

Part 4

Jobs and Economic Development

Introduction

The Jobs and Economic Development portfolio is creating jobs for Western Australians and promoting a strong and diverse economy that delivers benefits to all areas of the State. The portfolio facilitates investment in the State, supports the development of export markets and opportunities, and promotes the State as an attractive tourist destination. It also has a focus on innovation and technological developments and overall support for businesses around the State.

Summary of Recurrent and Asset Investment Expenditure

Agency	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000
Jobs, Tourism, Science and Innovation		
– Total Cost of Services	376,283	508,912
– Asset Investment Program	1,029	2,970
Primary Industries and Regional Development		
– Total Cost of Services	513,723	622,103
– Asset Investment Program	14,607	60,617
Mines, Industry Regulation and Safety		
– Total Cost of Services	330,832	367,589
– Asset Investment Program	10,357	6,240
Gold Corporation		
– Asset Investment Program	43,849	17,973
Western Australian Meat Industry Authority		
– Asset Investment Program	450	450

Agency	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000
Small Business Development Corporation		
– Total Cost of Services	18,617	16,054
– Asset Investment Program	140	120
Rural Business Development Corporation		
– Total Cost of Services	543	443
Economic Regulation Authority		
– Total Cost of Services	15,813	15,680
Infrastructure WA		
– Total Cost of Services	4,848	6,099
Forest Products Commission		
– Asset Investment Program	8,583	32,192
Racing and Wagering Western Australia		
– Asset Investment Program	11,641	10,819
Western Australian Greyhound Racing Association		
– Asset Investment Program	1,276	300
Burswood Park Board		
– Asset Investment Program	4,727	1,307
Animal Resources Authority		
– Asset Investment Program	200	200

Ministerial Responsibilities

Minister	Agency	Services
Deputy Premier; Minister for State Development, Jobs and Trade; Tourism; Commerce; Science Minister for Regional Development; Agriculture and Food; Hydrogen Industry Minister for Emergency Services; Innovation and ICT; Medical Research; Volunteering Minister for Police; Road Safety; Defence Industry; Veterans Issues Minister for Water; Forestry; Youth Minister for Culture and the Arts; Sport and Recreation; International Education; Heritage; Leader of the House Minister for Mines and Petroleum; Energy; Corrective Services; Industrial Relations	Jobs, Tourism, Science and Innovation	<ol style="list-style-type: none"> 1. International Engagement, Trade and Investment 2. Project Facilitation 3. Industry Development 4. Science and Innovation 5. Destination Marketing 6. Event Tourism 7. Tourism Destination Development
Minister for Regional Development; Agriculture and Food; Hydrogen Industry Minister for Disability Services; Fisheries; Seniors and Ageing; Small Business	Primary Industries and Regional Development	<ol style="list-style-type: none"> 1. Regional Industry and Community Development Investment Facilitation 2. Corporate and Business Development Services Provided by the Department to Support Regional Development Commissions 3. Regional Technical and Technological Development 4. Regional Skills and Knowledge Development 5. Regional Social Amenity Development 6. Agricultural and Fisheries Biosecurity and Integrity 7. Agricultural and Fisheries Natural Resource Management
Deputy Premier; Minister for State Development, Jobs and Trade; Tourism; Commerce; Science Minister for Mines and Petroleum; Energy; Corrective Services; Industrial Relations	Mines, Industry Regulation and Safety	<ol style="list-style-type: none"> 1. Resources Advice and Regulation 2. Industry Advice and Regulation 3. Safety and Labour Relations Advice and Regulation 4. Development and Implementation of Energy Policy
Minister for Regional Development; Agriculture and Food; Hydrogen Industry	Western Australian Meat Industry Authority	n/a
	Rural Business Development Corporation	<ol style="list-style-type: none"> 1. Farm Business Development
Minister for Disability Services; Fisheries; Seniors and Ageing; Small Business	Small Business Development Corporation	<ol style="list-style-type: none"> 1. Information, Guidance, Referral and Business Development Services 2. Access to Justice for Small Business
Minister for Finance; Racing and Gaming; Aboriginal Affairs; Citizenship and Multicultural Interests	Racing and Wagering Western Australia	n/a
	Western Australian Greyhound Racing Association	n/a
	Burswood Park Board	n/a
Premier; Treasurer; Minister for Public Sector Management; Federal-State Relations	Economic Regulation Authority	<ol style="list-style-type: none"> 1. Submissions to the Economic Regulation Authority Governing Body
Premier; Treasurer; Minister for Public Sector Management; Federal-State Relations	Infrastructure WA	<ol style="list-style-type: none"> 1. Development, Monitoring and Reporting on Implementation of the State Infrastructure Strategy 2. Assessment of Major Infrastructure Proposals

Minister	Agency	Services
Minister for Mines and Petroleum; Energy; Corrective Services; Industrial Relations	Gold Corporation	n/a
Minister for Water; Forestry; Youth	Forest Products Commission	n/a
Deputy Premier; Minister for State Development, Jobs and Trade; Tourism; Commerce; Science	Animal Resources Authority	n/a

Division 14 **Jobs, Tourism, Science and Innovation**

Part 4 **Jobs and Economic Development**

Appropriations, Expenses and Cash Assets

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
DELIVERY OF SERVICES							
Item 44 Net amount appropriated to deliver services	340,938	248,494	277,758	453,515	209,158	182,485	175,707
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	1,508	1,520	1,520	1,533	1,538	1,543	1,543
Total appropriations provided to deliver services.....	342,446	250,014	279,278	455,048	210,696	184,028	177,250
ADMINISTERED TRANSACTIONS							
Item 45 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	23,489	24,768	24,768	21,816	22,102	10,410	10,410
CAPITAL							
Item 123 Capital Appropriation.....	3,485	1,646	1,646	3,696	3,697	3,697	3,697
TOTAL APPROPRIATIONS	369,420	276,428	305,692	480,560	236,495	198,135	191,357
EXPENSES							
Total Cost of Services	334,750	366,718	376,283	508,912	333,792	261,173	227,990
Net Cost of Services (a)	328,339	352,703	362,786	502,970	327,849	256,014	222,781
CASH ASSETS (b)	66,091	15,069	18,500	87,816	60,283	35,832	12,381

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

(b) As at 30 June each financial year.

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Department's Income Statement since presentation of the 2021-22 Budget to Parliament on 9 September 2021, are outlined below:

	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
COVID-19 Response					
Reconnect WA					
Aviation Recovery Fund Boost.....	-	10,000	10,000	10,000	-
Global Campaign (a)	3,650	2,650	-	-	-
International Education (a)	13,825	5,090	-	-	-
Investor Attraction	2,500	5,000	-	-	-
Skilled Workers	-	1,000	-	-	-
Tourist Attraction (a)	24,525	42,725	-	-	-
Safe Transition Industry Support Package					
Aviation Recovery Fund Boost.....	-	5,000	3,000	2,000	-
International Education.....	16,000	-	-	-	-
Tourism.....	38,000	-	-	-	-
Tourism and Travel Agent Support Fund	1,728	-	-	-	-

	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
New Initiatives					
2023 Total Solar Eclipse	1,200	3,830	-	-	-
Centre for Decommissioning Australia.....	-	2,000	2,000	500	500
Climate Action.....	-	1,982	639	-	-
ICT Digital Foundations Program	-	2,102	2,716	1,776	1,709
International Education					
Building Student Pipeline.....	563	10,921	3,738	3,750	3,761
Industry Support.....	-	12,500	1,500	-	-
National Park Tourism Experiences Development	-	4,985	4,346	4,356	4,017
Native Forest Just Transition Plan.....	817	51,653	26,997	-	-
WA Health and Medical Life Sciences Industry Strategy Implementation ^(a)	-	2,366	2,123	2,030	2,138
Ongoing Initiatives					
Australian Remote Operations for Space and Earth ^(a)	4,400	1,000	1,000	1,000	1,000
Binar Space Program.....	-	1,000	500	500	500
Call Centre and Back Office Processing Scheme	-	2,000	3,000	3,000	2,000
Destination Marketing	-	8,889	12,173	-	-
Event Tourism.....	-	5,000	9,949	10,799	5,000
International Education - StudyPerth	-	1,500	1,500	1,500	-
Invest and Trade Western Australia	-	3,939	4,348	4,397	4,399
Investment Attraction Fund	-	20,000	20,000	20,000	20,000
Local Capability Fund.....	-	1,125	1,125	1,125	1,125
Perth USAsia Centre.....	400	800	800	400	-
Premier's Science Awards	20	20	20	20	20
WA Life Sciences Innovation Hub	600	600	600	600	600
Other					
Additional Accommodation Requirements	448	550	563	577	592
Alzheimer's Australia WA Ltd	2,000	-	-	-	-
Defence Industry Veterans Employment Scheme ^(b)	(130)	(135)	(135)	-	-
Major Events - Deferral of Spending ^(c)	(14,521)	(6,587)	(7,189)	(6,505)	-
Mineralogy Litigation Costs ^(d)	-	-	-	-	-
Moonamang Road Upgrade ^(e)	-	(2,000)	-	-	-
Production Attraction Support ^(f)	-	(1,000)	-	-	-

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

(b) This program has been transferred to Training and Workforce Development.

(c) Deferral of spending to beyond the forward estimates to meet the cost of a major event in 2027-28.

(d) Amount not disclosed to protect the State's position in this matter.

(e) This project has been transferred to Main Roads.

(f) Transfer of budget to Local Government, Sport and Cultural Industries.

Significant Issues Impacting the Agency

Diversifying the Western Australian Economy

1. The Department is the lead agency for the implementation of Diversify WA, the Government's Economic Development Framework. As part of this work, the Department fosters the development of Western Australian industry sectors to grow the economy and create jobs. These sectors include energy, tourism, events and creative industries, international education, defence industries, mining and mining equipment, technology and services, space industries, health and medical life sciences, and primary industries.
2. Reconnect WA, announced as part of the 2021-22 Mid-year Review, complemented the State's Safe Transition Plan and provided a boost of funding to the Department to assist with attracting international students, tourists and business investors.

Supporting Energy Transition

3. The Department is supporting the Government's commitment to transition the energy sector towards cleaner energy sources. This includes:
 - 3.1. growing a globally competitive renewable hydrogen industry and driving related downstream processing opportunities;
 - 3.2. activation of the Oakajee Strategic Industrial Area as a renewable hydrogen precinct and delivery of the \$140 million Pilbara Hydrogen Hub;
 - 3.3. the development of local electrolyser and other hydrogen upstream manufacturing capability;
 - 3.4. implementing the Future Battery and Critical Minerals Industries Strategy to grow participation in the global battery and critical minerals supply chains, and promote investment opportunities, including attracting a precursor cathode active materials manufacturing project; and
 - 3.5. supporting industry to collaborate on decarbonisation initiatives, through the administration of the Western Australian LNG Jobs Taskforce, and a \$5 million grant to the Centre for Decommissioning Australia to develop the State's offshore oil and gas decommissioning industry.

Tourism, Events and Creative Industries

4. Tourism Western Australia is supporting the recovery of the tourism sector and ensuring Western Australia remains best placed to attract international events and tourists and grow the creative industries. This support includes:
 - 4.1. the \$75 million Aviation Recovery Fund to support the return of interstate and international airlines that were flying to Western Australia prior to the COVID-19 pandemic, as well as targeting new routes to support additional tourists;
 - 4.2. the recovery of visitation and visitor spend, and growing awareness and consideration of Western Australia as a leisure destination across global markets, through a two-year destination marketing boost (2022-23 and 2023-24);
 - 4.3. implementing a number of industry support grants (totalling \$38 million in 2021-22) as part of the \$77 million Safe Transition Industry Support Package, to support tourism businesses that were most affected by the decision to delay the full reopening of Western Australia's border to 3 March 2022;
 - 4.4. a \$30.7 million boost to secure additional blockbuster events to drive visitation, such as sporting events, business events, arts and cultural events, and mass participation events; and
 - 4.5. facilitation of the private sector to create new tourism accommodation experiences in national parks in order to activate and optimise the existing investment in national park infrastructure.
5. The Department is also leading the whole-of-government preparations for the rare Total Solar Eclipse event that will occur across Exmouth and the broader region on 20 April 2023.

International Education

6. The Department is supporting the recovery of the international education sector by reinvigorating efforts to attract, retain and grow the pipeline of international students. This support includes:
 - 6.1. building on the Reconnect WA package to further develop the student pipeline by designing and launching a long-term marketing strategy to position Perth as the most desirable international education destination in the world, and offering incentives to attract new students;
 - 6.2. implementing a number of industry support programs (totalling \$16 million in 2021-22) that were announced as part of the \$77 million Safe Transition Industry Support Package, to support international education providers and students; and
 - 6.3. continuing to work with industry (including education providers, StudyPerth and Perth Airport) to ensure that international students are welcomed and supported, and for the sector to emerge from the COVID-19 pandemic in a position of strength.

Defence Industries

7. Western Australia is well placed to advance strategic partnerships between industry and defence, and expand its role within highly specialised defence supply chains. To achieve this, Defence West is:
 - 7.1. promoting and facilitating the development of the defence industry through the implementation of the Western Australian Defence and Defence Industries Strategic Plan;
 - 7.2. managing the Defence Science Centre to facilitate research collaborations, which will lead to the enhancement of Australia's defence capability; and
 - 7.3. collaborating with the Commonwealth Department of Defence, to identify and support the programs and infrastructure required to build defence capabilities and skills in Western Australia.

Supporting Veterans

8. Defence West is also responsible for managing the Veterans Issues portfolio and supporting the veteran community, including the administration of the Anzac Day Trust.

Space Industries

9. The Department is supporting the growth of the State's space industry by:
 - 9.1. supporting space start-ups, small and medium enterprises (SMEs) and organisations to build capability, establish new partnerships and access new supply chains;
 - 9.2. managing the Government's commitment to key initiatives; the Australian Space Data Analysis Facility, the establishment of the Australian Space Automation, Artificial Intelligence and Robotics Control Complex, and the Square Kilometre Array; and
 - 9.3. supporting the Australian Remote Operations for Space and Earth, and the launch of seven Binar CubeSats as part of Curtin University's Binar Space Program.

Health and Medical Life Sciences

10. Demand for digital health, medical technology, biotechnology, pharmaceuticals, and health and wellness products has been accelerated by the COVID-19 pandemic. Western Australia is well placed to capitalise on this demand and move along the health and medical life sciences value chain, to support the transition of health and medical life sciences research into device and product development and commercialisation.
11. The Department is leading the implementation of the WA Health and Medical Life Sciences Industry Strategy by:
 - 11.1. supporting market readiness and providing accelerated pathways for the commercialisation of health and medical life sciences products and services;
 - 11.2. facilitating access to investment necessary to progress health and medical life sciences innovations through to commercialisation; and
 - 11.3. supporting and enhancing local medical technology and pharmaceutical manufacturing infrastructure and capabilities.

Climate Change

12. The Department is supporting the transition of industry to net zero greenhouse gas emissions by 2050. This work also supports the Government's commitment to achieve continuous improvement in environmental, social and governance outcomes to attract more sustainable investment. This work includes:
 - 12.1. supporting the transition of heavy industry, such as oil and gas, mining and mineral processing, and manufacturing, and ensuring the economy benefits from the transition to net zero by 2050; and
 - 12.2. identifying policy, regulatory and infrastructure requirements to ensure the State keeps pace with technology developments and requirements to unlock the transformational potential of large-scale, low-cost green energy projects.

Attracting Investment and New Industries to Western Australia

13. The Department, through Invest and Trade Western Australia, is assisting exporters to access international markets and promoting Western Australia as an attractive investment destination. In addition to direct assistance to exporters and investors, the Department is:
 - 13.1. managing a global campaign to welcome back tourists, international students, skilled workers and investors;
 - 13.2. implementing the Government's commitment to establish the Investment Attraction Fund to help grow and diversify the economy and create local and sustainable jobs. The \$180 million Investment Attraction Fund will support a more proactive approach to industry-led diversification proposals;
 - 13.3. growing the global network of investment and trade offices by opening new offices in India, Vietnam, Malaysia and Germany, which will strengthen Western Australia's presence in these markets; and
 - 13.4. advocating for the State's interests in Free Trade Agreement negotiations and providing advice and support to agencies on reporting and compliance in relation to *Australia's Foreign Relations (State and Territory Arrangements) Act 2020 (Cth)*.

Future Manufacturing Opportunities

14. The Department is working with industry and unions to identify and support the development of future manufacturing opportunities. This work includes:
 - 14.1. supporting the revitalisation of manufacturing through local manufacturing and maintenance of iron ore railcar wagons;
 - 14.2. facilitating the strategic project approach under the *Western Australian Jobs Act 2017* (the WA Jobs Act) for the recently announced Women and Babies Hospital; and
 - 14.3. supporting the development of a local wind turbine manufacturing industry through the Wind Farm Supply Action Group.

Facilitating Major Projects

15. The Department facilitates a range of complex major projects, in areas ranging from mining and oil and gas through to agriculture and tourism. As part of Streamline WA, the Department is supporting a range of projects aligned to the Government's priorities of economic diversification, job creation, skills and workforce development and regional growth.

Infrastructure and Project Ready Industrial Land

16. The Department is responsible for leading the planning and development of the State's Strategic Industrial Areas, to support diversification of the economy, business growth and assist with generating local jobs. This includes:
 - 16.1. working with DevelopmentWA to progress the \$100 million Industrial Land Development Fund;
 - 16.2. progressing Australian Marine Complex infrastructure projects, including collaborating with the Commonwealth to deliver its commitment of up to \$4.3 billion to construct a dry dock facility; and
 - 16.3. supporting the establishment of a Global Advanced Industries Hub within the Western Trade Coast, to grow the State's advanced manufacturing capabilities and participation in global supply chains.

Local and Regional Job Creation

17. There are a range of strategies, policies and initiatives being led by the Department to support the creation of more local jobs, promote the participation of local industry in major projects, as well as the diversification of regional communities.
18. The Department is reducing barriers to business growth and supporting the creation of local jobs and stronger regional economies by:
 - 18.1. overseeing the Western Australian Industry Participation Strategy, developed under the WA Jobs Act and the WA Buy Local Policy 2020, to ensure local businesses have access to a greater share of Government contracts;
 - 18.2. supporting Western Australian companies through the Call Centres and Back Office Processing Scheme to expand their call centre and back office processing facilities, and increase employment outcomes for Western Australians;
 - 18.3. managing the Local Capability Fund to assist local businesses to increase their competitiveness as suppliers of products, services and works to the Government and major projects; and
 - 18.4. managing the \$80 million Native Forestry Just Transition Plan, to support workers, businesses and communities in the South West to transition out of native forestry to softwood plantations, following the Government's commitment to protect the State's native forests from 2024.

Enabling Science

19. Science enables economic development through improvements to the productivity, resilience and competitiveness of the economy. In science, the Department is:
 - 19.1. building skills and understanding in science, technology, engineering and mathematics (STEM) through implementing the STEM skills strategy - Future jobs, future skills, and support to Scitech and the Perth Observatory Volunteers Group;
 - 19.2. developing research excellence through the Premier's Science Awards, Premier's Science Fellowship Program, International Centre for Radio Astronomy Research, and Busselton Health Study;
 - 19.3. supporting research infrastructure through co-investment in the National Collaborative Research Infrastructure Strategy and the Pawsey Supercomputing Centre; and
 - 19.4. facilitating research collaboration through Cooperative Research Centres, the Western Australian Biodiversity Science Institute, and the Western Australian Marine Science Institution.

Growing Innovation

20. Innovation underpins the productivity, competitiveness and resilience of businesses. To grow innovation, the Department is:
 - 20.1. supporting new industries through the New Industries Fund to drive innovation and develop entrepreneurs across the State; and
 - 20.2. supporting three Innovation Hubs: Cyber Security; Life Sciences; and Data Science to build capability, economic resilience, jobs and connect SMEs to local, national and international networks.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the Department's services, the desired outcomes and the relevant Government Goal. 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
WA Jobs Plan: Diversifying the WA economy, creating local jobs for the future.	Provide leadership in the development of Western Australian industry sectors to grow the economy and create jobs.	1. International Engagement, Trade and Investment 2. Project Facilitation 3. Industry Development 4. Science and Innovation
	Increased competitiveness and viability of the Western Australia tourism industry.	5. Destination Marketing 6. Event Tourism 7. Tourism Destination Development

Service Summary

Expense	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
1. International Engagement, Trade and Investment	22,623	49,327	65,037	153,756	55,868	53,680	50,602
2. Project Facilitation	31,445	40,959	36,533	35,324	21,598	17,067	16,441
3. Industry Development	153,460	100,945	90,096	105,033	66,507	23,001	20,693
4. Science and Innovation	41,391	43,291	43,631	47,538	40,414	40,018	36,742
5. Destination Marketing	50,664	68,819	53,133	76,595	80,034	58,131	39,580
6. Event Tourism	13,890	52,168	38,063	70,693	51,552	51,556	51,924
7. Tourism Destination Development	21,277	11,209	49,790	19,973	17,819	17,720	12,008
Total Cost of Services	334,750	366,718	376,283	508,912	333,792	261,173	227,990

Outcomes and Key Effectiveness Indicators ^(a)

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
Outcome: Provide leadership in the development of Western Australian industry sectors to grow the economy and create jobs:					
Stakeholder satisfaction with the Department's effectiveness in providing leadership in the development of Western Australian industry sectors.....	6.5	7.5	7.5	7.5	1
Growth in key industries for economic diversification	-1.5%	1.5%	6.9%	3.5%	2,3,4
Share of Western Australia's merchandise exports in key markets for diversification	9.8%	11%	11%	11%	
Western Australia's share of Australia's international student enrolments	5.7%	n/a	5.5%	5.7%	5
Outcome: Increased competitiveness and viability of the Western Australia Tourism industry:					
Total dollar amount spent by visitors in Western Australia	\$8.8 billion	\$9.7 billion	\$9.8 billion	\$11.8 billion	6,7
Total overnight visitors to/within Western Australia	9 million	9.7 million	9.7 million	11.3 million	6,7
Western Australia's market share of international visitor spend in Australia...	7.1%	n/a	n/a	7.6%	5,8
Number of persons employed directly or indirectly by tourism in Western Australia	94,800	88,400	89,000	95,500	2
Percentage of visitors very likely to recommend visiting Western Australia ...	90%	87%	92%	84%	
Ratio of funds provided by the tourism industry to Tourism WA's investment in co-operative marketing	1.7:1	1:1	1:1	1:1	
Direct economic impact of major events sponsorship	n/a	\$86.5 million	n/a	\$71.8 million	9

(a) Further detail in support of the key effectiveness indicators is provided in the Department's and Tourism WA's Annual Reports.

Explanation of Significant Movements

(Notes)

- Expressed as a rating out of 10 and based on the average rating of survey respondents.
- This indicator is reported with a one-year time lag due to the timing of release of Commonwealth data.
- The increase in the 2021-22 Estimated Actual compared to the 2021-22 Budget is reflective of the State's strong domestic economy, with key diversification sectors growing at a rate similar to the State's overall economy (which has grown by 7.2% since the beginning of the pandemic).
- Whilst lower than the 2021-22 Estimated Actual, the 2022-23 Budget Target aims for continued solid growth across the key economic diversification industries.
- Increasing Western Australia's share of international students and international visitor spend is a long-term State target. Given that this indicator is influenced by international travel, no target was set in the 2021-22 Budget due to uncertainty at the time regarding Australia's border restrictions.
- The definition of 'visitor spend' has been adjusted to align with the definition that is used by the Commonwealth and other State Tourism Organisations. The 2020-21 Actual, 2021-22 Budget and 2021-22 Estimated Actual have been adjusted to reflect this change in definition.
- The increase in the 2022-23 Budget Target compared to the 2021-22 Estimated Actual reflects the easing of COVID-19 related border restrictions.
- At the time of the 2021-22 Budget, Commonwealth messaging indicated that Australia's borders would remain closed to international visitors until mid-2022, and as such no target for the 2021-22 Budget was set. A 2021-22 Estimated Actual is not reported, as the time-lag associated with the release of this data by the Commonwealth means that the data currently available (up to 31 December 2021) reflects the period when Australia's borders were still closed to international travellers.
- There is no 2020-21 Actual or 2021-22 Estimated Actual available for this indicator. The impacts of COVID-19 saw a majority of major events, which fall within the scope of this indicator, in 2020-21 and 2021-22 either being cancelled or postponed. The 2022-23 Budget Target reflects the estimated impact of 11 major events.

Services and Key Efficiency Indicators

1. International Engagement, Trade and Investment

The Department works to continuously strengthen the State's relationship with key international partners, attract investment and increase trade in products and services. Key Activities include offshore market research and reporting, international marketing, attracting international students, coordinating Ministerial visits, enhancing the export capabilities of Western Australian businesses and managing international trade and investment opportunities.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
Total Cost of Service.....	\$'000 22,623	\$'000 49,327	\$'000 65,037	\$'000 153,756	1,2,3
Less Income	95	169	310	221	
Net Cost of Service	22,528	49,158	64,727	153,535	
Employees (Full-Time Equivalents)	62	72	78	78	
Efficiency Indicators					
Ratio of Total Cost of Services to gross state product ^(a)	1:1,478	1:1,527	1:1,699	1:1,006	4,5

(a) For this efficiency indicator the Total Cost of Services for Services 1 to 4 is used.

Explanation of Significant Movements

(Notes)

1. The increase in the 2021-22 Budget compared to 2020-21 Actual was largely due to spending allocated to the Investment Attraction Fund.
2. The increase in the 2021-22 Estimated Actual compared to the 2021-22 Budget is mostly due to the implementation of the Reconnect WA package (initiatives relating to international education, investor attraction and a global marketing campaign) and the international education initiatives within the Safe Transition Industry Support Package.
3. The increase in the 2022-23 Budget Target compared to the 2021-22 Estimated Actual is largely the result of the boost to the Investment Attraction Fund, and additional spending on international education and Invest and Trade Western Australia.
4. Compared to the 2021-22 Budget, the increase in the efficiency indicator for the 2021-22 Estimated Actual is driven by an increase in nominal gross state product forecast for the year.
5. The decrease in the 2022-23 Budget Target compared to the 2021-22 Estimated Actual is due to an increase in Total Cost of Services for Services 1 to 4 and a forecasted decrease in nominal gross state product for 2022-23.

2. Project Facilitation

This service develops, coordinates and facilitates State-significant projects and infrastructure to create jobs and grow regional development. Key activities include negotiating and coordinating State Agreements for large energy and mineral projects, managing the State's strategic industrial areas and providing project facilitation services to strategically important ventures.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
Total Cost of Service.....	\$'000 31,445	\$'000 40,959	\$'000 36,533	\$'000 35,324	1,2
Less Income	137	318	466	366	
Net Cost of Service	31,308	40,641	36,067	34,958	
Employees (Full-Time Equivalents)	82	93	92	93	3

Explanation of Significant Movements

(Notes)

1. The increase in the 2021-22 Budget compared to 2020-21 Actual is largely the result of additional spending to construct an access road within the Oakajee Strategic Industrial Area.
2. The 2021-22 Estimated Actual is less than the 2021-22 Budget mostly due to a delay with the Oakajee Access Road project.
3. The increase in FTEs for the 2021-22 Budget compared to the 2020-21 Actual is largely due to additional employees allocated as part of the Government's investment to streamline Western Australia's approvals system, and to oversee the establishment the Global Advanced Industries Hub.

3. Industry Development

Working with Government agencies and the private sector to increase the employment of local workers and the involvement of Western Australian business in the supply chain for Government and private industry works and contracts. Of particular focus is growing and promoting the Western Australian defence industry by enhancing the capabilities of local businesses, identifying future infrastructure requirements and facilitating collaborative research.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	153,460	100,945	90,096	105,033	1,2,3
Less Income	4,508	11,594	8,701	3,542	4
Net Cost of Service	148,952	89,351	81,395	101,491	
Employees (Full-Time Equivalents)	67	76	84	86	5

Explanation of Significant Movements

(Notes)

1. The decrease in the 2021-22 Budget compared to the 2020-21 Actual is due to a grant payment in 2020-21 of \$100 million to Edith Cowan University as part of the Perth City Deal, partly offset by additional spending in 2021-22 for the Local Manufacturing Investment Fund and the Renewable Hydrogen Strategy.
2. The decrease in the 2021-22 Estimated Actual compared to the 2021-22 Budget is mostly the result of spending (relating to the Local Manufacturing Investment Fund and the Renewable Hydrogen Strategy) being deferred to 2022-23 in order to reflect the updated spending profiles (largely grants to industry) of these initiatives.
3. The increase in the 2022-23 Budget Target compared to the 2021-22 Estimated Actual is largely the result of additional spending to implement the programs within the Native Forest Just Transition Plan.
4. The increase in the 2021-22 Budget compared to the 2020-21 Actual is largely the result of Commonwealth funding received to undertake studies on the Australian Marine Complex.
5. The increase in FTEs from the 2021-22 Budget to the 2022-23 Budget Target is the result of additional employees to deliver the programs within the Native Forest Just Transition Plan.

4. Science and Innovation

Diversifying the State's economy by promoting and enhancing science, technology and innovation-related industries and workforce skills. This includes encouraging investment and science business growth, facilitating research partnerships, increasing student participation in science, technology, engineering and mathematics subjects and strengthening the State's capability in the space industry sector.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	41,391	43,291	43,631	47,538	
Less Income	85	594	1,816	473	1
Net Cost of Service	41,306	42,697	41,815	47,065	
Employees (Full-Time Equivalents)	29	30	30	35	2

Explanation of Significant Movements

(Notes)

1. The increase in the 2021-22 Estimated Actual compared to the 2021-22 Budget reflects Commonwealth revenue received under the State's National Partnership on COVID-19 Response. This revenue relates to expenditure incurred in 2020-21 (grants to Western Australian universities for COVID-19 research).
2. The increase in FTEs in the 2022-23 Budget Target compared to the 2021-22 Estimated Actual is mostly due to additional employees to implement the WA Health and Medical Life Sciences Industry Strategy.

