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Key Performance Indicators

Audited Key Performance Indicators



Certification of Key Performance Indicators

I hereby certify that the Key Performance Indicators are based on proper records, are relevant and appropriate for assisting users to assess the performance of the Department of Mines, Industry Regulation and Safety, and fairly represent the performance of the department for the financial year ended 30 June 2023.

Jai Thomas
Acting Accountable Authority
6 September 2023



Outcome Based Management

Outcome Based Management (OBM) is the WA public sector-wide performance management framework which allows us to quantify achievements made during 2022–23 towards stated Government Goals and our desired Outcomes, measure our performance against targets set in our Resource Agreement and as published in the 2022–23 State Budget.

The DMIRS OBM structure was implemented in the 2018–19 State Budget, initially adopting a single desired Outcome to provide a shared focus for the department. From 2022–23 the DMIRS **OBM structure has been revised** as a result of the transfer of Energy Policy WA to DMIRS.

This year DMIRS is reporting against two desired Outcomes. Our functions are delivered via four Key Services aligned to our operational structure. This outward-facing, customer centric service model assists us to provide meaningful and easy to understand performance information to our stakeholders, be they individuals, industry bodies, companies, unions, community groups, Parliament, or government agencies.



DMIRS OBM Structure

The OBM structure was revised for 2022–23 to accommodate the transfer of Energy Policy WA to DMIRS. From 2022–23 DMIRS reports two outcomes and four services.

For details of the structure please refer to page 12.

Outcomes and Key Effectiveness Indicators

Key **Effectiveness** Indicators measure the extent to which our department achieves its Outcomes. Our current OBM includes two Agency Outcomes.

We report three Key Effectiveness Indicators against Outcome 1, and one against Outcome 2, each aligned with a Key Service. This ensures the effectiveness of each of our core businesses are measured.

Services and Key Efficiency Indicators

To demonstrate how efficiently we are conducting our projects, programs or activities Key **Efficiency** Indicators measure the relative level of resource inputs required to deliver these Services. Efficiency can be measured by indicators such as an average cost per service or a measure of timeliness.

Our four Key Services are each measured by at least one Key Efficiency Indicator.

Outcome 1:

Supporting a safe, fair and responsible future for the community, industry, and resources sector



Safety and Labour Relations Advice and Regulation Service

Ensures that one of the State's most significant assets, its workforce, operates in a healthy and safe environment where workers' rights are protected. WorkSafe oversees the regulatory and policy requirements of workers' health and safety in the resources and general industries sectors, and safety legislation for dangerous goods, including the State's major hazard facilities, and petroleum operations. Labour Relations is responsible for shaping and implementing labour relations policy and legislative reform, for both the government and private sectors. As well as assisting parties to understand and achieve compliance with Western Australian employment laws.



Industry Advice and Regulation Service

Works toward a safe, fair and equitable trading environment for Western Australians. Consumer Protection ensures the application of Australian Consumer Law and other trading and occupational legislation, and Building and Energy ensures that building, plumbing, gas and electricity services are safe.

Includes administration of legislation covering WA industry, community and consumers; programs for compliance, conciliation, dispute resolution and enforcement; Setting technical safety requirements and standards.



Resources Advice and Regulation Service

The provision of resource sector policy, and delivery of programs, regulatory services and information resources in order to build WA's economy while ensuring the State's natural resources are developed and managed responsibly. Includes management of mineral titles, approval for mining associated activities, delivery of geoscience functions to the State and administration of the Aboriginal Empowerment Initiative, the pathway for resource development to also deliver improved outcomes for Aboriginal people.

Outcome 2:

A sustainable, efficient, secure and affordable energy sector



Development and Implementation of Energy Policy

The provision and implementation of energy policy advice, programs and regulatory services to the Western Australian Government, the energy industry and energy consumers.



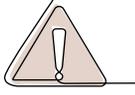


Safety and Labour Relations Advice and Regulation Service

Industry Advice and Regulation Service

Resources Advice and Regulation Service

Development and Implementation of Energy Policy

21 

Number of work-related traumatic injury fatalities.
Rolling five year average **20**

▲ Did not meet target (Target nil)

74% 

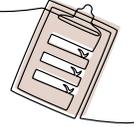
Stakeholder satisfaction with the department as an effective industry regulator.

