



Department of the Premier and Cabinet

Annual Report 2006/2007

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Hon A J Carpenter MLA
PREMIER

In accordance with section 61 of the *Financial Management Act 2006*, I hereby submit for your information and presentation to Parliament, the Annual Report for the Department of the Premier and Cabinet for the year ended 30 June 2007.

The Report has been prepared in accordance with the provisions of the *Financial Management Act 2006*.

A handwritten signature in black ink, appearing to read 'M C Wauchope', written in a cursive style.

M C Wauchope
ACCOUNTABLE AUTHORITY

18 September 2007

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THE YEAR IN REVIEW

The Department of the Premier and Cabinet is responsible for:

Supporting the Premier and Cabinet in achieving the Government's vision for all Western Australians, through leadership and coordination and the promotion of excellence in the public sector.

This broad mandate is reflected in the wealth of activities undertaken by the Department during another extremely busy but highly productive year.

I am particularly pleased to report on the establishment of the Government's new office in Canberra, which has been providing a crucial link with the Commonwealth Government and is ensuring that Western Australia has a strong voice in developing the nation's responses to such critical issues as climate change and water reform.

Further afield, our offices in Tokyo, London and Dubai have continued to promote trade between Western Australia and Asia, Europe and the Middle East, while at the same time promoting investment and business opportunities in WA.

Regrettably, world events have continued to highlight the importance of effective security planning and emergency management at home in WA. In partnership with the WA Police Service, the Department took a lead role this year in ensuring that the State is meeting its obligations under the National Counter-Terrorism Exercise Program. This included exercises in the land and aviation transport sectors, and the protection of infrastructure in the State's North West. The Department has also progressed work to establish a dedicated State Coordination Centre in Perth early in 2008.

Throughout the year, the Department has provided advice and support to the Premier and Cabinet on a wide range of whole-of-sector issues. Workforce management issues, especially workforce planning, attraction and retention and professional development, remained a key issue for Government as some of the sector's most experienced people retire and the labour market tightens. The Department undertook a number of initiatives in this area, including expanding the University Partnerships Strategy, conducting a sector-wide Retirement Intentions Survey, and Senior Executive Leadership Development.

The Department continued to support the Premier as Minister for Public Sector Management in undertaking functional reviews of government agencies, with the Department of Industry and Resources, and the Department for Community Development, the subject of such reviews during the year. Reviews of the Department of Indigenous Affairs and the Western Australian Sports Centre Trust were also concluded this year.

We have continued to work closely with the Corruption and Crime Commission (CCC) and the Office of the Public Sector Standards Commissioner to promote the highest standards of integrity and accountability in the public sector. The Department will continue to take all necessary measures to improve existing governance and accountability arrangements, including conducting ongoing awareness-raising programs among our staff.

The Department's Code of Conduct has been reviewed in light of the issues arising from the CCC hearings, including an amendment requiring all persons employed, contracted or engaged by the Department to comply with the *Contact with Lobbyists Code*, which came into force in April to provide an open, accountable mechanism for public scrutiny and lobbying activity.

There have also been a number of operational changes during the year, including the closure of the Office of Citizens and Civics on 31 December 2006, the transfer of responsibility for the Office of Shared Services function to the Department of Treasury and Finance from 1 January 2007, and the creation of the Office of the Special Advisor on Indigenous Affairs. I am pleased to report the appointment of former Western Australian Governor, Lieutenant General John Sanderson AC, to this Office on 2 September.

The Department's Divisions and Offices have continued to provide a high quality service to their respective clients across a broad spectrum of functions and activities during the year. This has included providing the necessary support to facilitate changes in the constitution of the Ministry. The Department also assisted with the relocation of 11 electorate offices, with a further seven in various stages of completion.

Work practices and lifestyles that are increasingly mobile provide opportunities to change the way Government delivers services and interacts with citizens and business. One of my personal highlights of the year was the launch in March of the Office of e-Government's Electronic Service Delivery Strategy for the WA public sector, which will significantly enhance the Government's ability to respond to the growing service delivery expectations of citizens and business, and presents an exciting vision for the future.

The successful delivery of these services and the many others outlined in this report would not have been possible without the high level of support I have received during the year from our dedicated and professional staff. I take this opportunity to express my personal appreciation for the efforts of all those concerned.



M C Wauchope
DIRECTOR GENERAL

DEPARTMENT OVERVIEW

RESPONSIBLE MINISTER

The Department reports to the Hon A J Carpenter MLA, in his capacity as Premier; Minister for State-Federal Relations; Trade; Innovation; Science; Public Sector Management.

