200	200	190	150	150	150

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	5,685	5,358	5,288	4,891	4,581	4,421	4,261
Receivables	4	3	4	4	4	4	4
Other.....	34	98	34	34	34	34	34
Total current assets	5,723	5,459	5,326	4,929	4,619	4,459	4,299
TOTAL ASSETS	5,723	5,459	5,326	4,929	4,619	4,459	4,299
CURRENT LIABILITIES							
Payables	-	9	-	-	-	-	-
Other.....	63	113	63	63	63	63	63
Total current liabilities	63	122	63	63	63	63	63
TOTAL LIABILITIES.....	63	122	63	63	63	63	63
EQUITY							
Accumulated surplus/(deficit).....	5,660	5,337	5,263	4,866	4,556	4,396	4,236
Total equity	5,660	5,337	5,263	4,866	4,556	4,396	4,236
TOTAL LIABILITIES AND EQUITY	5,723	5,459	5,326	4,929	4,619	4,459	4,299

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	232	236	236	235	233	233	233
Net cash provided by State Government.....	232	236	236	235	233	233	233
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	-	(9)	(9)	(10)	(10)	(10)	(10)
Grants and subsidies.....	(18)	(200)	(200)	(190)	(150)	(150)	(150)
Supplies and services	(245)	(109)	(109)	(110)	(105)	(100)	(100)
Other payments.....	(721)	(426)	(426)	(426)	(376)	(225)	(225)
Receipts							
GST receipts.....	14	-	-	-	-	-	-
Other receipts	565	111	111	104	98	92	92
Net cash from operating activities	(405)	(633)	(633)	(632)	(543)	(393)	(393)
NET INCREASE/(DECREASE) IN CASH HELD	(173)	(397)	(397)	(397)	(310)	(160)	(160)
Cash assets at the beginning of the reporting period	5,858	5,755	5,685	5,288	4,891	4,581	4,421
Cash assets at the end of the reporting period	5,685	5,358	5,288	4,891	4,581	4,421	4,261

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

Western Australian Meat Industry Authority

Part 11 Minister for Regional Development; Agriculture and Food

Asset Investment Program

The Authority's Asset Investment Program (AIP) supports the delivery of services at the Muchea Livestock Centre (MLC). The total AIP for 2017-18 is \$650,000 for the following major projects:

- construction of a new administration office building at the MLC;
- upgrade of sheep watering troughs to improve facilities for better management of sheep;
- installation of cattle half pens to improve animal welfare and safety in relation to small consignments;
- undertake dam remediation work to prevent erosion of dam walls; and
- replacement of the existing compressor with a new air compressor to reduce power costs and improve air supply to the cattle separation and weigh-in area.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COMPLETED WORKS							
Saleyard - 2016-17 Program.....	668	668	668	-	-	-	-
NEW WORKS							
Saleyard							
2017-18 Program.....	650	-	-	650	-	-	-
2018-19 Program.....	450	-	-	-	450	-	-
2019-20 Program.....	350	-	-	-	-	350	-
2020-21 Program.....	450	-	-	-	-	-	450
Total Cost of Asset Investment Program.....	2,568	668	668	650	450	350	450
FUNDED BY							
Internal Funds and Balances.....			668	650	450	350	450
Total Funding.....			668	650	450	350	450

Part 12

Minister for Emergency Services; Corrective Services

Summary of Portfolio Appropriations

Agency	2016-17 Budget \$'000	2016-17 Estimated Actual '000	2017-18 Budget Estimate '000
Fire and Emergency Services			
– Delivery of Services	18,702	19,603	20,740
– Capital Appropriation	-	-	1,500
Total	18,702	19,603	22,240
Office of Emergency Management			
– Delivery of Services	5,015	5,450	6,244
– Administered Grants, Subsidies and Other Transfer Payments	15,000	45,300	102,900
– Capital Appropriation	-	-	31
Total	20,015	50,750	109,175
Office of the Inspector of Custodial Services			
– Delivery of Services	3,617	3,617	3,557
Total	3,617	3,617	3,557
GRAND TOTAL			
– Delivery of Services	27,334	28,670	30,541
– Administered Grants, Subsidies and Other Transfer Payments	15,000	45,300	102,900
– Capital Appropriation	-	-	1,531
Total.....	42,334	73,970	134,972

Division 18 Fire and Emergency Services

Part 12 Minister for Emergency Services; Corrective Services

Appropriations, Expenses and Cash Assets

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 27 Net amount appropriated to deliver services ^(a)	36,091	17,661	18,562	19,699	17,004	17,527	17,613
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	1,016	1,041	1,041	1,041	1,041	1,041	1,041
Total appropriations provided to deliver services.....	37,107	18,702	19,603	20,740	18,045	18,568	18,654
CAPITAL							
Item 99 Capital Appropriation	161	-	-	1,500	-	-	-
TOTAL APPROPRIATIONS	37,268	18,702	19,603	22,240	18,045	18,568	18,654
EXPENSES							
Total Cost of Services.....	376,774	385,764	397,211	395,509	389,407	399,408	404,690
Net Cost of Services ^(b)	31,949	28,485	35,081	23,506	8,580	15,434	18,330
CASH ASSETS ^(c)	73,028	57,311	49,088	31,442	37,625	45,257	46,342

- (a) The Department's net amount appropriated to deliver services from the 2016-17 Estimated Actual onwards includes the transfer of appropriation for staff reallocated from the Department of Finance to various agencies in response to changes to government procurement policy.
- (b) Represents Total Cost of Services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (c) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
2016-17 Estimated Outturn	(3,760)	-	-	-	-
Bushfire Risk Management Planning.....	-	3,657	-	-	-
Fire Crew Protection	2,230	4,219	-	-	-
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(16)	(31)	(48)	(64)
Local Government Grant Scheme Backlog.....	5,500	-	-	-	-
Revision to Indexation for Non-Salary Expenses	-	(41)	(82)	(124)	(165)
State Emergency Service Response and Recovery Operations.....	1,611	-	-	-	-
Transfer of Staff from the Office of Bushfire Risk Management to the Office of Emergency Management.....	-	(356)	(361)	(365)	(370)
Wild Fire Suppression.....	3,919	-	-	-	-