▶ Met target (Target 75%)

77% 

Stakeholder satisfaction with the department as an effective resource sector regulator.

▶ Met target (Target 75%)

97% 

The extent to which policy and program development objectives for the year are achieved.

▶ Met target (Target 100%)

\$7,368 

Average cost per transaction to deliver safety and labour relations regulation services.

▲ 41% Did not meet target (Target \$5,222)

\$243 

Average cost per transaction to deliver industry advice and regulation services.

▲ 15% Did not meet target (Target \$211)

\$4,657 

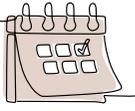
Average cost of resource regulation per live title.

▼ 9% Exceeded target (Target \$5,108)

\$46,518 

Average cost of policy/project development.

▲ 69% Did not meet target (Target \$27,505)

37% 

Percentage of high-risk work licence applications determined within agreed timeframes.

▼ 43% Did not meet target (Target 80%)

Key Performance Indicators 2022–23

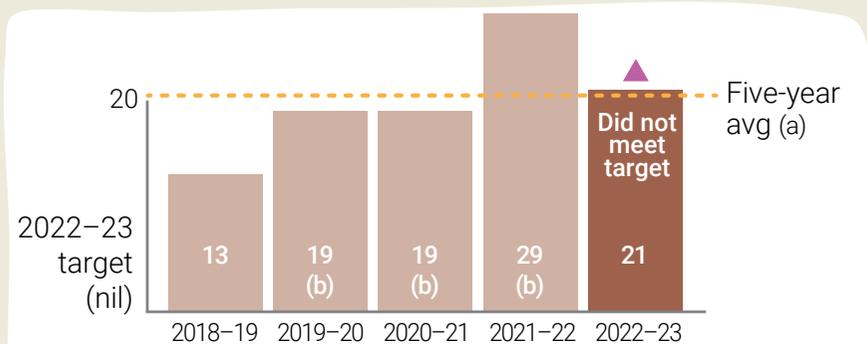
Outcome 1:

Safety and Labour Relations Advice and Regulation Service

Effectiveness



Number of work-related traumatic injury fatalities



- (a) The current rolling average (mean, rounded to nearest whole number) of the previous five years is reported to provide context.
- (b) The number of previously reported traumatic injury fatalities has been adjusted in 2022-23.

The nature, frequency, location and circumstances surrounding fatalities influence our regulatory efforts. While reported work-related traumatic injury fatality numbers are relatively low, any work-related death is considered unacceptable, so the target for this indicator is always nil (0).

This indicator reports fatalities within DMIRS jurisdiction. A rolling average (mean, rounded to nearest whole number) of the previous five years is also reported to provide context. Investigation into these incidents may extend over years and the work-related status may vary.

Comment on results

During 2022-23 there were 21 confirmed work-related traumatic injury fatalities, including three in the Resource Industries sector, and 18 in the WorkSafe General Industries sector.

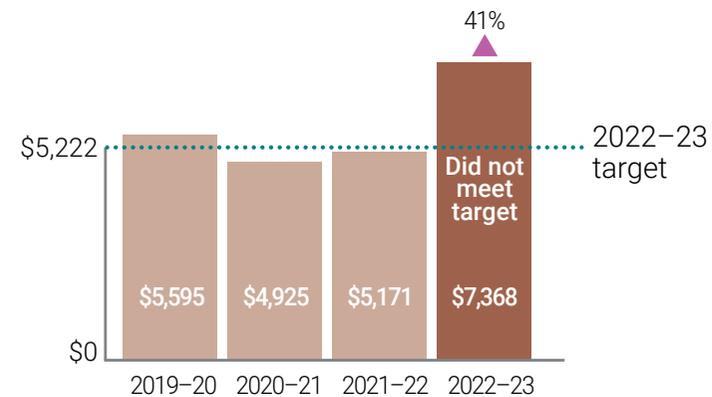
The rolling five-year average is 20.

