

Part 10

Environment

Summary of Portfolio Appropriations

Agency	2017-18 Budget \$'000	2017-18 Estimated Actual '000	2018-19 Budget Estimate '000
Water and Environmental Regulation			
– Delivery of Services	90,813	92,892	82,809
– Capital Appropriation	11,329	10,264	4,654
Total	102,142	103,156	87,463
Biodiversity, Conservation and Attractions			
– Delivery of Services	251,404	253,465	239,719
– Capital Appropriation	2,427	2,427	3,762
Total	253,831	255,892	243,481
GRAND TOTAL			
– Delivery of Services	342,217	346,357	322,528
– Capital Appropriation	13,756	12,691	8,416
Total	355,973	359,048	330,944

Division 39 Water and Environmental Regulation

Part 10 Environment

Appropriations, Expenses and Cash Assets

	2016-17 Actual ^(a) \$'000	2017-18 Budget \$'000	2017-18 Estimated Actual \$'000	2018-19 Budget Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 79 Net amount appropriated to deliver services.....	87,915	90,200	92,490	82,407	82,185	85,670	86,099
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975.....	613	613	402	402	402	402	402
Total appropriations provided to deliver services	88,528	90,813	92,892	82,809	82,587	86,072	86,501
CAPITAL							
Item 124 Capital Appropriation	14,642	11,329	10,264	4,654	6,228	6,060	6,582
TOTAL APPROPRIATIONS	103,170	102,142	103,156	87,463	88,815	92,132	93,083
EXPENSES							
Total Cost of Services	171,584	180,259	185,127	170,560	167,110	164,130	164,398
Net Cost of Services ^(b)	65,136	71,215	66,286	45,774	41,678	37,912	37,686
CASH ASSETS ^(c)	88,525	55,854	82,204	81,996	84,763	88,046	91,329

- (a) The 2016-17 Actual has been recast for comparability purposes to account for Machinery of Government changes that took effect from 1 July 2017.
 (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 presentation of the 2017-18 Budget to Parliament on 7 September 2017, are outlined below:

	2017-18 Estimated Actual \$'000	2018-19 Budget Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
Election Commitments					
Scientific Inquiry into Fracking in Western Australia.....	320	74	-	-	-
Senior Executive Service Reduction	(612)	(1,111)	(1,111)	(1,111)	(1,111)
Other					
2017-18 Accommodation Review.....	(850)	(850)	(821)	(821)	(821)
2017-18 Revenue Review	-	203	174	174	174
2018-19 Tariffs, Fees and Charges.....	-	3,236	3,541	3,508	3,658
Assessment and Protection of the Swan Canning River System	112	-	-	-	-
Brabham Subsoil Drainage.....	30	-	-	-	-
Contaminated Sites Management Account Disbursements.....	658	208	208	208	208
Decommissioning Ellam Street Jetty	-	250	-	-	-
Establishing and Maintaining Vegetation Offset Account Disbursements	3,700	-	-	-	-
Government Office Accommodation Reform Program	(99)	(107)	(98)	(103)	(103)
Government Regional Officer Housing.....	(447)	(452)	(457)	(462)	(462)
Keralup Hybrid Nanoclay Nutrient Project.....	150	-	-	-	-
Land Held for Sale.....	700	-	-	-	-
New Public Sector Wages Policy	(534)	(1,029)	(1,534)	(2,061)	-
Payroll Tax Review.....	(1,916)	(1,916)	(1,916)	(1,916)	(1,916)
Pilbara Environmental Offsets Fund Disbursements	15	2,374	2,305	2,306	2,306
Port Hedland Dust Taskforce Report.....	-	274	535	535	224
Royalties for Regions	6	670	-	-	95
Rural Water Grants	-	-	(1,263)	(563)	(563)
Salaries and Allowances Tribunal Determination	(211)	(211)	(211)	(211)	(211)

	2017-18 Estimated Actual \$'000	2018-19 Budget Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
State Fleet Policy and Procurement Initiatives	(198)	(338)	(372)	(399)	(399)
State Groundwater Investigation Program	-	687	678	644	644
Termination of Reserve 31165 Trust Account	-	590	-	-	-
Transfer of Land to Western Australian Agriculture Authority - Carnarvon.....	230	-	-	-	-
Voluntary Targeted Separation Scheme ^(a)	3,714	(4,784)	(4,825)	(4,866)	(4,930)
Waste Avoidance And Resource Recovery Account Review	-	1,750	1,750	1,750	1,750
Water for Food Programs	(3,462)	(5,348)	(17,000)	(18,500)	-
Water Options for Intensive Agriculture/Carabooda	35	-	-	-	-

(a) Cost and savings estimates of the Voluntary Targeted Separation Scheme as at 9 April 2018 Budget cut-off date. The costs and savings of the Scheme will be further updated in the 2017-18 Annual Report on State Finances and the 2018-19 Mid-year Review.

Significant Issues Impacting the Agency

- In 2018-19, the Department will continue to develop and deliver on the Government's priority to create a 'one-stop shop' for industry and developers by integrating and streamlining Western Australia's water and environmental regulation. The creation of a new Regulatory Capability division will drive the identification of regulatory innovation and integration initiatives for the Department's regulatory reform program. This division will also be responsible for implementing the Environment Online initiative to consolidate the existing Water Online portal and create a streamlined application process for both applicants and the Department.
- In 2018-19, the Department is seeking to introduce an improved cost recovery model for environmental regulation services, the additional revenue from which will be reinvested in the Department to improve service delivery and efficiency in these services. The revenue will be used to employ additional staff in environmental regulation and compliance functions, and to invest in new systems, including Environment Online. This investment will improve the timeliness of decision-making on environmental approvals and ensure an appropriate response to the increasing demand for environmental assessments and approvals, relating to economic growth. The model will also better reflect the true cost of the Department's environmental regulation for industry.
- The Department is also implementing a new fee structure for the assessment of applications for water licences and permits in the mining and public water supply scheme business sectors. These will support effective regulation and sustainable management of the State's valuable water resources. Reinvested revenue will be directed towards customer-centred service delivery and improved online systems.
- From 1 July 2018, the Department will implement the Government's ban on the supply of lightweight plastic bags in Western Australia to reduce the impacts of plastic waste on the environment. The Department and its implementation partners are engaging with retailers and the community to raise awareness and support the introduction of the ban, including managing the potential impacts of the ban on consumers and businesses.
- Groundwater makes up nearly 75% of Perth's water supply; it provides almost half of the drinking water supply and almost all of the self-supply water used for parks, sporting grounds, horticulture, large gardens and around one in four backyard gardens. As a result of a changing climate, the southwest of Western Australia is experiencing declining annual rainfall. To ensure the sustainable use of groundwater resources in Perth, and to provide long-term supply, amenity and environmental benefits for the community, the Department is developing a new Gngangara water allocation plan to be released for public comment in late-2018. In parallel, the Department is collaborating with local governments and other partners on longer term water supply strategies for local areas across the Perth and Peel region.
- As part of the Department's support for the Government's reform agenda, a Water Resource Management Bill is proposed to meet the challenges presented by climate change and modernise legislation to better manage the State's natural water resources. In addition, the Environmental Protection Act 1986 is proposed to be amended to improve regulatory efficiency and effectiveness and facilitate bilateral agreements to deliver better environmental and sustainable development outcomes.
- The Government has committed to introducing a new container deposit scheme to reduce litter and increase recycling rates. Over 97% of people who responded to an online survey from the Department support a container deposit scheme for Western Australia. The Department is developing the scheme for implementation in 2020. The scheme will contribute to the protection of Western Australia's unique wildlife and scenery from the impacts of litter and also create business development and job opportunities.

- The Department will support the Environmental Protection Authority (the Authority) as it considers an estimated 75% increase in proposals requiring assessment by the Authority in 2018-19, relative to 2016-17, alongside an increasing complexity and diversity of proposals. Further, an update of the Authority's policy and guidance framework will be implemented.
- Management of waste remains a Government priority and the introduction by the Chinese Government of import restrictions on recyclable waste presents challenges and opportunities not only for Australia but for countries worldwide. The Department will continue to support the Waste Authority in developing a revised waste strategy to make Western Australia into a sustainable, low-waste society in which human health and the environment are valued and protected. The Department will work with government agencies, local government and industry to encourage the use of recycled materials.
- The Department will continue to promote water-sensitive urban design principles and advocate a waterwise approach to urban development. It will work with major developers and government agencies to ensure that significant projects, such as METRONET, embrace water-sensitive design elements.
- The Department will continue work to provide implementable plans to reverse serious impacts in the Peel-Harvey and Leschenault Estuaries, improve outcomes from offsets through the Pilbara Environmental Offsets Fund, and address the cumulative impacts of clearing.
- The Department will complete an internal restructure to ensure greater integration and innovation in regulation, improve partnerships and engagement with stakeholders and facilitate the relocation of the Department's head office to Joondalup in early 2019.
- The Department will commence work on a water allocation plan for the Fitzroy River to assist in achieving objectives for the Fitzroy River contained in the Government's Plan for the Kimberley.

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 Ministers	Services
Minister for Water	<ol style="list-style-type: none"> 1. Water Information and Advice 2. Water Planning, Allocation and Optimisation 3. Water Regulation, Licensing and Industry Governance
Minister for Environment	<ol style="list-style-type: none"> 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

Outcomes, Services and Key Performance Information

Where practical, Key Performance Information for the 2016-17 Actual has been recast for comparability purposes to account for Machinery of Government changes that took effect from 1 July 2017.