Significant Issues Impacting the Agency

- The role of bushfire mitigation has been identified in many bushfire reviews, including the recent ‘Reframing Rural Fire Management: Report of the Special Inquiry into the January 2016 Waroona Fire’, as an important element in reducing the impact of human, economic and social losses as a consequence of bushfires. Funding has been secured for 2017-18 to continue with the bushfire risk management planning process, which will enable the Department to continue to work with priority local governments to include bushfire treatment and mitigation strategies into their bushfire risk management plans.
- Drafting of the new Emergency Services Act is anticipated to commence in 2017-18. The proposed legislation will clarify agency and stakeholder responsibilities for prevention, mitigation and response to emergencies.
- The final report of the Economic Regulatory Authority’s review into the emergency services levy is scheduled for completion in late September 2017. Any Government policy decisions arising from this review, as well as any decisions about the rural fire service capability within the State, will be considered in conjunction with any required legislative change.
- A significant achievement of the Department is the development of the replacement computer aided dispatch system, through inter-agency collaboration on the ‘WA Emergency Services Communications Strategy: 2016 Roadmap and Implementation Plan’ and State Government Information Technology Strategy, where the Department leveraged off the Western Australia Police’s computer-aided dispatch contract to realise significant savings and operational benefits.
- The Department’s Information, Communication and Technology (ICT) Strategy aligns with the Digital WA: Western Australian Government ICT Strategy 2016-2020. Plans are underway to ensure the successful transition to GovNext ICT services during 2017-18. This transition will result in changes to the mix of service provisions and will see much of the Department’s computer applications transferring to the GovCloud.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcomes	Services
Strong Communities: Safe communities and supported families.	Minimised occurrence and impact of preventable emergencies.	1. Community Awareness, Education and Information Services 2. Compliance and Technical Advisory Services
	Minimised impact of natural hazard emergencies.	
	An operational workforce that is trained and equipped to respond.	3. Training and Organisational Resourcing Services
	Minimised impact from emergencies through timely and effective response.	4. Frontline Services

Service Summary

Expense	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
1. Community Awareness, Education and Information Services.....	8,493	9,962	8,546	9,492	10,942	11,223	11,372
2. Compliance and Technical Advisory Services	16,756	18,763	18,772	21,437	17,874	18,333	18,575
3. Training and Organisational Resourcing Services	77,976	82,194	100,103	98,284	96,184	98,654	99,958
4. Frontline Services	273,549	274,845	269,790	266,296	264,407	271,198	274,785
Total Cost of Services	376,774	385,764	397,211	395,509	389,407	399,408	404,690

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16	2016-17	2016-17	2017-18	
	Actual	Budget	Estimated Actual	Budget Target	Note
Outcome: Minimised occurrence and impact of preventable emergencies:					
Number of accidental residential fires per 100,000 households.....	58.4	65	63.4	65	
Proportion of hazardous material sites with current Fire and Emergency Service Emergency Response Guides.....	69.9%	90%	90.9%	90%	
Proportion of building plans assessed within specified timeframes.....	n/a	95%	97%	95%	
Outcome: Minimised impact of natural hazard emergencies:					
Number of community-based Bushfire Ready Groups established.....	n/a	207	236	257	1
Outcome: An operational workforce that is trained and equipped to respond:					
Number of operational personnel endorsed as Level 3 Incident Controllers...	20	22	23	22	
Proportion of the Department's operational volunteers actively engaged in Pathways training.....	34.7%	43%	39.2%	43.5%	2
Proportion of assets within specified replacement period parameters	93%	85%	90%	85%	
Proportion of first round Local Government Grant Scheme offers accepted ...	69.8%	70%	71.9%	70%	
Outcome: Minimised impact from emergencies through timely and effective response:					
Proportion of responses to incidents in Emergency Service Levy 1 and Emergency Service Levy 2 areas within target timeframes	89.4%	90%	90.8%	90%	
Proportion of the Department's volunteer turnouts within target timeframes	90%	90%	92.3%	90%	
Proportion of structure fires confined to the object or room of origin.....	76%	72%	76.4%	72%	
Proportion of Level 2 and Level 3 bushfires where no structures are lost or significantly damaged.....	96%	95%	98.4%	95%	

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

Explanation of Significant Movements

(Notes)

- Following a 2016-17 audit finding, the methodology for determining the number of community Bushfire Ready Groups established has been revised leading to an increase in numbers.
- All personnel, including volunteers, utilise the e-Academy system to manage their training pathway. Associated delays and complexities with the implementation of the e-Academy system has resulted in a lower 2016-17 Estimated Actual than budgeted.

Services and Key Efficiency Indicators

1. Community Awareness, Education and Information Services

Provision of generic and targeted awareness, education and information programs to increase community awareness of preventable and natural emergency hazards, and support community stakeholders' involvement in minimising their impact.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 8,493	\$'000 9,962	\$'000 8,546	\$'000 9,492	1
Less Income.....	7,773	9,207	7,791	8,928	
Net Cost of Service.....	720	755	755	564	
Employees (Full Time Equivalents).....	22	21	21	20	
Efficiency Indicator					
Average Cost per Western Australian Household to Deliver Emergency Hazard Information and Awareness Programs	\$9.78	\$9.50	\$8.03	\$8.66	2

Explanation of Significant Movements

(Notes)

1. The 2016-17 Estimated Actual Total Cost of Service to deliver emergency hazard information and awareness programs is less than budgeted due to a change in calculation methodology as well as savings in some programs.
2. The number of Western Australian households has increased, and together with a reduced 2016-17 Estimated Actual Total Cost of Service, as per note 1 above, results in a lower average cost per household.

2. Compliance and Technical Advisory Services

Provision of advice and technical support services to assist community stakeholders in minimising preventable emergencies, such as structure fire and hazard materials incidents, and mitigating the impact of natural hazards emergencies such as bushfire, cyclone and flood.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 16,756	\$'000 18,763	\$'000 18,772	\$'000 21,437	1
Less Income.....	15,336	17,418	17,114	20,163	2
Net Cost of Service.....	1,420	1,345	1,658	1,274	
Employees (Full Time Equivalents).....	58	68	64	67	
Efficiency Indicators					
Average Cost per Fire and Emergency Service Emergency Response Guides Reviewed.....	\$280	\$673	\$1,606	\$1,714	3
Average Cost per Building Plan Assessed.....	n/a	\$300	\$238	\$305	4
Average Cost per Engaged Local Government to Support Bushfire Risk Management.....	\$26,473	\$30,233	\$24,973	\$26,870	5

Explanation of Significant Movements

(Notes)

1. The 2017-18 Budget Target reflects the full-year impact of the bushfire risk management planning, in addition to an increased allocation of corporate overheads.
2. The 2017-18 Budget Target income is higher than the 2016-17 Estimated Actual in line with the increased expenditure.
3. The Average Cost per Fire and Emergency Service Emergency Response Guides Reviewed did not capture all relevant information in calculating the 2015-16 Actual and 2016-17 Budget. Should the 2016-17 Budget have been determined on the same basis, the target would have been \$1,549. This information is not available for 2015-16.
4. The 2016-17 Estimated Actual for the Average Cost per Building Plan Assessed is lower than the 2016-17 Budget as the actual time spent assessing the building plans was less than anticipated.
5. The 2016-17 Estimated Actual is lower than the 2016-17 Budget and the 2017-18 Budget Target, as the grants paid to local governments for the bushfire risk management officers were significantly less than budgeted as a result of vacancies. This impacted on the Average Cost per Engaged Local Government to Support Bushfire Risk Management.