Work-related traumatic injury fatalities are reported by DMIRS in the State of the Work Environment Report, which also includes work-related fatalities within WA reported outside DMIRS jurisdiction.

Efficiency



Average cost per transaction to deliver safety and labour relations regulation services



- (a) Back-cast at commencement of indicator 2020-21.
- (b) Budget Target included expectation of COVID-19 notifications which are no longer required.





This indicator demonstrates the cost efficient and responsible delivery of services by the WorkSafe Group and Labour Relations Division. Representing the total cost of the service in relation to unique regulatory 'transactions'. A transaction is "an action by the department (proactive or reactive) that protects the community by intervening decisively to avert and minimise harm, commensurate with the circumstances" i.e. investigations and inspections.

Each finalised regulatory transaction is counted once. The indicator is calculated by dividing the total cost of the service by the number of regulatory transactions. Introduced in 2020–21, results were back-cast for 2019–20. The new Work Health and Safety (WHS) laws commenced on 31 March 2022.

Comment on results

The average cost per regulatory transaction for 2022–23 is \$7,368, which is 41 per cent more than the budget estimates target (\$5,222). This variance was driven by both higher costs and a reduced number of transactions, as during 2022–23 both WorkSafe and Private Sector Labour Relations did not meet expected targets (down by 26 per cent).

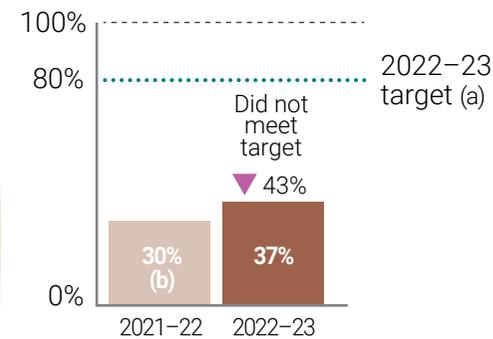
WorkSafe transaction numbers were impacted by continued implementation of the new WHS regulations, including development of industry guidance materials and inspector training requirements, recruitment of inspectors, and clearance of significant leave liabilities.

Due to short term resourcing constraints, Private Sector Labour Relations focussed on reactive direct complaints from employees who had allegedly been underpaid rather than proactive inspections.

Efficiency



Percentage of high-risk work licence applications determined within agreed timeframes



- (a) Budget Target timeframe aligned with DMIRS published target timeframes to 80 per cent within 10 business days from 2022–23.
- (b) The result for 2021–22 was recast due to a change in methodology (Previously published as 32 per cent).

Commencing from 2022–23, the agreed timeframe for this indicator changed from 100 per cent in 14 calendar days to 80 per cent in 10 business days. Results from 2021–22 were recast for comparison, see chart above.

This measure is intended to demonstrate our capacity to efficiently administer and enforce safety regulation through the timely assessment of high-risk work licence (HRWL) applications. Days taken to determine applications is calculated as a proportion of the total number of HRWL applications finalised within **10 business days** (i.e. excluding weekends and public holidays between the date received by DMIRS to the date the application was finalised) for each new, modified, and renewed licence during the same reporting period.

Outcome 1:



New, modified, and renewed HRWL applications have been considered to be equivalent in workload but the volume within these categories varies. The weighted average by category is calculated and added together to determine the overall weighted average.

Comment on results

For 2022–23, a total of 37 per cent of HRWL applications were determined within the target timeframe of 10 business days, 43 per cent below the Budget target of 80 per cent.

Enduring high levels of demand for HRWL continued to result in longer processing times during 2022–23. A new record of 86,920 HRWL applications were determined during the period, an increase of 23 per cent over the 70,513 determined during 2021–22. Of these determined applications 7,729 (nine per cent) were in progress before 1 July 2022.

New WHS legislation transitional provisions which came into force temporarily diverted licensing staff from processing tasks to assist in development of and/or be trained in updated forms, procedures and policies.