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 the Minister 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	2016-17	2017-18	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
1. Water Information and Advice	40,733	43,286	39,408	36,562	36,108	36,338	35,569
2. Water Planning, Allocation and Optimisation.....	37,942	34,373	41,738	32,011	28,128	26,024	25,631
3. Water Regulation, Licensing and Industry Governance	15,921	17,706	21,483	18,593	18,321	17,880	17,876
4. Environmental Regulation.....	36,624	39,277	37,833	38,496	39,819	39,641	40,950
5. Environment Policy.....	5,975	6,910	6,347	5,405	5,265	5,075	5,045
6. Waste Strategies	20,016	24,604	22,934	23,983	24,047	24,069	24,075
7. Environmental Impact Assessment Services to the EPA.....	8,709	8,229	9,232	9,440	9,413	9,234	9,340
8. Environmental Management Services to the EPA	3,473	3,483	3,963	3,958	3,909	3,809	3,837
9. Compliance Monitoring Services to the Minister for Environment.....	2,191	2,391	2,189	2,112	2,100	2,060	2,075
Total Cost of Services.....	171,584	180,259	185,127	170,560	167,110	164,130	164,398

Outcomes and Key Effectiveness Indicators ^(a)

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 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	69%	60%	60%	60%	
Proportion of priority growth areas that have a water supply planning strategy	63%	94%	75%	43%	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	n/a	100%	80%	100%	2
Percentage of potential environmental risks identified during compliance monitoring program that are rectified within two months.....	n/a	80%	60%	80%	3
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 ...	35%	50%	34%	50%	4
Percentage of commercial and industrial waste reported as diverted from landfill through recycling compared to the State-wide waste strategy target ...	46%	55%	46%	55%	5
Percentage of construction and demolition waste reported as diverted from landfill through recycling compared to the State-wide waste strategy target ...	64%	60%	77%	60%	6
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%	82%	85%	80%	
Percentage of project-specific conditions which did not require significant change following the appeal process.....	94%	80%	85%	80%	
Percentage of assessments that met agreed timelines	82%	83%	80%	75%	
The EPA's satisfaction with the Department's provision of environmental management services during the year.....	83%	83%	80%	80%	
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 agency's Annual Report.

Explanation of Significant Movements

(Notes)

1. The 2017-18 Estimated Actual is lower than expected as the draft Gascoyne Master Plan project is unlikely to be finalised during 2017-18. The decrease between the 2017-18 Estimated Actual and the 2018-19 Budget Target is due to the resetting of the list of priority areas at the start of the 2018-19 financial year, whereby completed strategies are removed and new priority areas are added. Fourteen new priority areas will be listed and six are expected to be completed within the 2018-19 financial year.
2. The 2017-18 Estimated Actual is lower than expected as compliance resources have targeted areas of highest risk during this period and often these matters are more complex and protracted than general compliance activities. The compliance activities have also been impacted by a high number of staff vacancies.
3. The reduction between the 2017-18 Budget and the 2017-18 Estimated Actual is due to the targeting of compliance resources towards areas of highest risk and the non-compliances identified are generally more complex and rely on third party actions to be compliant. The compliance activities have also been impacted by a high number of staff vacancies.

4. The reduction in the 2017-18 Estimated Actual municipal solid waste diversion rate reflects a continuing lack of significant change in the services and infrastructure being provided by local governments to households. The roll-out of the Better Bins program is expected to have a positive impact on diversion rates in 2018-19. The 2016-17 Actual has been amended to correct inaccuracies in the reporting of municipal solid waste that was disposed of to landfill.
5. A decrease in the amount of commercial and industrial waste disposed of to landfill, and a similar fall in the amount that was diverted from landfill in 2017-18, resulted in a constant landfill diversion rate between the 2016-17 Actual and the 2017-18 Estimated Actual. The 2016-17 Actual has been amended to correct inaccuracies in the reporting of commercial and industrial waste that was both recycled and disposed of to landfill.
6. The increase in the 2017-18 Estimated Actual diversion rate is a result of a reduction in the amount of construction and demolition waste disposed of to landfill. Evidence suggests that stockpiling of construction and demolition waste has contributed to this fall. The 2016-17 Actual has been amended to correct inaccuracies in the reporting of construction and demolition waste that was both recycled and disposed of to landfill.

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.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	40,733	43,286	39,408	36,562	1
Less Income	2,713	314	1,516	1,531	1
Net Cost of Service	38,020	42,972	37,892	35,031	
Employees (Full Time Equivalents) ^(a)	195	194	211	210	
Efficiency Indicators					
Proportion of Statutory Referrals from Decision-making Authorities Where Advice is Provided within Target Timeframes ^(b)	95%	96%	97%	97%	
Average Cost per Statutory Referral Assessment	\$8,828	\$10,273	\$12,491	\$11,912	2
Average Cost per Water Measurement Site Managed	\$10,095	\$12,933	\$7,372	\$7,085	3

(a) The Full Time Equivalents for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target may differ as a result of the 2017 Machinery of Government changes, resulting in structural changes and a variation in cost base.

(b) 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 reduction of the Total Cost of Service and the increase in income between the 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target is due to changes to the cost and revenue base as the Department has restructured, amalgamated and reformed functions following the Machinery of Government changes.
2. The increase in the Average Cost per Statutory Referral Assessment between the 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target is due to changes to the cost allocation basis. The number of statutory referral assessments undertaken over this time is expected to remain as forecast.
3. The reduction in the Average Cost per Water Measurement Site Managed between the 2017-18 Budget and the 2017-18 Estimated Actual is due to an increased number of water measurements sites managed than previously included, resulting from the upgrade and amalgamation of the two previously separate recording systems (Water Information and Hydstra).

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.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	37,942	34,373	41,738	32,011	1
Less Income	3,355	223	6,479	1,972	2
Net Cost of Service	34,587	34,150	35,259	30,039	
Employees (Full Time Equivalents) ^(a)	126	139	137	128	
Efficiency Indicators					
Average Cost per Plan, Report or Guidance Document to Support Water Planning, Allocation and Optimisation	\$256,315	\$218,250	\$433,108	\$334,511	3
Average Cost per Hour of Scientific Support for Water Planning, Allocation and Optimisation.....	\$197	\$210	\$206	\$194	

(a) The Full Time Equivalents for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target may differ as a result of the 2017 Machinery of Government changes, resulting in structural changes and a variation in cost base.

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service between the 2017-18 Budget and the 2017-18 Estimated Actual is mainly due to the carryover of external project funding (including Royalties for Regions projects) from 2016-17. In addition, changes to the cost allocation basis have impacted on the Total Cost of Service.
2. The increase in income between the 2017-18 Budget and the 2017-18 Estimated Actual is due to the changes in the funding classification for the Water for Food program in 2017-18 from Royalties for Regions income to grants and subsidies income.
3. The increase in the Average Cost per Plan, Report or Guidance Document to Support Water Planning, Allocation and Optimisation between the 2017-18 Budget and the 2017-18 Estimated Actual is due to a forecast reduction in the number of plans completed.

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.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Total Cost of Service	\$'000 15,921	\$'000 17,706	\$'000 21,483	\$'000 18,593	1
Less Income	937	160	503	1,382	1
Net Cost of Service	14,984	17,546	20,980	17,211	
Employees (Full Time Equivalents) ^(a)	103	99	109	109	
Efficiency Indicators					
Average Cost of Assessing a Water Licence Application by Risk Assessment Category:					
Low Risk	\$3,315	\$4,709	\$1,791	\$2,236	2
Medium Risk	\$5,815	\$5,551	\$6,903	\$7,604	
High Risk	\$6,026	\$8,571	\$10,659	\$15,655	
Average Time Taken (Days) to Assess a Licence Application by Risk Assessment Category:					
Low Risk	65	65	62	65	3
Medium Risk	75	75	89	75	
High Risk	57	57	120	95	
Average Cost of Compliance Monitoring and Enforcement Action	\$515	\$576	\$585	\$413	4

(a) The Full Time Equivalents for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target may differ as a result of the 2017 Machinery of Government changes, resulting in structural changes and a variation in cost base.

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service and income between the 2017-18 Budget and the 2017-18 Estimated Actual is mainly due to changes to the cost base as the Department has restructured, amalgamated and reformed functions following the Machinery of Government changes.
2. The variance between the risk assessment categories between the 2017-18 Budget and the 2017-18 Estimated Actual Average Cost of Assessing a Water Licence Application by Risk Assessment Category is due to changes made to the categorisation of applications. Some applications were loaded during the deployment of the online approval system which amended the default category of risk from high to low. Consequently, the number of applications for the medium and high categories have reduced and the number of low has increased. In addition, changes to the cost allocation basis have impacted on the cost base.
3. The variance between the 2017-18 Budget and the 2017-18 Estimated Actual Average Time Taken (Days) to Assess a Licence Application by Risk Assessment Category is due to an increase in processing times across risk categories following the roll-out of the new online approval system. Integration of the system during 2018-19 is expected to lead to a decrease in the forecast average time taken for assessments.
4. The decrease in the Average Cost of Compliance Monitoring and Enforcement Action between the 2017-18 Estimated Actual and the 2018-19 Budget Target is due to an expected increase in the compliance and monitoring enforcement actions that will reduce the average cost of an action. This is driven by the implementation of the new Rights in Water and Irrigation Regulations 2018, which were published in the Government Gazette on 20 February 2018.

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.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Total Cost of Service	\$'000 36,624	\$'000 39,277	\$'000 37,833	\$'000 38,496	
Less Income	28,513	30,646	26,568	32,582	1
Net Cost of Service	8,111	8,631	11,265	5,914	
Employees (Full Time Equivalents) ^(a)	231	223	222	245	
Efficiency Indicators					
Average Cost per Works Approval and Licence Application.....	\$28,875	\$24,263	\$53,275	\$68,503	2
Average Cost per Native Vegetation Clearing Permit Application	\$7,629	\$7,991	\$40,730	\$28,428	3

(a) The Full Time Equivalents for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target may differ as a result of the 2017 Machinery of Government changes, resulting in structural changes and a variation in cost base.