3. Training and Organisational Resourcing Services

Services provided to ensure that frontline emergency personnel, including volunteers, have the required skills, equipment and facilities to effectively support the community in times of emergency.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	77,976	82,194	100,103	98,284	
Less Income.....	71,362	76,040	91,262	92,443	
Net Cost of Service.....	6,614	6,154	8,841	5,841	
Employees (Full Time Equivalents).....	146	145	160	153	
Efficiency Indicator					
Average Cost per Participant to Deliver Pathways Training	\$3,502	\$4,125	\$1,118	\$1,733	1

Explanation of Significant Movements

(Notes)

1. The basis for calculating the Average Cost per Participant to Deliver Pathways Training has been revised (the 2016-17 Budget would have been \$1,380 if the same basis had been applied). Furthermore, the introduction of online courses from 2016-17 has reduced the cost of training and has increased the number of participants, hence the reduction in the Average Cost per Participant to Deliver Pathways Training from the 2015-16 Actual to the 2016-17 Estimated Actual.

4. Frontline Services

Services provided to the community by uniformed, frontline personnel, including volunteers in relation to preparing, preventing and responding to emergency incidents.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	273,549	274,845	269,790	266,296	
Less Income.....	250,354	254,614	245,963	250,469	
Net Cost of Service.....	23,195	20,231	23,827	15,827	
Employees (Full Time Equivalents).....	1,303	1,301	1,426	1,429	1
Efficiency Indicator					
Average Cost to Deliver Frontline Services per Western Australian.....	\$105	\$171.78	\$102	\$101	2

Explanation of Significant Movements

(Notes)

1. The Full Time Equivalents for the 2015-16 Actual and 2016-17 Budget differ from the 2016-17 Estimated Actual and 2017-18 Budget Target due to changes in calculation methodology.
2. The 2016-17 Budget Average Cost to Deliver Frontline Services per Western Australian is overstated as an incorrect assumption with respect to population data was used.

Asset Investment Program

The Department's Asset Investment Program (AIP) for 2017-18 totals \$57.8 million, comprising new works of \$3.7 million and works in progress of \$54.1 million. The AIP is established in conjunction with the application of a resource-to-risk/fit-for-purpose model to determine the infrastructure needs to effectively deliver emergency services throughout the State. This process recognises demographic shifts and changing community safety issues.

An overview of the 2017-18 AIP is as follows:

- \$22.1 million has been allocated for vehicle acquisitions, enhancements and ongoing replacement programs in line with the Department's maintenance and serviceable life replacement strategies. This comprises of \$21.9 million for works in progress and \$0.2 million of new works;
- land and buildings works in progress are expected to be substantially completed during 2017-18. Land acquisition and construction initiation for the new Career Fire and Rescue Service Cockburn Fire Station is also scheduled for the year;
- \$2.7 million has been allocated for the replacement of critical radio and rescue equipment; and
- an estimated \$12.2 million will be invested during the period to substantially progress the replacement of the computer-aided dispatch system.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
WORKS IN PROGRESS							
Intangible Asset Development - Computer-Aided Dispatch Replacement Project.....	18,025	3,669	3,669	12,199	2,157	-	-
Land and Building Works							
CFRS Albany Fire Station (a).....	7,520	6,690	4,316	830	-	-	-
CFRS Bunbury Fire Station.....	7,200	6,062	2,989	1,138	-	-	-
CFRS Cockburn Land Acquisition.....	5,810	150	150	5,660	-	-	-
CFRS Vincent Fire Station.....	18,950	11,677	1,953	6,913	360	-	-
South West Emergency Rescue Helicopter Service.....	8,047	8,007	4,035	40	-	-	-
Urgent Minor Works.....	56,607	10,221	2,681	5,193	4,715	4,833	4,954
Plant and Equipment Works - Emergency Rescue							
Equipment Program.....	15,804	8,303	744	191	1,155	1,155	1,000
Vehicle Programs							
CFRS Appliances Vincent.....	1,330	980	980	350	-	-	-
CFRS Combined Ladder Platform Half Life Refurbishment.....	2,474	214	-	-	-	-	500
CFRS Incident Control Vehicle Replacement Program....	6,658	465	163	1,764	-	-	1,050
CFRS Urban Pump Replacement Program.....	36,472	21,680	6,035	4,257	-	-	1,045
Communication and Information and Communication Technologies Support Replacement Program.....	1,481	339	260	150	-	-	410
Fire Crew Protection - Appliance Modification.....	3,641	2,119	1,822	1,522	-	-	-
Light Tanker Replacement Program.....	43,568	7,350	3,179	4,764	2,873	2,916	4,391
VFES Unit Fleet Replacement Program (b).....	25,387	10,946	1,616	3,648	2,010	2,014	1,151
VFES General Purpose Appliance Replacement Program (c).....	12,686	7,544	663	-	-	-	-
VFES Urban Tanker Replacement Program.....	46,474	2,290	2,290	4,660	6,897	4,278	3,519
COMPLETED WORKS							
Land and Building Works							
CFRS Butler Fire Station.....	4,841	4,841	10	-	-	-	-
CFRS Geraldton Fire Station.....	6,633	6,633	187	-	-	-	-
CFRS Wangara Fire Station Modifications.....	1,634	1,634	1,428	-	-	-	-
Plant and Equipment Works - Breathing Apparatus Replacement Program.....	2,163	2,163	800	-	-	-	-
NEW WORKS							
Land and Building Works - CFRS Cockburn Fire Station....	9,120	-	-	1,000	7,750	370	-
Plant and Equipment Works - CFRS Radio Equipment Replacement.....	2,500	-	-	2,500	-	-	-
Vehicle Programs							
CFRS Specialist Equipment Tender and Pod Carrier Replacement Program.....	3,145	-	-	600	-	-	-
Personnel Transport, Training and Fleet Asset Replacement Program.....	992	-	-	160	-	-	500
VFES Road Crash Rescue Trailer Replacement Program....	2,301	-	-	220	441	231	255
Total Cost of Asset Investment Program.....	351,463	123,977	39,970	57,759	28,358	15,797	18,775
Loan and Other Repayments.....			2,440	13,040	6,239	6,239	6,239
Total.....	351,463	123,977	42,410	70,799	34,597	22,036	25,014
FUNDED BY							
Capital Appropriation.....			-	1,500	-	-	-
Asset Sales.....			-	7,900	1,500	-	-
Borrowings.....			-	7,850	6,038	159	-
Internal Funds and Balances.....			24,001	40,695	15,423	6,609	6,239
Emergency Services Levy.....			16,964	11,292	11,636	15,268	18,775
Drawdowns from Royalties for Regions Fund (d).....			1,445	1,562	-	-	-
Total Funding.....			42,410	70,799	34,597	22,036	25,014

(a) CFRS: Career Fire and Rescue Service.

(b) VFES: Volunteer Fire and Emergency Service.

(c) VFES: Volunteer Fire and Rescue Service.

(d) Regional Community Services Fund and Regional Infrastructure and Headworks Fund.

Financial Statements

Income Statement

Expenses

The 2017-18 Total Cost of Services is forecast to be \$1.7 million less than the 2016-17 Estimated Actual. This is mainly as a result of the 2016-17 Estimated Actual including:

- expenditure relating to the State Emergency Service response and recovery activities and wild fire suppression (\$5.5 million); and
- alignment of the Volunteer Marine Rescue Service operating grants with the Local Government Grant Scheme and an increase in their hull replacement program (\$4.7 million).