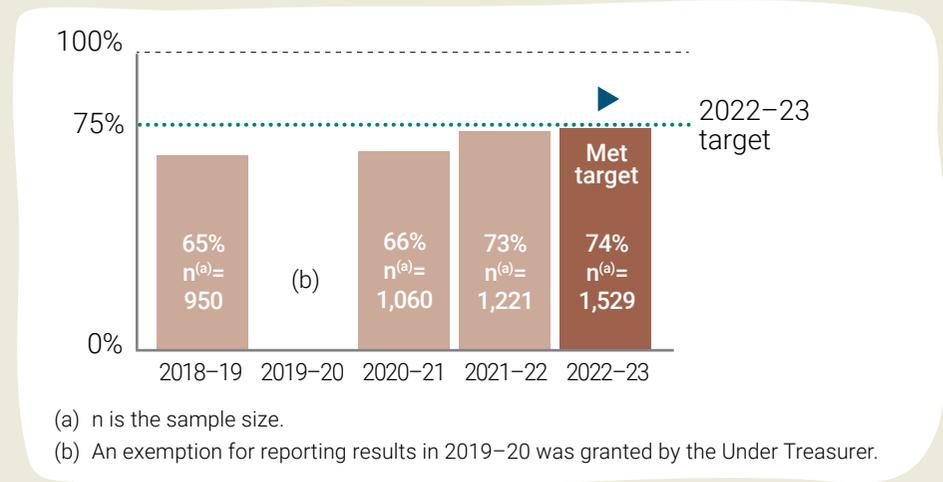
Although processing times were below target, additional temporary resourcing and refinements to licence processing procedures has resulted in improvement in processing timeframes during 2022–23, particularly with regards to renewal applications, as demonstrated by the seven per cent improvement against the 2021–22 result.

Industry Advice and Regulation Service

Effectiveness



Stakeholder satisfaction with the department as an effective industry regulator



As part of a stakeholder satisfaction survey, respondents rated their satisfaction against the benchmarking question “Overall, how satisfied are you with the performance of DMIRS as an effective industry regulator?” on a scale of 0–10. Satisfaction is the percentage of respondents who gave a rating between six and ten.

Comment on results

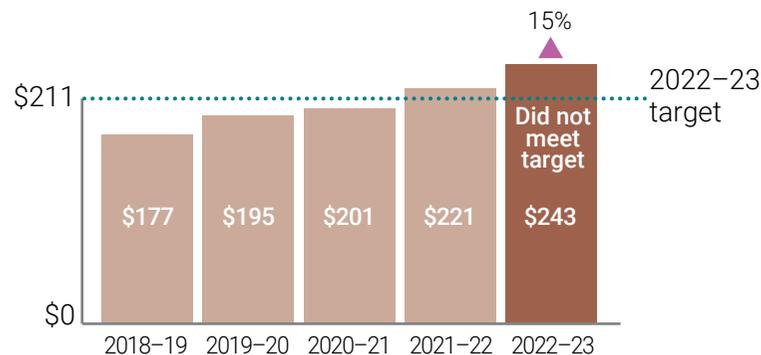
Close to three in four (74 per cent) 2022–23 respondents expressed satisfaction with the effectiveness of DMIRS which is consistent with the target (75 per cent) and an increase on the previous year’s result (73 per cent). The 2022–23 result reflects the highest level of stakeholder satisfaction achieved to date.

Outcome 1:

Efficiency



Average cost per transaction to deliver industry advice and regulation services



(a) Results recast due to change in Service composition (Labour Relations transfer).

This indicator measures the cost efficient and responsible delivery of industry advice and regulation services by representing the cost of the service in relation to unique service ‘transactions’. A transaction is defined as an action by DMIRS to provide a service or regulatory action to an external stakeholder, initiated by either party. Each transaction is only counted once – for example, a finalised application is counted as one transaction, associated transactions, such as a related fee payment, are not counted separately. The indicator is calculated by dividing the total cost of the Industry Advice and Regulation Service by the number of transactions. Previous results were re-cast in 2020-21.