Explanation of Significant Movements

(Notes)

1. The decrease in income between the 2017-18 Budget and the 2017-18 Estimated Actual is due to changes to the revenue base as the Department has restructured, amalgamated and reformed functions following the Machinery of Government changes. The increase in income between the 2017-18 Estimated Actual and the 2018-19 Budget Target is due to the inclusion of income under the Vegetation Offset Account and forecast increases in fees and charges in 2018-19.
2. The increase in the Average Cost per Works Approval and Licence Application between the 2017-18 Budget and the 2017-18 Estimated Actual is due to a reduction in the number of applications processed. A backlog in applications for clearing permits, works approvals, licences and amendments is being addressed through reforms implemented by the newly created Regulatory Capability Unit. In addition, changes to the cost allocation basis have impacted on costs across the forward estimates period.
3. The increase in the Average Cost per Native Vegetation Clearing Permit Application between the 2017-18 Budget and the 2017-18 Estimated Actual is due to a reduction in the number of applications being processed. A backlog in applications is being addressed through reforms implemented by the newly created Regulatory Capability Unit. In addition, changes to the cost allocation basis and calculation methodology have impacted on costs.

5. Environment Policy

Develop and implement policies and strategies that promote environmental outcomes.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Total Cost of Service	\$'000 5,975	\$'000 6,910	\$'000 6,347	\$'000 5,405	1
Less Income	442	135	599	577	2
Net Cost of Service	5,533	6,775	5,748	4,828	
Employees (Full Time Equivalents) ^(a)	42	46	39	39	
Efficiency Indicators					
Average Cost per Hour of Policy Advice and Recommendations.....	\$101	\$107	\$134	\$114	3

(a) The Full Time Equivalents for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target may differ as a result of the 2017 Machinery of Government changes, resulting in structural changes and a variation in cost base.

Explanation of Significant Movements

(Notes)

1. The reduction in the Total Cost of Service between the 2017-18 Budget and the 2018-19 Budget Target is mainly due to reduced staffing costs as the number of Full Time Equivalents fell over this period and changes to the cost allocation basis as the Department has restructured, amalgamated and reformed functions.
2. The increase in income between the 2017-18 Budget and the 2018-19 Budget Target is due to the impact of the change in the revenue allocation basis as the Department has restructured, amalgamated and reformed functions.
3. The increase in the Average Cost per Hour of Policy Advice and Recommendations between the 2017-18 Budget and the 2017-18 Estimated Actual is due to an expected decrease in the number of policy hours worked and a reduction in Full Time Equivalents.

6. Waste Strategies

Waste avoided and the recovery of materials from landfill maximised.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Total Cost of Service	\$'000 20,016	\$'000 24,604	\$'000 22,934	\$'000 23,983	
Less Income	70,470	77,446	77,748	84,705	1
Net Cost of Service	(50,454)	(52,842)	(54,814)	(60,722)	
Employees (Full Time Equivalents) ^(a)	42	46	47	47	
Efficiency Indicators					
Cost of Landfill Levy Compliance as a Percentage of Landfill Levy Income Collected.....	2.4%	2.8%	1.6%	2%	2

(a) The Full Time Equivalents for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target may differ as a result of the 2017 Machinery of Government changes, resulting in structural changes and a variation in cost base.

Explanation of Significant Movements

(Notes)

1. The increase in income between the 2017-18 Budget and the 2018-19 Budget Target is due to the scheduled increase in the Landfill Levy rate from 1 July 2018.
2. The reduction in the Cost of Landfill Levy Compliance as a Percentage of Landfill Levy Income Collected between the 2017-18 Budget and the 2017-18 Estimated Actual is a result of efficiencies achieved in the landfill compliance area and a reduced cost base following the Machinery of Government changes.

7. Environmental Impact Assessment Services to the EPA

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

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Total Cost of Service	\$'000 8,709	\$'000 8,229	\$'000 9,232	\$'000 9,440	1
Less Income	11	120	3,791	1,423	2
Net Cost of Service	8,698	8,109	5,441	8,017	
Employees (Full Time Equivalents) ^(a)	52	51	48	48	
Efficiency Indicators					
Cost per Standardised Unit of Assessment Output	\$22,047	\$23,513	\$40,140	\$31,467	3

(a) The Full Time Equivalents for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target may differ as a result of the 2017 Machinery of Government changes, resulting in structural changes and a variation in cost base.

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service between the 2017-18 Budget and the 2017-18 Estimated Actual is due to changes to the cost base as the Department has restructured, amalgamated and reformed functions following the Machinery of Government changes.
2. The increase in income between the 2017-18 Budget and the 2017-18 Estimated Actual is due to the commencement of the Pilbara Environmental Offsets Fund during 2017-18 and changes to the cost base as the Department has restructured, amalgamated and reformed functions following the Machinery of Government changes.
3. The increase in Cost per Standardised Unit of Assessment Output between the 2017-18 Budget and the 2017-18 Estimated Actual is mainly due to an expected reduction in complex proposals and changes to the cost allocation basis.

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.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Total Cost of Service	\$'000 3,473	\$'000 3,483	\$'000 3,963	\$'000 3,958	1
Less Income	4	-	1,087	408	1
Net Cost of Service	3,469	3,483	2,876	3,550	
Employees (Full Time Equivalents) ^(a)	20	21	16	16	
Efficiency Indicators					
Cost per Standardised Unit of Environmental Management Services Output	\$26,310	\$26,790	\$43,549	\$39,577	2

(a) The Full Time Equivalents for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target may differ as a result of the 2017 Machinery of Government changes, resulting in structural changes and a variation in cost base.

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service and income between the 2017-18 Budget and the 2017-18 Estimated Actual is mainly due to changes to the cost and revenue base as the Department has restructured, amalgamated and reformed functions following the Machinery of Government changes.
2. The increase in the Cost per Standardised Unit of Environment Management Services Output between the 2017-18 Budget and the 2017-18 Estimated Actual is mainly due to changes to the cost base as the Department has restructured, amalgamated and reformed functions following the Machinery of Government changes. The level of assessment output over this period is expected to be consistent with the 2016-17 Actual.

9. Compliance Monitoring Services to the Minister

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

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Total Cost of Service	\$'000 2,191	\$'000 2,391	\$'000 2,189	\$'000 2,112	
Less Income	3	-	550	206	1
Net Cost of Service	2,188	2,391	1,639	1,906	
Employees (Full Time Equivalents) ^(a)	12	15	12	12	
Efficiency Indicators					
Average Cost per Environmental Audit Completed	\$36,515	\$39,846	\$36,490	\$35,207	2

(a) The Full Time Equivalents for the 2016-17 Actual, 2017-18 Budget, 2017-18 Estimated Actual and 2018-19 Budget Target may differ as a result of the 2017 Machinery of Government changes, resulting in structural changes and a variation in cost base.

Explanation of Significant Movements

(Notes)

- The increase in income between the 2017-18 Budget and the 2017-18 Estimated Actual is due to changes as the Department has restructured, amalgamated and reformed functions to the cost base following the Machinery of Government changes.
- The reduction in the Average Cost per Environmental Audit Completed between the 2017-18 Budget and the 2018-19 Budget Target is mainly due to the impact of changes to the cost allocation basis as the Department has restructured, amalgamated and reformed functions following the Machinery of Government changes.

Asset Investment Program

The Department will spend \$14.5 million on its Asset Investment Program in 2018-19 and \$58.3 million over the forward estimates period. This supports the delivery of its services and the rolling program to update plant, equipment and computer software, including the groundwater investigation and monitoring bore program.

The Department will also spend approximately \$9 million over four years on the Environment Online project that will provide customers with a 'one-stop shop' to perform business with the Department for environment-related approvals.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-18 \$'000	2017-18 Estimated Expenditure \$'000	2018-19 Budget Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
COMPLETED WORKS							
Engineering Works - Kent Street Weir.....	4,805	4,805	3,924	-	-	-	-
Land Acquisition - Land Purchase in Priority 1 Areas 2017-18 Program	1,328	1,328	1,328	-	-	-	-
Peel Development Commission Transforming Peel Stage 1 - 2017-18 Program	662	662	662	-	-	-	-
Plant, Equipment and Minor Works - 2017-18 Program	1,849	1,849	1,849	-	-	-	-
Replace and Maintain Monitoring Bores - 2017-18 Program	2,843	2,843	2,843	-	-	-	-
Replace and Maintain River Gauging Stations 2017-18 Program	1,507	1,507	1,507	-	-	-	-
State Groundwater Investigation - 2017-18 Program	3,547	3,547	3,547	-	-	-	-
Water Modelling - 2017-18 Program	1,347	1,347	1,347	-	-	-	-
Water Online	14,132	14,132	290	-	-	-	-
NEW WORKS							
Environment Online - 2018-19 Program.....	9,024	-	-	1,951	1,874	2,272	2,927
Land Acquisition - Land Purchase in Priority 1 Areas 2018-19 Program	1,410	-	-	1,410	-	-	-
2019-20 Program	1,000	-	-	-	1,000	-	-
2020-21 Program	1,000	-	-	-	-	1,000	-
2021-22 Program	1,000	-	-	-	-	-	1,000