5. Destination Marketing

In partnership with the tourism and travel industry, regional tourism organisations, Business Events Perth, Western Australian Indigenous Tourism Operators Council, and Tourism Australia, Tourism WA promotes Western Australia as a desirable holiday destination in core intrastate, interstate and international markets and undertakes marketing strategies that maximise the economic benefit to the State.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	50,664	68,819	53,133	76,595	1
Less Income	1,427	1,052	1,024	989	
Net Cost of Service	49,237	67,767	52,109	75,606	
Employees (Full-Time Equivalents)	63	63	59	58	
Efficiency Indicators					
Ratio of Tourism WA's Total Cost of Services to total visitor spend in Western Australia ^(a)	1:102	1:73	1:70	1:70	2

(a) For this efficiency indicator, Tourism WA's Total Cost of Services (Services 5 to 7; Destination Marketing; Event Tourism and Tourism Destination Development) is used.

Explanation of Significant Movements

(Notes)

1. The decrease in the 2021-22 Estimated Actual compared to the 2021-22 Budget is largely due to the deferral of spending relating to the Aviation Recovery Fund in order to reflect the updated timing of the expected aviation agreements. The increase in the 2022-23 Budget Target compared to the 2021-22 Estimated Actual is largely the result of increased spending from the Aviation Recovery Fund, and a boost to the marketing budget to assist with the launch of the State's new tourism brand.
2. The definition of 'visitor spend' has been adjusted to align with the definition that is used by the Commonwealth and other State Tourism Organisations. The 2020-21 Actual, 2021-22 Budget and 2021-22 Estimated Actual have been adjusted to reflect this change in definition.

6. Event Tourism

Tourism WA develops, attracts and supports events that generate social and economic benefit to the State, and markets Western Australia nationally and internationally.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	13,890	52,168	38,063	70,693	1,2
Less Income	86	144	158	146	
Net Cost of Service	13,804	52,024	37,905	70,547	
Employees (Full-Time Equivalents)	20	20	21	21	

Explanation of Significant Movements

(Notes)

1. The decrease in the 2021-22 Estimated Actual compared to the 2021-22 Budget is largely due to a number of events being deferred or cancelled as a result of COVID-19 restrictions.
2. The increase in the 2022-23 Budget Target compared to the 2021-22 Estimated Actual is largely the result of tourism event related spending as part of the Reconnect WA package, the commencement of the Major Events Fund, as well as spending deferred from 2021-22 due to postponed events.

7. Tourism Destination Development

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

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	21,277	11,209	49,790	19,973	1,2
Less Income	73	144	1,022	205	
Net Cost of Service	21,204	11,065	48,768	19,768	
Employees (Full-Time Equivalents)	17	19	22	29	3

Explanation of Significant Movements

(Notes)

1. The increase in the 2021-22 Estimated Actual compared to the 2021-22 Budget is largely due to payments to tourism operators and travel agents as part of the Safe Transition Industry Support Package.
2. The decrease in the 2022-23 Budget Target compared to the 2021-22 Estimated Actual is mainly the result of the Safe Transition Industry Support Package being a one-off assistance package.
3. The increase in the 2022-23 Budget Target compared to 2021-22 Budget is mainly due to additional employees to deliver the National Park Tourism Experiences Development package.

Asset Investment Program

1. The Government will invest \$8 million over the forward estimates period in land acquisitions as part of its commitment to support the development of a wind turbine manufacturing industry in Western Australia.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-22 \$'000	2021-22 Estimated Expenditure \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
WORKS IN PROGRESS							
Rolling Asset Replacement Program	8,277	4,397	1,029	970	970	970	970
NEW WORKS							
Election Commitment - Wind Turbine Manufacturing	8,000	-	-	2,000	2,000	2,000	2,000
Total Cost of Asset Investment Program.....	16,277	4,397	1,029	2,970	2,970	2,970	2,970
FUNDED BY							
Capital Appropriation			150	2,150	2,150	2,150	2,150
Drawdowns from the Holding Account.....			820	820	820	820	820
Internal Funds and Balances.....			59	-	-	-	-
Total Funding			1,029	2,970	2,970	2,970	2,970

Financial Statements

Income Statement

Expenses

1. The \$133 million increase in the Total Cost of Services in the 2022-23 Budget Year compared to the 2021-22 Estimated Actual largely reflects additional spending approved as part of the Reconnect WA package and the Native Forestry Just Transition Plan, and the implementation of economic diversification initiatives relating to tourism, international education, international investment and trade offices, health and medical life sciences and space.
2. The Total Cost of Services is forecast to decrease over the forward estimates period which is reflective of the finite nature of various initiatives, such as the Reconnect WA package, the Aviation Recovery Fund, and the Native Forest Just Transition Plan.

Statement of Financial Position

3. Compared to the 2021-22 Estimated Actual, the substantial increase in the 2022-23 Budget Year cash assets is due to the Department drawing down the entire \$80 million boost to the Investment Attraction Fund in 2022-23, with this spending to occur over the period 2022-23 to 2025-26.

INCOME STATEMENT ^(a) (Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	44,687	53,705	53,163	57,684	56,663	55,037	55,078
Grants and subsidies ^(c)	214,171	151,474	170,746	238,775	108,324	64,917	58,060
Supplies and services	65,616	148,392	122,453	186,095	155,482	126,896	103,000
Accommodation	4,797	4,982	5,223	5,475	5,489	5,503	5,518
Depreciation and amortisation	2,033	2,440	2,440	2,440	2,440	2,440	2,440
Finance and interest costs.....	46	209	209	162	163	163	163
Other expenses.....	3,400	5,516	22,049	18,281	5,231	6,217	3,731
TOTAL COST OF SERVICES	334,750	366,718	376,283	508,912	333,792	261,173	227,990
Income							
Grants and subsidies.....	5,087	7,611	6,877	-	-	-	-
Other revenue.....	1,324	6,404	6,620	5,942	5,943	5,159	5,209
Total Income.....	6,411	14,015	13,497	5,942	5,943	5,159	5,209
NET COST OF SERVICES	328,339	352,703	362,786	502,970	327,849	256,014	222,781
INCOME FROM GOVERNMENT							
Service appropriations.....	342,446	250,014	279,278	455,048	210,696	184,028	177,250
Resources received free of charge	2,247	2,625	3,440	2,128	1,164	1,164	1,164
Royalties for Regions Fund:							
Regional Community Services Fund	15,367	35,076	18,746	34,060	21,076	16,672	12,670
Other appropriations.....	4,010	18,924	4,824	22,605	35,225	25,050	6,200
Other revenues	944	966	1,417	56,337	30,952	2,376	2,309
TOTAL INCOME FROM GOVERNMENT	365,014	307,605	307,705	570,178	299,113	229,290	199,593
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	36,675	(45,098)	(55,081)	67,208	(28,736)	(26,724)	(23,188)

(a) Full audited financial statements are published in the Department's and Tourism WA's Annual Reports.

(b) The full-time equivalents for 2020-21 Actual, 2021-22 Estimated Actual and 2022-23 Budget Year are 340, 386 and 400 respectively.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
COVID-19 Response							
Reconnect WA							
Intrastate Aviation	3,077	6,908	2,309	4,599	-	-	-
Student Attraction Incentive Scheme							
Semester 1 2022	-	-	2,000	1,000	-	-	-
Safe Transition Industry Support Package							
International Education Industry Support							
Program	-	-	6,000	-	-	-	-
Student Quarantine Support Program	-	-	10,000	-	-	-	-
Tourism Deposit Refund Program	-	-	15,000	-	-	-	-
Tourism Support Program	-	-	20,000	-	-	-	-
Travel Agent Support Program	-	-	3,000	-	-	-	-
Industry Development							
Australian Marine Complex Upgrades	23,800	31,900	31,900	-	-	-	-
Boodarie Strategic Industrial Area Road							
Upgrade	10,500	-	-	-	-	-	-
Call Centre and Back Office Processing							
Scheme	1,000	8,720	8,720	4,590	5,590	3,000	2,000
Collie Emergency Services Vehicle							
Manufacturing	662	25	25	-	-	-	-
Collie Futures Fund	2,129	9,882	9,882	3,444	-	-	-
Defence Industry Veterans Employment							
Scheme	-	130	-	-	-	-	-
Defence Science Centre	1,163	950	950	950	950	950	950
Defence West Other Grants	493	400	400	400	400	400	400
Just Transition Plan							
Business Transition Program	-	-	-	15,000	10,348	-	-
Industry and Community Development							
Program	-	-	-	15,000	15,000	-	-
Workforce Transition Program	-	-	150	18,300	50	-	-
Local Capability Fund	9,475	3,970	5,778	3,125	3,125	1,925	1,925
Local Manufacturing Investment Fund	-	6,000	-	6,000	6,000	-	-
Onslow Community Development Fund	195	2,800	2,800	2,500	2,550	1,850	1,850
Other Grants	51	-	-	-	-	-	-
Perth City Deal - Relocation of Edith Cowan							
University	100,000	-	-	-	-	-	-
Renewable Hydrogen	2,004	5,872	1,372	7,770	1,000	-	-
Resource Technology Showcase	500	-	-	-	-	-	-
International Engagement, Trade and Investment							
International Education							
Agent Incentive Package	-	-	-	10,000	-	-	-
Other	2,899	1,928	1,228	3,016	3,125	1,625	1,625
Student Attraction Incentive Scheme							
Semester 2 2022	-	-	-	3,000	-	-	-
Invest and Trade Western Australia	935	-	-	-	-	-	-
Perth USAsia Centre	-	600	1,000	800	800	400	-
WorldSkills WA Event Sponsorship	500	-	-	-	-	-	-
Investment Attraction Fund							
Australian Remote Operations for Space and							
Earth	-	-	2,200	-	-	-	-
Industry-led Investment Attraction	-	18,331	-	85,119	20,000	20,000	20,000
New Industries Fund ^(a)	-	3,275	1,820	4,730	3,275	3,275	-
Space Industry	-	440	21	859	440	440	-
WA Health and Medical Life Sciences							
Industry Strategy Implementation	-	-	-	500	500	500	500
Other Grants	5	-	-	-	-	-	-
Project Facilitation							
Centre for Decommissioning Australia	-	-	-	2,000	2,000	500	500
Future Energy Exports Cooperative							
Research Centre	1,000	1,200	1,200	1,200	1,200	1,200	1,200
Gorgon Gas Carbon Dioxide Injection Project ...	-	200	200	100	100	100	100
Liquified Natural Gas Operators Skills							
Framework	50	750	750	-	-	-	-
Oakajee Strategic Industrial Area Access							
Road	-	7,500	1,000	6,500	-	-	-
Other Grants	1,860	-	-	-	-	-	-
Precursor Cathode Active Material							
Manufacturing	-	5,500	5,500	5,000	2,700	-	-

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
Science and Innovation							
Australian Remote Operations for Space and Earth	-	-	2,200	1,000	1,000	1,000	1,000
Binar Space Program	-	-	-	1,000	500	500	500
Brandon BioCatalyst ^(b)	110	110	110	110	110	110	110
COVID-19 Research - Western Australian Universities	4,900	-	-	100	-	-	-
National Collaborative Research Infrastructure Strategy	3,340	2,724	2,724	230	-	-	-
New Industries Fund ^(a)	4,007	606	606	43	-	-	-
Other Science Grants	13,166	13,372	13,372	13,752	13,667	13,656	13,622
Perth Observatory	-	400	400	400	400	400	400
Science and Agribusiness Connect Program	3	399	399	170	-	-	-
Science Collaboration Grants	2,501	3,036	3,031	3,153	2,669	1,666	1,508
Science Excellence Grants	5,730	8,270	7,020	6,720	6,645	7,270	8,470
Space Industry	1,450	1,950	1,850	2,170	30	-	-
STEM Strategy	615	136	136	-	-	-	-
WA Life Sciences Innovation Hub	-	-	600	600	600	600	600
Tourism WA							
Aboriginal Tourism Fund	-	320	320	1,200	2,750	2,750	-
Dampier Peninsula Camping with Custodians Campgrounds	2,164	2,070	245	1,825	-	-	-
Other Industry Grants and Contributions	1,981	800	800	800	800	800	800
Tourism and Travel Agents Support Fund	-	-	1,728	-	-	-	-
Tourism Recovery Program	8,895	-	-	-	-	-	-
Travel Agents Support Package	3,011	-	-	-	-	-	-
TOTAL	214,171	151,474	170,746	238,775	108,324	64,917	58,060

(a) New Industries Fund grants and subsidies are funded from both the Department's Investment Attraction Fund and the Science and Innovation service area budget.

(b) Previously called the Medical Research Commercialisation Fund.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
CURRENT ASSETS							
Cash assets	53,891	10,673	13,955	86,772	59,239	34,788	11,337
Restricted cash	11,448	3,644	3,793	292	292	292	292
Holding Account receivables	820	613	820	820	820	820	820
Receivables	12,642	1,916	12,642	12,642	12,642	12,642	12,642
Other.....	13,574	11,858	8,601	8,018	7,210	4,878	4,878
Total current assets	92,375	28,704	39,811	108,544	80,203	53,420	29,969
NON-CURRENT ASSETS							
Holding Account receivables	10,245	12,072	11,865	13,485	15,105	16,725	18,345
Property, plant and equipment.....	4,352	1,839	3,101	5,269	7,271	10,068	12,865
Intangibles	3,172	2,400	3,231	3,231	3,231	2,464	1,697
Restricted cash	752	752	752	752	752	752	752
Other.....	7,087	5,160	4,182	2,920	588	588	588
Total non-current assets	25,608	22,223	23,131	25,657	26,947	30,597	34,247
TOTAL ASSETS	117,983	50,927	62,942	134,201	107,150	84,017	64,216
CURRENT LIABILITIES							
Employee provisions	9,572	9,426	9,572	9,572	9,572	9,572	9,572
Payables	14,643	3,912	14,273	14,273	14,273	14,010	13,747
Borrowings and leases	1,306	103	1,313	1,330	1,326	1,326	1,326
Other.....	988	1,194	837	837	837	837	837
Total current liabilities	26,509	14,635	25,995	26,012	26,008	25,745	25,482
NON-CURRENT LIABILITIES							
Employee provisions	1,742	1,771	1,742	1,742	1,742	1,742	1,742
Borrowings and leases	2,294	242	1,010	1,085	1,014	967	920
Other.....	104	-	104	104	104	104	104
Total non-current liabilities	4,140	2,013	2,856	2,931	2,860	2,813	2,766
TOTAL LIABILITIES.....	30,649	16,648	28,851	28,943	28,868	28,558	28,248
EQUITY							
Contributed equity	87,334	34,279	34,091	105,258	78,282	55,459	35,968
Total equity	87,334	34,279	34,091	105,258	78,282	55,459	35,968
TOTAL LIABILITIES AND EQUITY	117,983	50,927	62,942	134,201	107,150	84,017	64,216

(a) Full audited financial statements are published in the Department's and Tourism WA's Annual Reports.

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
CASHFLOWS FROM GOVERNMENT							
Service appropriations.....	340,003	247,574	276,838	452,608	208,256	181,588	174,810
Capital appropriation	3,485	1,646	1,646	3,696	3,697	3,697	3,697
Holding Account drawdowns	585	820	820	820	820	820	820
Royalties for Regions Fund:							
Regional Community Services Fund	15,367	35,076	18,746	34,060	21,076	16,672	12,670
Other.....	1,780	130	1,417	56,337	30,952	2,376	2,309
Administered appropriations	4,010	18,924	4,824	22,605	35,225	25,050	6,200
Net cash provided by Government	365,230	304,170	304,291	570,126	300,026	230,203	200,506
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(42,989)	(53,705)	(53,163)	(57,684)	(56,663)	(55,037)	(55,078)
Grants and subsidies.....	(210,995)	(151,474)	(170,746)	(238,775)	(108,324)	(64,917)	(58,060)
Supplies and services	(50,730)	(93,694)	(68,194)	(121,043)	(83,804)	(75,251)	(69,921)
Accommodation	(3,332)	(4,737)	(4,978)	(5,231)	(5,245)	(5,259)	(5,274)
GST payments	(15,686)	(4,827)	(4,827)	(4,827)	(4,827)	(4,827)	(4,827)
Finance and interest costs.....	(46)	(209)	(209)	(162)	(163)	(163)	(163)
Other payments.....	(14,424)	(57,092)	(68,550)	(80,705)	(75,699)	(56,652)	(35,600)
Receipts ^(b)							
Grants and subsidies.....	5,036	4,545	6,877	-	-	-	-
GST receipts	5,265	4,827	4,827	4,827	4,827	4,827	4,827
Other receipts	1,489	5,586	5,606	5,306	5,356	4,656	4,656
Net cash from operating activities	(326,412)	(350,780)	(353,357)	(498,294)	(324,542)	(252,623)	(219,440)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(3,482)	(1,029)	(1,029)	(2,970)	(2,970)	(2,970)	(2,970)
Proceeds from sale of non-current assets.....	34	-	-	-	-	-	-
Net cash from investing activities.....	(3,448)	(1,029)	(1,029)	(2,970)	(2,970)	(2,970)	(2,970)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings and leases	(1,769)	(1,496)	(1,496)	(1,546)	(1,547)	(1,547)	(1,547)
Other proceeds	-	1,783	4,000	2,000	1,500	2,486	-
Net cash from financing activities.....	(1,769)	287	2,504	454	(47)	939	(1,547)
NET INCREASE/(DECREASE) IN CASH HELD	33,601	(47,352)	(47,591)	69,316	(27,533)	(24,451)	(23,451)
Cash assets at the beginning of the reporting period	32,488	62,421	66,091	18,500	87,816	60,283	35,832
Net cash transferred to/from other agencies	2	-	-	-	-	-	-
Cash assets at the end of the reporting period	66,091	15,069	18,500	87,816	60,283	35,832	12,381

(a) Full audited financial statements are published in the Department's and Tourism WA's 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

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
Grants and Subsidies							
Commonwealth Grants							
Australian Marine Complex Studies	3,636	4,545	4,545	-	-	-	-
COVID-19 Research	-	-	1,468	-	-	-	-
Defence Science Centre	270	250	250	250	250	250	250
Domestic Marketing	1,100	-	-	-	-	-	-
Other	30	-	-	-	-	-	-
Tourism and Travel Agents Support Fund ..	-	-	864	-	-	-	-
Department of Health - WA Life Sciences							
Innovation Hub	-	-	600	600	600	600	600
Department of Training and Workforce							
Development - Defence Industry Veterans							
Employment Scheme	-	130	-	-	-	-	-
Department of Transport - Local Capability							
Fund	800	-	-	-	-	-	-
Lotterywest - International Education	980	-	-	-	-	-	-
GST Receipts							
GST Receipts	5,265	4,827	4,827	4,827	4,827	4,827	4,827
Other Receipts							
Defence Science Centre	120	200	200	200	200	200	200
Gorgon Carbon Dioxide Gas Injection Project ...	100	100	100	100	100	100	100
Interest Receipts - Tourism	77	250	250	250	250	250	250
Onslow Community Development Fund	199	2,800	2,800	2,500	2,550	1,850	1,850
Other Receipts	649	834	834	834	834	834	834
Other Receipts - Tourism	133	800	800	800	800	800	800
Premier's Science Awards and Innovator of the Year	211	352	372	372	372	372	372
TOTAL	13,570	15,088	17,910	10,733	10,783	10,083	10,083

DETAILS OF ADMINISTERED TRANSACTIONS

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
INCOME							
Other							
Appropriations	23,489	24,768	24,768	21,816	22,102	10,410	10,410
Ashburton North Social and Critical Services Infrastructure Funds (Onslow Wheatstone)	10,014	25,164	25,164	29,836	-	-	-
Interest Received - CSIRO Loan	129	219	219	226	223	223	170
Loan Discount Unwinding CSIRO	622	509	509	509	509	509	109
Millennium Chemicals	133	189	189	189	189	189	-
TOTAL ADMINISTERED INCOME	34,387	50,849	50,849	52,576	23,023	11,331	10,689
EXPENSES							
Grants to Charitable and Other Public Bodies							
Ashburton North Social and Critical Infrastructure Funds (Onslow Wheatstone)	11,701	25,164	25,164	29,836	-	-	-
Qantas Hub Infrastructure	2,086	3,514	3,514	-	-	-	-
Statutory Authorities							
ANZAC Day Trust	799	1,730	1,730	1,300	1,300	1,300	1,300
Other Payments	20	-	-	-	-	-	-
Pilbara Ports Authority - Burrup Port Infrastructure Subsidy	9,110	9,110	9,110	9,110	9,110	9,110	9,110
Water Corporation - Burrup Water System Subsidy	10,857	11,128	11,128	11,406	11,692	-	-
Other							
Loan Discounting	-	666	666	-	-	-	-
Payments to Consolidated Account - CSIRO Principal and Interest Receipts	1,205	1,862	1,862	1,918	1,976	1,976	2,006
TOTAL ADMINISTERED EXPENSES	35,778	53,174	53,174	53,570	24,078	12,386	12,416

Agency Special Purpose Account Details

AUSTRALIA-CHINA NATURAL GAS TECHNOLOGY PARTNERSHIP FUND

Account Purpose: To deliver a practical demonstration of the desire of Australia and China to establish genuine and long-term partnerships across the energy sector. This Fund is intended to deliver positive outcomes relevant to the natural gas sector, including LNG, through activities including training and education programs, partnerships, workshops and research.

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000
Opening Balance	644	503	501	-
	644	503	501	-
Payments	143	-	501	-
CLOSING BALANCE	501	503	-	-

SPECIAL PROJECTS FUND

Account Purpose: To hold funds for participating in significant projects with other countries, the Commonwealth and/or the private sector, to the mutual benefit of the other participants and the State.

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000
Opening Balance	522	522	522	522
	522	522	522	522
CLOSING BALANCE	522	522	522	522

DEFENCE SCIENCE CENTRE

Account Purpose: To fund collaborative research projects, PhD research and industry internships relevant to defence and the defence industry in Western Australia. The Defence Science Centre is a cooperative venture between the Commonwealth's Department of Defence – Defence Science and Technology, the Government and participating Western Australian universities.

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000
Opening Balance	609	628	568	568
Receipts:				
Appropriations.....	500	500	500	500
Other	390	450	450	450
	1,499	1,578	1,518	1,518
Payments	931	950	950	950
CLOSING BALANCE	568	628	568	568

ASHBURTON NORTH SOCIAL INFRASTRUCTURE FUND (ONSLOW COMMUNITY DEVELOPMENT FUND)

Account Purpose: To quarantine funds received and paid in relation to social infrastructure under the Ashburton North State Development Agreement (Wheatstone Project) in the township of Onslow. Funds can be received from Chevron Australia Pty Ltd and the Government.

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000
Opening Balance	-	4	4	4
Receipts:				
Other	199	2,800	2,800	2,500
	199	2,804	2,804	2,504
Payments	195	2,800	2,800	2,500
CLOSING BALANCE	4	4	4	4

Division 15 **Primary Industries and Regional Development**

Part 4 **Jobs and Economic Development**

Appropriations, Expenses and Cash Assets

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
DELIVERY OF SERVICES							
Item 46 Net amount appropriated to deliver services	227,829	236,800	236,030	240,641	215,469	196,516	183,470
Amount Authorised by Other Statutes							
- Biosecurity and Agriculture Management Act 2007	3,042	3,333	2,788	2,569	2,646	2,726	2,807
- Salaries and Allowances Act 1975	3,182	3,198	3,198	3,210	3,222	3,235	3,235
Total appropriations provided to deliver services.....	234,053	243,331	242,016	246,420	221,337	202,477	189,512
ADMINISTERED TRANSACTIONS							
Item 47 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	1,550	1,550	1,550	1,550	1,550	1,550	1,550
CAPITAL							
Item 124 Capital Appropriation.....	11,881	40,582	33,813	28,066	14,200	5,459	4,459
TOTAL APPROPRIATIONS	247,484	285,463	277,379	276,036	237,087	209,486	195,521
EXPENSES							
Total Cost of Services	474,688	591,834	513,723	622,103	481,114	456,994	396,902
Net Cost of Services (a)	381,486	486,590	414,060	527,213	380,644	349,888	297,696
CASH ASSETS (b)	123,764	97,672	111,189	91,874	90,026	89,653	87,581

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

(b) As at 30 June each financial year.

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Department's Income Statement since presentation of the 2021-22 Budget to Parliament on 9 September 2021, are outlined below:

	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
New Initiatives					
2023 Total Solar Eclipse	3,000	2,400	-	-	-
Aquaculture Projects (a)	526	604	557	509	-
Climate Action					
Agricultural Sectoral Emissions Reduction Strategies	-	750	750	-	-
Katanning Research Station	-	1,311	1,154	901	874
Western Australian Carbon Farming Strategy and Industry Development...	-	446	450	605	-
Kimberley Youth and Community Justice Response					
Kimberley Community Action Fund.....	-	1,000	1,000	-	-
Kimberley On-Country Residential Youth Facilities Business Case	250	250	-	-	-
Kimberley Schools Project Extension - Kimberley Development Commission.....	-	-	178	180	181
National Water Grid Fund.....	1,800	3,600	1,800	-	-
Native Forestry Just Transition Plan - South West Development Commission	133	267	133	-	-

	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
Reconnect WA - Paid Escape for International Working Holiday Makers	-	5,000	2,500	-	-
Rural, Regional and Remote Network	-	150	100	-	-
Sustainable Pastoral Land Management	-	-	-	1,094	1,149
Western Australian Agricultural Collaboration	-	5,000	8,000	12,000	-
Ongoing Initiatives					
Biosecurity Incidents and Emergency Responses					
African Black Sugar Ant	127	128	130	-	-
Ehrlichia Canis Pilot Program	75	75	-	-	-
Polyphagous Shot Hole Borer	1,200	875	-	-	-
Red Imported Fire Ant Eradication Program	-	112	136	196	258
Community Resource Centre Program Indexation (Non-Government					
Human Services Sector Indexation)	-	200	400	600	800
Continuation of the South West Development Commission Collie Office	-	-	-	544	548
Coral Bay Workers Accommodation	-	450	-	-	-
Digital Capability Fund - Digital Foundations Program	4,600	3,900	2,000	-	-
Horticultural Netting Infrastructure Scheme	2,634	-	-	-	-
Peel Harvey Catchment Council	-	120	120	120	120
Regional Telecommunications Project	-	3,784	-	-	-
Rural Business Development Corporation					
Administration Costs Relating to the Western Australian Carbon Farming					
and Land Restoration Program	-	30	30	45	45
Administration of Concessional Loans Schemes	(51)	(178)	(177)	(265)	(265)
Severe Tropical Cyclone Seroja - Assistance Package	13,200	26,400	4,400	-	-
Western Australian Regional Connectivity Program Round 2 and Program					
Costs	-	4,750	4,750	4,735	250
Westport Program	-	159	163	-	-
Other					
Biosecurity and Agriculture Management Act 2007 - Declared Pest Control					
Activities	-	(2,128)	(2,192)	(2,032)	(1,870)
Great Southern Development Commission Mira Mar Landslide	250	-	-	-	-
Increased Maintenance Costs	4,300	-	-	-	-
Recognised Biosecurity Groups	1,096	-	-	-	-
Royalties for Regions (RfR) Operational and Salary Annual Increases	-	1,411	2,149	2,874	3,607
Severe Tropical Cyclone Seroja Recovery Projects - Mid West					
Development Commission	250	-	-	-	-
Wellington Dam Maintenance	(20)	(20)	(20)	(20)	(20)
Yamatji Nation Tourism Development	344	(18)	(11)	(9)	(6)

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

Significant Issues Impacting the Agency

- Climate change is an important priority for the Department, with work underway to address the challenges and opportunities this presents for primary industries and regions. An emerging key driver is the need to align with environmental, social and governance requirements and emissions reduction policies. The Department is supporting primary industries and regions through initiatives such as:
 - the \$15 million Agriculture Climate Resilience Fund;
 - the \$15 million Western Australian Carbon Farming and Land Restoration Program; and
 - the Katanning Research Station Carbon Neutral Demonstration Project.
- Western Australian regions and primary industries have been affected socially and economically by the COVID-19 pandemic. Communities and businesses have had to pivot and adapt to challenges, including interruptions to supply chains, disruptions to export markets and regional labour shortages. Significant and ongoing disruptions to global, and more recently domestic, supply chains are reshaping markets and the ability of the primary producers to access those markets. The Department is actively engaging with industry to build resilience and sustainability, assist businesses as they prepare to take advantage of growing opportunities, and to work with the Commonwealth Government to ensure trade negotiations benefit Western Australian industries. The Department is addressing workforce shortages with additional funding of \$7.5 million allocated in 2021 under the Reconnect WA program to expand the existing Primary Industries Workers Regional Travel and Accommodation Support Scheme and to include workers in hospitality and tourism.