If these additional expenditure items are excluded, the 2017-18 Total Cost of Services represents an increase of \$8.5 million (or 2.2%) on the 2016-17 Estimated Actual, which is attributed to award increases, standard cost escalations and the impact of previous policy decisions.

Income

Operating and State Government income totalling \$411.5 million for 2017-18 represents an increase of \$15.9 million or 4% compared to the 2016-17 Estimated Actual. This increase is mainly attributable to an increase in the Emergency Services Levy (\$12 million) to fund standard cost escalations and the flow on impact of previous policy decisions, an increase in service appropriation (\$1.1 million) mainly associated with the Bushfire Risk Management Planning Process, an increase in the Royalties for Region Fund (\$4.2 million) to fund various projects and various increases across of categories of revenue, offset by an expected decrease in sale of goods and services (\$3.7 million) relating to false fire alarm fees and mitigation of Unallocated Crown Land on behalf of the Department of Land.

Statement of Financial Position

Total assets are expected to increase by a net \$22.4 million from the 2016-17 Estimated Actual to the 2017-18 Budget Estimate. This largely reflects:

- an increase in Holding Account receivables (\$6.9 million);
- an increase in assets reflecting expenditure in accordance with the AIP, including for the Albany, Bunbury, Vincent and Cockburn CFRS fire stations (\$15.5 million), the computer-aided dispatch replacement project (\$12.2 million) and ongoing vehicle and equipment replacement programs (\$22.1 million); and
- a partial offset through increased depreciation and amortisation of \$4.5 million, proceeds from the sale of Fire and Emergency Services Authority House of \$8 million and a reduction in cash assets of \$17.6 million.

Statement of Cashflows

The decrease in cash balances of \$17.6 million between the 2016-17 Estimated Actual and the 2017-18 Budget Estimate is predominantly due to funding \$27.7 million of capital expenditure using cash balances.

INCOME STATEMENT ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	196,642	206,089	203,071	209,949	211,933	215,336	221,743
Grants and subsidies ^(c)	35,634	43,323	53,490	46,238	40,463	41,309	43,586
Supplies and services	75,100	57,420	75,793	58,841	50,979	52,936	52,806
Accommodation	10,294	10,633	9,175	10,899	11,171	11,451	12,070
Depreciation and amortisation	15,971	21,402	18,510	23,038	25,409	27,567	27,431
Equipment repairs and maintenance	23,607	17,076	22,157	22,834	24,861	25,785	22,027
Other expenses.....	19,526	29,821	15,015	23,710	24,591	25,024	25,027
TOTAL COST OF SERVICES	376,774	385,764	397,211	395,509	389,407	399,408	404,690
Income							
Sale of goods and services.....	9,758	6,894	10,563	6,834	7,005	7,013	7,083
Regulatory fees and fines.....	323,268	338,891	340,883	352,906	362,485	366,252	368,530
Grants and subsidies.....	6,821	6,742	6,385	6,791	6,842	6,894	6,894
Other revenue.....	4,978	4,752	4,299	5,472	4,495	3,815	3,853
Total Income.....	344,825	357,279	362,130	372,003	380,827	383,974	386,360
NET COST OF SERVICES	31,949	28,485	35,081	23,506	8,580	15,434	18,330
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	37,107	18,702	19,603	20,740	18,045	18,568	18,654
Resources received free of charge	1,386	2,000	1,300	2,000	2,000	2,000	2,000
Royalties for Regions Fund: Regional Community Services Fund	12,298	14,439	12,605	16,768	1,152	1,152	1,152
TOTAL INCOME FROM STATE GOVERNMENT	50,791	35,141	33,508	39,508	21,197	21,720	21,806
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	18,842	6,656	(1,573)	16,002	12,617	6,286	3,476

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

(b) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 1,529, 1,671 and 1,669 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Bushfire Risk Management Planning Process ...	1,205	1,195	562	1,820	-	-	-
Fire Crew Protection	1,786	2,627	5,130	4,991	-	-	-
Geraldton Volunteer Marine Rescue Group.....	740	-	-	-	-	-	-
Local Government - Community Emergency							
Service Managers	2,207	2,532	2,374	2,651	2,660	2,726	2,788
Local Government Emergency Services Grants....	23,760	29,303	34,141	30,906	31,830	32,626	33,442
Other	1,672	557	1,766	2,002	243	1,467	930
Surf Life Saving Western Australia	1,314	1,347	1,347	1,381	1,415	1,450	1,486
Volunteer Fuel Card.....	186	1,746	1,941	909	908	907	1,000
Volunteer Marine Rescue Service	2,764	4,016	6,229	1,578	3,407	2,133	3,940
TOTAL	35,634	43,323	53,490	46,238	40,463	41,309	43,586

**STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)**

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	66,019	55,330	49,052	31,406	37,589	45,221	46,306
Restricted cash	7,009	1,981	36	36	36	36	36
Receivables	7,128	8,021	9,022	9,122	9,072	9,102	9,102
Other.....	18,575	21,847	17,917	17,817	17,687	17,657	17,657
Assets held for sale.....	-	-	8,000	-	-	-	-
Total current assets	98,731	87,179	84,027	58,381	64,384	72,016	73,101
NON-CURRENT ASSETS							
Holding account receivables.....	25,261	31,716	31,682	38,593	46,339	54,609	62,879
Property, plant and equipment.....	353,296	393,158	358,473	399,638	388,550	379,306	357,476
Intangibles	623	1,054	256	220	15,385	13,132	10,879
Other.....	851	833	862	844	844	844	844
Total non-current assets	380,031	426,761	391,273	439,295	451,118	447,891	432,078
TOTAL ASSETS	478,762	513,940	475,300	497,676	515,502	519,907	505,179
CURRENT LIABILITIES							
Employee provisions	25,541	23,451	28,010	28,010	28,010	28,010	28,010
Payables.....	5,734	7,996	8,399	8,559	8,589	8,584	8,584
Other.....	5,464	17,705	14,096	6,327	6,759	7,690	8,152
Total current liabilities	36,739	49,152	50,505	42,896	43,358	44,284	44,746
NON-CURRENT LIABILITIES							
Employee provisions	10,267	9,928	10,008	10,008	10,008	10,008	10,008
Borrowings.....	48,386	64,458	38,996	40,607	40,406	34,326	28,087
Other.....	3,484	-	-	1,433	1,433	1,433	1,433
Total non-current liabilities	62,137	74,386	49,004	52,048	51,847	45,767	39,528
TOTAL LIABILITIES.....	98,876	123,538	99,509	94,944	95,205	90,051	84,274
EQUITY							
Contributed equity	345,817	349,488	350,100	361,039	365,987	369,260	356,833
Accumulated surplus/(deficit).....	(16,541)	(21,332)	(18,114)	(2,112)	10,505	16,791	20,267
Reserves.....	50,610	62,246	43,805	43,805	43,805	43,805	43,805
Total equity	379,886	390,402	375,791	402,732	420,297	429,856	420,905
TOTAL LIABILITIES AND EQUITY	478,762	513,940	475,300	497,676	515,502	519,907	505,179