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-18 \$'000	2017-18 Estimated Expenditure \$'000	2018-19 Budget Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
Plant, Equipment and Minor Works							
2018-19 Program.....	763	-	-	763	-	-	-
2019-20 Program.....	1,346	-	-	-	1,346	-	-
2020-21 Program.....	1,410	-	-	-	-	1,410	-
2021-22 Program.....	1,410	-	-	-	-	-	1,410
Port Hedland Dust Taskforce Report.....	486	-	-	486	-	-	-
Replace and Maintain Monitoring Bores							
2018-19 Program.....	3,144	-	-	3,144	-	-	-
2019-20 Program.....	3,144	-	-	-	3,144	-	-
2020-21 Program.....	3,144	-	-	-	-	3,144	-
2021-22 Program.....	3,424	-	-	-	-	-	3,424
Replace and Maintain River Gauging Stations							
2018-19 Program.....	1,504	-	-	1,504	-	-	-
2019-20 Program.....	1,504	-	-	-	1,504	-	-
2020-21 Program.....	1,504	-	-	-	-	1,504	-
2021-22 Program.....	1,504	-	-	-	-	-	1,504
State Groundwater Investigation							
2018-19 Program.....	3,891	-	-	3,891	-	-	-
2019-20 Program.....	3,841	-	-	-	3,841	-	-
2020-21 Program.....	3,651	-	-	-	-	3,651	-
2021-22 Program.....	3,651	-	-	-	-	-	3,651
Water Modelling							
2018-19 Program.....	1,367	-	-	1,367	-	-	-
2019-20 Program.....	1,387	-	-	-	1,387	-	-
2020-21 Program.....	1,408	-	-	-	-	1,408	-
2021-22 Program.....	1,408	-	-	-	-	-	1,408
Total Cost of Asset Investment Program	90,345	32,020	17,297	14,516	14,096	14,389	15,324
FUNDED BY							
Capital Appropriation.....			10,264	4,654	6,228	6,060	6,582
Drawdowns from the Holding Account			5,652	6,307	5,994	6,057	5,815
Internal Funds and Balances.....			1,381	3,555	1,874	2,272	2,927
Total Funding.....			17,297	14,516	14,096	14,389	15,324

Financial Statements

The 2016-17 Actual data has been recast for comparability purposes to account for Machinery of Government changes that took effect from 1 July 2017.

Income Statement

Expenses

The reduction in Total Cost of Services between the 2017-18 Estimated Actual and the 2018-19 Budget Estimate is due to a range of targeted and workforce savings such as accommodation, state fleet and voluntary separations.

Income

The increase in total income between the 2017-18 Estimated Actual and the 2018-19 Budget Estimate is mainly due to additional Landfill Levy and increased fees and charges revenue due to proposed changes to the Department's tariffs, fees and charges.

Statement of Financial Position

The increase in restricted cash between the 2017-18 Estimated Actual and the 2018-19 Budget is due to the commencement of the Pilbara Environmental Offsets Fund, an increase in the Landfill Levy in 2018-19 and the reclassification of cash for the payment of workforce composition and separations from grants and subsidies to restricted cash.

INCOME STATEMENT ^(a)
(Controlled)

	2016-17	2017-18	2017-18	2018-19	2019-20	2020-21	2021-22
	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)	99,766	99,592	102,808	92,227	91,024	91,414	92,503
Grants and subsidies ^(c)	9,668	14,209	12,620	15,145	11,802	11,802	11,802
Supplies and services	32,997	38,306	40,778	35,296	35,141	28,922	28,738
Accommodation	11,641	10,542	9,593	9,658	9,740	9,810	9,810
Depreciation and amortisation	10,549	13,334	15,604	15,666	16,988	19,776	19,139
Other expenses	6,963	4,276	3,724	2,568	2,415	2,406	2,406
TOTAL COST OF SERVICES	171,584	180,259	185,127	170,560	167,110	164,130	164,398
Income							
Sale of goods and services	3,966	3,783	8,337	-	-	-	-
Regulatory fees and fines	24,362	23,797	23,797	30,898	32,139	32,925	33,730
Grants and subsidies	5,000	3,951	4,194	4,189	3,622	3,622	3,311
Landfill Levy	69,428	76,000	76,000	83,000	83,000	83,000	83,000
Other revenue	3,692	1,513	6,513	6,699	6,671	6,671	6,671
Total Income	106,448	109,044	118,841	124,786	125,432	126,218	126,712
NET COST OF SERVICES	65,136	71,215	66,286	45,774	41,678	37,912	37,686
INCOME FROM STATE GOVERNMENT							
Service appropriations	88,528	90,813	92,892	82,809	82,587	86,072	86,501
Resources received free of charge	1,822	1,775	1,775	1,734	1,743	1,743	1,743
Royalties for Regions Fund:							
Regional Community Services Fund	10,499	8,261	77	95	95	95	95
Regional Infrastructure and Headworks Fund	8,695	8,905	8,929	9,011	6,334	-	-
TOTAL INCOME FROM STATE GOVERNMENT	109,544	109,754	103,673	93,649	90,759	87,910	88,339
SURPLUS/(DEFICIENCY) FOR THE PERIOD	44,408	38,539	37,387	47,875	49,081	49,998	50,653

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

(b) The Full Time Equivalents for the 2016-17 Actual, 2017-18 Estimated Actual and 2018-19 Budget Estimate are 823, 841 and 854 respectively.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2016-17	2017-18	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Contaminated Sites Management Account							
Grants	110	442	1,100	650	650	650	650
Grants Other	394	-	-	-	-	-	-
Rural Water Grants	2,578	2,350	2,350	1,950	687	687	687
State-wide Water Efficiency Measures	-	50	50	50	50	50	50
Vegetation Offsets Account	-	-	3,480	-	-	-	-
Waste Avoidance and Resource Recovery Account	5,543	10,250	4,523	9,998	9,998	9,998	9,998
Water Innovation Partnership	225	267	267	267	267	267	267
Water Sensitive Cities - Cooperative Research Centre	109	150	150	150	150	150	150
Watering WA	685	700	700	2,080	-	-	-
Western Australian Biodiversity Science Institute	10	-	-	-	-	-	-
Western Australian Marine Science Institute	14	-	-	-	-	-	-
TOTAL	9,668	14,209	12,620	15,145	11,802	11,802	11,802

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2016-17	2017-18	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CURRENT ASSETS							
Cash assets.....	25,675	10,080	17,235	17,691	19,213	21,417	22,294
Restricted cash.....	62,516	45,056	64,264	63,241	64,126	64,829	67,235
Holding account receivables.....	6,617	7,711	6,646	5,671	5,262	4,740	4,740
Receivables.....	3,624	1,214	3,624	3,624	3,624	3,624	3,624
Other.....	18,574	17,737	18,574	18,574	18,574	18,574	18,574
Assets held for sale.....	1,055	-	1,055	1,055	1,055	1,055	1,055
Total current assets.....	118,061	81,798	111,398	109,856	111,854	114,239	117,522
NON-CURRENT ASSETS							
Holding account receivables.....	22,237	32,318	30,626	41,171	52,789	67,247	80,788
Property, plant and equipment.....	330,638	274,245	333,100	332,952	331,793	330,133	318,298
Intangibles.....	27,915	21,953	25,324	24,393	22,639	18,913	26,934
Restricted cash.....	334	718	705	1,064	1,424	1,800	1,800
Other.....	32	59	934	923	914	913	912
Total non-current assets.....	381,156	329,293	390,689	400,503	409,559	419,006	428,732
TOTAL ASSETS.....	499,217	411,091	502,087	510,359	521,413	533,245	546,254
CURRENT LIABILITIES							
Employee provisions.....	20,541	19,515	19,711	19,599	19,488	19,377	19,266
Payables.....	5,308	1,503	4,224	4,224	4,224	4,224	4,224
Other.....	2,003	1,249	2,185	2,346	2,509	2,670	2,831
Total current liabilities.....	27,852	22,267	26,120	26,169	26,221	26,271	26,321
NON-CURRENT LIABILITIES							
Employee provisions.....	5,588	5,471	4,093	4,093	4,092	4,092	4,092
Other.....	8	7	1	1	1	1	1
Total non-current liabilities.....	5,596	5,478	4,094	4,094	4,093	4,093	4,093
TOTAL LIABILITIES.....	33,448	27,745	30,214	30,263	30,314	30,364	30,414
EQUITY							
Contributed equity.....	322,634	284,307	345,718	306,066	267,988	229,772	192,078
Accumulated surplus/(deficit) ^(b)	53,667	38,539	37,387	85,262	134,343	184,341	234,994
Reserves.....	89,468	60,500	88,768	88,768	88,768	88,768	88,768
Total equity.....	465,769	383,346	471,873	480,096	491,099	502,881	515,840
TOTAL LIABILITIES AND EQUITY.....	499,217	411,091	502,087	510,359	521,413	533,245	546,254

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

(b) The 2016-17 Actual Accumulated surplus of \$53.7 million is recognised as Contributed equity from 2017-18 onwards to acknowledge the transfer of functions resulting from the Machinery of Government changes.

**STATEMENT OF CASHFLOWS ^(a)
(Controlled)**

	2016-17 Actual \$'000	2017-18 Budget \$'000	2017-18 Estimated Actual \$'000	2018-19 Budget Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	79,098	77,311	77,120	66,932	65,384	66,079	67,145
Capital appropriation.....	14,642	11,329	10,264	4,654	6,228	6,060	6,582
Holding account drawdowns.....	6,967	4,622	7,354	6,307	5,994	6,057	5,815
Royalties for Regions Fund:							
Regional Community Services Fund.....	10,506	8,261	77	95	95	95	95
Regional Infrastructure and Headworks Fund	9,219	8,905	8,929	9,011	6,334	-	-
Receipts paid into Consolidated Account	(32,180)	(40,030)	(41,203)	(44,276)	(44,276)	(44,276)	(44,276)
Net cash provided by State Government	88,252	70,398	62,541	42,723	39,759	34,015	35,361
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(98,124)	(99,201)	(104,936)	(92,178)	(90,973)	(91,364)	(92,453)
Grants and subsidies	(8,799)	(14,209)	(12,620)	(15,145)	(11,802)	(11,802)	(11,802)
Supplies and services.....	(32,516)	(34,672)	(37,191)	(31,606)	(31,436)	(25,188)	(25,004)
Accommodation.....	(10,906)	(10,542)	(9,593)	(9,668)	(9,750)	(9,820)	(9,820)
Other payments	(13,986)	(14,662)	(14,222)	(11,696)	(11,600)	(9,976)	(9,974)
Receipts ^(b)							
Regulatory fees and fines.....	24,168	23,797	23,797	30,898	32,139	32,925	33,730
Grants and subsidies.....	3,975	3,951	4,194	4,189	3,622	3,622	3,311
Sale of goods and services.....	4,110	3,783	7,637	-	-	-	-
Landfill Levy.....	69,439	76,000	76,000	83,000	83,000	83,000	83,000
GST receipts.....	6,250	8,487	8,854	7,192	7,233	5,589	5,587
Other receipts	2,964	1,513	6,513	6,599	6,671	6,671	6,671
Net cash from operating activities.....	(53,425)	(55,755)	(51,567)	(28,415)	(22,896)	(16,343)	(16,754)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(12,579)	(17,139)	(17,297)	(14,516)	(14,096)	(14,389)	(15,324)
Other payments	-	-	(698)	-	-	-	-
Proceeds from sale of non-current assets	291	-	700	-	-	-	-
Net cash from investing activities	(12,288)	(17,139)	(17,295)	(14,516)	(14,096)	(14,389)	(15,324)
NET INCREASE/(DECREASE) IN CASH HELD	22,539	(2,496)	(6,321)	(208)	2,767	3,283	3,283
Cash assets at the beginning of the reporting period	65,986	58,350	88,525	82,204	81,996	84,763	88,046
Cash assets at the end of the reporting period	88,525	55,854	82,204	81,996	84,763	88,046	91,329