3. Regional Western Australia is a key driver of the State's economy. The Department, in partnership with the Regional Development Commissions, supports sustainable development of the regions through key investments across a broad range of programs, including the \$40.8 million Regional Economic Development Grants program. The regional economy is built on a strong, export-oriented foundation with agriculture and resources contributing the bulk of commodity exports. Regional communities also contribute to the State's economy through manufacturing, construction, transport services, forestry, fisheries, and the management of the State's natural resources. Programs focused on building sustainable economic growth and diversity are fundamental to ensuring a future with strong, vibrant regional communities.
4. The demand for high-speed broadband is rising exponentially as businesses, government and households become more reliant on connected services. Continued investment in the State-wide digital networks by the State and Commonwealth underpin regional opportunities for innovation, economic growth, diversification and connecting communities and businesses. A further \$48.6 million will be invested through the Western Australian Regional Digital Connectivity program to expand mobile broadband and other digital solutions across regional Western Australia.
5. Growing Western Australia's competitive primary industries relies heavily on research, development and extension to support science in grains, horticulture, livestock, aquaculture and fisheries. Working with key partners, the Department will deliver the Western Australian Agricultural Collaboration with \$25 million in funding over 2022-23 to 2024-25. This will significantly boost the State's research and development capabilities, drive partnerships with industry and universities and enable the State to receive a greater share of national research, development and extension funding. The program's outcomes and effectiveness will be reviewed as part of the 2024-25 Budget.
6. The Aquaculture Development Plan (the Plan) was released in 2020, providing a roadmap for the growth of Western Australia's aquaculture industry over a 10-year period. Implementation of key initiatives in the Plan will have the broad outcome of supporting investment by new and existing industry operators to grow and diversify the sector in Western Australia.
7. The Department continues to invest in a robust biosecurity system. This is critical in supporting market access, managing impacts on industries, and protecting environmental and social amenity. The Department also seeks to ensure it maintains the State's reputation as a world-class food producer and a safe and reliable place to invest in the face of increasing biosecurity risks.
8. Accommodation and management of the Department's systems and assets in support of the substantial network of staff across the State is a priority. Metro-based staff have been relocated to new facilities in Perth City, with installation of temporary laboratory facilities on the Kensington site now finalised. A project definition plan for a new long-term facility is being prepared to support research and development activities and critical biosecurity functions for the State.
9. The Department is responsible for delivering an extensive legislative reform program to ensure that fit-for-purpose, modern legislation supports businesses and industries. This includes:
 - 9.1. amendments to the *Animal Welfare Act 2002*, following an independent review;
 - 9.2. establishment of an expert panel to support review of the *Biosecurity and Agriculture Management Act 2007*;
 - 9.3. implementation of the *Aquatic Resources Management Act 2016*; and
 - 9.4. drafting of Veterinary Practice Regulations.
10. The diverse set of land uses in Western Australia are heavily supported and reliant on the State's soils. The Department, with oversight from the Soil and Land Conservation Council, is leading the way in developing management practices to maximise soil productivity and minimise land degradation. The Western Australian Soil Health Strategy (released in December 2021) guides future activities for the management, protection and improvement of the State's vast soil and land resources over the next 10 years.
11. Recreational fishing is a significant contributor to the State's economy and lifestyle, particularly in regional locations, with the Department supporting a range of initiatives. Planning for three new artificial reefs is underway with deployment of a new reef in Albany, scheduled for late 2022, as the first priority. Restocking has also occurred with the release of yellowtail kingfish in metropolitan waters. The Department is also working closely with Recfishwest on the development of a Western Australian Recreational Fishing Development Plan (the Plan). Responsible stewardship, innovation and maximising the social and economic benefits recreational fishing provides to the community will be a key focus of the Plan.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the Department's services, the desired outcomes and the relevant Government Goal. 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
WA Jobs Plan: Diversifying the WA economy, creating local jobs for the future.	Regional Western Australia has the investment to grow and create jobs.	1. Regional Industry and Community Development Investment Facilitation 2. Corporate and Business Development Services Provided by the Department to Support Regional Development Commissions
	Regional Western Australia has the technology to grow and create jobs.	3. Regional Technical and Technological Development
	Regional Western Australia has the skills and knowledge to grow and create jobs.	4. Regional Skills and Knowledge Development
	Regional Western Australia has the social amenity, through recreational fisheries, to grow and create jobs.	5. Regional Social Amenity Development
	Western Australia agriculture and fishing protect their biosecurity advantages and integrity.	6. Agricultural and Fisheries Biosecurity and Integrity
	Western Australia agriculture and fishing protect the sustainability of the natural resources on which they rely and impact.	7. Agricultural and Fisheries Natural Resource Management

Service Summary

Expense	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
1. Regional Industry and Community Development Investment Facilitation	115,126	186,447	146,049	201,603	117,426	110,377	72,952
2. Corporate and Business Development Services Provided by the Department to Support Regional Development Commissions	29,112	35,871	36,564	37,864	40,839	41,450	41,864
3. Regional Technical and Technological Development.....	67,176	121,219	92,152	127,823	83,245	75,044	57,838
4. Regional Skills and Knowledge Development.....	24,810	19,988	17,357	23,519	36,685	34,872	31,604
5. Regional Social Amenity Development	61,371	70,875	53,415	63,776	30,038	28,059	23,780
6. Agricultural and Fisheries Biosecurity and Integrity.....	101,924	88,724	98,872	94,063	96,869	94,075	95,016
7. Agricultural and Fisheries Natural Resource Management	75,169	68,710	69,314	73,455	76,012	73,117	73,848
Total Cost of Services	474,688	591,834	513,723	622,103	481,114	456,994	396,902

Outcomes and Key Effectiveness Indicators ^(a)

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
Outcome: Regional Western Australia has the investment to grow and create jobs:					
Ratio of the value of grants awarded from the Department for industry and community development initiatives to the value of co-contributions committed from non-Western Australian Government recipients	1:2.3	1:1	1:1	1:1	1
Outcome: Regional Western Australia has the technology to grow and create jobs:					
Percentage of clients satisfied with the Department's technology initiatives	87%	80%	85%	80%	
Outcome: Regional Western Australia has the skills and knowledge to grow and create jobs:					
Percentage of clients satisfied with Department's capability initiatives	73%	70%	70%	70%	
Outcome: Regional Western Australia has the social amenity, through recreational fisheries, to grow and create jobs:					
Percentage of clients satisfied with the Department's management of recreational fishing	89%	85%	89%	85%	
Outcome: Western Australia agriculture and fishing protect their biosecurity advantages and integrity:					
Percentage of exotic terrestrial weed, pest and disease threats resolved appropriately	50%	60%	40%	60%	2
Percentage of invasive aquatic pests and exotic diseases resolved appropriately	n/a	60%	n/a	60%	3
Outcome: Western Australia agriculture and fishing protect the sustainability of the natural resources on which they rely and impact:					
Percentage change in the spatial extent of the southwest cropping region that maintains sufficient year-round ground cover for protecting and improving soil health	-2.5%	0%	-1.3%	0%	
Number of soil health extension workshops held	46	30	30	30	4
Proportion of fish stocks identified as not being at risk or vulnerable through exploitation	98%	95%	98%	95%	
Percentage of commercial and recreational fisheries where acceptable catches (or effort levels) are achieved	90%	90%	90%	90%	

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

Explanation of Significant Movements

(Notes)

1. The 2020-21 Actual ratio of 1:2.3 indicates that the grants stimulated external investments leading to growth in regional communities and industry development. The largest contributor to this was the Food and Beverage Value Add Investment Grant, which attracted significant external investment.
2. While all incidents in the 2021-22 Estimated Actual were managed appropriately, six exotic terrestrial weed, pest and disease threats are still subject to ongoing surveillance and/or response activities and will continue into 2022-23.
3. As there are no reportable declared aquatic exotic disease incidents to date in 2021-22, the 2021-22 Estimated Actual is not applicable against the 2021-22 Budget of 60%.
4. The 2021-22 Budget, the 2021-22 Estimated Actual and the 2022-23 Budget Target has been forecast on a reduced number of workshops due to the COVID-19 pandemic. With the migration to online e-conferencing, and with some regional areas not impacted by lockdowns, this resulted in more workshops being undertaken and reported in the 2020-21 Actual.

Services and Key Efficiency Indicators

1. Regional Industry and Community Development Investment Facilitation

This service facilitates high-impact regional development and primary industry initiatives that contribute to economic growth, diversification, job creation and strong communities, with a focus on attracting the investment needed to grow regional Western Australia.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	115,126	186,447	146,049	201,603	1
Less Income	9,338	12,575	15,610	19,434	2
Net Cost of Service	105,788	173,872	130,439	182,169	
Employees (Full-Time Equivalents)	270	290	277	298	
Efficiency Indicators					
Average cost per hour to deliver regional industry and community development investment facilitation	\$252.54	\$380.88	\$312.35	\$400.78	3

Explanation of Significant Movements

(Notes)

1. The decrease in the Total Cost of Service from the 2021-22 Budget to the 2021-22 Estimated Actual of \$40.4 million is mainly attributable to delays in the delivery of programs such as Myalup-Wellington Water for Growth, Regional Recovery Partnership, Pilbara Aboriginal Town Based Reserves, Regional Development Leverage Unit, Carnarvon Flood Mitigation Works Stage 2, Full Circle Therapy Centre and the Small Grants Commitment programs. The \$55.6 million increase from the 2021-22 Estimated Actual to the 2022-23 Budget Target is mainly attributable to the retiming of the above projects from 2021-22 to 2022-23 together with an increase of \$13.2 million due to additional expenditure on recovery initiatives (Small Business Recovery and the Primary Producer Recovery Grants) following Severe Tropical Cyclone Seroja.
2. The increase in Income from the 2021-22 Budget to the 2021-22 Estimated Actual and the 2022-23 Budget Target is mainly attributable to additional Commonwealth funding received for the Horticultural Netting Infrastructure Scheme in 2021-22 and the Western Australian National Water Grid Fund Connections program in both 2021-22 and 2022-23.
3. The 2022-23 Budget Target increases from the 2021-22 Estimated Actual largely due to the underspend in 2021-22, with this funding carried over into 2022-23 (refer to Note 1 above).

2. Corporate and Business Development Services Provided by the Department to Support Regional Development Commissions

This service focuses on the Department providing operational resources and services to the nine Regional Development Commissions.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	29,112	35,871	36,564	37,864	1
Less Income	237	265	265	265	
Net Cost of Service	28,875	35,606	36,299	37,599	
Employees (Full-Time Equivalents)	109	138	131	139	
Efficiency Indicators					
Average cost per hour to deliver corporate and business development services to support Regional Development Commissions	\$147.30	\$157.49	\$165.35	\$161.38	

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service from the 2020-21 Actual to the 2021-22 Budget and 2022-23 Budget Target is mainly attributable to new funding for election commitments such as the Northern Native Seeds Initiative and the Feasibility Study for an Advanced Manufacturing and Technology Hub for Bunbury Geopraphe.

3. Regional Technical and Technological Development

This service provides research, development and innovation to catalyse primary industry and regional growth.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	67,176	121,219	92,152	127,823	1
Less Income	21,991	24,651	26,019	22,420	2
Net Cost of Service.....	45,185	96,568	66,133	105,403	
Employees (Full-Time Equivalents)	303	332	329	356	3
Efficiency Indicators					
Average cost per hour to deliver regional technical and technological development	\$132.35	\$215.98	\$165.93	\$212.71	4

Explanation of Significant Movements

(Notes)

1. The decrease in the Total Cost of Service from the 2021-22 Budget to the 2021-22 Estimated Actual of \$29.1 million is mainly attributable to delays in the delivery of programs such as the Regional Telecommunications Project, State Agricultural Telecommunication Infrastructure Fund, Greenbushes Lithium Supply Chain and the Climate Resilience Fund. The \$35.7 million increase from the 2021-22 Estimated Actual to the 2022-23 Budget Target is mainly attributable to the retiming of the above projects from 2021-22 to 2022-23 and additional funding received for the Regional Connectivity Program Round 2, Western Australian Agricultural Collaboration, Climate Action initiatives and for upgrades to telecommunications infrastructure in Exmouth ahead of the Total Solar Eclipse event in 2023.
2. Income is higher in the 2021-22 Estimated Actual compared to the 2022-23 Budget Target due to the receipt of one year's funding in 2021-22 for the Future Drought Fund.
3. The increase in full-time equivalents (FTEs) from the 2021-22 Estimated Actual to the 2022-23 Budget Target is mainly due to additional FTEs associated with the Climate Action initiatives mentioned in Note 1.
4. The decrease in the efficiency indicator from the 2021-22 Budget to the 2021-22 Estimated Actual and the increase from the 2021-22 Estimated Actual to the 2022-23 Budget Target is mainly attributable to the underspends in 2021-22 being carried forward into 2022-23 (refer to Note 1).

4. Regional Skills and Knowledge Development

This service aims to develop the capability of people in the primary industry and regional development sectors through training and education programs and providing information in a range of user-friendly formats.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	24,810	19,988	17,357	23,519	1
Less Income	1,732	1,720	1,723	1,400	2
Net Cost of Service	23,078	18,268	15,634	22,119	
Employees (Full-Time Equivalents)	74	74	75	82	3
Efficiency Indicators					
Average cost per hour to deliver regional skills and knowledge development...	\$200.50	\$159.56	\$137.10	\$169.92	

Explanation of Significant Movements

(Notes)

1. The \$2.6 million decrease in the Total Cost of Service from the 2021-22 Budget to the 2021-22 Estimated Actual is mainly attributable to delays in delivery of programs such as the Climate Resilience Fund, Regional Centres Development Plan, Puntukurnu Medical Service Jiji program, Coral Bay Workers Accommodation and Boost to Food Industry Innovation. The \$6.2 million increase from the 2021-22 Estimated Actual to the 2022-23 Budget Target is mainly attributable to the retiming of the above projects from 2021-22 and additional funding received for Coral Bay Workers Accommodation, Rural, Regional and Remote Network and Climate Action initiatives (Katanning Research Station, Western Australian Carbon Farming Strategy and Industry Development and Agricultural Sectoral Emissions Reduction Strategies).
2. The decrease in Income from the 2021-22 Estimated Actual to the 2022-23 Budget Target is mainly attributable to the reduction of regulatory fees received from five of the Rangelands Biosecurity Groups.
3. The increase in FTEs from the 2021-22 Estimated Actual to the 2022-23 Budget Target is mainly due to additional FTEs associated with the Climate Action initiatives mentioned in Note 1.

5. Regional Social Amenity Development

This service focuses on facilitating the development of amenities, in areas such as recreational fishing, education, health and connectivity, to support regional growth and resilience. This will involve working collaboratively across governments, industries and communities to identify, define, champion, support and/or fund development initiatives.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	61,371	70,875	53,415	63,776	1
Less Income	10,527	11,356	11,370	11,378	
Net Cost of Service	50,844	59,519	42,045	52,398	
Employees (Full-Time Equivalents)	121	125	121	111	
Efficiency Indicators					
Average cost per hour to deliver regional social amenity development.....	\$293.95	\$335.69	\$261.52	\$340.38	2

Explanation of Significant Movements

(Notes)

1. The \$17.5 million decrease in the Total Cost of Service from the 2021-22 Budget to the 2021-22 Estimated Actual is mainly attributable to delays in the delivery of programs such as the Australian Underwater Discovery Centre, Albany Trails and Yalgorup National Park. In addition to these delays, the Yamatji Nation Industrial Land Use Agreement was settled in 2020-21, further reducing the 2021-22 Estimated Actual. The \$10.4 million increase from the 2021-22 Estimated Actual to the 2022-23 Budget Target is mainly attributable to the re-timing of the above projects from 2021-22 into 2022-23.
2. The decrease in the efficiency indicator from the 2021-22 Budget to the 2021-22 Estimated Actual and the increase from the 2021-22 Estimated Actual to the 2022-23 Budget Target is mainly attributable to the underspends in 2021-22 being carried forward into 2022-23 (refer to Note 1).

6. Agricultural and Fisheries Biosecurity and Integrity

This service focuses on maintaining and enhancing Western Australia's biosecurity status and meeting national and international commitments. It also includes integrity matters such as animal welfare regulatory obligations.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	101,924	88,724	98,872	94,063	1
Less Income	22,608	18,136	18,235	18,463	
Net Cost of Service	79,316	70,588	80,637	75,600	
Employees (Full-Time Equivalents)	444	451	477	465	
Efficiency Indicators					
Average cost per hour to deliver agricultural and fisheries biosecurity and integrity	\$137.13	\$116.52	\$122.80	\$119.84	

Explanation of Significant Movements

(Notes)

1. The \$10.1 million increase in the Total Cost of Service from the 2021-22 Budget to the 2021-22 Estimated Actual is mainly attributable to an increase in funding for emergency responses in relation to the Polyphagous shot hole borer and the African black sugar ant, including funding brought forward from 2022-23 into 2021-22 for the Red Imported Fire Ant Eradication program.

7. Agricultural and Fisheries Natural Resource Management

This service supports the sustainable management of the natural resources that underpin Western Australia's primary industries.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	75,169	68,710	69,314	73,455	1
Less Income	26,769	36,541	26,441	21,530	2
Net Cost of Service	48,400	32,169	42,873	51,925	
Employees (Full-Time Equivalents)	320	285	286	286	
Efficiency Indicators					
Average cost per hour to deliver agricultural and fisheries natural resource management	\$138.12	\$142.92	\$143.58	\$152.15	

Explanation of Significant Movements

(Notes)

1. The \$4.1 million increase in the Total Cost of Service from the 2021-22 Estimated Actual to the 2022-23 Budget Target is mainly due to delay in spending associated with the Voluntary Fisheries Adjustment Schemes, Backing North Wanneroo Agriculture, Carnarvon Flood Support, Southern Rangelands Restoration Project, including funding received for one additional FTE for the Westport program.
2. The decrease in Income from the 2021-22 Budget to the 2021-22 Estimated Actual and the 2022-23 Budget Target is mainly attributable to the reduction in managed fisheries access fees as a result of the deferral of access fees and the extension of the West Coast Rock Lobster licence period to 18 months following the impact of the COVID-19 pandemic. The decrease in Income is offset by additional appropriation provided to fund the Department's fish research and development activities.

Asset Investment Program

1. The Department's Asset Investment Program (AIP) provides for the replacement, maintenance, upgrade and expansion of assets that support the delivery of services throughout the State. These assets include, but are not limited to, buildings and infrastructure, progressive replacement of marine vessels, information systems and operational equipment.
2. The approved AIP for 2022-23 is \$79.8 million (excluding the Royalties for Regions Asset Investment Underspend Provision), which includes the following significant projects:
 - 2.1. \$20.4 million for the Industry Attraction and Development Fund - Collie as part of extending the economic plan for the region with funding being set aside for future industry development projects;
 - 2.2. investment of \$16.9 million (Administered), subject to confirmation of matching Commonwealth funding, towards the construction of the Pilbara Hydrogen Hub to develop a hydrogen or ammonia pipeline to connect strategic industrial areas, the creation of a Clean Energy Training and Research Centre, and port upgrades to facilitate export opportunities;
 - 2.3. a total rolling program of \$9.6 million for:
 - 2.3.1 the replacement of equipment (\$6.1 million);
 - 2.3.2 small boats and trailers (\$2.7 million); and
 - 2.3.3 the upgrade of facilities in the Abrolhos Islands (\$750,000);
 - 2.4. \$5.6 million for the Large Vessel Replacement Program to replace the Department's ageing Patrol Vessel Walcott;
 - 2.5. investment of \$5 million in the Wild Dog Action Plan, comprising:
 - 2.5.1 \$2 million for the replacement and extension of the State Barrier Fence to limit the entry of wild dogs, emus and kangaroos into agricultural regions which impacts on high value crops and pastures; and
 - 2.5.2 \$3 million for the completion of Wild Dog Action Plan 2018-21 and the commencement of Wild Dog Action Plan 2022-25;
 - 2.6. \$4 million for the completion of the upgrade of laboratories at the Department's Kensington site;
 - 2.7. \$3.2 million has been provided as part of the COVID-19 Response, which includes:
 - 2.7.1 Albany Shellfish Hatchery (\$2.3 million); and
 - 2.7.2 Geraldton Finfish Nursery (\$857,000);
 - 2.8. investment of \$3.1 million for the upgrade of information systems, which includes:
 - 2.8.1 Digital Foundations Program (\$3 million); and
 - 2.8.2 Shark Monitoring Network (\$75,000);
 - 2.9. \$600,000 to complete the Project Definition Plan for the Department's New Metropolitan Facility.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-22 \$'000	2021-22 Estimated Expenditure \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
WORKS IN PROGRESS							
COVID-19 Response							
Albany Shellfish Hatchery	2,500	200	191	2,300	-	-	-
Other Works in Progress							
Abrolhos Islands Rolling Program	4,296	2,646	313	750	300	300	300
Building Grains Research and Development Capacity	7,282	2,810	1,546	1,400	1,000	1,072	1,000
Core Systems Upgrade							
Financial Management Information System	9,843	9,793	6,302	50	-	-	-
Human Resource Management Information System	9,021	8,971	5,811	50	-	-	-
Equipment Replacement Program	56,740	39,663	767	6,076	3,667	3,667	3,667
Frank Wise Tropical Research Institute Refurbishment	1,265	105	73	1,160	-	-	-
Geraldton Marine Finfish Nursery Facility	6,211	711	100	100	5,400	-	-
Help Grain Growers to Better Manage Risk (e-Connected Grainbelt)	3,446	2,946	55	300	200	-	-
Information Systems Program							
Digital Foundations Program	6,508	2,460	480	2,992	1,056	-	-
Information System Development Rolling Program	6,973	4,404	-	-	1,069	950	550
Shark Monitoring Network	1,456	1,381	663	75	-	-	-
Laboratory Upgrades - Kensington Site	18,390	14,390	12,692	4,000	-	-	-
New Metropolitan Facilities (Project Definition Plan)	1,000	400	400	600	-	-	-
Ord River Irrigation Area (Knox)	1,200	800	800	400	-	-	-
Plant and Equipment - Externally Funded Projects	2,164	1,759	1,671	405	-	-	-
Regional Natural Resource Management Program	11,974	9,968	1,254	2,006	-	-	-
Small Boats and Trailers Rolling Program	19,328	11,902	2,396	2,743	1,561	1,561	1,561
Wild Dog Action Plan	12,765	6,732	1,450	3,033	1,000	1,000	1,000
COMPLETED WORKS							
COVID-19 Response							
Hillarys Facilities Upgrade	500	500	478	-	-	-	-
Katanning Sheep Transition	1,500	1,500	678	-	-	-	-
Provision of Floating Upweller Systems (FLUPSYs)	87	87	87	-	-	-	-
Other Completed Works							
Agricultural Sciences Research and Development Fund	1,339	1,339	255	-	-	-	-
Boosting Bio-Security Defences	955	955	319	-	-	-	-
Core Systems Upgrade - Enterprise Document and Records Management System	4,725	4,725	3,088	-	-	-	-
Northern Beef Industry Strategy	353	353	295	-	-	-	-
Refurbishment of Gascoyne Development Commission New Site	430	430	430	-	-	-	-
NEW WORKS							
COVID-19 Response							
Geraldton Finfish Nursery	857	-	-	857	-	-	-
Other New Works							
Industry Attraction and Development Fund - Collie	20,378	-	-	20,378	-	-	-
Large Vessel Replacement Program	11,473	-	-	5,597	5,876	-	-
Modern Biosecurity and Product Integrity	4,750	-	-	2,250	1,500	1,000	-
North West Aboriginal Housing Initiative	34,999	-	-	-	9,144	18,538	7,317
Pilbara Hydrogen Hub (Administered)	67,500	-	-	16,875	16,875	16,875	16,875
Provision for Future Royalties for Regions Projects (Administered)	73,350	-	-	5,400	15,600	24,000	28,350
Royalties for Regions Program - Asset Investment Underspend Provision ^(a)	(47,167)	(27,987)	(27,987)	(19,180)	-	-	-
Total Cost of Asset Investment Program	358,391	103,943	14,607	60,617	64,248	68,963	60,620
FUNDED BY							
Capital Appropriation			26,772	20,311	8,732	1,300	300
Drawdowns from Royalties for Regions Fund			5,100	27,517	15,344	20,610	9,317
Drawdowns from the Holding Account			1,434	5,831	5,778	6,178	5,778
Drawdowns from Royalties for Regions - Administered Funding			-	16,875	16,875	16,875	16,875
Funding Included in Department of Treasury - Digital Capability Fund			5,420	-	-	-	-
Provision for Future Royalties for Regions Projects			-	5,400	15,600	24,000	28,350
Funding Included in Royalties for Regions - Administered Item			(27,987)	(19,180)	-	-	-
Internal Funds and Balances			3,868	3,863	1,919	-	-
Total Funding			14,607	60,617	64,248	68,963	60,620

(a) The asset investment underspend provision ensures the total Royalties for Regions expenditure, across the entire program, remains under the approved expenditure limit, recognising that not all projects will spend their respective budgets.

Financial Statements

Income Statement

Expenses

1. The \$108.4 million (21.1%) increase in the Total Cost of Services from the 2021-22 Estimated Actual to the 2022-23 Budget Year is largely due to the carryover of \$76.3 million of RfR funded projects into the 2022-23 Budget Year (\$61 million) with the balance across the outyears, together with the carryover of \$26.6 million in other projects into 2022-23 (\$22.7 million) and 2023-24 (\$4 million). In addition, an increase of \$13.2 million in grant payments relating to Severe Tropical Cyclone Seroja, funded through the Disaster Recovery Funding Arrangements of Western Australia, are forecast for payment in 2022-23.

Income

2. The anticipated \$5.6 million decrease in Income from the 2021-22 Budget to the 2021-22 Estimated Actual relates to a forecast \$10 million reduction in Managed Fisheries Access fees, mainly attributable to weakness in the export market for West Coast Rock Lobster (and the subsequent deferral of access fees), partially offset by an increase of \$4.4 million relating to Commonwealth grants for the Western Australian National Water Grid Fund Connections (\$1.8 million) and the increase in the Horticultural Netting Infrastructure Scheme (\$2.6 million). The decrease in income from the 2021-22 Estimated Actual to the 2022-23 Budget Year of \$4.7 million relates mainly to a \$10.4 million reduction in Commonwealth grants following completion of the Regional Recovery Partnerships and Horticultural Netting Infrastructure Scheme, partially offset by an increase of \$5.1 million in the Managed Fisheries Access Fees as the deferral period ends.
3. The 2021-22 Estimated Actual for the RfR Regional Community Services Fund and Regional Infrastructure and Headworks Fund reflects a \$73.7 million reduction to the 2021-22 Budget, mainly as a result of the difficulty in accessing contractors and materials as a consequence of the shortages arising from COVID-19 stimulus and the impact of the COVID-19 pandemic worldwide on supplies. Funding has been carried forward to the outyears, with the carryover comprising the main increase in Income from the 2021-22 Estimated Actual to the 2022-23 Budget Year.
4. Other revenues in the 2022-23 Budget Year mainly comprises funding received under the Disaster Recovery Funding Arrangements of Western Australia for Severe Tropical Cyclone Seroja.

Statement of Financial Position

5. The increase in restricted cash of \$11.8 million between the 2021-22 Budget and the 2021-22 Estimated Actual is due to the revised timing for the delivery of a number of programs as a result of the COVID-19 pandemic. It is estimated that these moneys will be spent in 2022-23 from the restricted cash reserves to continue delivery of these projects.
6. The decrease in property, plant and equipment of \$35.4 million between the 2021-22 Budget and the 2021-22 Estimated Actual results mainly from the deferral of spending for the Collie Industry Attraction and Development Fund (\$10.6 million), Equipment Replacement program (\$3 million), Digital Foundations program (\$2.6 million), Wild Dog Action Plan (\$2 million) and the Albany Shellfish Hatchery (\$1.2 million). The reclassification of the RfR Regional Reform Fund project North West Aboriginal Housing Initiative (\$8.2 million) from Controlled to Administered, as well as the transfer of the Transforming Bunbury Waterfront Stage 3 Phase 1 project from the Department to the Department of Transport (\$7.3 million), have also significantly contributed to this decrease.
7. Other current payables mainly relates to accruals and revenue received from external funding bodies which the Department is unable to recognise contractually until such time as it has delivered on milestones. It is expected that both accruals and non-financial contract liabilities in both the 2021-22 Estimated Actual and the 2022-23 Budget Year will be more in line with the 2020-21 Actual than the 2021-22 Budget.

Statement of Cashflows

8. The net cash in the 2022-23 Budget Year decreases from the 2021-22 Estimated Actual reflecting the carryover of RfR funding for projects such as the Regional Telecommunications project, Regional Development Leverage Unit, Warmun Facility Upgrade and the Northern Native Seeds Initiative, as well as various externally funded projects which include the Horticulture Netting Infrastructure Scheme and the Regional Recovery Partnerships, with payment to occur in 2022-23.