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	31,609	12,281	13,182	13,829	10,299	10,298	10,384
Capital appropriation.....	161	-	-	1,500	-	-	-
Royalties for Regions Fund:							
Regional Community Services Fund.....	20,242	15,510	14,050	17,192	1,152	1,152	1,152
Regional Infrastructure and Headworks Fund.....	-	-	-	1,138	-	-	-
Net cash provided by State Government.....	52,012	27,791	27,232	33,659	11,451	11,450	11,536
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(194,379)	(206,544)	(199,877)	(208,897)	(211,201)	(214,140)	(221,011)
Grants and subsidies.....	(44,007)	(43,323)	(49,093)	(46,238)	(40,463)	(41,309)	(43,586)
Supplies and services.....	(74,782)	(54,974)	(69,564)	(53,178)	(45,309)	(47,439)	(47,306)
Accommodation.....	(10,147)	(10,633)	(9,175)	(10,899)	(11,171)	(11,451)	(12,070)
Other payments.....	(63,374)	(56,229)	(59,172)	(55,893)	(58,808)	(60,172)	(56,420)
Receipts							
Regulatory fees and fines.....	325,316	338,891	340,883	352,906	362,485	366,252	368,530
Grants and subsidies.....	6,072	5,842	2,135	5,891	5,942	5,994	5,994
Sale of goods and services.....	9,757	7,794	11,463	7,734	7,905	7,913	7,983
GST receipts.....	19,005	8,794	20,335	8,794	8,794	8,794	8,794
Other receipts.....	6,623	4,554	3,303	3,524	3,617	3,617	3,655
Net cash from operating activities.....	(19,916)	(5,828)	(8,762)	3,744	21,791	18,059	14,563
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(35,275)	(41,343)	(39,970)	(57,759)	(28,358)	(15,797)	(18,775)
Proceeds from sale of non-current assets.....	363	-	-	7,900	1,500	-	-
Net cash from investing activities.....	(34,912)	(41,343)	(39,970)	(49,859)	(26,858)	(15,797)	(18,775)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(14,890)	(10,223)	(2,440)	(18,440)	(11,639)	(11,639)	(11,639)
Proceeds from borrowings.....	-	13,031	-	13,250	11,438	5,559	5,400
Net cash from financing activities.....	(14,890)	2,808	(2,440)	(5,190)	(201)	(6,080)	(6,239)
NET INCREASE/(DECREASE) IN CASH HELD.....	(17,706)	(16,572)	(23,940)	(17,646)	6,183	7,632	1,085
Cash assets at the beginning of the reporting period.....	90,734	73,883	73,028	49,088	31,442	37,625	45,257
Cash assets at the end of the reporting period.....	73,028	57,311	49,088	31,442	37,625	45,257	46,342

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

Division 19 Office of Emergency Management

Part 12 Minister for Emergency Services; Corrective Services

Appropriations, Expenses and Cash Assets

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 28 Net amount appropriated to deliver services	5,044	5,015	5,450	6,244	5,974	6,012	6,060
Total appropriations provided to deliver services.....	5,044	5,015	5,450	6,244	5,974	6,012	6,060
ADMINISTERED TRANSACTIONS							
Item 29 Amount provided for Administered Grants, Subsidies and Other Transfer Payments ^(a)	25,756	15,000	45,300	102,900	45,000	45,000	45,000
CAPITAL							
Item 100 Capital Appropriation.....	-	-	-	31	-	-	-
TOTAL APPROPRIATIONS	30,800	20,015	50,750	109,175	50,974	51,012	51,060
EXPENSES							
Total Cost of Services ^(b)	8,367	8,961	8,455	16,128	12,186	10,449	10,497
Net Cost of Services ^(c)	5,732	5,288	1,892	10,959	8,862	7,317	7,365
CASH ASSETS	5,642	5,497	9,755	5,313	2,698	1,666	634

(a) Administered Transactions represents funding for the Western Australia Natural Disaster Relief and Recovery Arrangements payments. This funding was previously administered and reported within the Department of the Premier and Cabinet.

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

(c) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Emergency Alert Upgrade	-	2,037	192	-	-
National Bushfire Mitigation Program	282	414	-	-	-
Natural Disaster Resilience Program Activities	430	5,549	4,214	3,132	3,132
Revision to Indexation for Non-Salary Expenses	-	(84)	(161)	(190)	(219)
Transfer of the Office of Bushfire Risk Management Full Time Equivalents to Undertake Assurance Activities	-	356	361	365	370

Significant Issues Impacting the Agency

- The National Partnership Agreement for Natural Disaster Resilience has been extended for a further 12 months to 30 June 2018. The extension will allow the Commonwealth Government to assess the recommendations of the Productivity Commission inquiry into Natural Disaster Funding Arrangements. The Productivity Commission recommended that more is invested in mitigation to counter the escalating costs of recovery and that mitigation investment be informed by comprehensive risk assessments for which Western Australia is well advanced. The 12 month extension will further support disaster resilience activities in the State.
- Since 2013 Western Australia has been garnering a consistent and comprehensive understanding of its emergency management risks related to the 27 hazards prescribed in legislation. District level risk reports which analyse the top five or six hazards per district are now complete and published. The reports will help inform future investment decisions and programs, with an emphasis on prevention and preparedness activities. The Office will now focus on enhancing local government emergency risk assessments and identifying treatment/mitigation options.
- The Office, formerly the State Emergency Management Committee Secretariat was established on 1 December 2016. The State Recovery functions including the Western Australia Natural Disaster Relief and Recovery Arrangements (WANDRRA) previously administered by the Department of the Premier and Cabinet were transferred to the Office on 1 December 2016.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcome	Service
Strong Communities: Safe communities and supported families.	Effective strategic coordination of emergency management.	1. Emergency Management Advice and Consultation

Service Summary

Expense	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
1. Emergency Management Advice and Consultation	8,367	8,961	8,455	16,128	12,186	10,449	10,497
Total Cost of Services	8,367	8,961	8,455	16,128	12,186	10,449	10,497

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: Effective strategic coordination of emergency management:					
Stakeholder assessment of strategic coordination and quality of emergency management.....	68%	60%	71%	68%	

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

Services and Key Efficiency Indicators**1. Emergency Management Advice and Consultation**

Provision of committee support for the State Emergency Management Committee, policy and legislation development and review, state recovery functions, advice/assistance, information sharing and awareness building, community engagement and capacity building.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 8,367	\$'000 8,961	\$'000 8,455	\$'000 16,128	1
Less Income.....	2,635	3,673	6,563	5,169	
Net Cost of Service.....	5,732	5,288	1,892	10,959	
Employees (Full Time Equivalents).....	39	30	38	41	
Efficiency Indicator					
Average Hourly Cost of Providing Emergency Management Advice and Consultation.....	\$54	\$56	\$51	\$54	

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

Explanation of Significant Movements

(Notes)

- Total Cost of Service will increase by \$7.7 million (47.5%) for the 2017-18 Budget Target compared to the 2016-17 Estimated Actual. This increase is mainly attributable to grants and subsidies expenditure of \$2 million for the State's contribution to the upgrade of the national Emergency Alert System and \$4.4 million of Commonwealth funds carried over from 2016-17 for Natural Disaster Resilience and the Bushfire Mitigation emergency management programs to progress key priorities for the State.