(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)

	2016-17	2017-18	2017-18	2018-19	2019-20	2020-21	2021-22
	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 - Receipts	24,168	23,797	23,797	30,898	32,139	32,925	33,730
Grants and Subsidies							
Other Grants and Contributions	3,975	3,951	4,194	4,189	3,622	3,622	3,311
Sale of Goods and Services							
Sales of Goods and Services	4,110	3,783	7,637	-	-	-	-
Landfill Levy							
Landfill Levy	69,439	76,000	76,000	83,000	83,000	83,000	83,000
GST Receipts							
GST Receipts	6,250	8,487	8,854	7,192	7,233	5,589	5,587
Other Receipts							
Interest Received	1,614	750	750	750	750	750	750
Lease of Commercial Land and Buildings ...	332	319	319	344	346	346	346
Other Receipts	1,018	444	444	3,505	3,575	3,575	3,575
Pilbara Environmental Offsets Fund	-	-	5,000	2,000	2,000	2,000	2,000
TOTAL	110,906	117,531	126,995	131,878	132,665	131,807	132,299

(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

	2016-17	2017-18	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
INCOME							
Commonwealth Grants							
National Water Infrastructure Development Fund - Feasibility	2,386	3,770	2,147	1,623	-	-	-
Fines							
Regulatory Fines	108	55	155	155	155	155	155
TOTAL ADMINISTERED INCOME	2,494	3,825	2,302	1,778	155	155	155
EXPENSES							
Grants to Charitable and Other Public Bodies							
National Water Infrastructure Development Fund - Feasibility	2,131	3,770	2,402	1,623	-	-	-
Other							
Receipts Paid into the Consolidated Account	126	55	155	155	155	155	155
TOTAL ADMINISTERED EXPENSES	2,257	3,825	2,557	1,778	155	155	155

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.

	2016-17 Actual \$'000	2017-18 Budget \$'000	2017-18 Estimated Actual \$'000	2018-19 Budget Estimate \$'000
Opening Balance.....	1,772	1,629	1,960	1,160
Receipts: Other	298	300	300	300
	2,070	1,929	2,260	1,460
Payments	110	442	1,100	650
CLOSING BALANCE	1,960	1,487	1,160	810

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.

	2016-17 Actual \$'000	2017-18 Budget \$'000	2017-18 Estimated Actual \$'000	2018-19 Budget Estimate \$'000
Opening Balance.....	30,398	33,247	33,246	37,996
Receipts: Other	18,054	19,750	19,750	21,500
	48,452	52,997	52,996	59,496
Payments	15,206	19,000	15,000	20,750
CLOSING BALANCE	33,246	33,997	37,996	38,746

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.

	2016-17 Actual \$'000	2017-18 Budget \$'000	2017-18 Estimated Actual \$'000	2018-19 Budget Estimate \$'000
Opening Balance.....	-	387	387	489
Receipts: Other	399	48	112	101
	399	435	499	590
Payments	12	12	10	590
CLOSING BALANCE	387	423	489	-

Division 40 Biodiversity, Conservation and Attractions

Part 10 Environment

Appropriations, Expenses and Cash Assets

	2016-17 Actual ^(a) \$'000	2017-18 Budget \$'000	2017-18 Estimated Actual \$'000	2018-19 Budget Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 80 Net amount appropriated to deliver services.....	241,143	251,029	253,090	239,344	239,362	238,373	240,737
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975.....	375	375	375	375	375	375	377
Total appropriations provided to deliver services	241,518	251,404	253,465	239,719	239,737	238,748	241,114
CAPITAL							
Item 125 Capital Appropriation	1,377	2,427	2,427	3,762	5,855	5,581	5,581
TOTAL APPROPRIATIONS	242,895	253,831	255,892	243,481	245,592	244,329	246,695
EXPENSES							
Total Cost of Services	388,660	420,889	420,533	396,303	386,445	384,972	385,661
Net Cost of Services ^(b)	249,155	279,994	279,638	255,257	244,849	243,150	243,739
CASH ASSETS ^(c)	126,315	110,440	113,740	112,611	115,943	119,372	122,378

- (a) The 2016-17 Actual has been recast for comparability purposes to account for Machinery of Government changes that took effect from 1 July 2017.
 (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 presentation of the 2017-18 Budget to Parliament on 7 September 2017, are outlined below:

	2017-18 Estimated Actual \$'000	2018-19 Budget Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
Election Commitments					
Preston River to Ocean and Leschenault Regional Parks.....	-	1,240	1,240	1,240	1,240
Senior Executive Service Reduction	(500)	(1,000)	(1,000)	(1,000)	(1,000)
Other					
New Public Sector Wages Policy	(1,042)	(2,059)	(3,098)	(4,178)	-
State Fleet Policy and Procurement Initiatives	(752)	(1,446)	(1,588)	(1,762)	(1,713)
Voluntary Targeted Separation Scheme ^(a)	2,965	(4,169)	(4,220)	(4,270)	(4,340)

- (a) Cost and savings estimates of the Voluntary Targeted Separation Scheme as at 9 April 2018 Budget cut-off date. The costs and savings of the Scheme will be further updated in the 2017-18 Annual Report on State Finances and the 2018-19 Mid-year Review.

Significant Issues Impacting the Agency

Government Initiatives

- The Government has provided \$10.5 million to fast-track the creation of the Preston River to Ocean Regional Park in the Bunbury region. The new regional park will protect the area's biodiversity and cultural values while improving recreational opportunities for the residents of Bunbury and surrounds. It will create a continuous reserve of almost 900 hectares from the south of Bunbury west of the Preston River to the coast. The approved funding will also allow the Government to create the 2,297 hectare Leschenault Regional Park, which will extend along the Collie and Brunswick Rivers westwards across the Swan Coastal Plain. Establishment of these regional parks will provide local jobs for Aboriginal enterprises and contribute to tourism opportunities in the City of Bunbury.
- An Aboriginal Ranger Program has been 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 is employing 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. 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. The Government will ensure there is consistency across other election commitments for the Fitzroy River area. Discussions with Traditional Owners to develop Indigenous Land Use Agreements (ILUAs) to enable the creation of the park are underway. Consultation with other affected interest holders, e.g. pastoral lessees, has also commenced.
- A national park and marine park will be established to include the remote islands and fringing reefs of the Buccaneer Archipelago. Discussions with Traditional Owners regarding the parks have commenced. The Department will also commence the preparation of a marine park and islands national park management plan, which will facilitate employment of Aboriginal rangers for park management and opportunities for Aboriginal people to create sustainable economic enterprises.
- Funding is being provided to 17 community volunteer groups in the first round of grants in the Community Rivercare Program. Recipient groups have local knowledge, experience and volunteer resources to complete restoration projects throughout the Swan Canning river system. Later in 2018-19 there will be an opportunity for other groups to apply for funding in round two of the program.
- The Department will continue planning for expansion of 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 in the development of a Living Knowledge Centre and park infrastructure in collaboration with Woodside and Rio Tinto. Consultation is being undertaken with the Murujuga Aboriginal Corporation 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 related 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 and a management plan is being prepared.
- Visitation to Department managed lands and waters is maintaining a strong upwards trend, with a record high 20 million visits in 2016-17.

- There will be increasing engagement of volunteers to assist the Department in undertaking conservation and park management activities. The value of volunteer contributions exceeded \$24 million in 2016-17.
- The Kalbarri Skywalk and National Park Tourist Infrastructure project is expected to be finalised in 2018-19 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.
- On Rottnest Island the former Aboriginal prison building known as the Quod, located in the Main Settlement, will return to the management and control of the Rottnest Island Authority. The Authority proposes to consult extensively with the Aboriginal community throughout Western Australia on the future of the building. It is anticipated that future uses will combine memorial and interpretive functions with Aboriginal economic development opportunities. The Authority intends to seek support for the Quod redevelopment from private, philanthropic and Commonwealth Government sources.
- The Wadjemup Aboriginal Burial Ground associated with the Quod building is to be a permanent memorial space with funding provided by Lotterywest to the Rottnest Foundation, an independent community organisation. This development is subject to approval by the Rottnest Island Authority, which will also be responsible for the ongoing maintenance and use of the space including interpretive elements.
- Rottnest Island will benefit from a major new development with the construction of Discovery Eco Village, providing an additional 83 accommodation units (glamping - permanent tents) and associated resort facilities. A separate staff housing facility incorporating 25 rooms will provide much needed additional staff accommodation on the island.
- The Rottnest Hotel Resort has planned for additional development in the 2019 calendar year that would add 80 new rooms, additional bars, recreational areas and a convention centre.
- Rottnest Island Authority, with the support of Main Roads WA, is reviewing transportation needs and options on the island.
- The Perth Zoo will continue to seek opportunities to increase commercial revenue returns, including finalisation of plans for a new café, and function and catering facilities.
- Kings Park and Botanic Garden remains the State's single most visited destination. The high level of visitation continues to apply pressure on existing operations and infrastructure, requiring ongoing upgrades to public amenities such as footpaths, cycle paths and public toilets and a review of services to meet high levels of demand.
- \$2.4 million has been secured from Lotterywest by the Friends of Kings Park to construct new facilities for hands-on volunteer activities in Kings Park. The Volunteer Hub detailed design has progressed and construction is planned for 2018-19.