INCOME STATEMENT (a)
(Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	208,289	212,127	213,046	218,871	225,467	222,595	210,901
Grants and subsidies ^(c)	94,535	190,602	130,071	190,180	83,775	56,472	33,873
Supplies and services	107,080	127,851	105,356	147,748	106,119	108,458	84,444
Accommodation	16,766	16,856	20,816	17,092	17,709	17,847	16,845
Depreciation and amortisation	20,309	20,214	20,214	24,678	25,700	28,961	28,961
Finance and interest costs	837	490	682	528	502	465	426
Other expenses	26,872	23,694	23,538	23,006	21,842	22,196	21,452
TOTAL COST OF SERVICES	474,688	591,834	513,723	622,103	481,114	456,994	396,902
Income							
Sale of goods and services	4,428	6,381	6,381	7,706	8,788	8,807	8,807
Regulatory fees and fines	43,195	52,021	42,021	46,416	51,615	59,795	51,776
Grants and subsidies	31,602	40,346	44,765	34,323	33,578	32,020	32,139
Other revenue	13,977	6,496	6,496	6,445	6,489	6,484	6,484
Total Income	93,202	105,244	99,663	94,890	100,470	107,106	99,206
NET COST OF SERVICES	381,486	486,590	414,060	527,213	380,644	349,888	297,696
INCOME FROM GOVERNMENT							
Service appropriations	234,053	243,331	242,016	246,420	221,337	202,477	189,512
Resources received free of charge	1,737	1,849	1,849	1,849	1,849	1,849	1,849
Royalties for Regions Fund:							
Regional Community Services Fund	68,597	129,909	79,864	149,637	73,078	79,148	42,719
Regional Infrastructure and Headworks Fund	1,914	29,068	5,440	20,065	13,343	3,974	142
Regional and State-wide initiatives	61,651	60,252	60,250	57,981	59,543	60,283	61,061
Other revenues	3,544	8,215	20,063	35,196	10,708	3,318	2,452
TOTAL INCOME FROM GOVERNMENT	371,496	472,624	409,482	511,148	379,858	351,049	297,735
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(9,990)	(13,966)	(4,578)	(16,065)	(786)	1,161	39

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

(b) The full-time equivalents for 2020-21 Actual, 2021-22 Estimated Actual and 2022-23 Budget Year are 1,641, 1,696 and 1,737 respectively.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Year	2023-24 Outyear	2024-25 Outyear	2025-26 Outyear
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2023 Total Solar Eclipse	-	-	3,000	2,400	-	-	-
Aboriginal Governance and Leadership Development Program.....	292	1,056	769	1,601	1,318	1,318	1,055
Aboriginal Heritage and Cultural Centre (Gwoonwardu Mia) in Carnarvon	532	1,781	1,781	1,167	1,166	-	-
Agricultural Sciences Research and Development Fund	731	1,350	1,241	-	-	-	-
Agricultural Senior Officers Committee (AGSOC)...	4,493	3,308	5,650	1,135	3,559	3,619	2,545
Albany Wave Energy Research.....	1,081	3	3	-	-	-	-
Batavia Coast Marina - Stage 2.....	-	-	-	475	-	-	-
Bridge St. Affordable Housing Project	900	500	500	-	-	-	-
Broome Chinatown Revitalisation.....	6,450	-	-	-	-	-	-
Carbon Farming and Land Restoration Program	-	2,355	2,355	3,210	920	-	-
Carnarvon Flood Mitigation Works - Stage 2 ...	57	2,471	-	2,471	-	-	-
Collie Futures Fund.....	525	675	990	1,000	700	-	-
Collie Replica Mine Upgrade Project	90	272	272	-	-	-	-
Collie Tourism Readiness and Economic Stimulation Proposal	1,155	-	-	-	-	-	-
Collie Visitor's Centre Upgrade Project.....	37	500	-	500	-	-	-
Community Centres Network.....	3,768	3,000	3,000	3,046	3,092	3,138	3,185
COVID-19 Recreational Fishing Recovery.....	169	1,936	1,936	875	-	-	-
COVID-19 Response							
Air Freight Support Program	-	376	-	376	-	-	-
Blackwood River Foreshore.....	411	-	-	-	-	-	-
Bridgetown Hall and Civic Centre Redevelopment	231	-	-	-	-	-	-
Broome Town Beach Jetty.....	2,987	-	-	-	-	-	-
Dampier Peninsula - Church.....	400	-	-	-	-	-	-
Margaret River Main Street Redevelopment....	3,080	-	-	-	-	-	-
Newman Waste Water Treatment Plant.....	-	1,000	-	1,000	-	-	-
Primary Industries Workers Regional Travel and Accommodation Support Scheme	1,763	1,237	1,237	-	-	-	-
Residential Facility for Martu Students (Newman).....	2,000	500	500	500	1,000	-	-
Unallocated.....	-	-	-	90	-	-	-
Dampier Peninsula Activation.....	547	2,900	1,877	1,447	-	-	-
eConnect+	120	508	508	-	-	-	-
Election Commitments							
Albany Trails	-	1,600	-	3,200	-	-	-
Animal Welfare Small Grants Program	779	500	500	500	500	500	-
Australian Underwater Discovery Centre	-	6,200	400	9,100	-	-	-
Backing North Wanneroo Agriculture	-	434	34	650	-	-	-
Boulder Camp Upgrade.....	-	510	510	-	-	-	-
Bunbury Speedway Upgrades	-	750	750	-	-	-	-
Carnarvon One Mile Jetty	-	1,365	1,165	3,200	-	-	-
Dawesville Community Centre.....	-	-	-	3,000	-	-	-
Full Circle Therapy Centre (Paediatric Allied Health Services)	-	2,070	-	2,767	-	-	-
Halls Creek Town Development Masterplan....	-	3,500	-	3,500	-	-	-
Harvey Senior Citizens Centre Redevelopment	-	610	150	460	-	-	-
Harvey Trails and Adventure Precinct Masterplan Project.....	-	105	-	105	-	-	-
Industry Attraction and Development Fund - Collie	-	1,469	169	5,351	5,300	6,000	-
Kalgoorlie Boulder Youth Precinct and Hub Project.....	-	-	-	2,100	-	-	-
Karlkurla Bushland and Nature Playground ..	-	600	600	-	-	-	-
Peel Agrifood Activation Fund - Food Technology Facility Project	-	3,771	2,771	3,769	1,266	1,264	-
Peel Regional Trails	-	500	500	1,500	-	-	-
Pet Sterilisation Program	-	250	250	-	-	-	-
Ravenswood Community Centre	-	750	750	-	-	-	-
Royal Society for the Prevention of Cruelty to Animals (RSPCA) Inspectorate Services....	-	580	580	580	580	580	-
Small Commitments Program	2,120	13,379	11,379	2,000	-	-	-
Warroona Town Centre Revitalisation.....	-	1,300	1,300	-	-	-	-
Western Australian Wine Industry Export Growth Partnerships	115	810	810	720	460	895	-
Yalgorup National Park Ecotourism Development	-	2,000	300	500	1,200	-	-

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Year	2023-24 Outyear	2024-25 Outyear	2025-26 Outyear
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Export Market Success (Previously Asian Market Success)	806	750	750	750	750	750	750
Food and Beverage Value Add Fund	2,319	3,903	2,219	4,684	3,000	-	-
Food Industry Innovation	169	200	200	200	200	300	300
Funding for the Royal Agricultural Society of Western Australia	1,650	-	-	-	-	-	-
Future Drought Fund	-	3,561	-	-	-	-	-
Goldfields Major Solar Feasibility	-	235	-	113	335	-	-
Grower Group Alliance	375	375	375	375	375	-	-
Horticultural Netting Infrastructure Scheme - Pome Fruit Industry	-	2,117	3,307	1,320	-	-	-
Indian Ocean Territories Service Delivery Arrangement	-	1,016	1,016	1,106	1,106	1,016	1,106
Kimberley Community Action Package	-	-	-	965	965	-	-
Kimberley Juvenile Justice Package - On-Country Residential Youth Facilities	-	-	250	250	-	-	-
Koojan Downs Road Upgrade	-	1,000	600	400	-	-	-
Koombana Bay Park Facilities	-	107	430	-	-	-	-
Laverton Great Beyond Visitor Centre Project	750	250	250	-	-	-	-
Leonora Ageing in Place Project	500	1,300	2,500	500	-	-	-
Mandurah Eastern Foreshore Redevelopment	3,500	1,500	1,500	-	-	-	-
Myalup-Wellington Water for Growth	-	1,000	200	2,800	1,891	5,253	-
Ord Expansion Project	-	1,000	1,825	1,983	-	-	-
Other Grants and Subsidies	11,591	4,935	6,364	6,626	6,306	5,637	6,387
Peel Harvey Catchment Council	-	120	120	120	120	120	120
Peel Harvey Catchment Council Water Research Infrastructure Project	-	284	116	350	34	-	-
Pilbara Aboriginal Town Based Reserves							
Irrungadji	-	4,369	-	4,660	297	-	-
Parnpajinya	209	3,300	1,581	2,016	375	382	-
Tjalka Boorda Transition Plan	310	1,430	882	694	-	-	-
Unallocated	-	-	100	200	6,091	980	-
Puntukurnu Aboriginal Medical Service Jiji Program	-	-	-	787	-	-	-
Reconnect WA	-	-	-	5,000	2,500	-	-
Recreational Fishing Initiatives (includes Fishability)	1,609	2,100	2,100	2,100	2,100	2,100	2,100
Regional Centres Development Plan - Stage 2	-	908	-	2,450	-	-	-
Regional Development Leverage Unit	90	2,500	2,788	2,383	1,807	-	5,000
Regional Economic Development Grants Scheme	6,044	12,519	11,566	5,000	5,000	5,000	5,000
Regional Grants Scheme (RfR)	450	-	705	-	-	-	-
Regional Investment Initiative	-	184	184	-	-	-	-
Regional Local Content Initiative	-	130	134	90	-	-	-
Regional Men's Health	800	800	800	800	800	800	800
Regional New Industries Fund	722	-	-	-	-	-	-
Regional Recovery Partnerships	-	8,480	1,340	7,500	1,000	-	-
Regional Telecommunications Project	2,165	12,971	1,928	5,528	4,365	-	-
Regional Telecommunications Project Continuation	-	8,252	1,155	6,480	1,789	2,612	-
Regional Workers Incentives - Price Index Funding	-	-	175	175	-	175	-
Riverview Residents - Upgrade to Over 55's Estate	-	2,000	-	2,000	-	-	-
Royal Agricultural Society of Western Australia	-	4,000	4,000	-	-	-	-
RSPCA - Inspectorate Services	580	580	580	580	580	580	580
Rural Farm Assistance	181	200	200	200	200	200	200
Rural, Regional and Remote Network	-	-	-	150	100	-	-
Severe Tropical Cyclone Seroja - Assistance Package	1,916	1,152	14,352	26,400	4,400	-	-
Shark Hazard Mitigation Services	4,102	4,005	4,005	3,944	3,983	4,023	-
Shark Hazard Mitigation Strategies and Initiatives	246	600	600	600	600	600	600
Southern Forests Food Council	-	425	-	425	-	-	-
Southern Forests Irrigation Scheme	386	-	-	-	-	-	-
State Agriculture Telecommunication Infrastructure Fund							
Administration	-	83	75	-	-	-	-
Digital Farm	1,210	1,580	1,000	787	-	-	-
Digital Farm Round 2	-	1,650	825	825	-	-	-
Digital Farm Round 3	-	3,750	1,000	3,250	2,750	-	-
Northern Goldfields Digital Connectivity Project	-	500	500	500	-	-	-
Regional Connectivity Program	-	-	100	87	-	-	-
Unallocated	-	3,117	513	2,417	-	-	-

Primary Industries and Regional Development - continued

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
University of Western Australia Wave Energy Research Centre	-	800	800	500	250	-	-
WA Open for Business.....	4,600	3,434	3,434	3,750	2,750	2,750	2,750
Western Australian Regional Digital Connectivity Program	-	-	-	4,500	4,500	4,485	-
Warmun Facility Upgrade.....	-	500	-	500	-	-	-
Western Rock Lobster Industry Levy	197	200	200	200	200	200	200
Wheatbelt South Aged Housing Alliance	1,300	-	-	-	-	-	-
Wild Dog Action Plan	2,148	1,195	1,070	1,195	1,195	1,195	1,195
Withers Urban Renewal	-	320	320	170	-	-	-
Yamatji Nation Indigenous Land Use Agreement - Registration.....	8,777	10,134	500	4,500	-	-	-
TOTAL	94,535	190,602	130,071	190,180	83,775	56,472	33,873

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
CURRENT ASSETS							
Cash assets	7,192	16,225	17,954	8,374	6,281	5,908	3,836
Restricted cash	113,510	79,242	90,173	80,438	80,683	80,683	80,683
Holding Account receivables	5,778	10,976	7,676	9,594	9,594	9,594	9,594
Receivables	8,618	9,297	8,618	8,618	8,618	8,618	8,618
Other.....	12,655	16,597	12,656	11,606	11,606	10,444	10,444
Assets held for sale	2,000	-	2,000	2,000	2,000	2,000	2,000
Total current assets	149,753	132,337	139,077	120,630	118,782	117,247	115,175
NON-CURRENT ASSETS							
Holding Account receivables	176,946	187,614	193,236	209,837	230,087	253,769	282,402
Property, plant and equipment.....	293,404	348,478	313,034	352,716	365,903	374,254	367,452
Intangibles	15,137	24,981	24,405	21,552	18,765	13,729	7,293
Restricted cash	3,062	2,205	3,062	3,062	3,062	3,062	3,062
Other.....	26,418	20,172	23,033	23,533	22,533	22,533	22,032
Total non-current assets	514,967	583,450	556,770	610,700	640,350	667,347	682,241
TOTAL ASSETS	664,720	715,787	695,847	731,330	759,132	784,594	797,416
CURRENT LIABILITIES							
Employee provisions	50,780	46,053	50,780	50,780	50,780	50,780	50,780
Payables	11,517	14,241	8,223	6,979	6,991	7,003	6,735
Borrowings and leases	6,455	6,085	6,085	4,005	4,954	4,712	4,712
Other.....	33,500	13,759	33,500	33,500	33,500	33,500	33,500
Total current liabilities	102,252	80,138	98,588	95,264	96,225	95,995	95,727
NON-CURRENT LIABILITIES							
Employee provisions	8,996	9,264	8,996	8,996	8,996	8,996	8,996
Borrowings and leases	10,024	8,344	8,070	7,798	6,342	5,259	4,758
Other.....	4,676	791	3,265	2,827	2,367	1,886	1,662
Total non-current liabilities	23,696	18,399	20,331	19,621	17,705	16,141	15,416
TOTAL LIABILITIES.....	125,948	98,537	118,919	114,885	113,930	112,136	111,143
EQUITY							
Contributed equity	569,727	637,605	612,459	668,042	697,586	723,655	737,431
Accumulated surplus/(deficit).....	(44,444)	(31,878)	(49,022)	(65,087)	(65,873)	(64,712)	(64,673)
Reserves.....	13,489	11,523	13,491	13,490	13,489	13,515	13,515
Total equity	538,772	617,250	576,928	616,445	645,202	672,458	686,273
TOTAL LIABILITIES AND EQUITY	664,720	715,787	695,847	731,330	759,132	784,594	797,416

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
CASHFLOWS FROM GOVERNMENT							
Service appropriations.....	216,939	223,709	222,394	222,070	195,309	172,617	155,101
Capital appropriation	11,881	40,582	33,813	28,066	14,200	5,459	4,459
Holding Account drawdowns	2,577	3,840	1,434	5,831	5,778	6,178	5,778
Royalties for Regions Fund:							
Regional Community Services Fund	71,494	135,193	82,715	154,370	75,278	81,220	44,719
Regional Infrastructure and Headworks Fund	1,914	50,621	7,689	42,849	26,487	22,512	7,459
Regional and State-wide initiatives.....	61,651	60,252	60,250	57,981	59,543	60,283	61,061
Other.....	3,692	7,582	24,850	34,563	10,341	2,970	2,104
Net cash provided by Government	370,148	521,779	433,145	545,730	386,936	351,239	280,681
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(201,612)	(211,869)	(212,788)	(219,290)	(225,187)	(222,090)	(208,892)
Grants and subsidies.....	(85,758)	(190,602)	(135,357)	(191,948)	(84,270)	(56,976)	(34,396)
Supplies and services	(115,230)	(124,703)	(102,208)	(140,168)	(100,455)	(103,406)	(76,815)
Accommodation	(12,031)	(16,414)	(20,374)	(16,645)	(17,709)	(17,847)	(16,845)
GST payments	(24,485)	(15,788)	(15,788)	(15,788)	(16,025)	(16,265)	(16,509)
Finance and interest costs.....	(836)	(485)	(485)	(439)	(449)	(421)	(395)
Other payments.....	(29,870)	(24,764)	(24,219)	(24,946)	(22,293)	(22,787)	(22,103)
Receipts ^(b)							
Regulatory fees and fines.....	43,195	52,021	42,021	46,416	51,615	59,795	51,776
Grants and subsidies.....	31,602	40,346	44,765	34,323	33,604	32,046	32,130
Sale of goods and services.....	2,033	9,890	9,890	7,725	8,807	8,807	8,807
GST receipts	23,819	15,788	15,788	15,788	16,025	16,265	16,509
Other receipts	17,770	2,703	2,703	2,654	2,726	2,743	2,765
Net cash from operating activities	(351,403)	(463,877)	(396,052)	(502,318)	(353,611)	(320,136)	(263,968)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(23,463)	(81,249)	(42,594)	(57,522)	(31,773)	(28,088)	(15,395)
Other payments.....	(3,000)	(2,055)	-	-	-	-	-
Proceeds from sale of non-current assets.....	174	362	362	255	255	255	255
Other receipts	1,125	-	-	-	-	-	-
Net cash from investing activities.....	(25,164)	(82,942)	(42,232)	(57,267)	(31,518)	(27,833)	(15,140)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings and leases	(10,518)	(9,634)	(9,634)	(6,010)	(5,163)	(5,159)	(4,660)
Other payments.....	-	(1,400)	(1,400)	-	-	-	-
Proceeds from borrowings.....	-	1,400	1,400	-	-	-	-
Other proceeds	6,060	3,798	3,798	550	1,508	1,516	1,015
Net cash from financing activities.....	(4,458)	(5,836)	(5,836)	(5,460)	(3,655)	(3,643)	(3,645)
NET INCREASE/(DECREASE) IN CASH HELD	(10,877)	(30,876)	(10,975)	(19,315)	(1,848)	(373)	(2,072)
Cash assets at the beginning of the reporting period	134,647	128,548	123,764	111,189	91,874	90,026	89,653
Net cash transferred to/from other agencies	(6)	-	(1,600)	-	-	-	-
Cash assets at the end of the reporting period	123,764	97,672	111,189	91,874	90,026	89,653	87,581

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

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

NET APPROPRIATION DETERMINATION

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
Regulatory Fees and Fines							
Regulatory Fees.....	12,942	8,776	8,776	8,071	8,370	8,450	8,531
Grants and Subsidies							
Capital	-	5,848	-	-	-	-	-
Commonwealth - Recurrent.....	2,727	1,766	1,766	1,766	1,792	1,792	1,792
Recurrent.....	24,484	28,143	41,057	54,732	34,268	30,362	30,338
Sale of Goods and Services							
Sale of Goods and Services	2,033	9,890	9,890	7,725	8,807	8,807	8,807
GST Receipts							
GST Input Credits	20,161	9,327	9,327	9,327	9,467	9,609	9,753
GST Receipts on Sales	3,658	6,461	6,461	6,461	6,558	6,656	6,756
Other Receipts							
Interest Received	775	1,579	1,579	1,531	1,515	1,487	1,487
National Partnership Payments							
Capital							
National Water Grid Fund.....	-	-	1,800	3,600	1,800	-	-
Regional Recovery Partnership	3,840	6,000	6,160	-	-	-	-
Farm Business Resilience and Regional							
Drought Planning Program	-	3,561	3,561	-	-	-	-
Horticultural Netting Infrastructure Scheme.....	2,167	-	2,634	-	-	-	-
Managing Established Pest Animals and							
Weeds	-	143	143	134	169	-	-
National Plant Health Surveillance Program ...	-	126	126	126	126	126	-
National Water Infrastructure Development							
Fund - Feasibility Component - Southern							
Forests Irrigation Scheme	-	650	400	250	-	-	-
Pest and Disease Preparedness and							
Response Programs	1,390	507	507	441	-	-	-
Recurrent - Ehrlichia Canis Pilot Program ..	-	-	75	75	-	-	-
Other Receipts	17,681	1,566	1,615	1,418	1,691	1,640	1,662
Receipts of Employee Contributions -							
Housing Leased.....	-	742	742	793	823	846	846
TOTAL	91,858	85,085	96,619	96,450	75,386	69,775	69,972

DETAILS OF ADMINISTERED TRANSACTIONS

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
INCOME							
Other							
Appropriation	1,550	1,550	1,550	1,550	1,550	1,550	1,550
Interest Revenue	969	732	837	639	498	374	216
Other Revenue	4,412	-	-	-	-	-	-
Revenue from Regional and State-wide Initiatives - Recurrent	-	(130,221)	(115,749)	(21,739)	24,840	30,884	21,996
Revenue from Regional Community Services Fund - Recurrent	7,022	8,662	5,462	7,290	6,600	6,348	6,200
Revenue from Regional Infrastructure and Headworks Fund - Recurrent	-	-	-	28	-	-	-
TOTAL ADMINISTERED INCOME	13,953	(119,277)	(107,900)	(12,232)	33,488	39,156	29,962
EXPENSES							
Grants to Charitable and Other Public Bodies							
East Kimberley Transitional Housing	-	2,407	618	874	911	948	1,118
Essential and Municipal Services Program ...	-	30,921	8,930	15,022	12,634	-	-
Hedland Transitional Housing Project	-	2,178	557	808	794	887	-
Jalbi Jiya (Your Home) Program	7,356	1,533	891	345	359	550	200
Kimberley Schools Project	4,500	5,589	5,055	4,893	151	234	-
Leedal - Fitzroy Affordable Housing Project	-	-	-	4,767	5,479	-	-
North West Aboriginal Housing	-	5,848	-	4,670	478	-	-
On-Country Residential Youth Facilities	-	-	250	2,750	5,000	5,000	2,500
Pilbara Hydrogen Hub	-	-	-	833	833	834	-
Regional Reform Fund	-	-	-	-	-	-	500
Regional Telecommunications Project Continuation	-	-	-	2,811	-	-	-
RfR Program Global Provision	-	10,537	-	29,307	14,110	15,140	17,105
State Contribution to Natural Resource Management	11,032	9,686	9,326	8,908	8,150	7,898	7,750
Western Australia Regional Digital Connectivity Program	-	-	-	4,900	9,897	14,910	4,391
Other							
RfR Program Underspend Provision	-	(138,058)	(115,749)	(59,590)	-	-	-
Supplies and Services	1,311	216	272	199	154	116	52
Western Australia Co-Operatives Loan Scheme - Interest Expense to Western Australian Treasury Corporation	662	516	565	440	344	258	164
TOTAL ADMINISTERED EXPENSES	24,861	(68,627)	(89,285)	21,937	59,294	46,775	33,780

Agency Special Purpose Account Details

FISHERIES ADJUSTMENT SCHEMES SPECIAL PURPOSE ACCOUNT

Account Purpose: The Fisheries Adjustment Schemes Special Purpose Account was established under the *Fisheries Adjustment Schemes Act 1987* (the Act). The purpose of this account is to hold funds in accordance with section 5 of the Act, which shall be applied by the Minister for the purposes prescribed by section 6 of the Act. It is mainly utilised to fund the payment of compensation agreed under the Fisheries Adjustment Scheme.

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000
Opening Balance	565	504	510	117
Receipts:				
Appropriations.....	-	500	1,000	2,804
Other	6,685	3,560	3,798	550
	7,250	4,564	5,308	3,471
Payments	6,740	4,560	5,191	3,465
CLOSING BALANCE	510	4	117	6

FISHERIES RESEARCH AND DEVELOPMENT SPECIAL PURPOSE ACCOUNT

Account Purpose: The Fisheries Research and Development Special Purpose Account was continued under the *Fish Resources Management Act 1994* (the FRM Act). It is utilised to fund the management of commercial, fish and fish habitat protection and pearling and aquaculture activities.

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000
Opening Balance	5,559	100	100	119
Receipts:				
Appropriations.....	41,689	32,190	43,378	38,256
Other	25,214	27,250	26,736	29,980
	72,462	59,540	70,214	68,355
Payments	72,362	59,440	70,095	68,237
CLOSING BALANCE	100	100	119	118

RECREATIONAL FISHING SPECIAL PURPOSE ACCOUNT

Account Purpose: The Recreational Fishing Special Purpose Account was established under the FRM Act. The purpose of the account is to hold funds, which may be applied by the Minister to any of the purposes prescribed by section 239 of the FRM Act. The funds support activity relating to recreational fishing.

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000
Opening Balance	1,960	2,500	500	2,000
Receipts:				
Appropriations.....	3,708	10,150	4,376	3,687
Other	9,255	9,350	10,121	9,247
	14,923	22,000	14,997	14,934
Payments	14,423	20,500	12,997	12,934
CLOSING BALANCE	500	1,500	2,000	2,000

ROYALTIES FOR REGIONS REGIONAL REFORM FUND

Account Purpose: The account will fund strategic reform initiatives in regional Western Australia designed to support Government objectives over time.

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000
Opening Balance	69,433	57,578	57,578	41,277
Receipts:				
Appropriations.....	-	16,000	-	4,000
	69,433	73,578	57,578	45,277
Payments	11,855	48,476	16,301	34,129
CLOSING BALANCE	57,578	25,102	41,277	11,148

Division 16 Mines, Industry Regulation and Safety

Part 4 Jobs and Economic Development

Appropriations, Expenses and Cash Assets

	2020-21 Actual ^(a) \$'000	2021-22 Budget ^(a) \$'000	2021-22 Estimated Actual ^(a) \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
DELIVERY OF SERVICES							
Service Appropriation							
Base Component.....	160,664	136,548	128,271	147,898	152,749	143,201	139,243
Services to Industry Component (Mining Tenement Rentals) ^(b)	15,910	21,910	21,910	29,139	29,321	30,304	31,210
Item 48 Net amount appropriated to deliver services	176,574	158,458	150,181	177,037	182,070	173,505	170,453
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	1,775	1,783	1,783	1,789	1,795	1,801	1,801
Total appropriations provided to deliver services.....	178,349	160,241	151,964	178,826	183,865	175,306	172,254
ADMINISTERED TRANSACTIONS							
Item 49 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	134,353	126,662	94,246	49,243	20,196	16,142	14,799
CAPITAL							
Item 125 Capital Appropriation.....	3,530	6,608	6,608	1,588	1,615	1,601	1,601
TOTAL APPROPRIATIONS	316,232	293,511	252,818	229,657	205,676	193,049	188,654
EXPENSES							
Total Cost of Services	312,205	329,078	330,832	367,589	357,466	349,217	339,960
Net Cost of Services ^(c)	159,688	157,423	154,648	193,897	185,796	174,892	165,635
CASH ASSETS ^(d)	441,297	462,937	456,075	469,033	491,575	514,987	538,499

(a) The 2020-21 Actual, 2021-22 Budget and 2021-22 Estimated Actual financial data has been recast for comparative purposes due to the Machinery of Government merger of Energy Policy WA into the Department from 1 July 2022.

(b) The Department will collect additional revenue for Mining Tenement Rentals (MTR) from 2022-23 onwards. The increased revenue will fund the introduction of Service Improvement initiatives including an Aboriginal Empowerment Strategy and the cost of a second full-time Perth Mining Warden to boost compliance functions. Also the implementation of a State-wide passive seismic survey, known as the WA-Array program will be accelerated and the base funding for the Minerals Research Institute of Western Australia (MRIWA) increased. This enables the Department and MRIWA to promote continued investment in the State and deliver services more effectively in response to industry needs. Further details on MTR appear in the Details of Administered Transactions table.

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

(d) As at 30 June each financial year.

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Department's Income Statement since presentation of the 2021-22 Budget to Parliament on 9 September 2021, are outlined below:

	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
Election Commitments					
<i>Work Health and Safety Act 2020</i> - Implementation.....	215	661	672	574	474
New Initiatives					
Climate Action.....	-	700	547	158	160
Digital Capability Fund					
Unified Electronic Document and Records Management System.....	2,638	2,765	1,883	2,561	-
WHS System Modernisation.....	-	2,429	2,479	2,499	1,842
Work Health and Safety (WHS) System Changes.....	1,770	-	-	-	-
Electric Vehicle Charging Infrastructure Grants.....	-	4,186	11,524	-	-
Emissions Reduction Strategies.....	393	1,707	266	-	-
Mental Awareness, Respect and Safety (MARS) Program.....	1,917	6,500	-	-	-
New Public Sector Wages Policy.....	-	455	461	-	-
Service Improvement Initiatives - Resources Sector.....	-	4,229	4,411	5,394	6,300
State-Wide Passive Seismic Survey - WA-Array Program.....	-	3,000	3,000	3,000	3,000
Other					
Building Services Account.....	500	500	500	-	-
Energy Safety Business Plan.....	2,392	3,449	-	-	-
Home Indemnity Insurance.....	200	200	200	200	200

Significant Issues Impacting the Agency

Key Government Reforms

1. In June 2021, the Government tasked Energy Policy WA to deliver Stage Two of the Energy Transformation Strategy (ETS), which outlines Government's strategy to continue to address the challenges posed by the ongoing and rapid transformation of the energy sector.
2. As part of this role, Energy Policy WA is continuing work on the implementation of recommendations of the Distributed Energy Resources Roadmap, which is a five-year plan to guide the better integration of all distributed energy resources (including solar panels, battery storage and electric vehicles), and ensure that the benefits are shared across all members of the community.
3. Energy Policy WA will also commence development of the next Whole of System Plan for the South West Interconnected System, as well as delivering further changes to the Wholesale Electricity Market Rules to improve power system security and reliability, increase efficiency, and facilitate new electricity generators entering the energy market.
4. Implementation of Automatic Mutual Recognition (AMR) in Western Australia is expected to commence from 1 July 2022 as part of the national scheme. The Department has 40 different licences in its Building and Energy, Consumer Protection, WorkSafe and Mines Safety Divisions that fall within scope of the AMR scheme, subject to the identification of exempt occupations. The AMR scheme will require the Department to share licensing and compliance information with other states and territories.
5. The Department's work on building policy reform initiatives to implement recommendations from the national Building Confidence - Improving the Effectiveness of Compliance and Enforcement Systems for the Building and Construction Industry across Australia report is well advanced. Several recommendations for Government consideration will be finalised during 2022-23. This will include the administration of additional occupational licensing regimes by the Department.

6. To improve consumer safeguards and reduce unnecessary regulation the Department continues to review the legislation it administers and will be:
 - 6.1. progressing reforms to the *Residential Tenancies Act 1987* to promote security of tenure and reduce time to resolve disputes;
 - 6.2. presenting recommendations for regulation of the boarding and lodging sector to Government for consideration;
 - 6.3. progressing reforms to the *Retirement Villages Act 1992*;
 - 6.4. continuing with consultation to examine the suitability of the legislation of the *Commercial Tenancy (Retail Shops) Agreements Act 1985*;
 - 6.5. progressing reforms to the *Charitable Collections Act 1946* to adopt a national mutual recognition scheme;
 - 6.6. progressing reforms to the motor vehicle dealers and repairers legislation to streamline licensing processes;
 - 6.7. commencing a code of practice requiring funeral businesses to publicly disclose prices of goods and services; and
 - 6.8. finalising a review of the operation of the *Associations Incorporation Act 2015* by the end of 2022.
7. The Department is supporting the Western Australian Renewable Hydrogen Strategy (WARHS) and the ETS. The WARHS sets the Government's goal of distributing renewable hydrogen in the natural gas distribution network by 2022 and of blending up to 10% of hydrogen in the network by 2030. Current gas reticulation pipelines serving the State and consumer gas appliances are designed to distribute and run on pure natural gas. The Department will work to ensure gas networks and gas appliances can safely adapt to change. Similarly, the ETS will significantly impact the electricity sector, particularly in proliferation of battery-storage systems in consumer installations, small micro-grids and stand-alone power systems. The Department is reviewing the energy safety legislation framework to ensure it can adapt to the emerging industry as well as technical standards to provide for the safety of evolving electricity and gas networks and consumer installations.
8. On 22 December 2021, the *Industrial Relations Legislation Amendment Act 2021* (the IRLA Act) was given Royal Assent. The IRLA Act contains the Government's response to the 2018 Ministerial Review of the State Industrial Relations System and the 2019 Inquiry into Wage Theft in Western Australia, as well as introduces various other industrial relations reforms including a new minimum entitlement to five days unpaid family and domestic violence leave, enabling the concurrent appointment of suitably qualified industrial commissioners as industrial magistrates, and making Easter Sunday a public holiday in Western Australia. The Easter Sunday public holiday provisions of the IRLA Act were proclaimed on 12 February 2022 and the remainder of the IRLA Act will be proclaimed when the necessary regulations are finalised.

Protecting Workers and Supporting Consumers

9. Energy Policy WA is continuing to support the development of consumer advocacy capacity and capability in the energy sector through the Western Australian Advocacy for Consumers of Energy Program.
10. Energy Policy WA is also responsible for implementing the Household Energy Efficiency Scheme to improve energy efficiency for households facing financial hardship.
11. The impact of the COVID-19 pandemic continues to result in increased numbers of consumers seeking assistance. Consumers may also be vulnerable to seeking unsustainable credit and exposure to firms purporting to provide debt management support, which in some instances can result in poor consumer outcomes and increased debt. Use of credit services such as buy now pay later and pay day lending have also increased consumers' debt vulnerability. The Department will implement a strategy to target support for vulnerable consumers, including monitoring the Western Australian marketplace and lobbying at the national level to influence Commonwealth policy reforms relating to the regulation of credit providers.