Comment on results

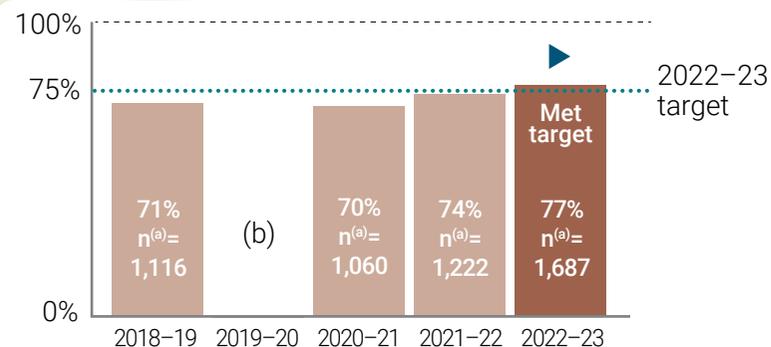
The average cost per transaction for 2022-23 is 243, which is 15 per cent greater than the Target (\$211). The cost of the Industry Advice and Regulation Service was consistent with Budget Target, so variance of this result is driven by a lower overall number of regulatory transactions than estimated (in total 12 per cent less than target).

Resources Advice and Regulation Service

Effectiveness



Stakeholder satisfaction with the department as an effective resource sector regulator



(a) n is the sample size.

(b) An exemption for reporting results in 2019-20 was granted by the Under Treasurer.

To determine our influence in delivering effective regulation to support sustainable resource sector development, this indicator measures the overall effectiveness of DMIRS as a regulator by quantifying stakeholder satisfaction with our regulatory role.

As part of a stakeholder satisfaction survey, respondents rated their satisfaction against the benchmarking question “Overall, how satisfied are you with the performance of DMIRS as an effective resource sector regulator?” on a scale of 0-10. Satisfaction is the percentage of respondents rating between six and ten.





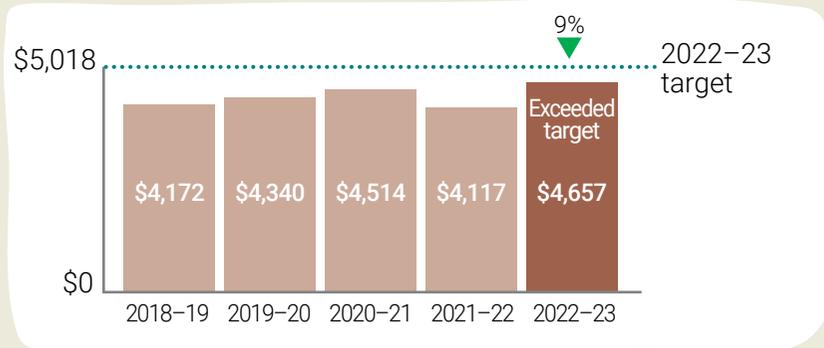
Comment on results

More than three in four (77 per cent) 2022–23 respondents expressed satisfaction with the effectiveness of DMIRS as a resource sector regulator. This result is consistent with the target set (75 per cent) and is consistent with previous results. The 2022–23 result reflects the highest level of stakeholder satisfaction achieved to date.

Efficiency



Average cost of resource regulation per live title



Resource development and exploration occurs in the context of the resource management ‘life cycle’. All activities within the life cycle are associated with a ‘live title’ (minerals and petroleum). Live titles give the right to explore for, recover and develop Western Australia’s natural resources.

This indicator measures the cost efficient and responsible delivery of resource regulation services by representing the cost of the service in relation to the number of live resource titles approved or renewed during the current year, or are subject to ongoing regulation by the department.

The indicator is calculated by dividing the total cost of the service by the number of live titles.

Comment on results

The average cost per live title for 2022–23 is \$4,657, which is nine per cent below the target (\$5,108). This is due to costs for the Resources Advice and Regulation Service being below Budget. This reflects challenges in attracting and retaining staff due to competitive labour market conditions and the current low unemployment rate, reducing actual costs.