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 southwest of Western Australia. An extra \$5.5 million will be available in 2018-19 for prescribed burning to reduce bushfire risk, in addition to the Department's annual recurrent budget for prescribed burning.

Biodiversity 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. The Department is progressing consolidation of science across the agency to build and share the State's biodiversity knowledge and deliver scientific information to support effective conservation and management.
- Priority is being given to developing regulations, in consultation with stakeholders, to support full proclamation of the *Biodiversity Conservation Act 2016*, replacing 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 southwest of Western Australia.

- 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 undertaking trials of the Eradicat® bait for feral cats.
- Conservation and management of Bold Park and Kings Park will continue to achieve environmental targets, provide appropriate visitor access and mitigate risks.
- The Perth Zoo will commence a review of its master plan to inform project priorities. The review will be undertaken in consultation with the community and will support animal management, visitor amenity, asset management and commercial revenue generation priorities.

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. In consultation with the Conservation and Parks Commission, the Department will prepare a mid-term performance review of the plan.
- The Department will lead negotiations with the Commonwealth Government Department of Agriculture and Water Resources to extend Western Australia’s Regional Forest Agreement to 2039.
- The Department continues to prepare a sandalwood biodiversity management program under the *Biodiversity Conservation Act 2016*. This will complement other initiatives to enhance the conservation and management of wild sandalwood resources, including additional resources to control 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 Ministers	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

Where practical, Key Performance Information for the 2016-17 Actual has been recast for comparability purposes to account for Machinery of Government changes that took effect from 1 July 2017.

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	2016-17	2017-18	2017-18	2018-19	2019-20	2020-21	2021-22
	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.....	11,098	11,994	11,942	11,012	10,832	10,849	10,947
2. Visitor Services and Public Programs Provided at Rottnest Island.....	39,105	45,338	44,391	41,659	39,830	39,820	39,961
3. Visitor Services and Public Programs Provided at Perth Zoo.....	22,617	22,548	22,912	22,894	23,025	23,112	23,322
4. Visitor Services and Public Programs Provided in the Swan and Canning Riverpark	15,799	15,027	14,828	13,888	13,934	13,898	13,681
5. Visitor Services and Public Programs Provided in National Parks and Other Lands and Waters	86,076	107,297	105,880	91,810	89,733	88,806	87,805
6. Conserving Habitats, Species and Ecological Communities	77,851	81,858	80,474	76,433	76,042	75,731	76,531
7. Research and Conservation Partnerships....	30,154	35,162	38,542	37,844	37,845	37,855	37,917
8. Implementation of the Forest Management Plan	20,039	24,095	22,826	21,918	21,809	21,719	21,908
9. Prescribed Burning and Fire Management.....	50,803	45,022	46,758	46,985	41,510	41,335	41,676
10. Bushfire Suppression	35,118	32,548	31,980	31,860	31,885	31,847	31,913
Total Cost of Services.....	388,660	420,889	420,533	396,303	386,445	384,972	385,661

Outcomes and Key Effectiveness Indicators ^(a)

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 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.....	98%	99%	98%	98%	
Average level of visitor satisfaction at Rottnest Island.....	97%	97%	97%	97%	
Average level of visitor satisfaction at Perth Zoo.....	96%	97%	97%	97%	
Average level of visitor satisfaction in the Swan and Canning Riverpark	n/a	95%	87%	90%	1
Average level of visitor satisfaction in national parks and other lands and waters	92.5%	95%	91%	90%	
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	72.9%	73%	71%	72%	
Area of land baited for introduced predators	4,514,535 ha	n/a	4,404,138 ha	4,347,107 ha	2
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	381,941 m ³	764,000 m ³	497,501 m ³	955,000 m ³	3
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 planned Priority 1 prescribed burns achieved	49%	55%	55%	55%	
Proportion of South West bushfires contained to less than 2 ha	83%	75%	80%	75%	

(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. This is a new key effectiveness indicator for the 2018-19 Budget and, as such, no target is available for the 2017-18 Budget.
3. From 2014-15 and successive years, the target figure is a cumulative annual figure of 10% (that is 10, 20, 30 and 40% for 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. The annual and cumulative removals are lower than the pro-rata limits for both jarrah and karri sawlogs, reflecting market conditions for both sawlog and non-sawlog grades of timber. Adjustments to these removal figures to account for variations over time in product specifications and utilisation will be made in the mid-term performance review of the Forest Management Plan.

Services and Key Efficiency Indicators

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

Provide facilities, experiences and programs to 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.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Total Cost of Service	\$'000 11,098	\$'000 11,994	\$'000 11,942	\$'000 11,012	
Less Income	6,893	7,126	7,126	6,484	
Net Cost of Service	4,205	4,868	4,816	4,528	
Employees (Full Time Equivalents)	62	62	60	60	
Efficiency Indicators					
Average Cost per Visitor at Kings Park and Bold Park	\$1.76	\$1.88	\$1.96	\$1.84	

2. Visitor Services and Public Programs Provided at Rottnest Island

Provide facilities, experiences and programs to 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.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Total Cost of Service	\$'000 39,105	\$'000 45,338	\$'000 44,391	\$'000 41,659	1
Less Income	38,520	35,396	34,950	35,469	
Net Cost of Service	585	9,942	9,441	6,190	
Employees (Full Time Equivalents)	90	85	90	90	
Efficiency Indicators					
Average Cost per Visitor at Rottnest Island	\$60.39	\$71.97	\$70.46	\$66.13	

Explanation of Significant Movements

(Notes)

1. The reduction in the Total Cost of Service for 2018-19 is largely due to the cessation of fixed-term funding for a Roofing Structural Integrity Program.

3. Visitor Services and Public Programs Provided at Perth Zoo

Provide facilities, experiences and educational programs to 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.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Total Cost of Service	\$'000 22,617	\$'000 22,548	\$'000 22,912	\$'000 22,894	
Less Income	13,179	15,203	15,417	15,835	
Net Cost of Service	9,438	7,345	7,495	7,059	
Employees (Full Time Equivalents)	143	147	143	141	
Efficiency Indicators					
Average Cost per Visitor at Perth Zoo	\$34.41	\$34.42	\$34.98	\$32.94	

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

Provide facilities, experiences and programs to 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.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Total Cost of Service	\$'000 15,799	\$'000 15,027	\$'000 14,828	\$'000 13,888	
Less Income	2,999	3,258	3,180	3,180	
Net Cost of Service	12,800	11,769	11,648	10,708	
Employees (Full Time Equivalents)	52	51	51	50	
Efficiency Indicators					
Average Cost per Hectare in the Swan and Canning Riverpark	\$2,158.04	\$2,052.30	\$2,025.13	\$1,896.75	

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

Provide facilities, experiences and programs to 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.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Total Cost of Service	\$'000 86,076	\$'000 107,297	\$'000 105,880	\$'000 91,810	1
Less Income	32,854	31,400	31,478	31,559	
Net Cost of Service	53,222	75,897	74,402	60,251	
Employees (Full Time Equivalents)	399	382	381	384	
Efficiency Indicators					
Average Cost per Hectare in National Parks and Other Lands and Waters ...	\$2.73	\$3.40	\$3.36	\$2.92	

Explanation of Significant Movements

(Notes)

- The reduction in the Total Cost of Service from the 2017-18 Estimated Actual to the 2018-19 Budget Target largely reflects the one-off payment in 2017-18 of \$8 million to the Murujuga Aboriginal Corporation and the cessation of Royalties for Regions funds for the New Kimberley National Park and Great Kimberley Marine Park.

6. Conserving Habitats, Species and Ecological Communities

Develop and implement programs for the conservation of biodiversity.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Total Cost of Service	\$'000 77,851	\$'000 81,858	\$'000 80,474	\$'000 76,433	
Less Income	10,112	7,618	8,064	8,045	
Net Cost of Service	67,739	74,240	72,410	68,388	
Employees (Full Time Equivalents)	487	483	472	473	
Efficiency Indicators					
Average Cost per Hectare of Wildlife Habitat	\$2.10	\$2.56	\$2.16	\$2.05	

7. Research and Conservation Partnerships

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

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Total Cost of Service	\$'000 30,154	\$'000 35,162	\$'000 38,542	\$'000 37,844	
Less Income	23,308	30,877	30,663	30,457	
Net Cost of Service	6,846	4,285	7,879	7,387	
Employees (Full Time Equivalents)	112	116	111	111	
Efficiency Indicators					
Average Cost per Hectare of Wildlife Habitat	\$0.96	\$1.01	\$1.22	\$1.19	

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.