12. A significant issue impacting the Department is the successful transition to the new *Work Health and Safety Act 2020* (WHS Act) and underlying Regulations, which came into full effect on 31 March 2022. The WHS Act replaces the *Occupational Safety and Health Act 1984* and WHS provisions contained in the *Mines Safety and Inspection Act 1994* and petroleum and geothermal energy operations laws. Consequently, the Work Health and Safety Commission has been established to replace the Commission for Occupational Safety and Health as the peak advisory body to the Minister on matters relating to WHS, and the Mining and Petroleum Advisory Committee has been established to replace the Mining Industry Advisory Committee.
13. The Department has assisted the Work Health and Safety Commission (Commission) - (known as the Commission for Occupational Safety and Health at the time) to develop three new Codes of Practice which provide guidance for employers to prevent and manage risks associated with inappropriate workplace behaviours and psychosocial hazards. Workplace behaviours remain a key priority for the Department, seeking to ensure workplaces are free of psychological hazards such as bullying, and inappropriate workplace behaviour such as sexual harassment. The Department also published a new Excavation Code of Practice to reflect current industry practice and meet the requirements of the new WHS Act. The Government intends to use a combination of national model WHS Codes of Practice, developed by Safe Work Australia, and Commission approved Codes developed for Western Australian workplaces. These Codes are currently being reviewed by the Commission.
14. With the incoming WHS legislation having increased focus on psychosocial hazards, the Department is administering the *Mentally Healthy Workplaces Grant Program*, an election commitment to improve workers' mental health and wellbeing. The program funds organisations to implement initiatives that prevent mental injury at work by managing work-related psychosocial hazards, and promote positive practices at work that support mental health and wellbeing.
15. On 11 December 2021, the Government announced the establishment of the Mental Awareness, Respect and Safety (MARS) Program, to address serious mental health, workplace culture and safety issues in the mining sector. The Department is working in partnership with the Mental Health Commission, the Equal Opportunity Commission and the Department of Communities to develop and deliver the program. In addition to improving regulatory capability, the MARS Program is also an opportunity to proactively engage industry and workers, and provide whole-of-government support to help them effect the changes required. The first phase will be completed in 2022 and includes engaging a research organisation to undertake a landmark study which will set the pathway for the second phase of the program which will include the continued roll-out of some education programs commenced during phase one.
16. The Public Sector Wages Policy Statement 2022 was implemented on 11 February 2022. It provides for wage increases of 2.5% per annum and allows unions the option of selecting either a \$1,000 one off sign-on payment or an additional 0.25% per annum wage increase for reform leading to enhanced efficiency or improved quality of service delivery. Forty-three industrial agreements covering approximately 155,000 employees have either expired or will expire in 2022, representing 98.9% of the public sector workforce.
17. The Department is progressing awareness raising and communication initiatives to educate Western Australian employers and employees about new employment obligations and entitlements arising from the changes to state employment laws implemented by the IRLA Act. This includes working with stakeholders in the community and business sectors.
18. The Department has established the Western Australian Building and Construction Consultative Committee. This Committee is a high-level consultative forum to provide advice to the Minister for Industrial Relations on industrial relations, safety, diversity, workforce management and associated issues relevant to the building and construction industry.

Supporting Western Australia's Energy Transformation and Economic Growth

19. Following the completion of stage one of the review of the governance arrangements applying to the Western Australian energy sector, on 1 July 2021, Energy Policy WA acquired additional functions, including rule administration and rule-making responsibilities for the Wholesale Electricity Market Rules and the Gas Services Information Rules; market development, rule administration and rule-making responsibilities for the regulatory framework applying to the North West Interconnected System; delivery of several policy and technical reviews under the Wholesale Electricity Market Rules; and development of periodic whole-of-system plans for the South West Interconnected System. Energy Policy WA's new functions are partially funded by energy sector participants. Energy Policy WA has commenced work on stage two of the review of the governance arrangements applying to the energy sector.
20. Consistent with the Government's election commitment, Energy Policy WA has established an Energy Industry Development Team to work with local renewable energy manufacturers and the mining industry to accelerate the transition to renewable energy supply on remote mining sites.

Build a Sustainable and Responsible Resources Industry

21. The resources sector continued to be a strong contributor to the Western Australian economy, successfully navigating and continuing to operate throughout the COVID-19 pandemic to deliver record sales of \$210.9 billion in the 2020-21 financial year. This \$38 billion increase eclipsed the 2019-20 financial year result of \$173 billion. It was largely the result of all-time high iron ore prices. Direct employment in the mining sector grew to more than 153,000 people, up from 136,000 the previous year. The Government also collected \$11 billion in royalties (including North West Shelf grants) from the resources sector in 2020- 21, while investment remains strong with an estimated \$127 billion worth of resource projects in the development pipeline as of September 2021. This heightened level of activity in the resource sector is also evidenced in an increase of approximately 10% across petroleum and mineral tenement applications, objections and other dealings.
22. Delivery of geological data in a timely and effective way can have a significant impact on mineral and petroleum exploration investment in Western Australia. Market appraisal has demonstrated that there is a need to change how pre-competitive geoscience data is collected, stored and disseminated for use. The Department is delivering the Geoscience Data Transformation Strategy with the \$10.6 million budget to ensure delivery of exploration ready datasets that focus on data integration and analysis of key regions, working on developing and implementing new database systems, and transforming the existing datasets to modernise geological data delivery for Western Australia.
23. The Government will spend \$12 million over the forward estimates period to implement a State-wide passive seismic survey to identify prospective resources concealed deep underground. The WA-Array program will be one of the largest of its kind undertaken anywhere in the world, deploying 165 relocatable seismometers in a grid pattern at 40 km intervals, with the entire State being mapped over 10 years. The survey results will both provide new insights into WA's resources, including critical minerals, and promote investment in exploration and the development of future mines and downstream processing and assist the State with future land use planning.
24. As part of an election commitment by the Government, over four years the Department will deliver mining approval reform through the 'Fast-Track Mining Approvals Strategy'. Additional resources, as pillar one of the Strategy, will be allocated to approval processes, in addition to improving rehabilitation and mine closure regulation. The associated four-year digital transformation program, as pillar two, is also being initiated to underpin the approvals reform strategy to deliver reduced assessment timeframes. The regulatory and approvals framework will also be strengthened through the introduction of the Eligible Mining Activity (EMA) Notice framework for automatic/digital authorisation of certain eligible activities and a Single Approval Instrument, as proposed in the Mining Amendment Bill (No 1) 2021 currently before Parliament.
25. The Government continues to support the successful Exploration Incentive Scheme (EIS). This program promotes resource sector investment in the State, creates jobs predominantly in regional areas, and strengthens the State's economy. The EIS continues to concentrate on the acquisition and interpretation of geophysical data, integrated with geochemical isotopic analysis. This data is vital to the search for battery and critical minerals in Western Australia. This pre-competitive data are large cost items that are beyond the budget scope of junior and mid-tier mineral exploration companies which drive the State's exploration.

COVID-19 Response

26. The Coordinator of Energy is the designated Hazard Management Agency for the supply disruption of gas, liquid fuels and electricity.
27. In support of this role, Energy Policy WA has proactively maintained contact with industry participants to anticipate and manage emerging issues that could threaten the security of energy supply because of the pandemic.
28. The Department continues to play a leading role in the Government's public sector workforce response to the COVID-19 pandemic. This has included the Department's Government Sector Labour Relations Division issuing circulars to guide and support public sector employers in managing their workforces through COVID-19 lockdowns and restrictions, introducing 20 days of paid COVID-19 leave for public sector employees including casuals, providing direct advice and support to public sector employers on COVID-19 related workforce issues including mandatory vaccinations, and engaging and sharing information with public sector unions.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the Department's services, the desired outcomes and the relevant Government Goal. 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 Goals	Desired Outcomes	Services
WA Jobs Plan: Diversifying the WA economy, creating local jobs for the future.	Supporting a safe, fair and responsible future for the community, industry and resources sector.	1. Resources Advice and Regulation
Safe, Strong and Fair Communities: Supporting our local and regional communities to thrive.		2. Industry Advice and Regulation 3. Safety and Labour Relations Advice and Regulation
Strong and Sustainable Finances: Responsible, achievable, affordable budget management.	A sustainable, efficient, secure and affordable energy sector.	4. Development and Implementation of Energy Policy

Service Summary

Expense	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
1. Resources Advice and Regulation	106,768	114,594	113,070	131,152	124,656	127,539	124,704
2. Industry Advice and Regulation	104,957	108,937	112,909	112,959	107,555	109,979	109,791
3. Safety and Labour Relations Advice and Regulation.....	82,899	78,578	83,271	91,667	88,689	86,570	84,896
4. Development and Implementation of Energy Policy	17,581	26,969	21,582	31,811	36,566	25,129	20,569
Total Cost of Services	312,205	329,078	330,832	367,589	357,466	349,217	339,960

Outcomes and Key Effectiveness Indicators ^(a)

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
Outcome: Supporting a safe, fair and responsible future for the community, industry and resources sector:					
Stakeholder satisfaction with the Department as an effective resource sector regulator ^(b)	70%	75%	71%	75%	
Number of work-related traumatic-injury fatalities ^(c)	15	nil	7	nil	
Stakeholder satisfaction with the Department as an effective industry regulator ^(b)	66%	75%	66%	75%	
Outcome: A sustainable, efficient, secure and affordable energy sector:					
The extent to which policy and program development objectives for the year are achieved	94%	100%	92%	100%	

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

(b) The 2021-22 Estimated Actual is the mean of the two previous audited results, rounded up to the nearest per cent.

(c) The confirmed reported work-related traumatic fatalities as of 31 March 2022 comprised seven cases (six investigated by the WorkSafe Directorate and one by the Mines Safety Directorate). The five-year rolling average for 2021-22 will be published in the Department's Annual Report.

Services and Key Efficiency Indicators

1. Resources Advice and Regulation

Ensuring the State's natural resources are developed and managed responsibly through the provision of resource advice and regulatory services to the Western Australian community.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
Total Cost of Service.....	\$'000 106,768	\$'000 114,594	\$'000 113,070	\$'000 131,152	1
Less Income	53,061	49,137	52,637	50,578	
Net Cost of Service	53,707	65,457	60,433	80,574	
Employees (Full-Time Equivalents)	575	653	647	659	
Efficiency Indicators					
Average cost of resource regulation per live title.....	\$4,514	\$4,731	\$4,505	\$5,108	2

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service from the 2021-22 Estimated Actual to the 2022-23 Budget Target (16%) is primarily due to the introduction of Service Improvement initiatives including an Aboriginal Empowerment Strategy and the cost of a second full-time warden to boost compliance functions. The implementation of a State-wide passive seismic survey, known as the WA-Array program, will also be accelerated.
2. The increase in the Average cost of resource regulation per live title from the 2021-22 Estimated Actual to the 2022-23 Budget Target (13%) is mainly due to movements in the Total Cost of Service as detailed in Note 1. above.

2. Industry Advice and Regulation

The provision of advice and regulatory services to the Western Australian community in the areas of consumer protection, building and energy services.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	104,957	108,937	112,909	112,959	
Less Income	44,667	66,224	67,253	67,502	1
Net Cost of Service	60,290	42,713	45,656	45,457	
Employees (Full-Time Equivalents)	552	577	592	585	
Efficiency Indicators					
Average cost per transaction to deliver industry advice and regulation services.....	\$201	\$190	\$204	\$211	

Explanation of Significant Movements

(Notes)

1. The increase in Income from the 2020-21 Actual to the 2021-22 Estimated Actual (50%) is primarily due to waivers of licence fees introduced in 2020-21 in response to the COVID-19 pandemic. These waivers have now ceased.

3. Safety and Labour Relations Advice and Regulation

The provision of advice and regulatory services to the Western Australian community in workplace safety and labour relations.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	82,899	78,578	83,271	91,667	1
Less Income	54,777	53,474	53,474	52,673	
Net Cost of Service	28,122	25,104	29,797	38,994	
Employees (Full-Time Equivalents)	463	528	533	532	
Efficiency Indicators					
Average cost per transaction to deliver safety and labour relations regulation services	\$4,925	\$6,210	\$5,569	\$5,222	2
Percentage of high-risk work licence applications determined within agreed timeframes ^(a)	34%	100%	28%	80%	3

- (a) The 2022-23 Budget Target for this indicator has been aligned with the Department's published High-risk Work Licence (HRWL) target timeframe of 80% within 10 business days. Results of this indicator will vary from those published online as this measure is date received to date determined, and also weighted by the proportion of the licence types determined during the reporting period.

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service from the 2021-22 Estimated Actual to the 2022-23 Budget Target (10%) is primarily due to the introduction the MARS Program and the full year implementation cost of the *Work Health and Safety Act 2020*.
2. A reduced number of transactions to deliver safety and labour relations regulation services was budgeted for during the 2021-22 Budget due to the implementation of the new WHS legislation. The number of transactions performed during the 2021-22 Estimated Actual has been greater than the 2021-22 Budget resulting in a reduced cost per transaction against the target.
3. HRWL applications are currently tracking at 28% based on 53,965 applications, with 15,093 finalised in 14 calendar days. This team has had the most change during the year and have been heavily involved with the implementation of the *Work Health and Safety Act 2020*. This has required resources to be redirected from normal operations.

4. Development and Implementation of Energy Policy

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
Total Cost of Service.....	\$'000 17,581	\$'000 26,969	\$'000 21,582	\$'000 31,811	1
Less Income	12	2,819	2,820	2,939	2
Net Cost of Service.....	17,569	24,150	18,762	28,872	
Employees (Full-Time Equivalents)	69	75	67	78	
Efficiency Indicators					
Average cost of policy/project development.....	\$17,971	\$23,727	\$23,267	\$27,505	3

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service from the 2021-22 Estimated Actual to the 2022-23 Budget Target (47%) is primarily due to the introduction of electric vehicle charging infrastructure grants for local governments, small businesses and charities and also due to the repositioning of State Underground Power Program and Household Energy Efficiency grants.
2. The increase in Income from the 2020-21 Actual to the 2021-22 Estimated Actual and 2022-23 Budget Target is primarily due to the transfer of administrative and rule-making functions of the Wholesale Electricity Market Rules and Gas Services Information Rules functions to Energy Policy WA allowing for fees to be charged to recover costs from the industry in performing these functions.
3. The increase in the Average cost of policy/project development from the 2021-22 Estimated Actual to the 2022-23 Budget Target (18%) is primarily due to an increase in the Total Cost of Service as detailed in Note 1 above.

Asset Investment Program

1. The Customer Identity Access Management platform will form the cornerstone for enabling a single digital identity for each customer across government agencies. It is a whole-of-government and whole-of-economy solution that will address the issue of identity across the broader economy.
2. The New Safety Management System will ensure the Department can regulate the *Work Health and Safety Act 2020* effectively. It will improve WHS regulation of business and industry reducing the health and safety risk of Western Australia citizens and fostering greater public trust.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-22 \$'000	2021-22 Estimated Expenditure \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
WORKS IN PROGRESS							
Information Technology Infrastructure							
Customer Identity Access Management (CIAM) -							
Platform.....	3,600	2,554	2,554	1,046	-	-	-
Strategic Information Plan	13,545	12,545	1,322	1,000	-	-	-
COMPLETED WORKS							
COVID-19 Response							
Kalgoorlie Core Library Expansion	7,000	7,000	5,000	-	-	-	-
Other Completed Works							
Asset Replacement Program - Computer Hardware and							
Software - 2021-22 Program	914	914	914	-	-	-	-
ICT Infrastructure - Energy Safety Compliance							
Management System Stage Two	1,381	1,381	267	-	-	-	-
Office Fit-out	669	669	300	-	-	-	-
NEW WORKS							
Asset Replacement Program - Computer Hardware and							
Software							
2022-23 Program	914	-	-	914	-	-	-
2023-24 Program	914	-	-	-	914	-	-
2024-25 Program	914	-	-	-	-	914	-
2025-26 Program	914	-	-	-	-	-	914
ICT Infrastructure							
Fast Tracking - Digital Transformation	7,540	-	-	1,665	3,621	2,254	-
Geoscience Data Transformation Strategy -							
Implementation	300	-	-	300	-	-	-
New Safety Management System	4,272	-	-	1,315	1,190	1,428	339
Total Cost of Asset Investment Program	42,877	25,063	10,357	6,240	5,725	4,596	1,253
FUNDED BY							
Capital Appropriation			5,000	-	-	-	-
Drawdowns from the Holding Account			914	914	914	914	914
Funding Included in Department of Treasury - Digital							
Capability Fund			2,554	4,326	4,811	3,682	339
Internal Funds and Balances			1,889	1,000	-	-	-
Total Funding			10,357	6,240	5,725	4,596	1,253

Financial Statements

Income Statement

Expenses

1. Employee benefits increased by \$15.4 million between the 2021-22 Budget and 2022-23 Budget Year primarily due to the implementation of the Service Improvement Initiative - Resources Sector, full year funding for the new *Work Health and Safety Act 2020* and the fast-tracking mining approval strategy.
2. Supplies and services increased by \$6 million and \$21 million between the 2021-22 Budget and 2021-22 Estimated Actual and 2021-22 Budget and 2022-23 Budget Year respectively primarily due to the MARS Program, Energy Safety Business Plan - Alignment and the Digital Capability Fund funding approvals. Over the outyears the decrease is primarily due to the MARS Program and the update to the Energy Safety Business Plan currently being applicable to the 2021-22 and 2022-23 years only.

Income

3. Regulatory fees and fines increased by \$19.8 million between the 2020-21 Actual and the 2021-22 Estimated Actual primarily due to waivers of licence fees introduced in 2020-21 in response to the COVID-19 pandemic. These waivers have now ceased.
4. Service appropriations decreased by \$8.3 million between 2021-22 Budget and 2021-22 Estimated Actual. This is primarily due to the repositioning of the State Underground Power Program and Household Energy Efficiency grants, Service appropriations is expected to increase by \$26.9 million between the 2021-22 Estimated Actual and the 2022-23 Budget Year primarily due to increased funding for new initiatives such as Service Improvement for the Resource Sector and State-wide passive seismic survey - WA-Array Program as well as Energy Policy WA electric vehicle charging infrastructure grants and Emissions Reduction Strategies Resourcing strategies.

Statement of Financial Position

5. Restricted cash is estimated to increase by \$12 million between the 2021-22 Estimated Actual and the 2022-23 Budget Year and then similar increases are expected across the outyears. This is primarily due to an increase in the cash balance of the Mining Rehabilitation Fund and is partially offset by a slight decline in cash balances from other special purpose accounts.
6. Intangibles increased by \$2.7 million between the 2021-22 Estimated Actual and the 2022-23 Budget Year primarily due to the funding of the CIAM platform and the new WHS systems.

Statement of Cashflows

INCOME STATEMENT ^(a) (Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	199,868	205,770	206,220	221,141	218,045	221,459	221,338
Grants and subsidies ^(c)	20,542	24,108	19,389	27,553	33,315	21,193	16,266
Supplies and services	51,514	56,542	62,572	77,463	65,212	63,998	59,393
Accommodation	18,010	20,787	20,780	21,514	21,613	21,649	21,652
Depreciation and amortisation	4,708	5,693	5,693	4,112	3,413	5,015	5,408
Finance and interest costs	106	217	217	224	209	208	208
Other expenses	17,457	15,961	15,961	15,582	15,659	15,695	15,695
TOTAL COST OF SERVICES	312,205	329,078	330,832	367,589	357,466	349,217	339,960
Income							
Sale of goods and services	44	855	855	855	855	855	855
Regulatory fees and fines:							
Mines Safety and Inspection Levy	39,664	34,000	34,000	34,000	34,000	34,000	34,000
Mining Rehabilitation Fund Levy	34,669	34,500	38,000	34,500	34,500	34,500	34,500
Other	73,724	94,796	95,825	96,699	94,796	94,796	94,796
Grants and subsidies	-	3,158	3,158	3,278	3,153	5,803	5,803
Other revenue	4,416	4,346	4,346	4,360	4,366	4,371	4,371
Total Income	152,517	171,655	176,184	173,692	171,670	174,325	174,325
NET COST OF SERVICES	159,688	157,423	154,648	193,897	185,796	174,892	165,635
INCOME FROM GOVERNMENT							
Service appropriations	178,349	160,241	151,964	178,826	183,865	175,306	172,254
Resources received free of charge	4,670	4,548	4,548	3,107	3,107	3,107	3,107
Royalties for Regions Fund:							
Regional Community Services Fund	505	228	228	228	228	228	228
Other revenues	7,715	9,150	12,921	22,838	18,282	16,778	10,673
TOTAL INCOME FROM GOVERNMENT	191,239	174,167	169,661	204,999	205,482	195,419	186,262
SURPLUS/(DEFICIENCY) FOR THE PERIOD	31,551	16,744	15,013	11,102	19,686	20,527	20,627

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

(b) The full-time equivalents for 2020-21 Actual, 2021-22 Estimated Actual and 2022-23 Budget Year are 1,659, 1,839 and 1,854 respectively.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
Asbestos Disease Society	50	100	100	100	100	100	100
Australian Building Codes Board	649	650	650	650	650	650	650
Australian Energy Market Commission	1,070	1,171	1,171	1,200	1,200	1,200	1,200
Circle Green Community Legal	330	430	430	430	430	430	430
Co-funded Drilling (Exploration Incentive Scheme)	4,900	5,800	5,800	5,800	5,800	5,800	5,800
Combatting Wage Theft in Western Australia	300	-	-	-	-	-	-
Consumer Advocacy Grants	52	106	106	165	200	215	-
Council of Australian Governments Energy Council	101	300	300	300	300	300	330
Curtin Sustainable Built Environment	-	100	100	100	100	100	100
Electric Vehicle Charging Infrastructure:							
Local Governments	-	-	-	1,250	3,750	-	-
Small Business and Charities	-	-	-	2,500	7,500	-	-
Farmsafe Western Australia Alliance	70	70	70	70	70	70	70
Household Energy Efficiency Scheme	-	3,000	115	3,000	4,443	4,442	-
Initiatives Enhancing Consumer Rights	68	68	68	68	68	68	68
Mental Awareness Respect and Safety (MARS) Program	-	-	1,061	326	-	-	-
Mental Health Prevention in the Workplace	-	1,000	1,000	1,000	1,000	1,000	1,000
Other Grants	1,616	-	-	-	-	-	-
Property Industry Grants	7,736	6,470	6,470	6,470	6,470	6,470	6,470
Resources Sector Research	2,300	1,648	1,648	48	48	48	48
Service Improvement - Second Perth Mining Warden	-	-	-	881	886	-	-
State Underground Power Program	1,300	2,895	-	2,895	-	-	-
Work Health and Safety Act 2020 - Stakeholder Engagement	-	300	300	300	300	300	-
TOTAL ^(a)	20,542	24,108	19,389	27,553	33,315	21,193	16,266

(a) The increase in grant expenses from the 2021-22 Estimated Actual to the 2022-23 Budget Year (42%) is primarily due to the introduction of electric vehicle charging infrastructure grants for local governments, small businesses and charities and also due to the repositioning of State Underground Power Program and Household Energy Efficiency grants.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
CURRENT ASSETS							
Cash assets	13,997	21,310	9,050	9,968	11,886	13,804	15,722
Restricted cash	424,212	439,309	443,937	455,977	476,601	498,095	519,689
Holding Account receivables	914	906	910	906	902	898	894
Receivables	13,340	17,399	13,430	13,520	13,610	13,700	13,790
Other.....	5,206	2,931	5,206	5,206	5,206	5,206	5,206
Total current assets	457,669	481,855	472,533	485,577	508,205	531,703	555,301
NON-CURRENT ASSETS							
Holding Account receivables	37,306	38,332	38,305	37,797	36,590	36,985	37,773
Property, plant and equipment.....	127,849	130,707	132,093	131,002	129,954	128,402	126,457
Intangibles	1,957	1,011	3,985	6,658	7,848	7,953	6,969
Restricted cash	3,088	2,318	3,088	3,088	3,088	3,088	3,088
Other.....	-	39	-	1,665	5,286	7,540	7,540
Total non-current assets	170,200	172,407	177,471	180,210	182,766	183,968	181,827
TOTAL ASSETS	627,869	654,262	650,004	665,787	690,971	715,671	737,128
CURRENT LIABILITIES							
Employee provisions	46,539	45,935	46,141	45,743	45,345	44,947	44,549
Payables	6,668	10,471	5,511	5,654	5,797	5,940	6,083
Borrowings and leases	3,331	3,261	3,212	2,921	2,861	2,629	2,532
Other.....	23,738	23,973	23,738	23,738	23,738	23,738	23,738
Total current liabilities	80,276	83,640	78,602	78,056	77,741	77,254	76,902
NON-CURRENT LIABILITIES							
Employee provisions	8,889	8,554	9,039	9,189	9,339	9,489	9,639
Borrowings and leases	2,062	1,566	2,117	2,155	2,193	2,193	2,058
Other.....	6,053	5,882	6,053	6,053	6,053	6,053	6,053
Total non-current liabilities	17,004	16,002	17,209	17,397	17,585	17,735	17,750
TOTAL LIABILITIES.....	97,280	99,642	95,811	95,453	95,326	94,989	94,652
EQUITY							
Contributed equity	234,986	245,585	243,488	248,741	254,507	259,130	260,410
Accumulated surplus/(deficit).....	181,667	201,511	196,680	207,782	227,468	247,995	268,622
Reserves.....	113,936	107,524	114,025	113,811	113,670	113,557	113,444
Total equity	530,589	554,620	554,193	570,334	595,645	620,682	642,476
TOTAL LIABILITIES AND EQUITY	627,869	654,262	650,004	665,787	690,971	715,671	737,128

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
CASHFLOWS FROM GOVERNMENT							
Service appropriations.....	176,151	158,332	150,055	178,424	184,162	174,001	170,556
Capital appropriation	3,530	6,608	6,608	1,588	1,615	1,601	1,601
Holding Account drawdowns	914	914	914	914	914	914	914
Royalties for Regions Fund:							
Regional Community Services Fund	505	228	228	228	228	228	228
Other.....	7,858	8,808	15,094	26,783	22,712	20,079	10,631
Net cash provided by Government	188,958	174,890	172,899	207,937	209,631	196,823	183,930
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(196,307)	(206,018)	(206,468)	(221,389)	(218,293)	(221,703)	(221,582)
Grants and subsidies.....	(22,246)	(24,108)	(20,689)	(27,553)	(33,315)	(21,193)	(16,266)
Supplies and services	(40,272)	(51,204)	(57,234)	(73,565)	(61,304)	(60,065)	(54,952)
Accommodation	(19,688)	(20,357)	(20,710)	(21,444)	(21,545)	(21,594)	(21,597)
GST payments	(13,608)	(7,507)	(7,507)	(7,507)	(7,507)	(7,507)	(7,507)
Finance and interest costs.....	(106)	(217)	(217)	(224)	(209)	(208)	(208)
Other payments.....	(23,924)	(17,276)	(16,916)	(16,537)	(16,622)	(16,645)	(17,153)
Receipts ^(b)							
Regulatory fees and fines							
Mines Safety and Inspection Levy.....	41,580	34,000	34,000	34,000	34,000	34,000	34,000
Mining Rehabilitation Fund Levy	35,095	34,500	38,000	34,500	34,500	34,500	34,500
Other	74,091	94,796	95,825	96,699	94,796	94,796	94,796
Grants and subsidies.....	-	3,158	3,158	3,278	3,153	5,803	5,803
Sale of goods and services.....	67	1,248	1,248	1,248	1,248	1,248	1,248
GST receipts	13,709	7,507	7,507	7,507	7,507	7,507	7,507
Other receipts	4,109	3,822	3,822	3,836	3,842	3,847	3,847
Net cash from operating activities	(147,500)	(147,656)	(146,181)	(187,151)	(179,749)	(167,214)	(157,564)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(3,107)	(7,842)	(10,357)	(6,240)	(5,725)	(4,596)	(1,253)
Net cash from investing activities.....	(3,107)	(7,842)	(10,357)	(6,240)	(5,725)	(4,596)	(1,253)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings and leases	(1,456)	(1,583)	(1,583)	(1,588)	(1,615)	(1,601)	(1,601)
Net cash from financing activities.....	(1,456)	(1,583)	(1,583)	(1,588)	(1,615)	(1,601)	(1,601)
NET INCREASE/(DECREASE) IN CASH HELD	36,895	17,809	14,778	12,958	22,542	23,412	23,512
Cash assets at the beginning of the reporting period	404,402	445,128	441,297	456,075	469,033	491,575	514,987
Cash assets at the end of the reporting period	441,297	462,937	456,075	469,033	491,575	514,987	538,499

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

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

NET APPROPRIATION DETERMINATION

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
Regulatory Fees and Fines							
Regulatory Fees and Fines.....	35,070	64,592	65,621	66,495	64,592	64,592	64,592
Licences and Other Regulatory Fees.....	22,867	17,287	17,287	17,287	17,287	17,287	17,287
Proceeds from Petroleum Permits and Licences.....	6,005	5,579	5,579	5,579	5,579	5,579	5,579
Proceeds from Prospecting, Exploration and Other Mining Licences.....	10,149	7,338	7,338	7,338	7,338	7,338	7,338
Grants and Subsidies							
Grants and Subsidies.....	100	3,258	3,258	3,378	3,253	5,903	5,903
Sale of Goods and Services							
Sale of Goods and Services.....	67	3,929	3,929	3,929	3,929	3,929	3,929
GST Receipts							
GST Input Credits.....	13,709	7,507	7,507	7,507	7,507	7,507	7,507
Other Receipts							
Other Industry Regulation Receipts.....	6,465	2,602	2,802	2,802	2,802	2,802	3,302
Other Resources Sector Receipts.....	4,097	1,305	1,305	1,305	1,305	1,305	1,305
TOTAL	98,529	113,397	114,626	115,620	113,592	116,242	116,742

(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 ^(a)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
INCOME							
Commonwealth Grants							
Indian Ocean Territories	261	-	-	-	-	-	-
Fines							
Regulatory Fines	160	254	254	254	254	254	254
Other							
Appropriations	134,353	126,662	94,246	49,243	20,196	16,142	14,799
Home Indemnity Insurance (HII)	28,935	24,594	36,835	34,003	32,494	34,746	35,001
Mining Tenement Rentals (MTR)	-	-	-	-	-	-	-
MTR Base Component	116,341	91,913	152,406	110,885	110,672	109,658	108,752
MTR Services to Industry Component ^(b)	15,910	23,410	23,410	32,165	32,378	33,392	34,298
Other Revenue	809	204	204	204	204	204	204
Rental Accommodation Account (RAA)	1,333	2,664	2,664	2,370	2,476	2,345	2,345
TOTAL ADMINISTERED INCOME	298,102	269,701	310,019	229,124	198,674	196,741	195,653
EXPENSES							
Other							
Aboriginal Lands Trust - Remuneration for Mining on Aboriginal Lands	-	406	406	406	406	406	406
HII	18,218	21,142	26,718	32,572	26,632	27,242	27,364
Koolyanobbing Mine Financial Assistance Program	106,787	96,216	63,814	26,992	-	-	-
Magnetite Financial Assistance Program ...	95	-	-	-	-	-	-
MRIWA	3,805	6,305	6,305	6,331	5,362	5,393	5,393
Mining Tenement Refunds	511	9,000	9,000	9,000	9,000	9,000	9,000
Other Administered Expenses	1,255	-	-	-	-	-	-
Potash Financial Assistance Program	-	-	-	3,191	5,428	1,343	-
RAA	11,197	9,137	9,137	10,453	9,187	9,187	9,187
Receipts Paid into the Consolidated Account	134,426	116,591	177,084	141,777	144,191	143,508	143,508
Residential Rent Relief Grant Scheme	11,450	13,604	13,604	-	-	-	-
Ridges Iron Ore Financial Assistance Program	805	827	813	-	-	-	-
South West Hub	151	-	-	-	-	-	-
TOTAL ADMINISTERED EXPENSES	288,700	273,228	306,881	230,722	200,206	196,079	194,858

(a) A Machinery of Government change has transferred the Royalty collection and administration function to the Department of Finance. For comparability purposes, Royalty collection data for all years is reflected in the Department of Finance Budget Statements.