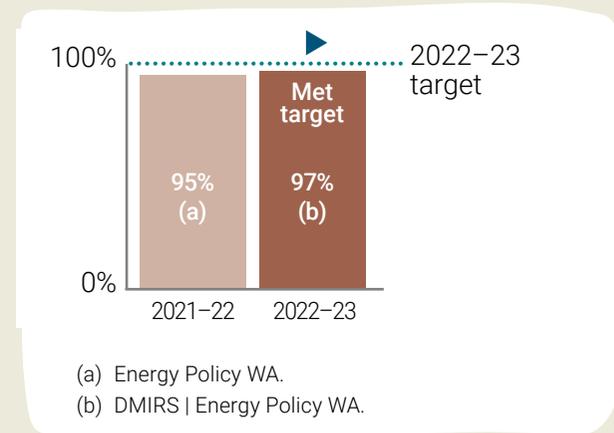
Outcome 2:

Development and Implementation of Energy Policy Service

Effectiveness



The extent to which policy and program development objectives for the year are achieved





Energy Policy WA's Key Effectiveness Indicator measures the extent to which policy and program development objectives for the year are achieved.

Results are calculated by monitoring the priorities set for a year. If the government's priorities change, for example if there is a Ministerial request to undertake a new policy project or cease working on an existing priority, this is considered in determining the number of items completed as planned. The results are presented as a percentage of planned priorities completed.

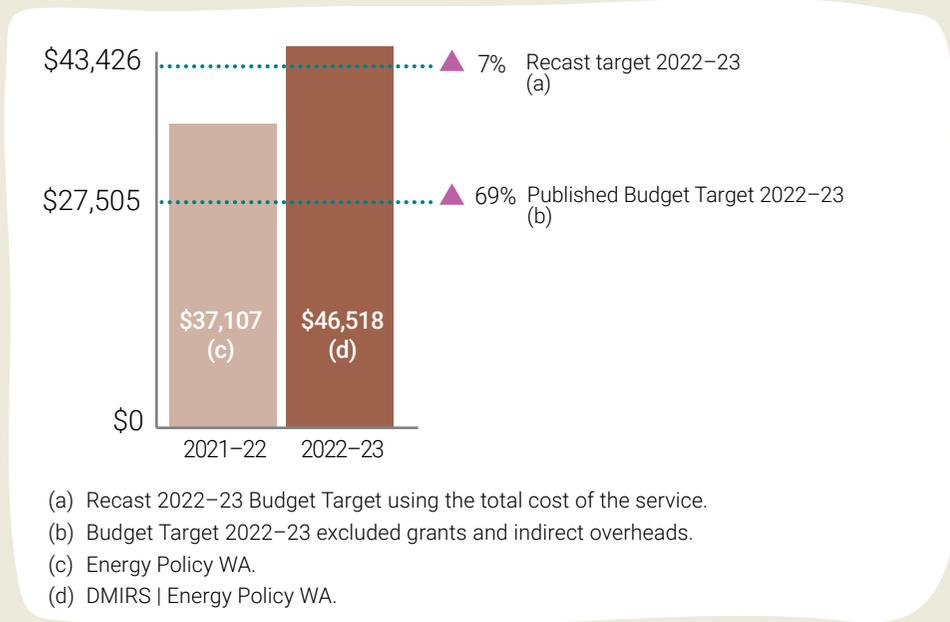
Comment on results

During the 2022–23 financial year, Energy Policy WA achieved a rate of completion of planned policy and program development of 97 per cent.

Efficiency



Average cost of policy/project development



Energy Policy WA's Key Efficiency Indicator measures the average cost of policy and project activities that are significant in nature, requiring considerable investment of time and effort.

This indicator measures the efficiency of Energy Policy WA in performing its role on an average cost per unit basis.

On 1 July 2022, Energy Policy WA changed from being a standalone sub-department to a merged business group within the Department of Mines, Industry Regulation and Safety.

Comment on results

During the 2022–23 financial year, Energy Policy WA's average cost of policy and project development activities was \$46,518.

The variation between actual results from target (69 per cent) is due to the impact of an ambitious target being set during the merger of Energy Policy WA into DMIRS. Both grants and indirect overhead expenses were not used in the Budget Target calculation, but were included in the actual results. For transparency, the Budget Target figure has been recast using the published 2022–23 Budget costs to facilitate comparison between the target and actual results.

The result cannot be accurately compared to the target due to changes to methodology in how projects and tasks are defined. Furthermore there were fewer than expected Ministerial requests due to expected activity being delayed until the new financial year.