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Total Cost of Service	\$'000 20,039	\$'000 24,095	\$'000 22,826	\$'000 21,918	
Less Income	6,281	6,759	6,759	6,759	
Net Cost of Service	13,758	17,336	16,067	15,159	
Employees (Full Time Equivalents)	135	139	131	131	
Efficiency Indicators					
Average Cost per Hectare of Forest	\$17.72	\$18.65	\$17.68	\$16.98	

9. Prescribed Burning and Fire Management

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

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Total Cost of Service	\$'000 50,803	\$'000 45,022	\$'000 46,758	\$'000 46,985	
Less Income	1,793	230	230	230	
Net Cost of Service	49,010	44,792	46,528	46,755	
Employees (Full Time Equivalents)	255	212	255	255	
Efficiency Indicators					
Average Cost per Hectare Burnt	\$15.70	\$15.70	\$16.49	\$16.57	

10. Bushfire Suppression

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

	2016-17 Actual	2017-18 Budget	2017-18 Estimated Actual	2018-19 Budget Target	Note
Total Cost of Service	\$'000 35,118	\$'000 32,548	\$'000 31,980	\$'000 31,860	
Less Income	3,566	3,028	3,028	3,028	
Net Cost of Service	31,552	29,520	28,952	28,832	
Employees (Full Time Equivalents)	122	137	121	121	
Efficiency Indicators					
Average Cost per Hectare Burnt	\$33.04	\$32.00	\$18.21	\$17.10	1

Explanation of Significant Movements

(Notes)

- The decreased Average Cost per Hectare Burnt for the 2017-18 Estimated Actual is due to the significantly larger area burnt by bushfires compared to 2016-17, particularly in the Department's Kimberley, Goldfields and South Coast Regions. This trend is expected to continue in 2018-19.

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 \$38.6 million in 2018-19.

New capital funding of \$1.4 million per annum has been provided for the Preston River to Ocean and Leschenault Regional Parks election commitment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-18 \$'000	2017-18 Estimated Expenditure \$'000	2018-19 Budget Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
WORKS IN PROGRESS							
Enhanced Prescribed Burning.....	271	161	161	110	-	-	-
Koombana Park Facilities.....	11,404	8,144	2,800	3,260	-	-	-
Park Improvement Program							
Election Commitment - Lake Kepwari.....	3,000	225	225	1,000	1,775	-	-
Great Kimberley Marine Park	2,740	1,940	543	800	-	-	-
Kalbarri Skywalk and National Park Tourist Infrastructure.....	20,033	14,033	8,286	6,000	-	-	-
Kimberley Science and Conservation Strategy							
Kimberley National Park and Oomeday National Park (Horizontal Falls).....	150	50	50	50	50	-	-
Marine Parks.....	290	120	120	120	50	-	-
Roebuck Bay Marine Park	590	300	270	270	20	-	-
Public Recreation and Joint Management							
Arrangements for the Ningaloo Coast.....	3,255	1,435	1,105	1,820	-	-	-
Zoological Parks Authority							
Animal Exhibits and Park Facilities.....	3,459	1,524	702	-	-	-	-
Facilities and Equipment - Water Infrastructure Management Project.....	11,901	11,148	1,662	753	-	-	-
COMPLETED WORKS							
Botanic Gardens and Parks Authority - Asset							
Replacement - 2017-18 Program.....	1,000	1,000	1,000	-	-	-	-
Conservation Land Acquisition - 2017-18 Program.....	320	320	320	-	-	-	-
Election Commitment - Lake Stockton	250	250	250	-	-	-	-
Fire-related Bridge Maintenance and Replacement							
2017-18 Program.....	1,739	1,739	1,739	-	-	-	-
Firefighting Fleet Replacement - 2017-18 Program.....	2,200	2,200	2,200	-	-	-	-
Park Improvement							
2017-18 Program.....	3,700	3,700	3,700	-	-	-	-
Caravan and Camping (Parks for People).....	21,053	21,053	810	-	-	-	-
Election Commitment - Wellington Dam Walk Trails.....	200	200	200	-	-	-	-
Gnangara Park Development - 2017-18 Program	400	400	400	-	-	-	-
Kimberley Tourism Initiatives.....	3,125	3,125	863	-	-	-	-
Lucky Bay Campground Redevelopment Stage 2	900	900	900	-	-	-	-
Marine Parks Management - Capes and Dampier.....	779	779	167	-	-	-	-
New Kimberley National Parks	1,030	1,030	973	-	-	-	-
Plant and Equipment							
2017-18 Program.....	3,807	3,807	3,807	-	-	-	-
Swan Canning Riverpark - 2017-18 Program	432	432	432	-	-	-	-
Rottnest Island Authority - Holiday and Tourism							
Facilities - 2017-18 Program.....	4,665	4,665	4,665	-	-	-	-
Tourism Road Improvement - 2017-18 Program	1,650	1,650	1,650	-	-	-	-
Zoological Parks Authority							
Animal Exhibits and Park Facilities - Lion Exhibit Upgrade.....	2,940	2,940	2,008	-	-	-	-
Facilities and Equipment - Computer Equipment 2017-18 Program	100	100	100	-	-	-	-
NEW WORKS							
Botanic Gardens and Parks Authority - Asset Replacement							
2018-19 Program.....	1,000	-	-	1,000	-	-	-
2019-20 Program.....	1,000	-	-	-	1,000	-	-
2020-21 Program.....	1,000	-	-	-	-	1,000	-
2021-22 Program.....	1,000	-	-	-	-	-	1,000
Conservation Land Acquisition							
2018-19 Program.....	340	-	-	340	-	-	-
2019-20 Program.....	360	-	-	-	360	-	-
2020-21 Program.....	380	-	-	-	-	380	-
2021-22 Program.....	400	-	-	-	-	-	400
Election Commitment - Preston River to Ocean and Leschenault Regional Parks.....	5,496	-	-	1,374	1,374	1,374	1,374

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-18 \$'000	2017-18 Estimated Expenditure \$'000	2018-19 Budget Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
Fire-related Bridge Maintenance and Replacement							
2018-19 Program.....	1,791	-	-	1,791	-	-	-
2019-20 Program.....	1,845	-	-	-	1,845	-	-
2020-21 Program.....	1,900	-	-	-	-	1,900	-
2021-22 Program.....	1,957	-	-	-	-	-	1,957
Firefighting Fleet Replacement							
2018-19 Program.....	2,200	-	-	2,200	-	-	-
2019-20 Program.....	2,200	-	-	-	2,200	-	-
2020-21 Program.....	2,200	-	-	-	-	2,200	-
2021-22 Program.....	2,200	-	-	-	-	-	2,200
Park Improvement							
2018-19 Program.....	3,900	-	-	3,900	-	-	-
2019-20 Program.....	4,100	-	-	-	4,100	-	-
2020-21 Program.....	4,300	-	-	-	-	4,300	-
2021-22 Program.....	4,500	-	-	-	-	-	4,500
Gnangara Park Development							
2018-19 Program.....	400	-	-	400	-	-	-
2019-20 Program.....	400	-	-	-	400	-	-
2020-21 Program.....	400	-	-	-	-	400	-
2021-22 Program.....	400	-	-	-	-	-	400
Plant and Equipment							
2018-19 Program.....	4,985	-	-	4,985	-	-	-
2019-20 Program.....	6,732	-	-	-	6,732	-	-
2020-21 Program.....	7,348	-	-	-	-	7,348	-
2021-22 Program.....	7,749	-	-	-	-	-	7,749
Rottnest Island Authority - Holiday and Tourism Facilities							
2018-19 Program.....	4,669	-	-	4,669	-	-	-
2019-20 Program.....	4,265	-	-	-	4,265	-	-
2020-21 Program.....	4,265	-	-	-	-	4,265	-
2021-22 Program.....	4,265	-	-	-	-	-	4,265
Tourism Road Improvement Program							
2018-19 Program.....	1,750	-	-	1,750	-	-	-
2019-20 Program.....	1,850	-	-	-	1,850	-	-
2020-21 Program.....	1,950	-	-	-	-	1,950	-
2021-22 Program.....	2,050	-	-	-	-	-	2,050
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	-
2021-22 Program.....	1,905	-	-	-	-	-	1,905
Facilities and Equipment - Computer Equipment							
2018-19 Program.....	100	-	-	100	-	-	-
2019-20 Program.....	100	-	-	-	100	-	-
2020-21 Program.....	100	-	-	-	-	100	-
2021-22 Program.....	100	-	-	-	-	-	100
Total Cost of Asset Investment Program	212,950	89,370	42,108	38,597	28,026	27,122	27,900
FUNDED BY							
Capital Appropriation.....			2,427	3,762	5,855	5,581	5,581
Asset Sales			578	500	500	500	500
Drawdowns from the Holding Account			11,118	10,879	10,737	11,802	12,480
Internal Funds and Balances.....			17,792	9,715	7,765	7,865	7,965
Drawdowns from Royalties for Regions Fund			10,193	13,741	3,169	1,374	1,374
Total Funding.....			42,108	38,597	28,026	27,122	27,900

Financial Statements

The 2016-17 Actual data has been recast for comparability purposes to account for Machinery of Government changes that took effect from 1 July 2017.

Income Statement

Expenses

The Total Cost of Services is estimated to decrease by \$24.6 million between the 2017-18 Budget and the 2018-19 Budget Estimate, largely due to the effect of a one-off \$8 million payment to the Murujuga Aboriginal Corporation in 2017-18, the cessation of a fixed-term boost to maintenance at Rottnest Island, the cessation of fixed-term Royalties for Regions funding for two projects and Budget repair measures coming into full effect in 2018-19, including the Senior Executive Service reduction, State Fleet Policy and Procurement Initiatives and the Voluntary Targeted Separation Scheme.

Income

Total income from the State Government is projected to decrease by \$21.7 million to \$257.8 million in the 2018-19 Budget Estimate compared to the 2017-18 Budget, reflecting the income impacts of spending reductions noted above.

Statement of Financial Position

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

Statement of Cashflows

Purchase of non-current assets is expected to decrease by \$9.1 million to \$38.6 million in the 2018-19 Budget Estimate compared to the 2017-18 Budget of \$47.7 million, largely due to the commissioning of the Koombana Park Facilities, the Kalbarri Skywalk and national park tourist infrastructure.