(b) The Department will collect additional revenue for MTR from 2022-23 onwards. The increased revenue will fund the introduction of Service Improvement initiatives including an Aboriginal Empowerment Strategy and the cost of a second full time Perth Mining Warden to boost compliance functions. Also the implementation of a State-wide passive seismic survey, known as the WA-Array program will be accelerated and the base funding for MRIWA increased. This enables the Department and MRIWA to promote continued investment in the State and deliver services more effectively in response to industry needs.

Agency Special Purpose Account Details

MINING REHABILITATION FUND

Account Purpose: The Mining Rehabilitation Fund (MRF) is a pooled fund contributed to by Western Australian mining operators. Funds can be used to undertake rehabilitation activities where a tenement operator fails to meet rehabilitation obligations. Interest earnings are used to fund administration of the MRF and for rehabilitation works on abandoned mine sites.

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000
Opening Balance	185,237	219,493	219,493	253,493
Receipts:				
Other	36,313	34,500	38,000	34,500
	221,550	253,993	257,493	287,993
Payments	2,057	4,000	4,000	5,000
CLOSING BALANCE	219,493	249,993	253,493	282,993

Gold Corporation

Part 4 Jobs and Economic Development

Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
REVENUE TO GENERAL GOVERNMENT SECTOR							
National Tax Equivalent Regime - Income Tax.....	17,441	6,227	8,094	6,824	7,221	7,565	7,787
Local Government Rates Equivalent	224	161	226	229	231	233	235
Dividends ^{(a)(b)}	23,449	-	-	14,164	11,941	12,637	13,240
RATIOS							
Dividend Payout Ratio (%)	75	75	75	75	75	75	75
GOVERNMENT TRADING ENTERPRISE INFORMATION							
Revenue from Operations	26,350,468	24,591,567	24,950,033	25,754,392	27,073,843	28,655,651	30,171,721
Total Expenses ^(c)	26,294,503	24,570,812	24,923,053	25,731,648	27,049,774	28,630,433	30,145,763
NET PROFIT AFTER TAX	39,253	14,528	18,886	15,920	16,848	17,653	18,171
CASH ASSETS ^(d)	191,872	110,547	164,058	163,835	174,644	187,639	202,745

- (a) In determining the dividend payment to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.
- (b) The Corporation will retain 2021-22 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise for further detail.
- (c) Excludes current tax expense, deferred tax expense and dividends.
- (d) As at 30 June each financial year.

Financial Changes

Net operating balance impact of adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Government Trading Enterprise's (GTE's) Income Statement since presentation of the 2021-22 Budget to Parliament on 9 September 2021, are outlined below:

	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
Key Adjustments					
Equipment Upgrades and Replacements	(131)	677	3,468	3,350	3,405
Other					
Trade Update	2,063	2,849	(2,873)	(2,755)	(2,809)

Significant Issues Impacting the Government Trading Enterprise

Economic Environment

1. The state of the global economy impacts on the Corporation, through the international supply and demand for precious metals. As gold is a safe haven asset, demand for many of the Corporation's products and services tends to be inversely correlated with worldwide economic sentiment. The ongoing global impact of the COVID-19 pandemic, and more recently, the Russian invasion of Ukraine have given rise to unusually volatile trading conditions which, in turn, heightened demand for precious metal products. While it is difficult to estimate when conditions will begin to normalise, historically precious metal markets reverse strongly when economic sentiment improves after periods of significant instability. Such conditions result in poorer financial outcomes for the Corporation. The Corporation's financial forecasts have therefore been prepared on the assumption that overall market conditions will normalise early in the period.

Environmental, Social and Governance (ESG) and Sustainability

2. Suppliers, customers, regulators, employees and the broader community are increasingly focused on ESG and sustainability. In response to the evolving ESG landscape, the Corporation will continue to actively pursue a number of sustainability-focused initiatives, including the development of the Corporation's roadmap to net zero carbon emissions.

2021-22 Retained Dividend

3. The Corporation will retain its forecast 2021-22 dividend payment of \$29.4 million to fund future infrastructure investment. The funds will be quarantined until the Government approves business cases for the strategic infrastructure requirements of the Corporation. Of the retained dividend amount, the Government has approved expenditure of \$17.7 million for equipment upgrades and replacements as part of this Budget.

Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, agreed by the Board and Minister (with the Treasurer's concurrence).

Objectives, Outcomes and Key Performance Information

Relationship to Government Goals

Broad government goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between the GTE's objectives and outcomes and the Government Goal it contributes to. The key performance indicators measure the extent of the impact of desired outcomes on the achievement of the GTE objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Strong and Sustainable Finances: Responsible, achievable, affordable budget management.	Earn a commercial return on capital.	1. Maximisation of the value added to, and income derived from, precious metal coins and other products and services
Investing in WA's Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	Promote Western Australia's heritage and maintain The Perth Mint's position as a premier tourist destination.	2. Preservation and promotion of The Perth Mint's heritage assets and history

Outcomes and Key Performance Indicators

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
Outcome: Maximisation of the value added to, and income derived from, precious metal coins and other products and services:					
Global market share of Australian gold bullion coins ^(a)	11%	12%	12%	12%	
Coins and bars:					
Total premium income ^(b)	\$111 million	\$63.9 million	\$78.2 million	\$63.9 million	1
Premiums as a percentage of precious metal value ^(b)	3.3%	4.2%	3.4%	3.3%	
Estimated percentage of Australian gold doré production refined ^(c)	83%	80%	80%	80%	
Return on equity ^(d)	33.2%	13.7%	14.4%	12%	1
Outcome: Preservation and promotion of The Perth Mint's heritage assets and history:					
Visitors to Perth Mint Exhibition ^(e)	12,000	75,000	60,000	75,000	2
Visitors' satisfaction level ^(f)	97.9%	99.9%	99.9%	99.9%	

(a) The figures are based on Gold Fields Mineral Services data for the previous calendar year.

(b) The calculation is the total premium income (amount of income received above metal cost) for all legal tender coins and bar sales, which is expressed as a percentage of the value of the precious metal value of the coins and bars. The key effectiveness indicator includes all Australian legal tender coins and bars, as well as coins produced for other countries.

(c) This calculation is based on the refinery's audited records as a percentage of total Australian gold doré production from publicly available data.

(d) The percentages show the Corporation's return on equity for each respective financial year, based on ordinary activities before income tax (and excluding profit attributable to non-controlling interests). This performance measure is referred to in the *Gold Corporation Act 1987*.

(e) Total number of visitors (to the nearest thousand) to the Perth Mint Exhibition annually, based on recorded daily visitor traffic.

(f) Satisfaction levels are derived from surveys completed by visitors to The Perth Mint.

Explanation of Significant Movements

(Notes)

1. The high premium income and return on equity in the 2020-21 Actual and (to a lesser extent) the 2021-22 Estimated Actual is a result of additional demand for the Corporation's products due to uncertainty arising from the COVID-19 pandemic. The 2022-23 Budget Target is expected to be lower relative to the 2020-21 Actual and the 2021-22 Estimated Actual as overall market conditions are assumed to normalise over the period.
2. The low visitor numbers in the 2020-21 Actual and the 2021-22 Estimated Actual are due to the ongoing closures and visitor restrictions as a result of the COVID-19 pandemic. The 2022-23 Budget Target assumes a return to pre-COVID-19 pandemic levels.

Asset Investment Program

Computer Software Replacement Program

1. This program includes a number of initiatives, including:
 - 1.1. an upgrade to the security systems to ensure the Corporation continues to have state of the art security arrangements in place. With more than \$5 billion worth of precious metal on site, security upgrades are of critical importance to the organisation; and
 - 1.2. ongoing uplift of existing business technology infrastructure and platforms in order to further improve security, reduce risks, facilitate automations and associated cost savings, centralise information and improve the customer experience.

Plant and Equipment Replacement Program

2. This program includes a number of initiatives, including:
 - 2.1. installation of a (non-exporting) solar array at the refinery site to reduce reliance on carbon-based electricity. This will reduce electricity expenditure at the Corporation's refinery and support the Government's net zero emissions target;
 - 2.2. a number of key capital projects required at the Corporation's refinery. These projects are expected to create efficiencies and result in future cost savings;
 - 2.3. a number of key capital projects required at the Corporation's manufacturing facility. The manufacturing operations are constrained due to the age of the current equipment. The addition of new manufacturing plant will replace equipment at the end of its economic life and increase the capacity of the manufacturing operations through the plan period; and
 - 2.4. other routine capital expenditure throughout the business which is managed in terms of a rolling 10-year plan. This contains replacement of equipment due to wear and tear, technology upgrades, efficiency improvements, waste reduction, and safety and security enhancements.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-22 \$'000	2021-22 Estimated Expenditure \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
WORKS IN PROGRESS							
Computer Software Replacement Program	8,247	6,647	280	550	450	300	300
Plant and Equipment Replacement Program	124,294	83,733	31,093	17,423	9,907	7,931	5,300
COMPLETED WORKS							
One-Future Program	55,319	55,319	12,476	-	-	-	-
Total Cost of Asset Investment Program	187,860	145,699	43,849	17,973	10,357	8,231	5,600
FUNDED BY							
Internal Funds and Balances			43,849	17,973	10,357	8,231	5,600
Total Funding			43,849	17,973	10,357	8,231	5,600

Financial Statements

Income Statement

Revenue

1. The movement between the 2021-22 Budget and the 2021-22 Estimated Actual Sale of goods and services is almost entirely driven by gold and silver price assumptions, with the underlying volumes expected to remain broadly consistent.

Expenses

2. The increase in Employee benefits in the 2021-22 Estimated Actual compared to the 2021-22 Budget and 2020-21 Actual reflects the additional headcount required to meet the high demand experienced throughout 2021. This is expected to normalise from 2022-23 onwards.
3. The movement between the 2021-22 Budget and the 2021-22 Estimated Actual Supplies and services is almost entirely driven by gold and silver price assumptions, with the underlying volumes expected to remain broadly consistent.
4. The increase in Depreciation and amortisation from 2022-23 onwards is primarily due to the commencement of amortisation on a large capital project that was completed during 2021-22.
5. The 2021-22 Estimated Actual increase in the National Tax Equivalent Regime - Current tax equivalent expense compared to the 2021-22 Budget reflects movements in underlying profitability. As indicated in Significant Issues Impacting the Government Trading Enterprise, it is assumed that the current strong profitability will normalise from 2022-23 onwards.

Statement of Financial Position

6. The movement in Cash assets between the 2020-21 Actual, 2021-22 Budget and 2021-22 Estimated Actual is explained in the Statement of Cashflows.
7. The movement between the 2021-22 Estimated Actual and the 2021-22 Budget for Inventories - Precious Metals are primarily a function of gold and silver price assumptions.
8. The movements in Property, plant and equipment and Intangibles across the 2020-21 Actual, 2021-22 Budget and 2021-22 Estimated Actual reflect capital expenditure, offset by depreciation and amortisation. For more information on this movement, refer to the Asset Investment Program.
9. The higher 2021-22 Estimated Actual Borrowings and leases (current) compared to the 2021-22 Budget is result of gold and silver price assumptions. The balance is almost entirely comprised of precious metal borrowings.

Statement of Cashflows

10. The movement between the receipts from the Sale of goods and services between the 2021-22 Budget and 2021-22 Estimated Actual is entirely driven by gold and silver price assumptions, with the underlying volumes expected to remain broadly consistent from 2022-23.
11. The increase in employee benefits in the 2021-22 Estimated Actual compared to the 2021-22 Budget is reflective of the additional headcount required to meet the high demand experienced throughout those periods. This is expected to normalise from 2022-23 onwards.
12. The movement across the payments for supplies and services from the 2021-22 Budget and 2021-22 Estimated Actual is almost entirely driven by gold and silver price assumptions, with the underlying volumes expected to remain broadly consistent.
13. The 2020-21 Actual Other receipts (investing activities) was a one-off receipt arising from the disposal of the Perth Mint Physical Gold EFT.
14. The movement in the Purchase of non-current assets between the 2022-23 Budget Year and the 2023-24 Outyear onwards is explained in the Asset Investment Program.

15. The 2021-22 Estimated Actual increase in the National Tax Equivalent Regime - Income tax compared to the 2021-22 Budget reflects movements in underlying profitability. As indicated in Significant Issues impacting the Government Trading Enterprise, it is assumed that the current strong profitability will normalise from 2022-23 onwards.

INCOME STATEMENT ^(a)
(Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
REVENUE							
Revenue from operations							
Sale of goods and services.....	26,341,984	24,590,367	24,948,413	25,752,756	27,072,190	28,653,982	30,170,035
Other revenue	8,484	1,200	1,620	1,636	1,653	1,669	1,686
TOTAL REVENUE.....	26,350,468	24,591,567	24,950,033	25,754,392	27,073,843	28,655,651	30,171,721
Expenses							
Employee benefits ^(b)	51,404	42,285	52,183	49,274	49,974	50,682	51,401
Supplies and services	26,179,969	24,466,352	24,809,643	25,617,002	26,933,647	28,513,299	30,027,843
Accommodation	4,196	3,636	4,299	3,893	3,932	3,971	4,010
Depreciation and amortisation	11,535	14,547	12,841	16,896	17,195	16,998	16,599
Finance and interest costs.....	4,923	1,957	1,836	1,818	1,817	1,824	1,795
Other expenses.....	42,476	42,035	42,251	42,765	43,209	43,659	44,115
TOTAL EXPENSES.....	26,294,503	24,570,812	24,923,053	25,731,648	27,049,774	28,630,433	30,145,763
NET PROFIT/(LOSS) BEFORE TAX	55,965	20,755	26,980	22,744	24,069	25,218	25,958
National Tax Equivalent Regime							
Current tax equivalent expense	17,441	6,227	8,094	6,824	7,221	7,565	7,787
Deferred tax equivalent expense	(729)	-	-	-	-	-	-
NET PROFIT/(LOSS) AFTER TAX	39,253	14,528	18,886	15,920	16,848	17,653	18,171
Dividends	23,449	-	-	14,164	11,941	12,637	13,240

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

(b) The full-time equivalents for 2020-21 Actual, 2021-22 Estimated Actual and 2022-23 Budget Year are 516, 579 and 550 respectively.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
CURRENT ASSETS							
Cash assets	191,872	80,528	147,701	151,413	162,922	175,917	191,023
Cash assets - Retained dividends.....	-	30,019	16,357	12,422	11,722	11,722	11,722
Receivables	385,340	321,002	397,718	400,754	408,615	418,803	418,803
Inventories - Precious Metals	5,592,020	5,433,845	5,728,352	5,768,751	5,869,773	5,999,245	5,999,245
Other.....	21,573	20,009	20,759	20,966	21,177	21,389	21,602
Total current assets	6,190,805	5,885,403	6,310,887	6,354,306	6,474,209	6,627,076	6,642,395
NON-CURRENT ASSETS							
Property, plant and equipment.....	105,147	117,199	126,317	131,685	129,213	124,916	118,331
Intangibles	39,088	44,915	48,943	44,650	40,274	35,800	31,387
Other.....	1,576	354	1,576	1,576	1,576	1,576	1,576
Total non-current assets	145,811	162,468	176,836	177,911	171,063	162,292	151,294
TOTAL ASSETS	6,336,616	6,047,871	6,487,723	6,532,217	6,645,272	6,789,368	6,793,689
CURRENT LIABILITIES							
Employee provisions	6,445	5,544	6,509	6,574	6,640	6,706	6,773
Payables	208,728	200,121	197,253	197,422	197,397	197,552	197,759
Borrowings and leases	5,921,691	5,630,998	6,070,413	6,113,670	6,222,550	6,362,262	6,362,317
Other.....	4,305	-	-	-	-	-	-
Total current liabilities	6,141,169	5,836,663	6,274,175	6,317,666	6,426,587	6,566,520	6,566,849
NON-CURRENT LIABILITIES							
Employee provisions	585	567	591	597	603	609	615
Borrowings and leases	18,479	17,610	17,611	16,774	15,916	14,977	13,952
Other.....	7,728	8,976	7,805	7,883	7,962	8,042	8,122
Total non-current liabilities	26,792	27,153	26,007	25,254	24,481	23,628	22,689
TOTAL LIABILITIES.....	6,167,961	5,863,816	6,300,182	6,342,920	6,451,068	6,590,148	6,589,538
NET ASSETS	168,655	184,055	187,541	189,297	194,204	199,220	204,151
EQUITY							
Contributed equity	31,603	31,603	31,603	31,603	31,603	31,603	31,603
Accumulated surplus/(deficit).....	121,697	136,995	140,583	142,339	147,246	152,262	157,193
Reserves.....	15,355	15,457	15,355	15,355	15,355	15,355	15,355
TOTAL EQUITY	168,655	184,055	187,541	189,297	194,204	199,220	204,151

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
CASHFLOWS FROM OPERATING ACTIVITIES							
Receipts							
Sale of goods and services.....	14,858,083	14,838,471	14,118,128	14,540,140	15,271,072	16,149,560	16,993,100
Other receipts	38,632	26,346	27,230	27,502	27,778	28,055	28,336
Payments							
Employee benefits.....	(51,019)	(45,724)	(56,113)	(49,203)	(49,903)	(50,611)	(51,330)
Supplies and services	(14,670,711)	(14,739,601)	(14,004,971)	(14,430,251)	(15,158,651)	(16,035,260)	(16,877,557)
Accommodation ^(b)	(3,972)	(3,475)	(4,073)	(3,664)	(3,701)	(3,738)	(3,775)
Finance and interest costs.....	(4,846)	(1,957)	(1,836)	(1,818)	(1,817)	(1,824)	(1,795)
Other payments.....	(41,805)	(42,035)	(42,249)	(42,764)	(43,210)	(43,660)	(44,114)
Net cash from operating activities	124,362	32,025	36,116	39,942	41,568	42,522	42,865
CASHFLOWS FROM INVESTING ACTIVITIES							
Receipts							
Other receipts	3,305	-	-	-	-	-	-
Payments							
Purchase of non-current assets	(20,746)	(32,008)	(43,849)	(17,973)	(10,357)	(8,231)	(5,600)
Net cash from investing activities.....	(17,441)	(32,008)	(43,849)	(17,973)	(10,357)	(8,231)	(5,600)
CASHFLOWS FROM FINANCING ACTIVITIES							
Payments							
Repayment of borrowings and leases.....	(925)	(976)	(937)	(1,009)	(1,042)	(889)	(916)
Net cash from financing activities.....	(925)	(976)	(937)	(1,009)	(1,042)	(889)	(916)
CASHFLOWS FROM GOVERNMENT							
Receipts							
Administered appropriations ^(c)	570	-	-	-	-	-	-
Payments							
Dividends to Government	(23,450)	-	-	(14,164)	(11,941)	(12,637)	(13,240)
National Tax Equivalent Regime - Income tax...	(18,102)	(6,599)	(18,918)	(6,790)	(7,188)	(7,537)	(7,768)
Local Government Rates Equivalent.....	(224)	(161)	(226)	(229)	(231)	(233)	(235)
Net cash provided to Government	41,206	6,760	19,144	21,183	19,360	20,407	21,243
NET INCREASE/(DECREASE) IN CASH HELD	64,790	(7,719)	(27,814)	(223)	10,809	12,995	15,106
Cash assets at the beginning of the reporting period	127,082	118,266	191,872	164,058	163,835	174,644	187,639
Cash assets at the end of the reporting period	191,872	110,547	164,058	163,835	174,644	187,639	202,745

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

(b) Payment of Local Government Rates Equivalent is included within accommodation expense on the Income Statement, however within the Statement of Cashflows it is recorded as a payment to Government and not as a payment from operating activities.

(c) Income tax refund of past years revenue under National Tax Equivalent Regime.

Western Australian Meat Industry Authority

Part 4 Jobs and Economic Development

Asset Investment Program

- The Authority's Asset Investment Program supports the delivery of services at the Muchea Livestock Centre. A total of \$450,000 will be invested in 2022-23 for plant and equipment to improve efficiency and worker safety.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-22 \$'000	2021-22 Estimated Expenditure \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
COMPLETED WORKS							
Saleyard - 2021-22 Program	450	450	450	-	-	-	-
NEW WORKS							
Saleyard							
2022-23 Program	450	-	-	450	-	-	-
2023-24 Program	450	-	-	-	450	-	-
2024-25 Program	450	-	-	-	-	450	-
2025-26 Program	450	-	-	-	-	-	450
Total Cost of Asset Investment Program.....	2,250	450	450	450	450	450	450
FUNDED BY							
Internal Funds and Balances.....			450	450	450	450	450
Total Funding			450	450	450	450	450

Division 17 **Small Business Development Corporation**

Part 4 **Jobs and Economic Development**

Appropriations, Expenses and Cash Assets

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
DELIVERY OF SERVICES							
Item 50 Net amount appropriated to deliver services	14,962	16,483	17,298	15,259	14,136	14,305	14,373
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	260	261	261	262	263	264	264
Total appropriations provided to deliver services.....	15,222	16,744	17,559	15,521	14,399	14,569	14,637
CAPITAL							
Item 126 Capital Appropriation ^(a)	73	72	72	73	73	73	73
TOTAL APPROPRIATIONS	15,295	16,816	17,631	15,594	14,472	14,642	14,710
EXPENSES							
Total Cost of Services	15,013	17,802	18,617	16,054	14,897	15,067	15,095
Net Cost of Services ^(b)	14,601	17,480	18,295	15,732	14,575	14,745	14,773
CASH ASSETS ^(c)	4,846	4,442	4,285	4,269	4,288	4,307	4,326

(a) Additional capital appropriation is provided to fund lease repayments and is not reflected in the Asset Investment Program table.

(b) Represents Total Cost of Services (expenses) less retained revenues applied to the Corporation'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 Corporation's Income Statement since presentation of the 2021-22 Budget to Parliament on 9 September 2021, are outlined below:

	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
COVID-19 Response					
COVID-19 Business Assistance Packages	815	560	-	-	-
Other					
2022-23 Streamlined Budget Process Incentive Funding	-	285	-	-	-

Significant Issues Impacting the Agency

1. As the Government's primary small business agency, the Corporation has played a key role in progressing the State's economic response to the COVID-19 pandemic and this has necessitated substantial adaptation and diversification by the Corporation. In this regard, the Corporation helped facilitate the delivery of Government financial support to thousands of small businesses and various industry cohorts, including hospitality and food businesses, events businesses, creative and performing artists, travel agents, and roadhouses critical to interstate travel.
2. The Corporation continued to provide a wide range of support to a record number of clients, including information and guidance to help small businesses manage and adapt to the impacts of the pandemic. This included developing and curating COVID-19 resources specifically created for business owners such as up-to-date guidance on health measures and restrictions, a good practice guide on managing COVID-19 in the workplace, a toolkit on obtaining customer proof of vaccination, and expert advisory and dispute resolution services to assist small business tenants and commercial landlords with rent relief negotiations.
3. The Corporation plays an important role in ensuring that the voices and requirements of Western Australian small business owners are understood and considered by government and industry groups. This role has been particularly critical during the pandemic, with the Corporation ensuring that policies and legislation implemented are cognisant of the impact on small businesses. In 2021-22, the Corporation provided a small business perspective for the introduction of restrictions and other public health and social measures, the development of the ServiceWA application, and the implementation of the WA Safe Transition Plan. The Corporation also advocated on behalf of cohorts of small businesses impacted by government trading and travel restrictions and contributed to the development of various grants packages and support programs.
4. The Corporation further extended its partnership with the local government sector by rolling out the Small Business Friendly Approvals Program to another eight local governments. Forming part of a package of government initiatives to accelerate regulatory reform and support economic growth, the program aims to streamline the process of obtaining business licences and trading permits from local government authorities using a human-centred design methodology. The program is an adjunct to the Small Business Friendly Local Governments initiative, which recognises local government authorities that are committed to actively supporting their local small business community. There are now 51 local governments participating in the initiative, with 80% of the State's 223,524 small businesses operating within a Small Business Friendly Local Government.
5. Through its Business Local outreach program, the Corporation provides important on-the-ground business advisory services to small businesses in the regions. Delivered by six contracted providers across 10 designated regions, services are provided in ways that best suit the needs of their local small business communities and are delivered free of charge by advisors with local knowledge and expertise. This includes workshops to assist regional small business operators to manage the impacts of COVID-19 and assisting Collie businesses to become tourism-ready as part of the Government's Collie Tourism Readiness Program.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcome	Services
WA Jobs Plan: Diversifying the WA economy, creating local jobs for the future.	A strong and enterprising small business sector that contributes to the State's economy through job creation and business investment.	1. Information, Guidance, Referral and Business Development Services 2. Access to Justice for Small Business

Service Summary

Expense	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
1. Information, Guidance, Referral and Business Development Services	12,403	15,042	16,277	13,539	12,362	12,512	12,530
2. Access to Justice for Small Business.....	2,610	2,760	2,340	2,515	2,535	2,555	2,565
Total Cost of Services	15,013	17,802	18,617	16,054	14,897	15,067	15,095

Outcomes and Key Effectiveness Indicators ^(a)

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
Outcome: A strong and enterprising small business sector that contributes to the State's economy through job creation and business investment:					
The extent to which the information or guidance provided was useful	95%	95%	95%	95%	
The extent to which the information or guidance provided contributed to a decision to start or buy a business.....	72%	83%	80%	82%	
Total value of capital inflow to the State from the Business Migration program.....	\$231 million	\$359 million	\$185 million	\$306 million	1
Number of jobs created through the Business Migration program	99	200	96	160	1

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

Explanation of Significant Movements

(Notes)

- The 2021-22 Estimated Actual for both total value of capital inflow and number of jobs created is lower than the 2021-22 Budget due to the continued economic impacts of the COVID-19 pandemic on world economies and closed international borders restricting the movement of business migrants to Western Australia. The boost in the 2022-23 Budget Target reflects the expected increase in the number of business migrants in 2022-23, as the impacts of the COVID-19 pandemic ease.

Services and Key Efficiency Indicators

1. Information, Guidance, Referral and Business Development Services ^(a)

The Corporation provides specialised information, referral, and business facilitation services for the effective development of enterprises in Western Australia.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
Total Cost of Service.....	\$'000 12,403	\$'000 15,042	\$'000 16,277	\$'000 13,539	1
Less Income	406	310	292	310	
Net Cost of Service	11,997	14,732	15,985	13,229	
Employees (Full-Time Equivalents)	47	54	53	50	
Efficiency Indicators					
Cost per client serviced directly by the Corporation ^(b)	\$22.85	\$31.60	\$34.29	\$26.46	1
Cost per client serviced through third-party delivery ^(c)	\$144.14	\$153.36	\$169.93	\$157.57	2
Cost of policy development, advice and reform projects as a percentage of the Total Cost of Service ^(d)	15.59%	16.72%	13.99%	14.54%	3

(a) Further detail regarding efficiency indicators is provided in the Corporation's Annual Report.

(b) Clients serviced directly include those that have contacted the Corporation for information or guidance either by a personal visit, by telephone, have attended a Corporation workshop, have visited Corporation websites for two minutes or more, have had a direct engagement through the Corporation social media (Facebook page or group, Instagram and LinkedIn), or have submitted a grant application under an approved grants scheme administered by the Corporation.

(c) Clients serviced through third-party delivery comprise Business Local Service regional clients and metropolitan workshop clients. A client contact is the equivalent of a one-hour engagement either through one-to-one service delivery or through a workshop (one-to-many).

(d) Policy development, advice and reform projects include policy and regulatory submissions, industry liaison, advocacy, investigative research and ministerial correspondence, together with small business sector reform projects.

Explanation of Significant Movements

(Notes)

1. The reduction in cost between the 2021-22 Estimated Actual and the 2022-23 Budget Target is largely a result of two COVID-19 small business assistance grant programs being finalised in 2021-22. In addition, expenditure for the Small Business Friendly Approvals program reflects six months in 2022-23 compared to a full year in 2021-22.
2. The increase in cost between the 2021-22 Budget and the 2021-22 Estimated Actual is primarily due to a reduction in the number of clients accessing the metropolitan workshops program as business owners focus on operations during the pandemic.
3. The 2021-22 Estimated Actual cost is lower than the 2021-22 Budget (as a percentage of the Total Cost of Service) due to efficiencies of scale gained during the administration of the COVID-19 small business assistance grant programs.