Asset Investment Program

The Office's 2017-18 Asset Investment Program of \$31,000 is for office fit-out and information, communication and technology costs associated with its relocation to Dumas House.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
NEW WORKS							
Office Fit-out and Relocation.....	31	-	-	31	-	-	-
Total Cost of Asset Investment Program.....	31	-	-	31	-	-	-
FUNDED BY							
Capital Appropriation			-	31	-	-	-
Total Funding.....			-	31	-	-	-

Financial Statements

Income Statement

Expenses

Total Cost of Services shows an increase of \$7.7 million (47.5%) for the 2017-18 Budget Estimate compared to the 2016-17 Estimated Actual. This increase is mainly attributable to grants and subsidies expenditure of \$2 million for the upgrade of the national Emergency Alert system and \$6 million of Commonwealth funds for the Natural Disaster Resilience and the Bushfire Mitigation emergency management programs to progress key priorities for the State.

Income

Total income shows a net decrease of \$1.4 million (-35.2%) in the 2017-18 Budget Estimate compared to the 2016-17 Estimated Actual. The decrease is mainly resulting from a reduction of \$3.1 million in the Commonwealth Natural Disaster Resilience program funding in 2017-18, offset by an increase of \$2 million for the upgrade of the national Emergency Alert system.

Income from State Government service appropriation shows an increase of \$0.8 million (14.2%) in the 2017-18 Budget Estimate compared to the 2016-17 Estimated Actual. The increase is mainly attributable to \$0.4 million transfer of Office of Bushfire Risk Management staff to undertake assurance activities and \$0.3 million to cover one-off transition government accommodation costs associated to the expiring lease arrangements for the West Leederville office.

Statement of Financial Position

Total assets are planned to be reduced to \$5.7 million for the 2017-18 Budget Estimate period and further reduced in the subsequent financial years. This decrease is mainly attributable to restricted cash held in relation to Commonwealth funds for the Natural Disaster Resilience and the Bushfire Mitigation emergency management programs being expended to progress key priorities for the State.

INCOME STATEMENT ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	3,931	4,688	4,979	5,570	5,627	5,410	5,455
Grants and subsidies ^(c)	2,285	2,506	1,391	8,280	4,604	3,325	3,325
Supplies and services.....	1,122	712	870	949	903	655	656
Accommodation.....	684	720	830	1,017	735	742	744
Depreciation and amortisation.....	86	73	73	3	3	3	3
Other expenses.....	259	262	312	309	314	314	314
TOTAL COST OF SERVICES	8,367	8,961	8,455	16,128	12,186	10,449	10,497
Income							
Grants and subsidies.....	2,522	3,673	6,563	5,169	3,324	3,132	3,132
Other revenue.....	113	-	-	-	-	-	-
Total Income	2,635	3,673	6,563	5,169	3,324	3,132	3,132
NET COST OF SERVICES	5,732	5,288	1,892	10,959	8,862	7,317	7,365
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	5,044	5,015	5,450	6,244	5,974	6,012	6,060
Resources received free of charge.....	389	273	423	273	273	273	273
TOTAL INCOME FROM STATE GOVERNMENT	5,433	5,288	5,873	6,517	6,247	6,285	6,333
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(299)	-	3,981	(4,442)	(2,615)	(1,032)	(1,032)

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

(b) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 39, 38 and 41 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
All West Australians Reducing Emergencies							
Program.....	121	-	238	202	198	193	193
Emergency Alert Upgrade Contribution.....	-	-	-	2,037	192	-	-
National Bushfire Mitigation Program.....	153	299	282	414	-	-	-
Natural Disaster Resilience Program.....	2,011	2,207	430	5,549	4,214	3,132	3,132
Other.....	-	-	89	-	-	-	-
State Crisis Information Management System...	-	-	352	78	-	-	-
TOTAL	2,285	2,506	1,391	8,280	4,604	3,325	3,325

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	501	352	633	633	633	633	633
Restricted cash	5,141	5,145	9,122	4,680	2,065	1,033	1
Receivables	57	298	57	57	57	57	57
Other.....	85	115	85	85	85	85	85
Total current assets	5,784	5,910	9,897	5,455	2,840	1,808	776
NON-CURRENT ASSETS							
Holding account receivables.....	148	147	221	224	227	230	233
Property, plant and equipment.....	84	15	11	39	36	33	30
Intangibles	9	-	9	9	9	9	9
Other.....	-	17	-	-	-	-	-
Total non-current assets	241	179	241	272	272	272	272
TOTAL ASSETS	6,025	6,089	10,138	5,727	3,112	2,080	1,048
CURRENT LIABILITIES							
Employee provisions	515	504	617	617	617	617	617
Payables	281	73	281	281	281	281	281
Other.....	5	32	5	5	5	5	5
Total current liabilities	801	609	903	903	903	903	903
NON-CURRENT LIABILITIES							
Employee provisions	218	176	248	248	248	248	248
Total non-current liabilities	218	176	248	248	248	248	248
TOTAL LIABILITIES.....	1,019	785	1,151	1,151	1,151	1,151	1,151
EQUITY							
Contributed equity	3,754	3,754	3,754	3,785	3,785	3,785	3,785
Accumulated surplus/(deficit).....	1,252	1,550	5,233	791	(1,824)	(2,856)	(3,888)
Total equity	5,006	5,304	8,987	4,576	1,961	929	(103)
TOTAL LIABILITIES AND EQUITY	6,025	6,089	10,138	5,727	3,112	2,080	1,048

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	4,896	4,942	5,377	6,241	5,971	6,009	6,057
Capital appropriation.....	-	-	-	31	-	-	-
Net cash provided by State Government.....	4,896	4,942	5,377	6,272	5,971	6,009	6,057
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(3,566)	(4,688)	(4,851)	(5,574)	(5,631)	(5,414)	(5,459)
Grants and subsidies.....	(2,041)	(2,506)	(1,391)	(8,280)	(4,604)	(3,325)	(3,325)
Supplies and services.....	(911)	(439)	(597)	(676)	(630)	(382)	(383)
Accommodation.....	(63)	(720)	(680)	(1,017)	(735)	(742)	(744)
Other payments.....	(1,150)	(262)	(308)	(305)	(310)	(310)	(310)
Receipts ^(b)							
Grants and subsidies.....	2,522	3,673	6,144	3,132	3,132	3,132	3,132
GST receipts.....	298	-	-	-	-	-	-
Other receipts.....	160	-	419	2,037	192	-	-
Net cash from operating activities.....	(4,751)	(4,942)	(1,264)	(10,683)	(8,586)	(7,041)	(7,089)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	-	-	-	(31)	-	-	-
Net cash from investing activities.....	-	-	-	(31)	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD.....	145	-	4,113	(4,442)	(2,615)	(1,032)	(1,032)
Cash assets at the beginning of the reporting period.....	5,497	5,497	5,642	9,755	5,313	2,698	1,666
Cash assets at the end of the reporting period.....	5,642	5,497	9,755	5,313	2,698	1,666	634