INCOME STATEMENT ^(a)
(Controlled)

	2016-17	2017-18	2017-18	2018-19	2019-20	2020-21	2021-22
	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)	210,594	223,662	225,137	217,214	215,374	216,144	218,139
Grants and subsidies ^(c)	7,659	4,850	4,850	4,650	4,650	4,650	4,350
Supplies and services	90,525	117,723	116,644	99,644	91,924	89,860	88,805
Accommodation	8,345	7,098	7,098	7,127	7,143	7,143	7,143
Depreciation and amortisation	36,799	38,167	38,167	39,667	39,667	39,667	39,667
Other expenses	34,738	29,389	28,637	28,001	27,687	27,508	27,557
TOTAL COST OF SERVICES	388,660	420,889	420,533	396,303	386,445	384,972	385,661
Income							
Sale of goods and services	65,516	70,772	70,772	71,778	72,181	72,311	72,311
Regulatory fees and fines	1,201	1,259	1,259	1,264	1,269	1,265	1,265
Grants and subsidies	30,802	28,893	28,893	28,955	28,945	28,945	28,945
Other revenue	41,986	39,971	39,971	39,049	39,201	39,301	39,401
Total Income	139,505	140,895	140,895	141,046	141,596	141,822	141,922
NET COST OF SERVICES	249,155	279,994	279,638	255,257	244,849	243,150	243,739
INCOME FROM STATE GOVERNMENT							
Service appropriations	241,518	251,404	253,465	239,719	239,737	238,748	241,114
Resources received free of charge	741	1,524	1,524	1,525	1,526	1,526	1,526
Royalties for Regions Fund:							
Regional Community Services Fund	10,603	25,603	25,255	16,513	8,662	8,151	6,051
Regional Infrastructure and Headworks Fund	150	900	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	253,012	279,431	280,244	257,757	249,925	248,425	248,691
SURPLUS/(DEFICIENCY) FOR THE PERIOD	3,857	(563)	606	2,500	5,076	5,275	4,952

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

(b) The Full Time Equivalents for 2016-17 Actual, 2017-18 Estimated Actual and 2018-19 Budget Estimate are 1,857, 1,815 and 1,816 respectively.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2016-17	2017-18	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Local Projects Local Jobs	351	-	-	-	-	-	-
Other	48	-	-	-	-	-	-
Swan and Canning Rivers Community Rivercare	-	-	-	300	300	300	-
Swan and Canning Rivers Management	6,023	4,450	4,450	3,950	3,950	3,950	3,950
Western Australia Parks Foundation	250	-	-	-	-	-	-
Western Australian Museum (Species Identification in the Pilbara)	597	-	-	-	-	-	-
Wildlife Conservation	390	400	400	400	400	400	400
TOTAL	7,659	4,850	4,850	4,650	4,650	4,650	4,350

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2016-17	2017-18	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CURRENT ASSETS							
Cash assets.....	39,905	37,212	41,142	40,836	44,098	46,557	48,593
Restricted cash.....	79,672	68,968	64,890	63,097	62,197	62,197	62,267
Holding account receivables.....	11,118	10,879	10,879	10,737	11,802	11,802	-
Receivables.....	18,006	21,885	18,006	18,006	18,006	18,006	18,006
Other.....	11,696	11,355	11,560	11,560	11,560	11,560	11,560
Total current assets.....	160,397	150,299	146,477	144,236	147,663	150,122	140,426
NON-CURRENT ASSETS							
Holding account receivables.....	155,775	177,340	177,340	200,547	222,689	244,831	278,097
Property, plant and equipment.....	3,479,490	3,434,924	3,481,851	3,480,511	3,469,667	3,458,291	3,447,693
Intangibles.....	1,422	1,590	1,348	1,274	1,274	950	626
Restricted cash.....	738	2,010	1,708	2,678	3,648	4,618	5,518
Other.....	52,075	51,403	53,961	53,804	53,057	52,212	51,367
Total non-current assets.....	3,689,500	3,667,267	3,716,208	3,738,814	3,750,335	3,760,902	3,783,301
TOTAL ASSETS.....	3,849,897	3,817,566	3,862,685	3,883,050	3,897,998	3,911,024	3,923,727
CURRENT LIABILITIES							
Employee provisions.....	38,094	35,825	37,038	37,050	37,062	37,074	37,086
Payables.....	13,224	13,601	13,224	13,224	13,224	13,224	13,224
Other.....	24,047	24,276	24,307	24,657	24,943	25,227	25,511
Total current liabilities.....	75,365	73,702	74,569	74,931	75,229	75,525	75,821
NON-CURRENT LIABILITIES							
Employee provisions.....	8,656	7,757	8,417	8,417	8,417	8,417	8,417
Other.....	836	15	836	836	836	836	836
Total non-current liabilities.....	9,492	7,772	9,253	9,253	9,253	9,253	9,253
TOTAL LIABILITIES.....	84,857	81,474	83,822	84,184	84,482	84,778	85,074
EQUITY							
Contributed equity.....	3,062,359	3,263,768	3,257,696	3,275,199	3,284,223	3,291,178	3,298,133
Accumulated surplus/(deficit) ^(b)	182,120	(563)	606	3,106	8,182	13,457	18,409
Reserves.....	520,561	472,887	520,561	520,561	521,111	521,611	522,111
Total equity.....	3,765,040	3,736,092	3,778,863	3,798,866	3,813,516	3,826,246	3,838,653
TOTAL LIABILITIES AND EQUITY.....	3,849,897	3,817,566	3,862,685	3,883,050	3,897,998	3,911,024	3,923,727

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

(b) The 2016-17 Actual Accumulated surplus of \$182.1 million is recognised as Contributed equity from 2017-18 onwards to acknowledge the transfer of functions resulting from the Machinery of Government changes.

**STATEMENT OF CASHFLOWS ^(a)
(Controlled)**

	2016-17	2017-18	2017-18	2018-19	2019-20	2020-21	2021-22
	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	217,374	218,960	221,021	205,775	205,793	204,804	207,170
Capital appropriation.....	1,377	2,427	2,427	3,762	5,855	5,581	5,581
Holding account drawdowns.....	11,123	11,118	11,118	10,879	10,737	11,802	12,480
Royalties for Regions Fund:							
Regional Community Services Fund.....	16,273	28,088	26,505	19,263	8,682	8,151	6,051
Regional Infrastructure and Headworks Fund.....	17,751	17,635	8,943	10,991	3,149	1,374	1,374
Net cash provided by State Government	263,898	278,228	270,014	250,670	234,216	231,712	232,656
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(206,053)	(223,450)	(226,232)	(216,928)	(215,043)	(215,919)	(217,914)
Grants and subsidies	(7,546)	(4,850)	(4,850)	(4,650)	(4,650)	(4,650)	(4,350)
Supplies and services.....	(82,084)	(99,137)	(98,058)	(86,731)	(79,298)	(77,284)	(76,229)
Accommodation.....	(7,238)	(10,530)	(10,530)	(7,161)	(7,178)	(7,173)	(7,173)
Other payments	(65,111)	(59,361)	(58,609)	(56,530)	(56,047)	(55,729)	(55,778)
Receipts ^(b)							
Regulatory fees and fines	1,178	1,259	1,259	1,264	1,269	1,265	1,265
Grants and subsidies	29,160	28,893	28,893	28,955	28,945	28,945	28,945
Sale of goods and services.....	64,311	70,967	70,967	72,809	73,221	73,361	73,361
GST receipts.....	21,279	16,392	16,392	16,405	16,405	16,405	16,405
Other receipts	42,174	39,709	39,709	38,865	39,018	39,118	39,218
Net cash from operating activities.....	(209,930)	(240,108)	(241,059)	(213,702)	(203,358)	(201,661)	(202,250)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(45,785)	(47,700)	(42,108)	(38,597)	(28,026)	(27,122)	(27,900)
Proceeds from sale of non-current assets	684	578	578	500	500	500	500
Net cash from investing activities	(45,101)	(47,122)	(41,530)	(38,097)	(27,526)	(26,622)	(27,400)
NET INCREASE/(DECREASE) IN CASH HELD.....							
	8,867	(9,002)	(12,575)	(1,129)	3,332	3,429	3,006
Cash assets at the beginning of the reporting period	117,448	119,442	126,315	113,740	112,611	115,943	119,372
Cash assets at the end of the reporting period	126,315	110,440	113,740	112,611	115,943	119,372	122,378

(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)

	2016-17 Actual \$'000	2017-18 Budget \$'000	2017-18 Estimated Actual \$'000	2018-19 Budget Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
Grants and Subsidies							
Grants and Subsidies	16,536	26,823	26,823	26,835	26,835	26,835	26,835
Sale of Goods and Services							
Sale of Goods and Services	25,829	20,524	20,524	20,583	20,621	20,621	20,621
GST Receipts							
GST Input Credits	8,898	5,827	5,827	5,827	5,827	5,827	5,827
GST Receipts on Sales	5,318	5,500	5,500	5,500	5,500	5,500	5,500
Other Receipts							
Other Receipts	32,559	29,679	29,679	29,779	29,879	29,979	30,079
Interest Received	1,807	1,988	1,988	1,988	1,988	1,988	1,988
TOTAL	90,947	90,341	90,341	90,512	90,650	90,750	90,850

(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

	2016-17 Actual \$'000	2017-18 Budget \$'000	2017-18 Estimated Actual \$'000	2018-19 Budget Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
INCOME							
Royalties							
Fauna Royalties	28	60	60	60	60	60	60
Fines							
Receipts from Regulatory Fees and Fines	35	30	30	30	30	30	30
TOTAL ADMINISTERED INCOME	63	90	90	90	90	90	90
EXPENSES							
Other							
Receipts Paid into the Consolidated Account	63	90	90	90	90	90	90
TOTAL ADMINISTERED EXPENSES	63	90	90	90	90	90	90