2. Access to Justice for Small Business ^(a)

The Corporation provides access to justice through the dispute resolution service and support for subcontractors.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
Total Cost of Service.....	\$'000 2,610	\$'000 2,760	\$'000 2,340	\$'000 2,515	1
Less Income	6	12	30	12	
Net Cost of Service.....	2,604	2,748	2,310	2,503	
Employees (Full-Time Equivalents)	13	10	11	12	
Efficiency Indicators					
Cost per client serviced directly in the provision of dispute resolution ^(b)	\$1,117.70	\$1,217.90	\$1,353.70	\$1,030.30	2
Cost of subcontractor support services as a percentage of the Total Cost of Service ^(c)	33.68%	42.41%	45.04%	46.90%	

(a) Further detail regarding efficiency indicators is provided in the Corporation's Annual Report.

(b) The Dispute Resolution Service offers low cost and practical assistance to small businesses in dispute with another business or government agency.

(c) Subcontractor support investigates complaints of non-payment and provides direct support to subcontractors with security of payment issues.

Explanation of Significant Movements

(Notes)

1. The reduction in the Total Cost of Service between the 2021-22 Budget and the 2021-22 Estimated Actual is primarily due to a reduction in the number of dispute resolution cases managed during the year as a result of the end of the emergency period for the *Commercial Tenancies (COVID-19 Response) Act 2020*. The increase in cost in 2022-23 reflects an anticipated increase in number of conventional dispute cases as the COVID-19 pandemic impacts ease.
2. The increased cost per client serviced between the 2021-22 Budget and the 2021-22 Estimated Actual is due to increased complexity of disputes following the introduction of the *Commercial Tenancies (COVID-19 Response) Act 2020*. The reduction in cost in 2022-23 reflects an anticipated increase in number of conventional dispute cases as the COVID-19 pandemic impacts ease.

Asset Investment Program

1. The Corporation's Asset Investment Program provides for the replacement of business systems and equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-22 \$'000	2021-22 Estimated Expenditure \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
COMPLETED WORKS							
Furniture and Office Equipment Replacement							
2020-21 Program	120	120	20	-	-	-	-
2021-22 Program	120	120	120	-	-	-	-
NEW WORKS							
Furniture and Office Equipment Replacement							
2022-23 Program	120	-	-	120	-	-	-
2023-24 Program	120	-	-	-	120	-	-
2024-25 Program	120	-	-	-	-	120	-
2025-26 Program	120	-	-	-	-	-	120
Total Cost of Asset Investment Program.....	720	240	140	120	120	120	120
FUNDED BY							
Capital Appropriation			60	60	60	60	60
Drawdowns from the Holding Account.....			60	60	60	60	60
Internal Funds and Balances.....			20	-	-	-	-
Total Funding			140	120	120	120	120

Financial Statements

Income Statement

Expenses and Income

- The reduction in the Total Cost of Services and service appropriations between the 2021-22 Estimated Actual and the 2022-23 Budget Year is primarily the result of the two COVID-19 small business assistance grant programs finalised in 2021-22. In addition, the Small Business Friendly Approvals program is expected to be finalised in December 2022, while the program funding and associated costs related to the full year in 2021-22.

INCOME STATEMENT ^(a) (Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	7,618	8,121	8,121	7,754	7,739	7,842	7,842
Supplies and services	5,597	7,829	8,584	6,402	5,206	5,303	5,171
Accommodation	1,224	1,450	1,510	1,541	1,515	1,515	1,515
Depreciation and amortisation	144	153	153	153	153	153	153
Finance and interest costs	1	3	3	2	2	2	2
Other expenses	429	246	246	202	282	252	412
TOTAL COST OF SERVICES	15,013	17,802	18,617	16,054	14,897	15,067	15,095
Income							
Sale of goods and services	385	292	292	292	292	292	292
Other revenue	27	30	30	30	30	30	30
Total Income	412	322	322	322	322	322	322
NET COST OF SERVICES	14,601	17,480	18,295	15,732	14,575	14,745	14,773
INCOME FROM GOVERNMENT							
Service appropriations	15,222	16,744	17,559	15,521	14,399	14,569	14,637
Resources received free of charge	121	190	190	190	190	190	150
Royalties for Regions Fund:							
Regional Community Services Fund	180	-	-	-	-	-	-
Other revenues	3	-	-	-	-	-	-
TOTAL INCOME FROM GOVERNMENT	15,526	16,934	17,749	15,711	14,589	14,759	14,787
SURPLUS/(DEFICIENCY) FOR THE PERIOD	925	(546)	(546)	(21)	14	14	14

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

(b) The full-time equivalents for 2020-21 Actual, 2021-22 Estimated Actual and 2022-23 Budget Year are 60, 64 and 62 respectively.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
CURRENT ASSETS							
Cash assets	4,822	4,442	4,261	4,245	4,264	4,283	4,302
Restricted cash	24	-	24	24	24	24	24
Holding Account receivables	60	60	60	60	60	60	60
Receivables	271	230	271	271	271	271	271
Other.....	556	311	536	516	496	489	469
Total current assets	5,733	5,043	5,152	5,116	5,115	5,127	5,126
NON-CURRENT ASSETS							
Holding Account receivables	937	1,045	1,045	1,153	1,261	1,369	1,477
Property, plant and equipment.....	311	342	334	301	268	215	155
Intangibles	27	12	27	27	27	47	87
Total non-current assets	1,275	1,399	1,406	1,481	1,556	1,631	1,719
TOTAL ASSETS	7,008	6,442	6,558	6,597	6,671	6,758	6,845
CURRENT LIABILITIES							
Employee provisions	1,682	1,515	1,682	1,682	1,682	1,682	1,682
Payables	-	41	-	-	-	-	-
Borrowings and leases	5	12	5	5	5	5	5
Other.....	470	334	470	470	470	470	470
Total current liabilities	2,157	1,902	2,157	2,157	2,157	2,157	2,157
NON-CURRENT LIABILITIES							
Employee provisions	302	320	302	302	302	302	302
Borrowings and leases	19	35	43	30	17	17	17
Total non-current liabilities	321	355	345	332	319	319	319
TOTAL LIABILITIES.....	2,478	2,257	2,502	2,489	2,476	2,476	2,476
EQUITY							
Contributed equity	1,625	1,697	1,697	1,770	1,843	1,916	1,989
Accumulated surplus/(deficit).....	2,905	2,488	2,359	2,338	2,352	2,366	2,380
Total equity	4,530	4,185	4,056	4,108	4,195	4,282	4,369
TOTAL LIABILITIES AND EQUITY	7,008	6,442	6,558	6,597	6,671	6,758	6,845

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
CASHFLOWS FROM GOVERNMENT							
Service appropriations.....	15,054	16,576	17,391	15,353	14,231	14,401	14,469
Capital appropriation	73	72	72	73	73	73	73
Holding Account drawdowns	60	60	60	60	60	60	60
Royalties for Regions Fund:							
Regional Community Services Fund	180	-	-	-	-	-	-
Other.....	5	-	-	-	-	-	-
Net cash provided by Government	15,372	16,708	17,523	15,486	14,364	14,534	14,602
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(7,473)	(8,070)	(8,070)	(7,703)	(7,688)	(7,791)	(7,791)
Supplies and services	(5,578)	(7,650)	(8,405)	(6,223)	(5,047)	(5,144)	(5,052)
Accommodation	(1,225)	(1,450)	(1,510)	(1,541)	(1,515)	(1,515)	(1,515)
GST payments	(731)	(690)	(690)	(690)	(690)	(690)	(690)
Finance and interest costs.....	(1)	(3)	(3)	(2)	(2)	(2)	(2)
Other payments.....	(437)	(266)	(266)	(222)	(282)	(252)	(412)
Receipts							
Sale of goods and services.....	361	292	292	292	292	292	292
GST receipts	707	690	690	690	690	690	690
Other receipts	36	30	30	30	30	30	30
Net cash from operating activities	(14,341)	(17,117)	(17,932)	(15,369)	(14,212)	(14,382)	(14,450)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(271)	(140)	(140)	(120)	(120)	(120)	(120)
Net cash from investing activities.....	(271)	(140)	(140)	(120)	(120)	(120)	(120)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings and leases.....	(13)	(12)	(12)	(13)	(13)	(13)	(13)
Net cash from financing activities.....	(13)	(12)	(12)	(13)	(13)	(13)	(13)
NET INCREASE/(DECREASE) IN CASH HELD	747	(561)	(561)	(16)	19	19	19
Cash assets at the beginning of the reporting period	4,099	5,003	4,846	4,285	4,269	4,288	4,307
Cash assets at the end of the reporting period	4,846	4,442	4,285	4,269	4,288	4,307	4,326

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

Division 18 **Rural Business Development Corporation**

Part 4 **Jobs and Economic Development**

Appropriations, Expenses and Cash Assets

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
DELIVERY OF SERVICES							
Item 51 Net amount appropriated to deliver services	233	236	318	315	315	314	314
Total appropriations provided to deliver services.....	233	236	318	315	315	314	314
TOTAL APPROPRIATIONS	233	236	318	315	315	314	314
EXPENSES							
Total Cost of Services	437	594	543	443	446	375	377
Net Cost of Services ^(a)	437	594	543	443	446	375	377
CASH ASSETS ^(b)	4,493	4,115	4,278	4,192	4,105	4,106	4,107

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

(b) As at 30 June each financial year.

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Corporation's Income Statement since presentation of the 2021-22 Budget to Parliament on 9 September 2021, are outlined below:

	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
Other					
Administration Costs Relating to the Western Australian Carbon Farming and Land Restoration Program.....	-	30	30	45	45
Department of Primary Industries and Regional Development - Service Level Agreement - Administration of Concessional Loans Scheme	(51)	(178)	(177)	(265)	(265)

Significant Issues Impacting the Agency

1. The Corporation, on behalf of the Government, administers a number of assistance schemes through the *Rural Business Development Corporation Act 2000*. The Corporation currently administers five schemes, including the State-initiated Farm Debt Mediation Scheme and four Commonwealth-initiated and funded concessional loan schemes.
2. The Corporation currently administers five concessional loans on behalf of the Commonwealth, with a total of \$1.7 million in outstanding loan principal. However, these loans are currently deemed irregular and are being monitored closely. Repayment dates are being negotiated with each client.

3. The Government commenced the State-initiated Farm Debt Mediation Scheme through the Corporation in June 2015. The Scheme is voluntary for both financiers and primary producer businesses and is consistent with the national principles for farm debt mediation and schemes operating in other jurisdictions. The Scheme encourages earlier adoption of the mediation process compared to the legislated models, allowing for the preservation of equity and resolution, and contributes to maintaining rural land values.
4. The Corporation is supporting delivery of the Western Australian Carbon Farming and Land Restoration Program (CF-LRP). The CF-LRP is a key initiative of the Western Australian Climate Policy and provides the incentive to implement projects that will deliver on farm carbon sequestration and priority environmental, economic and social benefits.
5. The COVID-19 pandemic has been disruptive for some Western Australian businesses, including agribusiness, affecting the physical and mental health of people as well as the profitability and viability of small businesses. With its extensive networks across rural Western Australia and understanding of the social support assistance available, the Corporation is contributing intelligence and insights about the physical and mental health and wellbeing of regional families to the State emergency response team, other agencies and support providers.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcome	Service
Investing in WA's Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	Improved ecologically sustainable development of agri-industry.	1. Farm Business Development

Service Summary

Expense	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
1. Farm Business Development.....	437	594	543	443	446	375	377
Total Cost of Services	437	594	543	443	446	375	377

Outcomes and Key Effectiveness Indicators ^(a)

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
Outcome: Improved ecologically sustainable development of agri-industry:					
The extent to which recipients were satisfied with the way schemes are administered	n/a	n/a	n/a	n/a	1

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

Explanation of Significant Movements

(Notes)

1. The level of client satisfaction has been determined through surveying loan clients who had completed an annual review. Due to the low number of concessional loans remaining, no annual reviews or surveys will be conducted in 2021-22 and 2022-23 (as was the case for 2020-21).

Services and Key Efficiency Indicators**1. Farm Business Development**

This service provides financial assistance to farmers who have been significantly impacted by exceptional seasonal events. It assists them to enhance their management skills in order to improve and sustain long-term profitability and be better equipped and prepared to manage the risks and challenges inherent in farming. The Corporation aims to implement the industry support within the funding guidelines to maximise the protection and sustainability of resources associated with the agri-industries.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
Total Cost of Service.....	\$'000 437	\$'000 594	\$'000 543	\$'000 443	1
Less Income	nil	nil	nil	nil	
Net Cost of Service	437	594	543	443	
Employees (Full-Time Equivalents)	nil	nil	nil	nil	2
Efficiency Indicators					
Administrative cost per loan advanced amount.....	\$4,244	\$4,084	\$3,970	\$1,612	3
Administrative cost as a percentage of loan advanced amount.....	1.2%	1.2%	1.1%	0.5%	3

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service is lower in the 2021-22 Estimated Actual compared to the 2021-22 Budget and reflects lower expected expenditure on research and development on issues affecting persons likely to be given financial assistance under the *Rural Business Development Corporation Act 2000*, and lower expenditure on the administration of concessional loans. Research and development on policies was not undertaken during 2021-22 as a result of the COVID-19 pandemic and shortage of available resources. The reduction in the Total Cost of Service for the 2022-23 Budget Target relates to the lower cost of administering the concessional loans.
2. The Department of Primary Industries and Regional Development provides all services (including FTEs) under a Memorandum of Understanding with the Corporation.
3. The administrative cost per loan advanced amount and the administrative cost as a percentage of loan advanced amount are both decreasing as administrative expenses have reduced in line with the reduction in the number of loans administered.

Financial Statements

Income Statement

Expenses

1. The Total Cost of Services is lower in the 2020-21 Actual compared to the 2021-22 Budget and 2021-22 Estimated Actual as the COVID-19 pandemic had a significant impact on the ability of the Corporation to undertake effective research and development on issues affecting persons likely to be given financial assistance under the *Rural Business Development Corporation Act 2000*, including travel restrictions. The 2021-22 Estimated Actual is lower than the 2021-22 Budget due to the reduction in research and development activities in 2021-22, together with a reduction in the cost of administering the concessional loans schemes. With the overall reduction in the number of concessional loans, leaving only the ongoing management and administration of the remaining five loans, administration expenses are estimated to reduce significantly over 2022-23 and 2023-24, with the expectation that all loans will be discharged by June 2024.

Income

2. Other revenues is lower in the 2021-22 Estimated Actual compared to the 2021-22 Budget as a result of a decrease in the Western Australian Treasury Corporation's (WATC) interest rates, with a corresponding revision to forecast interest revenue across the forward estimates period in line with forecast WATC interest rates. From 2022-23, the reduction in interest revenue is partially offset by income from Primary Industries and Regional Development to fund the administration expense the Corporation will incur relating to the valuation of the financial assistance associated with the Western Australian Carbon Farming and Land Restoration Program.

Statement of Financial Position

3. The reduction in cash assets across the forward estimates period is a result of the cash previously received from the Commonwealth being drawn down to administer the loan schemes.
4. The increase in Non-current Assets from 2021-22 to 2025-26 relates to the financial assistance advanced under the CF-LRP, which may be settled through the issue of Australian Carbon Credit Units. This is funded via a capital appropriation to Primary Industries and Regional Development, and reflected as an equity contribution to the Corporation.

Statement of Cashflows

5. Supplies and services are lower in 2020-21 Actual compared to the 2021-22 Estimated Actual and 2021-22 Budget as the COVID-19 pandemic had a significant impact on the ability of the Corporation to undertake effective research and development on issues affecting persons likely to be given financial assistance under the *Rural Business Development Corporation Act 2000*, including restrictions on travel. The 2021-22 Estimated Actual is lower than the 2021-22 Budget due to the reduction in research and development activities in the current year.
6. In 2022-23, other payments decrease from the 2021-22 Budget and Estimated Actual as there are only five concessional loans outstanding which require ongoing management and administration. The administration expenditure is estimated to reduce for 2022-23 and 2023-24, with the expectation that all loans are closed out by June 2024.
7. The increase in other payments from financing activities relates to the financial assistance advanced under the CF-LRP which may be settled through the issue of Australian Carbon Credit Units. This is funded via a capital appropriation to Primary Industries and Regional Development and reflected as a net cash transfer to the Corporation.

INCOME STATEMENT ^(a)
(Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
COST OF SERVICES							
Expenses							
Supplies and services	143	276	225	252	254	271	273
Other expenses	294	318	318	191	192	104	104
TOTAL COST OF SERVICES	437	594	543	443	446	375	377
NET COST OF SERVICES	437	594	543	443	446	375	377
INCOME FROM GOVERNMENT							
Service appropriations	233	236	318	315	315	314	314
Other revenues	13	92	10	42	44	62	64
TOTAL INCOME FROM GOVERNMENT	246	328	328	357	359	376	378
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(191)	(266)	(215)	(86)	(87)	1	1

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

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
CURRENT ASSETS							
Cash assets	4,493	4,115	4,278	4,192	4,105	4,106	4,107
Receivables	1	7	1	1	1	1	1
Other	4	-	4	4	4	4	4
Total current assets	4,498	4,122	4,283	4,197	4,110	4,111	4,112
NON-CURRENT ASSETS							
Other	-	-	1,600	1,600	1,600	1,600	1,600
Total non-current assets	-	-	1,600	1,600	1,600	1,600	1,600
TOTAL ASSETS	4,498	4,122	5,883	5,797	5,710	5,711	5,712
CURRENT LIABILITIES							
Other	166	56	166	166	166	166	166
Total current liabilities	166	56	166	166	166	166	166
EQUITY							
Contributed equity	-	-	1,600	1,600	1,600	1,600	1,600
Accumulated surplus/(deficit)	4,332	4,066	4,117	4,031	3,944	3,945	3,946
Total equity	4,332	4,066	5,717	5,631	5,544	5,545	5,546
TOTAL LIABILITIES AND EQUITY	4,498	4,122	5,883	5,797	5,710	5,711	5,712

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
CASHFLOWS FROM GOVERNMENT							
Service appropriations.....	233	236	318	315	315	314	314
Other.....	19	92	10	42	44	62	64
Net cash provided by Government	252	328	328	357	359	376	378
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Supplies and services	(37)	(276)	(225)	(252)	(254)	(271)	(273)
Other payments.....	(294)	(318)	(318)	(191)	(192)	(104)	(104)
Net cash from operating activities	(331)	(594)	(543)	(443)	(446)	(375)	(377)
CASHFLOWS FROM FINANCING ACTIVITIES							
Other payments.....	-	-	(1,600)	-	-	-	-
Net cash from financing activities.....	-	-	(1,600)	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(79)	(266)	(1,815)	(86)	(87)	1	1
Cash assets at the beginning of the reporting period	4,572	4,381	4,493	4,278	4,192	4,105	4,106
Net cash transferred to/from other agencies	-	-	1,600	-	-	-	-
Cash assets at the end of the reporting period	4,493	4,115	4,278	4,192	4,105	4,106	4,107

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

Division 19 **Economic Regulation Authority**

Part 4 **Jobs and Economic Development**

Appropriations, Expenses and Cash Assets

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
DELIVERY OF SERVICES							
Item 52 Net amount appropriated to deliver services ^(a)	1,988	1,639	1,639	1,657	1,675	1,694	1,698
Total appropriations provided to deliver services	1,988	1,639	1,639	1,657	1,675	1,694	1,698
TOTAL APPROPRIATIONS	1,988	1,639	1,639	1,657	1,675	1,694	1,698
EXPENSES							
Total Cost of Services	16,119	15,533	15,813	15,680	15,285	15,387	15,377
Net Cost of Services ^(b)	4,031	5,661	5,661	5,605	5,642	5,442	5,432
CASH ASSETS ^(c)	7,148	6,640	6,937	6,989	7,042	7,178	7,330

(a) Net amount appropriated to deliver services reduced since 2020-21 to reflect new funding regulations to allow the recovery of costs from industry.

(b) Represents Total Cost of Services (expenses) less retained revenues applied to the Authority'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 Authority's Income Statement since presentation of the 2021-22 Budget to Parliament on 9 September 2021, are outlined below:

	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
New Initiative					
Energy Transformation Strategy - New Regulatory Functions ^(a)	-	85	85	85	85
Ongoing Initiatives					
Changes to Wholesale Electricity Market Rules ^(b)	-	50	50	50	50
Other					
Energy Transformation Strategy - Upgrades to Modelling Software to Accommodate New Market Design and New Functions	150	30	30	30	30
Gas Rate of Return - Additional Consultative Requirements Under Changes to the National Gas Law ^(c)	180	120	-	-	-

(a) Calculation of Benchmark Reserve Capacity Price in the Wholesale Electricity Market.

(b) Changes to Wholesale Electricity Market rules to allow the Australian Energy Market Operator to submit in-period funding requests to the Authority for approval.

(c) Changes to the National Gas Law now require three consultative processes: an Independent Panel Review; a Consumer Reference Group; and concurrent Expert Views.

Significant Issues Impacting the Agency

1. The Authority has commenced a review of Western Power's network access arrangement for the 2022-23 to 2026-27 period. This is the first review under the amended *Electricity Networks Access Code 2004*, which sets out new processes for the Authority to follow, including the requirement to determine how it would consider a range of services prior to Western Power submitting its access arrangement proposal. This review will ensure that Western Power offers prices and services that are efficient and on reasonable terms and conditions for its customers for the next five years, and that the network is equipped to face challenges such as climate change and the ongoing transformation of the energy sector.
2. Following its investigation into Synergy's pricing behaviour in the Wholesale Electricity Market (WEM), which found that Synergy may have breached the market rules, the Authority referred the matter to the Electricity Review Board for determination. The Electricity Review Board heard the matter in May and June 2021 and, as of April 2022, a determination has not yet been received.
3. Through the implementation of the Energy Transformation Strategy, the Authority has been assigned new functions that commence in 2022-23, with the introduction of the new WEM design. These include expanded compliance and monitoring responsibilities, as well as the flexibility to focus on compliance actions on where the risks to consumers and the integrity of the market are highest.
4. The Authority is working with the Department of Treasury and stakeholders in the rail industry to implement the Government's planned changes to the Rail Access Regime. These reforms will mean additional functions for the Authority, similar to the functions currently required for administration of the gas access regime.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcome	Service
Investing in WA's Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	The efficient, safe and equitable provision of utility services in Western Australia.	1. Submissions to the Economic Regulation Authority Governing Body

Service Summary

Expense	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
1. Submissions to the Economic Regulation Authority Governing Body.....	16,119	15,533	15,813	15,680	15,285	15,387	15,377
Total Cost of Services	16,119	15,533	15,813	15,680	15,285	15,387	15,377

Outcomes and Key Effectiveness Indicators ^(a)

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
Outcome: The efficient, safe and equitable provision of utility services in Western Australia:					
Number of submissions made to the Authority's Governing Body	209	210	205	200	
Rating by the Authority's Governing Body as to the content, accuracy and presentation of these submissions ^(b)	3.01	3	2.98	3	
Number (percentage) of submissions provided by the required deadline	100%	100%	100%	100%	
Rating by the Authority's Governing Body as to its perception of the timeliness of submissions ^(b)	3.01	3	2.99	3	

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

(b) Performance is rated as follows by the Authority's Governing Body: 1 = well below expectations; 2 = below expectations; 3 = satisfactory; 4 = above expectations; 5 = well above expectations.

Services and Key Efficiency Indicators**1. Submissions to the Economic Regulation Authority Governing Body**

The Authority regulates monopoly aspects of the gas, electricity and rail industries and licenses providers of gas, electricity and water services. The Authority also conducts inquiries into matters referred to it by the Government. In addition, the Authority has a range of responsibilities in the retailing of gas and surveillance of the WEM in Western Australia. The Authority's functions are designed to maintain a competitive, efficient and fair commercial environment, particularly where businesses operate as natural monopolies.

In making its decisions, the Authority strives to benefit the Western Australian community by promoting an efficient and customer-focused economy. The requirement for the Authority to prepare performance indicators is limited to its management functions under section 23 of the *Economic Regulation Authority Act 2003*. As such, the quantity, quality and cost per submission, which is prepared by the Authority's Secretariat for consideration by the Governing Body, is used to determine its performance and service efficiency.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	16,119	15,533	15,813	15,680	
Less Income	12,088	9,872	10,152	10,075	
Net Cost of Service	4,031	5,661	5,661	5,605	
Employees (Full-Time Equivalents)	68	76	70	70	
Efficiency Indicators					
Cost per submission made to the Economic Regulation Authority's Governing Body	\$77,124	\$73,967	\$73,971	\$77,325	

Financial Statements

Income Statement

Expenses

1. The Total Cost of Services in 2020-21 was impacted by significant legal fees for the Synergy determination by the Electricity Review Board (Board). The Board is still to hand down its determination on this matter. Further costs in the outyears may be incurred in relation to this once the Board hands down its determination.

Income

2. Regulatory fees charged by the Authority are determined by costs. Industry funding regulations allow for the recovery of the core function costs of the Authority. An increase or decrease in budgeted costs will result in a commensurate impact on budgeted regulatory fees. The allocation of core function costs to the different functions is determined by the staff time allocated to each function. Regulatory fees charged to stakeholders will vary year on year, dependent on the work the Authority undertakes in a particular year.
3. Service appropriations revenue is impacted in 2021-22 with the completion of the inquiry into the effect the Container Deposit Scheme has had on beverage pricing. No further inquiries have been instigated by the Government at this point and appropriation funding has been reduced accordingly.

INCOME STATEMENT ^(a) (Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	10,647	10,774	10,774	11,104	11,276	11,411	11,411
Supplies and services	3,723	3,300	3,580	3,119	2,555	2,559	2,563
Accommodation	1,085	991	991	991	990	991	991
Depreciation and amortisation	66	98	98	97	97	59	50
Finance and interest costs	1	7	7	7	5	5	-
Other expenses	597	363	363	362	362	362	362
TOTAL COST OF SERVICES	16,119	15,533	15,813	15,680	15,285	15,387	15,377
Income							
Sale of goods and services	7	-	-	-	-	-	-
Regulatory fees and fines	12,050	9,787	10,067	9,990	9,558	9,860	9,860
Other revenue	31	85	85	85	85	85	85
Total Income	12,088	9,872	10,152	10,075	9,643	9,945	9,945
NET COST OF SERVICES	4,031	5,661	5,661	5,605	5,642	5,442	5,432
INCOME FROM GOVERNMENT							
Service appropriations	1,988	1,639	1,639	1,657	1,675	1,694	1,698
Resources received free of charge	233	266	266	266	266	266	266
Other revenues	2,997	3,706	3,706	3,733	3,755	3,574	3,574
TOTAL INCOME FROM GOVERNMENT	5,218	5,611	5,611	5,656	5,696	5,534	5,538
SURPLUS/(DEFICIENCY) FOR THE PERIOD	1,187	(50)	(50)	51	54	92	106

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

(b) The full-time equivalents for 2020-21 Actual, 2021-22 Estimated Actual and 2022-23 Budget Year are 68, 70 and 70 respectively.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
CURRENT ASSETS							
Cash assets	6,952	6,412	6,711	6,763	6,816	6,956	7,108
Restricted cash	43	50	43	43	43	39	39
Holding Account receivables	-	215	-	-	-	-	-
Receivables	4,815	4,867	4,815	4,815	4,815	4,815	4,815
Other.....	200	184	175	175	175	175	175
Total current assets	12,010	11,728	11,744	11,796	11,849	11,985	12,137
NON-CURRENT ASSETS							
Holding Account receivables	416	180	416	416	416	416	416
Property, plant and equipment.....	234	387	262	220	222	163	113
Restricted cash	153	178	183	183	183	183	183
Other.....	-	27	25	25	25	25	25
Total non-current assets	803	772	886	844	846	787	737
TOTAL ASSETS	12,813	12,500	12,630	12,640	12,695	12,772	12,874
CURRENT LIABILITIES							
Employee provisions ^(b)	2,804	2,622	2,713	2,713	2,713	2,713	2,713
Payables	766	200	766	766	766	762	758
Borrowings and leases	10	27	10	10	10	-	-
Other.....	12	370	12	12	12	12	12
Total current liabilities	3,592	3,219	3,501	3,501	3,501	3,487	3,483
NON-CURRENT LIABILITIES							
Employee provisions ^(b)	506	434	434	434	434	434	434
Borrowings and leases	11	95	41	-	1	-	-
Total non-current liabilities	517	529	475	434	435	434	434
TOTAL LIABILITIES.....	4,109	3,748	3,976	3,935	3,936	3,921	3,917
EQUITY							
Contributed equity	725	725	725	725	725	725	725
Accumulated surplus/(deficit).....	8,041	8,027	7,991	8,042	8,096	8,188	8,294
Reserves.....	(62)	-	(62)	(62)	(62)	(62)	(62)
Total equity	8,704	8,752	8,654	8,705	8,759	8,851	8,957
TOTAL LIABILITIES AND EQUITY	12,813	12,500	12,630	12,640	12,695	12,772	12,874

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

(b) Employee provisions are expected to reduce in 2022-23 with the lifting of COVID-19 travel restrictions.

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
CASHFLOWS FROM GOVERNMENT							
Service appropriations.....	1,988	1,639	1,639	1,657	1,675	1,694	1,698
Holding Account drawdowns	161	-	-	-	-	-	-
Other.....	2,293	3,714	3,714	3,741	3,763	3,574	3,574
Net cash provided by Government	4,442	5,353	5,353	5,398	5,438	5,268	5,272
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(10,137)	(10,976)	(10,976)	(11,143)	(11,315)	(11,411)	(11,411)
Supplies and services	(3,528)	(2,805)	(3,085)	(2,849)	(2,285)	(2,509)	(2,513)
Accommodation	(876)	(1,004)	(1,004)	(1,004)	(1,003)	(774)	(774)
GST payments ^(b)	(520)	(327)	(327)	(327)	(327)	(510)	(510)
Finance and interest costs.....	-	(10)	(10)	(11)	(11)	(5)	-
Other payments.....	(559)	(325)	(325)	(324)	(324)	(363)	(363)
Receipts							
Regulatory fees and fines	11,092	9,547	9,827	9,975	9,543	9,856	9,856
GST receipts	465	289	289	289	289	510	510
Other receipts	45	85	85	85	85	85	85
Net cash from operating activities	(4,018)	(5,526)	(5,526)	(5,309)	(5,348)	(5,121)	(5,120)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(43)	-	-	-	-	-	-
Net cash from investing activities.....	(43)	-	-	-	-	-	-
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings and leases	(26)	(38)	(38)	(37)	(37)	(11)	-
Net cash from financing activities.....	(26)	(38)	(38)	(37)	(37)	(11)	-
NET INCREASE/(DECREASE) IN CASH HELD	355	(211)	(211)	52	53	136	152
Cash assets at the beginning of the reporting period	6,793	6,851	7,148	6,937	6,989	7,042	7,178
Cash assets at the end of the reporting period	7,148	6,640	6,937	6,989	7,042	7,178	7,330

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

(b) Cashflows from GST payments will vary year on year, dependent on total expenditure.