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

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

NET APPROPRIATION DETERMINATION ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Grants and Subsidies							
Commonwealth Funds for Natural Disaster Resilience Program	2,522	3,673	6,144	3,132	3,132	3,132	3,132
GST Receipts							
GST Receipts.....	298	-	-	-	-	-	-
Other Receipts							
Emergency Alert Upgrade	-	-	-	2,037	192	-	-
Other Receipts	160	-	419	-	-	-	-
TOTAL	2,980	3,673	6,563	5,169	3,324	3,132	3,132

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

DETAILS OF ADMINISTERED TRANSACTIONS

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
INCOME							
Other							
Western Australia Natural Disaster Relief and Recovery Arrangements ^{(a) (b)}	25,756	15,000	45,300	102,900	45,000	45,000	45,000
TOTAL ADMINISTERED INCOME	25,756	15,000	45,300	102,900	45,000	45,000	45,000
EXPENSES							
Grants to Charitable and Other Public Bodies							
Western Australia Natural Disaster Relief and Recovery Arrangements ^(a)	41,331	15,000	45,300 ^(c)	102,900 ^(d)	45,000	45,000	45,000
TOTAL ADMINISTERED EXPENSES	41,331	15,000	45,300	102,900	45,000	45,000	45,000

- (a) The WANDRRA previously administered by the Department of the Premier and Cabinet were transferred to the Office on the 1 December 2016.
- (b) The WANDRRA provides a range of eligible assistance measures to individuals, small business, primary producers, and State and local governments, including the restoration and replacement of essential public assets (mainly roads), personal hardship and distress payments, and low interest rate subsidies.
- (c) The 2016-17 WANDRRA payments primarily reflect outstanding claims from the Commissioner of Main Roads totalling \$44.4 million for the restoration of damaged essential public assets.
- (d) Following an unprecedented number of natural disasters occurring in Western Australia in 2016-17, including but not limited to bushfires in the Peel and South West regions and heavy rainfall and severe flooding throughout the State, the Office has forecast WANDRRA claims to exceed \$100 million in 2017-18.

Division 20 **Office of the Inspector of Custodial Services**
Part 12 **Minister for Emergency Services; Corrective Services**

Appropriations, Expenses and Cash Assets

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 30 Net amount appropriated to deliver services	3,323	3,370	3,370	3,310	3,305	3,336	3,372
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	247	247	247	247	247	247	247
Total appropriations provided to deliver services.....	3,570	3,617	3,617	3,557	3,552	3,583	3,619
TOTAL APPROPRIATIONS	3,570	3,617	3,617	3,557	3,552	3,583	3,619
EXPENSES							
Total Cost of Services.....	3,602	3,622	3,618	3,556	3,551	3,582	3,618
Net Cost of Services ^(a)	3,594	3,617	3,611	3,551	3,546	3,577	3,613
CASH ASSETS ^(b)	363	333	367	371	375	379	383

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

(b) As at 30 June each financial year.

Spending Changes

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

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
2017-18 Streamlined Budget Process Incentive Funding.....	-	33	-	-	-
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(4)	(7)	(11)	(15)
Revision to Indexation for Non-Salary Expenses	-	-	(27)	(38)	(49)

Significant Issues Impacting the Agency

- The Office's inspection and liaison visits in 2016-17 were impacted by:
 - an increased prisoner population;
 - incidents at the Banksia Hill Detention Centre;
 - additional monitoring following the commissioning of the Eastern Goldfields Regional Prison; and
 - re-tendering of Court Security and Custodial Services.
- There have been significant workload increases due to the commencement of the Melaleuca Remand and Reintegration Facility, and the upgrading of the old Broome Prison from an annexe facility of the West Kimberley Regional Prison.
- Management strategies have been implemented to reduce accrued leave liabilities, and an organisational restructure has reduced staff Full Time Equivalents (FTEs) from 20 to 19 as part of the Office's Agency Expenditure Review.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcome	Service
Strong Communities: Safe communities and supported families.	The Parliament, Minister and other stakeholders are informed on the performance of custodial services.	1. Inspection and Review of Custodial Services

Service Summary

Expense	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
1. Inspection and Review of Custodial Services	3,602	3,622	3,618	3,556	3,551	3,582	3,618
Total Cost of Services	3,602	3,622	3,618	3,556	3,551	3,582	3,618

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: The Parliament, Minister and other stakeholders are informed on the performance of custodial services:					
Number of recommendations made.....	100	150	96	150	1
Percentage of recommendations accepted.....	80%	80%	89%	80%	2

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

Explanation of Significant Movements

(Notes)

1. The number of recommendations in the 2016-17 Estimated Actual is below the 2016-17 Budget, but is consistent with previous years. The Office operates on the basis that each prison, juvenile detention centre, court custody centre and prescribed lockup is fully inspected at least once every three years. The number of recommendations made may vary depending on the complexity of inspections, and which facilities are inspected in a particular year.
2. The majority of the Office's recommendations were either supported, supported existing initiatives or partially supported. There were 11 recommendations that were not supported.

Services and Key Efficiency Indicators**1. Inspection and Review of Custodial Services**

Inspection of prisons, court custody centres, juvenile detention centres, coordination of the Independent Visitors' Scheme and review of custodial services.

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 3,602	\$'000 3,622	\$'000 3,618	\$'000 3,556	
Less Income.....	8	5	7	5	
Net Cost of Service.....	3,594	3,617	3,611	3,551	
Employees (Full Time Equivalents).....	20	20	20	19	
Efficiency Indicators					
Average Cost per Report.....	\$224,393	\$200,000	\$243,219	\$245,000	1
Average Cost per Independent Visitors' Scheme Report	\$1,950	\$2,000	\$2,463	\$2,500	1
Average Cost per Liaison Visit	\$11,840	\$10,000	\$9,868	\$10,000	

Explanation of Significant Movements

(Notes)

1. The Average Cost per Report and the Average Cost per Independent Visitors' Scheme Report is higher for the 2016-17 Estimated Actual than the 2016-17 Budget, primarily due to less reports produced during the year. The number of reports per annum may vary as the Office operates on the basis that each prison, juvenile detention centre, court custody centre and prescribed lockup is fully inspected at least every three years.

Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement - Office Equipment							
2016-17 Program	26	26	26	-	-	-	-
NEW WORKS							
Asset Replacement - Office Equipment							
2017-18 Program	26	-	-	26	-	-	-
2018-19 Program	26	-	-	-	26	-	-
2019-20 Program	26	-	-	-	-	26	-
2020-21 Program	26	-	-	-	-	-	26
Total Cost of Asset Investment Program.....	130	26	26	26	26	26	26
FUNDED BY							
Drawdowns from the Holding Account			26	26	26	26	26
Total Funding.....			26	26	26	26	26

Financial Statements

INCOME STATEMENT ^(a) (Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	2,639	2,559	2,633	2,578	2,575	2,604	2,637
Supplies and services	497	431	378	366	359	356	354
Accommodation	308	374	341	344	347	350	353
Depreciation and amortisation	4	26	3	3	3	3	3
Other expenses.....	154	232	263	265	267	269	271
TOTAL COST OF SERVICES	3,602	3,622	3,618	3,556	3,551	3,582	3,618
Income							
Other revenue	8	5	7	5	5	5	5
Total Income.....	8	5	7	5	5	5	5
NET COST OF SERVICES	3,594	3,617	3,611	3,551	3,546	3,577	3,613
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	3,570	3,617	3,617	3,557	3,552	3,583	3,619
Resources received free of charge	97	6	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	3,667	3,623	3,617	3,557	3,552	3,583	3,619
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	73	6	6	6	6	6	6

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

(b) The FTEs for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 20, 20 and 19 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	363	237	363	367	371	375	379
Restricted cash	-	88	-	-	-	-	-
Holding account receivables	26	26	26	26	26	26	26
Receivables	41	73	41	41	41	41	41
Other	50	59	50	50	50	50	50
Total current assets	480	483	480	484	488	492	496
NON-CURRENT ASSETS							
Holding account receivables	177	179	179	181	183	185	187
Property, plant and equipment	34	10	57	80	103	126	149
Restricted cash	-	8	4	4	4	4	4
Total non-current assets	211	197	240	265	290	315	340
TOTAL ASSETS	691	680	720	749	778	807	836
CURRENT LIABILITIES							
Employee provisions	520	481	518	518	518	518	518
Payables	89	147	112	135	158	181	204
Other	58	111	58	58	58	58	58
Total current liabilities	667	739	688	711	734	757	780
NON-CURRENT LIABILITIES							
Employee provisions	163	141	165	165	165	165	165
Total non-current liabilities	163	141	165	165	165	165	165
TOTAL LIABILITIES	830	880	853	876	899	922	945
EQUITY							
Contributed equity	274	274	274	274	274	274	274
Accumulated surplus/(deficit)	(413)	(474)	(407)	(401)	(395)	(389)	(383)
Total equity	(139)	(200)	(133)	(127)	(121)	(115)	(109)
TOTAL LIABILITIES AND EQUITY	691	680	720	749	778	807	836

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	3,542	3,589	3,589	3,529	3,524	3,555	3,591
Holding account drawdowns.....	26	26	26	26	26	26	26
Net cash provided by State Government.....	3,568	3,615	3,615	3,555	3,550	3,581	3,617
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(2,642)	(2,559)	(2,633)	(2,578)	(2,575)	(2,604)	(2,637)
Supplies and services.....	(367)	(360)	(354)	(342)	(335)	(332)	(330)
Accommodation.....	(309)	(394)	(341)	(344)	(347)	(350)	(353)
Other payments.....	(319)	(319)	(306)	(308)	(310)	(312)	(314)
Receipts ^(b)							
GST receipts.....	127	42	42	42	42	42	42
Other receipts.....	8	5	7	5	5	5	5
Net cash from operating activities.....	(3,502)	(3,585)	(3,585)	(3,525)	(3,520)	(3,551)	(3,587)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(28)	(26)	(26)	(26)	(26)	(26)	(26)
Net cash from investing activities.....	(28)	(26)	(26)	(26)	(26)	(26)	(26)
NET INCREASE/(DECREASE) IN CASH HELD.....							
	38	4	4	4	4	4	4
Cash assets at the beginning of the reporting period.....	325	329	363	367	371	375	379
Cash assets at the end of the reporting period.....	363	333	367	371	375	379	383

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

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

NET APPROPRIATION DETERMINATION ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
GST Receipts							
GST Receipts from Australian Taxation Office.....	127	42	42	42	42	42	42
Other Receipts							
Other Receipts.....	8	5	7	5	5	5	5
TOTAL.....	135	47	49	47	47	47	47

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

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Animal Resources Authority.....	1	139	Office of the Inspector of Custodial Services	1	338
Biodiversity, Conservation and Attractions.....	1	197	Parliamentary Commissioner for		
Building and Construction Industry Training			Administrative Investigations.....	1	52
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Bunbury Water Corporation	2	681	and Crime Commission	2	473
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Chemistry Centre (WA)	2	692	Pilbara Ports Authority.....	2	651
Commissioner for Children and Young			Planning, Lands and Heritage	2	417
People	2	461	Premier and Cabinet.....	1	61
Commissioner for Equal Opportunity.....	2	446	Primary Industries and Regional		
Commissioner of Main Roads.....	2	615	Development.....	1	285
Communities.....	1	235	Public Sector Commission	1	73
Corruption and Crime Commission.....	2	439	Public Transport Authority of Western		
Economic Regulation Authority	2	512	Australia	2	631
Education	1	159	Racing and Wagering Western Australia.....	2	553
Finance	2	527	Registrar, Western Australian Industrial		
Fire and Emergency Services.....	1	319	Relations Commission.....	2	582
Forest Products Commission.....	2	684	Rural Business Development Corporation.....	1	309
Fremantle Port Authority.....	2	647	Salaries and Allowances Tribunal.....	1	89
Gold Corporation.....	1	80	Small Business Development Corporation	2	555
Governor's Establishment.....	1	81	Southern Ports Authority.....	2	652
Heritage Council of Western Australia.....	2	402	Synergy	2	543
Horizon Power.....	2	541	TAFE Colleges.....	1	193
Insurance Commission of Western Australia....	2	518	Training and Workforce Development.....	1	178
Jobs, Tourism, Science and Innovation	1	97	Transport	2	599
Justice.....	2	349	Treasury	2	497
Keystart Housing Scheme Trust.....	1	265	WA Health.....	1	113
Kimberley Ports Authority	2	649	Water and Environmental Regulation.....	1	217
Legal Aid Commission of Western Australia	2	479	Water Corporation	2	679
Legislative Assembly.....	1	41	Western Australian Health Promotion		
Legislative Council	1	35	Foundation.....	1	138
Local Government, Sport and Cultural			Western Australia Police.....	1	269
Industries	2	369	Western Australian Electoral Commission.....	2	589
Lotteries Commission.....	1	87	Western Australian Greyhound Racing		
Mental Health Commission	1	140	Association	2	554
Metropolitan Cemeteries Board.....	2	401	Western Australian Institute of Sport.....	2	493
Metropolitan Redevelopment Authority.....	2	653	Western Australian Land Authority.....	2	663
Mid West Ports Authority	2	650	Western Australian Land Information		
Mines, Industry Regulation and Safety	2	565	Authority	2	665
National Trust of Australia (WA).....	2	408	Western Australian Meat Industry Authority.....	1	315
Office of Emergency Management	1	330	Western Australian Planning Commission.....	2	654
Office of the Auditor General.....	2	519	Western Australian Sports Centre Trust.....	2	483
Office of the Director of Public Prosecutions....	2	453	Western Australian Treasury Corporation	2	526
Office of the Government Chief Information			Western Power Networks.....	2	545
Officer	2	685	Western Power Provisions	2	548
Office of the Information Commissioner.....	2	467	WorkCover WA Authority	2	588