Division 20 **Infrastructure WA**

Part 4 **Jobs and Economic Development**

Appropriations, Expenses and Cash Assets

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
DELIVERY OF SERVICES							
Item 53 Net amount appropriated to deliver services	4,804	4,827	4,827	4,877	4,824	4,872	4,900
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	367	368	368	369	370	371	371
Total appropriations provided to deliver services.....	5,171	5,195	5,195	5,246	5,194	5,243	5,271
TOTAL APPROPRIATIONS	5,171	5,195	5,195	5,246	5,194	5,243	5,271
EXPENSES							
Total Cost of Services	5,671	5,617	4,848	6,099	5,247	5,296	5,324
Net Cost of Services (a)(b)	5,671	5,617	4,848	6,099	5,247	5,296	5,324
CASH ASSETS (c)	1,394	581	1,794	994	994	994	994

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

(b) As at 30 June each financial year.

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on Infrastructure WA's Income Statement since presentation of the 2021-22 Budget to Parliament on 9 September 2021, are outlined below:

	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
2022-23 Streamlined Budget Process Incentive Funding	-	96	-	-	-

Significant Issues Impacting the Agency

1. Infrastructure WA undertook a significant public consultation program in 2021-22 to support the finalisation of the State Infrastructure Strategy.
2. Infrastructure WA's Phase 2 functions and supporting legislation commenced 1 January 2022.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between Infrastructure WA's services, the desired outcomes and the relevant Government Goal. 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 Goals	Desired Outcomes	Services
WA Jobs Plan: Diversifying the WA economy, creating local jobs for the future.	An informed government on infrastructure matters, needs and priorities.	1. Development, Monitoring and Reporting on Implementation of the State Infrastructure Strategy
Investing in WA's Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	Effective and efficient government infrastructure planning and coordination.	2. Assessment of Major Infrastructure Proposals

Service Summary

Expense	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
1. Development, Monitoring and Reporting on Implementation of the State Infrastructure Strategy	5,671	5,617	4,278	3,485	2,998	3,026	3,042
2. Assessment of Major Infrastructure Proposals	-	-	570	2,614	2,249	2,270	2,282
Total Cost of Services	5,671	5,617	4,848	6,099	5,247	5,296	5,324

Outcomes and Key Effectiveness Indicators ^(a)

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
Outcome: An informed government on infrastructure matters, needs and priorities:					
Undertaking of State Infrastructure Strategy functions ^(b)	95%	100%	100%	100%	
Undertaking of Stakeholder events.....	39	25	25	n/a	1
Outcome: Effective and efficient government infrastructure planning and coordination:					
Undertaking of major infrastructure proposal assessment functions:					
Assessment of proposals.....	n/a	100%	100%	100%	2
Publication of guidelines.....	n/a	100%	100%	100%	2

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

(b) This key effectiveness indicator has been updated following a review in 2021-22 to reflect the commencement of Infrastructure WA's Phase 2 legislated functions.

Explanation of Significant Movements

(Notes)

1. Stakeholder events are associated with the development of the State Infrastructure Strategy and are no longer required after 2021-22 with the finalisation of the State Infrastructure Strategy in 2022.
2. Outcome 2 and its associated key effectiveness indicators commenced on 1 January 2022.

Services and Key Efficiency Indicators

1. Development, Monitoring and Reporting on Implementation of the State Infrastructure Strategy

Under the *Infrastructure Western Australia Act 2019*, Infrastructure WA's primary responsibility was the preparation of the State Infrastructure Strategy (the Strategy) to identify Western Australia's significant infrastructure needs and priorities over the next 20 years. The draft Strategy was released on 21 July 2021 and is currently being finalised following a period of public consultation.

Preparation for the commencement of the monitoring and reporting of the Strategy has commenced.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
Total Cost of Service.....	\$'000 5,671	\$'000 5,617	\$'000 4,278	\$'000 3,485	1
Less Income	nil	nil	nil	nil	
Net Cost of Service	5,671	5,617	4,278	3,485	
Employees (Full-Time Equivalents)	16	17	15	12	1
Efficiency Indicators					
Average cost per FTE to undertake State Infrastructure Strategy functions...	\$354	\$330	\$285	\$290	1

Explanation of Significant Movements

(Notes)

1. The movement in the Total Cost of Service, FTEs, and the efficiency indicator is primarily attributable to the reallocation of resources to support Service 2, which commenced on 1 January 2022.

2. Assessment of Major Infrastructure Proposals

Infrastructure WA assesses major infrastructure proposals with a capital cost of \$100 million or more, in accordance with its responsibilities under the *Infrastructure Western Australia Act 2019* and provides relevant advice to the Government to support informed investment decisions.

During 2022, Infrastructure WA will continue to work in collaboration with stakeholder agencies and government trading enterprises to refine the assessment process.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
Total Cost of Service.....	\$'000 n/a	\$'000 nil	\$'000 570	\$'000 2,614	1
Less Income	n/a	nil	nil	nil	
Net Cost of Service	n/a	nil	570	2,614	
Employees (Full-Time Equivalents)	n/a	nil	2	9	1
Efficiency Indicators					
Average cost per FTE to undertake major infrastructure proposal assessment functions	n/a	nil	\$285	\$290	1

Explanation of Significant Movements

(Notes)

1. This service commenced on 1 January 2022.

Financial Statements

INCOME STATEMENT ^(a) (Controlled)

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Year	2023-24 Outyear	2024-25 Outyear	2025-26 Outyear
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	2,589	2,408	2,408	2,842	2,244	2,263	2,263
Supplies and services	2,584	2,817	2,048	2,861	2,604	2,631	2,659
Accommodation	287	237	237	240	242	245	245
Other expenses	211	155	155	156	157	157	157
TOTAL COST OF SERVICES	5,671	5,617	4,848	6,099	5,247	5,296	5,324
INCOME FROM GOVERNMENT							
Service appropriations	5,171	5,195	5,195	5,246	5,194	5,243	5,271
Resources received free of charge	53	22	53	53	53	53	53
TOTAL INCOME FROM GOVERNMENT	5,224	5,217	5,248	5,299	5,247	5,296	5,324
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(447)	(400)	400	(800)	-	-	-

(a) Full audited financial statements are published in Infrastructure WA's Annual Report.

(b) The full-time equivalents for 2020-21 Actual, 2021-22 Estimated Actual and 2022-23 Budget Year are 16, 17 and 21 respectively.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
CURRENT ASSETS							
Cash assets	1,347	581	1,747	947	947	947	947
Receivables	185	65	185	185	185	185	185
Other.....	75	309	75	75	75	75	75
Total current assets	1,607	955	2,007	1,207	1,207	1,207	1,207
NON-CURRENT ASSETS							
Restricted cash	47	-	47	47	47	47	47
Other.....	-	18	-	-	-	-	-
Total non-current assets	47	18	47	47	47	47	47
TOTAL ASSETS	1,654	973	2,054	1,254	1,254	1,254	1,254
CURRENT LIABILITIES							
Employee provisions	612	510	612	612	612	612	612
Payables.....	113	136	113	113	113	113	113
Other.....	126	-	126	126	126	126	126
Total current liabilities	851	646	851	851	851	851	851
NON-CURRENT LIABILITIES							
Employee provisions	82	59	82	82	82	82	82
Total non-current liabilities	82	59	82	82	82	82	82
TOTAL LIABILITIES	933	705	933	933	933	933	933
EQUITY							
Accumulated surplus/(deficit).....	721	268	1,121	321	321	321	321
Total equity	721	268	1,121	321	321	321	321
TOTAL LIABILITIES AND EQUITY	1,654	973	2,054	1,254	1,254	1,254	1,254

(a) Full audited financial statements are published in Infrastructure WA's Annual Report.

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
CASHFLOWS FROM GOVERNMENT							
Service appropriations.....	5,171	5,195	5,195	5,246	5,194	5,243	5,271
Net cash provided by Government	5,171	5,195	5,195	5,246	5,194	5,243	5,271
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(2,194)	(2,408)	(2,408)	(2,842)	(2,244)	(2,263)	(2,263)
Supplies and services	(2,489)	(2,795)	(1,995)	(2,808)	(2,551)	(2,578)	(2,606)
Accommodation	(309)	(237)	(237)	(240)	(242)	(245)	(245)
GST payments	(238)	(257)	(257)	(255)	(256)	(256)	(256)
Other payments.....	(219)	(155)	(155)	(156)	(157)	(157)	(157)
Receipts ^(b)							
GST receipts	191	257	257	255	256	256	256
Net cash from operating activities	(5,258)	(5,595)	(4,795)	(6,046)	(5,194)	(5,243)	(5,271)
Cash assets at the beginning of the reporting period	1,481	981	1,394	1,794	994	994	994
Cash assets at the end of the reporting period	1,394	581	1,794	994	994	994	994

(a) Full audited financial statements are published in Infrastructure WA's Annual Report.

Forest Products Commission

Part 4 Jobs and Economic Development

Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
REVENUE TO GENERAL GOVERNMENT SECTOR							
National Tax Equivalent Regime - Income Tax.....	-	-	-	-	1,549	1,189	2,363
Local Government Rates Equivalent	412	255	255	390	529	670	160
Dividends ^(a)	-	-	-	-	-	815	1,144
EXPENSES FROM GENERAL GOVERNMENT SECTOR							
Operating Subsidies ^(b)	200	200	200	220	-	-	-
EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR							
Equity Contribution ^(c)	-	11,333	25,596	50,407	36,000	35,641	33,293
RATIOS							
Dividend Payout Ratio (%)	75	75	75	75	75	75	75
GOVERNMENT TRADING ENTERPRISE INFORMATION							
Revenue from Operations	116,220	136,432	124,904	118,839	153,054	153,375	153,230
Revenue from Government	200	200	200	220	-	-	-
Total Expenses ^(d)	127,702	143,152	138,133	132,691	147,898	149,416	145,354
NET PROFIT AFTER TAX.....	(7,879)	(4,549)	(9,006)	(9,337)	3,607	2,770	5,513
CASH ASSETS ^(e)	10,927	2,834	8,796	11,100	13,607	15,031	19,549

- (a) In determining the dividend payment to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.
- (b) An operating subsidy is provided to the Commission to cover expenditure associated with the retention of mature pines at the Dick Perry Reserve. The retained pines provide a habitat for the endangered Carnaby's Cockatoo.
- (c) The equity contribution of \$25.6 million in 2021-22 Estimated Actual comprises \$11.3 million for the Softwood Expansion Program and \$14.3 million to offset reduced native forest revenue and maintain sufficient working capital. The equity contribution of \$50.4 million in the 2022-23 Budget Year comprises \$39.4 million for the Softwood Expansion Program and \$11 million to offset reduced native forest revenue and maintain sufficient working capital. In the outyears the equity contribution relates to the Softwood Expansion Program.
- (d) Excludes current tax expense, deferred tax expense and dividends.
- (e) As at 30 June each financial year.

Financial Changes

Net operating balance impact of adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Government Trading Enterprise's (GTE's) Income Statement since presentation of the 2021-22 Budget to Parliament on 9 September 2021, are outlined below:

	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
Key Adjustments					
Trade Revisions.....	-	(912)	-	-	-

Significant Issues Impacting the Government Trading Enterprise

Native Forests

1. The decision to end native forest harvesting in Western Australia by December 2023 will have a financial impact on the Commission's operations.
2. The new Forest Management Plan (FMP) 2024-33, which is due to commence on 1 January 2024, will provide for ecological thinning for forest health and harvesting ahead of approved mining operations for the period of the plan. The Commission will revise its financial forecasts once there is greater certainty around the new FMP.
3. Declining yield of Jarrah sawlog and capacity constraints within the industry are likely to impact current and future revenue forecasts. These capacity constraints have reduced the deliveries to the Commission's customers.
4. The native forest Just Transition Plan will assist workers, businesses and the communities with links to the native forest industry to transition away from native forest logging by 2024. The Commission will work with Jobs, Tourism, Science and Innovation and provide information as required to implement the programs within the Just Transition Plan and ensure that workers and businesses are supported during the transition.

Plantations

5. Demand for softwood products used in housing is expected to remain high over the next 12 to 18 months.

Sandalwood

6. International sandalwood-based products sales have been impacted by COVID-19 restrictions, especially perfume products, while domestic sales remain strong.

Impacts of Climate Change

7. Climate change impacts, such as reduced rainfall, increased risk of wildfires, and biosecurity threats are expected to continue to affect native forests and plantations in Western Australia and need to be managed. Fire mitigation measures are considered with all aspects of the Commission's operational planning and reviewed regularly to capture changes to forest structure and changing community risk profiles.

Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, agreed by the Board and Minister (with the Treasurer's concurrence).

Objectives, Outcomes and Key Performance Information

Relationship to Government Goals

Broad government goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between the GTE's objectives and outcomes and the Government Goal it contributes to. The key performance indicators measure the extent of the impact of desired outcomes on the achievement of the GTE's objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Strong and Sustainable Finances: Responsible, achievable, affordable budget management.	Perform functions in a responsible and cost efficient manner.	1. Ensure efficient, effective and safe delivery of business outcomes
WA Jobs Plan: Diversifying the WA economy, creating local jobs for the future.	Vibrant forest industry for local jobs.	2. Facilitate a vibrant forest industry to create local jobs, particularly in regional Western Australia
Investing in WA's Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	Healthy forests.	3. Deliver healthy forests for future generations

Outcomes and Key Performance Indicators

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
Outcome: Ensure efficient, effective and safe delivery of business outcomes:					
Operating profit/(loss) (\$'000).....	(\$2,104)	\$164	(\$6,345)	(\$9,090)	1
Timeliness of response to stakeholder concerns or complaints.....	96%	95%	100%	95%	
Outcome: Facilitate a vibrant forest industry to create local jobs, particularly in regional Western Australia:					
Native forest resource processed locally (excluding any trials or research undertaken).....	100%	100%	100%	100%	
The achievement of thinning schedules for softwood plantations	75%	95%	75%	95%	2
Outcome: Deliver healthy forests for future generations:					
Harvest of sandalwood does not exceed licence limits (tonnes).....	2,066	2,250	1,740	2,000	3
All operations commence with required approvals	100%	100%	100%	100%	
First and second rotation softwood planting targets are achieved (hectares)	2,177	2,714	1,474	2,239	4

Explanation of Significant Movements

(Notes)

1. Anticipated operating losses in the 2021-22 Estimated Actual and 2022-23 Budget Target relate to reduced sales to native forest customers.
2. Plantation thinning has reduced in the 2021-22 Estimated Actual due to delays in developing suitable markets for products from regions where there has not been a history of softwood plantation development.
3. The reduction from the 2021-22 Budget of 2,250 tonnes to the 2022-23 Budget Target of 2,000 tonnes is consistent with the recommendations from the WA Sandalwood Taskforce report. Due to the impact of COVID-19 on the market, the Commission elected not to pursue full utilisation of the quantity of sandalwood available for harvest under its licence in 2021-22 Estimated Actual.
4. The 2021-22 Estimated Actual is lower than the 2021-22 Budget due to a range of operational challenges, including approval processes and the reduced availability of land.

Asset Investment Program

1. The Commission's Asset Investment Program for 2022-23 to 2025-26 totals \$113.9 million and provides for investment in projects that support regional development and the economic growth of the State.
 - 1.1. The Commission will spend \$112.9 million over 2022-23 to 2025-26 on the acquisition of land to support the expansion of its softwood plantation estate.
 - 1.2. The Commission will spend \$1 million over 2022-23 to 2025-26 to update ICT, and other minor building works that support the delivery of the Commission services.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-22 \$'000	2021-22 Estimated Expenditure \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
WORKS IN PROGRESS							
Building Works.....	458	208	50	250	-	-	-
Softwood Plantation Expansion Program.....	121,187	8,333	8,333	31,742	28,216	27,701	25,195
COMPLETED WORKS							
Computers, Plant and Equipment.....	200	200	200	-	-	-	-
NEW WORKS							
Computers, Plant and Equipment.....	800	-	-	200	200	200	200
Total Cost of Asset Investment Program.....	122,645	8,741	8,583	32,192	28,416	27,901	25,395
FUNDED BY							
Funding Included in Department of Treasury Administered Item			8,333	31,742	28,216	27,701	25,195
Internal Funds and Balances.....			250	450	200	200	200
Total Funding			8,583	32,192	28,416	27,901	25,395

Financial Statements

Income Statement

Revenue

1. Total Revenue in 2022-23 Budget Year will be \$6 million lower than the 2021-22 Estimated Actual mainly due to reduced sales in native forest products.

Expenses

2. The decrease in supplies and services expense of \$3.4 million between the 2021-22 Estimated Actual and 2022-23 Budget Year mainly reflects the decrease in harvest and haulage costs in line with the forecast decrease in the sale of native forest products.

Statement of Financial Position

3. The increase in property, plant and equipment between the 2021-22 Estimated Actual and 2022-23 Budget Year of \$30.9 million is mainly due to land acquisitions for the Softwood Plantation Expansion Program.
4. The increase in biological assets between the 2021-22 Estimated Actual and 2022-23 Budget Year of \$6.1 million is mainly due to plantation establishment on existing lands and new lands acquired as part of the Softwood Plantation Expansion Program.
5. The decrease in intangibles between the 2021-22 Estimated Actual and 2022-23 Budget Year of \$2.1 million is due to the amortisation of the right of use of native forests.

Statement of Cashflows

6. The equity contributions include \$14.3 million in 2021-22 Estimated Actual and \$11 million in 2022-23 Budget Year to offset the reduction in native forest sales.

INCOME STATEMENT ^(a)
(Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
REVENUE							
Revenue from operations							
Sale of goods and services.....	114,521	134,826	122,794	117,384	151,528	151,819	151,707
Other revenue	1,699	1,606	2,110	1,455	1,526	1,556	1,523
Revenue from Government							
Operating subsidies.....	200	200	200	220	-	-	-
TOTAL REVENUE.....	116,420	136,632	125,104	119,059	153,054	153,375	153,230
Expenses							
Employee benefits ^(b)	19,948	22,815	22,815	23,065	23,342	23,680	23,657
Grants and subsidies.....	60	50	50	50	50	50	50
Supplies and services	81,480	96,634	91,337	87,945	105,262	104,761	101,942
Accommodation	1,160	1,639	1,902	2,082	1,968	2,140	1,589
Depreciation and amortisation	4,123	4,150	4,150	3,933	2,968	1,856	1,325
Finance and interest costs.....	428	478	478	434	402	361	294
Other expenses.....	20,503	17,386	17,401	15,182	13,906	16,568	16,497
TOTAL EXPENSES.....	127,702	143,152	138,133	132,691	147,898	149,416	145,354
NET PROFIT/(LOSS) BEFORE TAX	(11,282)	(6,520)	(13,029)	(13,632)	5,156	3,959	7,876
National Tax Equivalent Regime							
Current tax equivalent expense.....	-	-	-	-	1,549	1,189	2,363
Deferred tax equivalent expense.....	(3,403)	(1,971)	(4,023)	(4,295)	-	-	-
NET PROFIT/(LOSS) AFTER TAX	(7,879)	(4,549)	(9,006)	(9,337)	3,607	2,770	5,513
Dividends	-	-	-	-	-	815	1,144

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

(b) The full-time equivalents for the 2020-21 Actual, 2021-22 Estimated Actual and 2022-23 Budget Year are 170, 197 and 197 respectively.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
CURRENT ASSETS							
Cash assets	10,927	2,834	8,796	11,100	13,607	15,031	19,549
Receivables	15,989	17,922	13,853	14,037	14,276	14,515	14,755
Biological asset	6,288	6,988	2,147	2,147	2,147	2,147	2,147
Other	12,889	10,700	9,183	9,427	9,427	9,427	9,427
Total current assets	46,093	38,444	33,979	36,711	39,457	41,120	45,878
NON-CURRENT ASSETS							
Property, plant and equipment	39,620	45,176	46,940	77,876	105,210	131,258	156,147
Intangibles	5,561	3,229	3,242	1,081	-	-	-
Biological asset	197,355	210,444	206,478	212,609	225,925	237,220	248,690
Other	15,793	15,393	19,817	24,112	22,563	21,374	19,012
Total non-current assets	258,329	274,242	276,477	315,678	353,698	389,852	423,849
TOTAL ASSETS	304,422	312,686	310,456	352,389	393,155	430,972	469,727
CURRENT LIABILITIES							
Employee provisions	3,834	3,106	3,014	3,014	3,014	3,014	3,014
Payables	6,322	5,628	2,994	2,993	2,993	2,993	2,993
Borrowings and leases	491	580	537	494	539	464	576
Other	18,571	14,816	11,306	12,028	12,809	13,580	14,334
Total current liabilities	29,218	24,130	17,851	18,529	19,355	20,051	20,917
NON-CURRENT LIABILITIES							
Employee provisions	966	1,862	1,750	1,750	1,750	1,750	1,750
Borrowings and leases	1,130	1,021	971	842	920	240	321
Other	16,250	16,173	16,435	16,749	17,008	17,218	17,364
Total non-current liabilities	18,346	19,056	19,156	19,341	19,678	19,208	19,435
TOTAL LIABILITIES	47,564	43,186	37,007	37,870	39,033	39,259	40,352
NET ASSETS	256,858	269,500	273,449	314,519	354,122	391,713	429,375
EQUITY							
Contributed equity	276,245	287,578	301,841	352,248	388,248	423,889	457,182
Accumulated surplus/(deficit)	(32,385)	(29,617)	(41,391)	(50,728)	(47,121)	(45,166)	(40,797)
Reserves	12,998	11,539	12,999	12,999	12,995	12,990	12,990
TOTAL EQUITY	256,858	269,500	273,449	314,519	354,122	391,713	429,375

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
CASHFLOWS FROM OPERATING ACTIVITIES							
Receipts							
Sale of goods and services.....	118,657	133,278	121,246	115,839	149,987	150,281	151,707
Grants and subsidies.....	111	-	504	-	-	-	-
GST receipts.....	10,913	13,464	12,261	11,722	15,138	15,169	15,314
Other receipts.....	1,471	1,606	1,606	1,455	1,526	1,556	1,523
Payments							
Employee benefits.....	(20,279)	(22,829)	(22,829)	(23,079)	(23,356)	(23,694)	(23,754)
Supplies and services.....	(90,837)	(107,592)	(107,660)	(95,951)	(113,021)	(112,485)	(111,087)
Accommodation ^(b)	(748)	(1,384)	(1,647)	(1,692)	(1,439)	(1,470)	(1,429)
GST payments.....	(10,831)	(13,464)	(12,261)	(11,722)	(15,138)	(15,169)	(15,314)
Finance and interest costs.....	(12)	(62)	(62)	(64)	(79)	(78)	(63)
Other payments.....	(3,035)	(3,331)	(3,392)	(3,376)	(3,258)	(3,439)	(3,422)
Net cash from operating activities.....	5,410	(314)	(12,234)	(6,868)	10,360	10,671	13,475
CASHFLOWS FROM INVESTING ACTIVITIES							
Payments							
Purchase of non-current assets.....	(40)	(8,583)	(8,583)	(32,192)	(28,416)	(27,901)	(25,395)
Other payments.....	(5,242)	(8,969)	(6,121)	(8,131)	(14,155)	(14,749)	(14,924)
Net cash from investing activities.....	(5,282)	(17,552)	(14,704)	(40,323)	(42,571)	(42,650)	(40,319)
CASHFLOWS FROM FINANCING ACTIVITIES							
Receipts							
Proceeds from borrowings.....	-	9,000	9,000	9,000	9,000	9,000	9,000
Payments							
Repayment of borrowings and leases.....	(562)	(9,734)	(9,734)	(9,742)	(9,753)	(9,753)	(9,627)
Net cash from financing activities.....	(562)	(734)	(734)	(742)	(753)	(753)	(627)
CASHFLOWS FROM GOVERNMENT							
Receipts							
Operating subsidies.....	200	200	200	220	-	-	-
Equity Contributions.....	-	11,333	25,596	50,407	36,000	35,641	33,293
Payments							
Dividends to Government.....	-	-	-	-	-	(815)	(1,144)
National Tax Equivalent Regime - Income tax...	52	-	-	-	-	-	-
Local Government Rates Equivalent.....	(412)	(255)	(255)	(390)	(529)	(670)	(160)
Net cash provided to Government.....	160	(11,278)	(25,541)	(50,237)	(35,471)	(34,156)	(31,989)
NET INCREASE/(DECREASE) IN CASH HELD.....	(594)	(7,322)	(2,131)	2,304	2,507	1,424	4,518
Cash assets at the beginning of the reporting period.....	11,521	10,156	10,927	8,796	11,100	13,607	15,031
Cash assets at the end of the reporting period.....	10,927	2,834	8,796	11,100	13,607	15,031	19,549

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

(b) Payment of Local Government Rates Equivalent is included within accommodation expense on the Income Statement, however within the Statement of Cashflows it is recorded as a payment to Government and not as a payment from operating activities.

Racing and Wagering Western Australia

Part 4 Jobs and Economic Development

Asset Investment Program

1. The Authority's Asset Investment Program totals \$10.8 million in 2022-23 and comprises:
 - 1.1. \$5.1 million for the development of wagering products, including investment in ICT hardware, software and retail terminals to stay relevant in a competitive wagering market;
 - 1.2. \$3.1 million for racing systems, infrastructure and minor capital works mainly in support of greyhound welfare, including the purchase of the current greyhound welfare facility and an additional facility to ensure the future of the Greyhounds as Pets program; and
 - 1.3. \$2.5 million for other works including racing development projects, upgrades to the thoroughbred racing system and the racehorse welfare facility.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-22 \$'000	2021-22 Estimated Expenditure \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
WORKS IN PROGRESS							
Business Systems and Products	24,733	22,933	260	-	200	1,600	-
Other Works	23,594	14,529	2,014	2,549	2,574	1,971	1,971
Racing Systems, Infrastructure and Minor Capital	12,428	5,685	1,592	3,143	1,200	1,200	1,200
Wagering Systems and Products	64,429	43,008	7,775	5,127	5,409	5,188	5,697
Total Cost of Asset Investment Program.....	125,184	86,155	11,641	10,819	9,383	9,959	8,868
FUNDED BY							
Internal Funds and Balances.....			11,641	10,819	9,383	9,959	8,868
Total Funding			11,641	10,819	9,383	9,959	8,868

Western Australian Greyhound Racing Association

Part 4 Jobs and Economic Development

Asset Investment Program

1. The 2022-23 Asset Investment Program consists of operational plant, equipment and fittings replacement at the Cannington and Mandurah racetracks.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-22 \$'000	2021-22 Estimated Expenditure \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
COMPLETED WORKS							
Cannington New Office Project	727	727	727	-	-	-	-
Plant and Equipment							
Cannington - 2021-22 Program	399	399	399	-	-	-	-
Mandurah - 2021-22 Program.....	150	150	150	-	-	-	-
NEW WORKS							
Plant and Equipment							
Cannington							
2022-23 Program.....	150	-	-	150	-	-	-
2023-24 Program.....	150	-	-	-	150	-	-
2024-25 Program.....	150	-	-	-	-	150	-
2025-26 Program.....	150	-	-	-	-	-	150
Mandurah							
2022-23 Program.....	150	-	-	150	-	-	-
2023-24 Program.....	150	-	-	-	150	-	-
2024-25 Program.....	150	-	-	-	-	150	-
2025-26 Program.....	150	-	-	-	-	-	150
Total Cost of Asset Investment Program.....	2,476	1,276	1,276	300	300	300	300
FUNDED BY							
Internal Funds and Balances.....			1,276	300	300	300	300
Total Funding			1,276	300	300	300	300

The Burswood Park Board

Part 4 Jobs and Economic Development

Asset Investment Program

- The Board's Asset Investment Program consists of projects that will improve and enhance the parklands for the purposes of ensuring quality public recreation, health and enjoyment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-22 \$'000	2021-22 Estimated Expenditure \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
WORKS IN PROGRESS							
Rolling Asset Replacement Program	1,746	360	100	380	320	343	343
COMPLETED WORKS							
Asset Replacement - Artesian Bore	700	700	700	-	-	-	-
Master Plan							
Hydraulic Sewer	1,300	1,300	1,300	-	-	-	-
Principal Shared Path	1,610	1,610	1,610	-	-	-	-
Upgrades	1,017	1,017	1,017	-	-	-	-
NEW WORKS							
Asset Replacement - Charles Paterson Park	400	-	-	400	-	-	-
Master Plan							
Zipline Ablutions	300	-	-	300	-	-	-
Zipline Zone	227	-	-	227	-	-	-
Total Cost of Asset Investment Program	7,300	4,987	4,727	1,307	320	343	343
FUNDED BY							
Internal Funds and Balances			4,077	1,157	320	343	343
Other			650	150	-	-	-
Total Funding			4,727	1,307	320	343	343

Animal Resources Authority

Part 4 Jobs and Economic Development

Asset Investment Program

1. The Authority's Asset Investment Program of \$0.2 million in 2022-23 relates to routine and essential asset replacement at the Animal Resources facility.
2. Expenditure in the outyears has been removed consistent with timeframes mandated by the *Animal Resources Authority Amendment and Repeal Act 2022*, which requires the Authority to be wound up by 30 June 2023.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-22 \$'000	2021-22 Estimated Expenditure \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
COMPLETED WORKS							
Asset Replacement - 2021-22 Program.....	200	200	200	–	–	–	–
NEW WORKS							
Asset Replacement - 2022-23 Program.....	200	–	–	200	–	–	–
Total Cost of Asset Investment Program.....	400	200	200	200	–	–	–
FUNDED BY							
Internal Funds and Balances.....			200	200	–	–	–
Total Funding			200	200	–	–	–