CHIEF EXECUTIVE OFFICER

The Chief Executive Officer of the Department is Mr Malcolm Wauchope. Mr Wauchope is also the Accountable Officer, as prescribed in section 52 of the Financial Administration and Audit Act 1985.

MISSION

The mission of the Department is to

“Support the Premier and Cabinet in achieving the Government’s vision for all Western Australians, through leadership and coordination and the promotion of excellence in the public sector”.

The Service Structure to support the achievement of the above mission comprised the following:

Support for the Premier as Head of Government (Service 1)

The Department provides administrative support and advice responsive to the Premier’s requirements as Head of Government. This service also includes the promotion of Western Australia’s interests overseas and communicating Government policies and activities.

Management of Matters of State (Service 2)

The Department provides a range of services on behalf of the Premier, including:

- support for the functions of Executive Government;
- administration of entitlements for Members of Parliament and former Members of Parliament;
- support for Ministerial Offices and the Leaders of the Opposition Parties;
- management of the State Occasions and Official Visits Program;
- co-ordinating delivery of Government services provided to the Indian Ocean Territories on behalf of the Commonwealth Government; and
- provision of emergency management advice and support to the Premier, Ministers and Government agencies, and whole-of-government management and coordination of significant security incidents and emergencies.

This service also includes the corporate services function provided to the Office of the Public Sector Standards Commissioner, the Parliamentary Commissioner for Administrative Investigations, Healthway and the Department of Treasury and Finance.

Management of Policy (Service 3)

The Department provides advice to and co-ordination for the Premier and Cabinet on key policy matters to ensure an effective government-wide perspective in the following policy areas:

- social;
- environmental;
- economic;
- regional; and
- sustainability.

The Department also provides advice on whole-of-government positions on federal reform, treaties, defence and other matters raised through the Council of Australian Governments and the Council for the Australian Federation, while managing and coordinating Western Australian Government input to intergovernmental negotiations.

Support for the Premier as Minister for Public Sector Management (Service 4)

The Department provides advice, assistance and support to the Minister for Public Sector Management and the public sector on a range of public sector management matters, including:

- functions under the *Public Sector Management Act 1994*, including as the employer of Chief Executive Officers and manager of the Senior Executive Service;
- best practice in human resource management, including recruitment, employment, professional development, skills training and deployment;
- whole-of-government reporting on public sector workforce demographics, trends and management issues; and
- support for organisational restructuring and promotion of whole-of-government management improvement strategies and special projects.

Parliamentary, Statutory and Legislative Publishing Service (Service 5)

Through the State Law Publisher, the Department provides a secure, confidential and time critical publishing service to meet the needs of Parliament and Government.

Management of the Constitutional Centre Programs (Service 6) (*Reports to the Minister for Local Government; Racing and Gaming; Multicultural Interests and Citizenship; Government Enterprises; Minister Assisting the Minister for Planning and Infrastructure; Goldfields-Esperance; Youth*)

The Government is committed to helping educate the community on Western Australian and Commonwealth Constitutions, and the Federal system of government through the provision of exhibitions and programs at the Constitutional Centre.

Promotion and Support of Citizenship and Multiculturalism in Western Australia (Service 7) (*Reports to the Minister for Local Government; Racing and Gaming; Multicultural Interests and Citizenship; Government Enterprises; Minister Assisting the Minister for Planning and Infrastructure; Goldfields-Esperance; Youth*)

The Office of Citizens and Civics coordinates the implementation of The Western Australian Citizenship Strategy, 'A Voice for All: Strengthening Democracy', by:

- developing policy in the areas of citizenship and governance, civics and strengthening democracy; and
- identifying information, skills and mechanisms required for effective participation in public life and decision-making; and facilitating and fostering dialogue between the people of Western Australia, their governments and other institutions.

(Note: The Office of Citizens and Civics ceased to exist on 31 December 2006 with key activities transferred to the Office of Multicultural Interests)

The Office of Multicultural Interests assists in delivering Government's commitments set out in the Western Australian Charter of Multiculturalism by:

- promoting the ideals of multiculturalism to public sector agencies and the community; and
- developing and influencing policies that reflect the principles of multiculturalism.

Support for Implementation of the State's Road Safety Initiatives (Service 8) (*Reports to Minister for Police and Emergency Services; Community Safety; Water Resources; Sport and Recreation*)

Support is provided to the Road Safety Council to undertake implementation, monitoring and evaluation of the State's road safety initiatives.

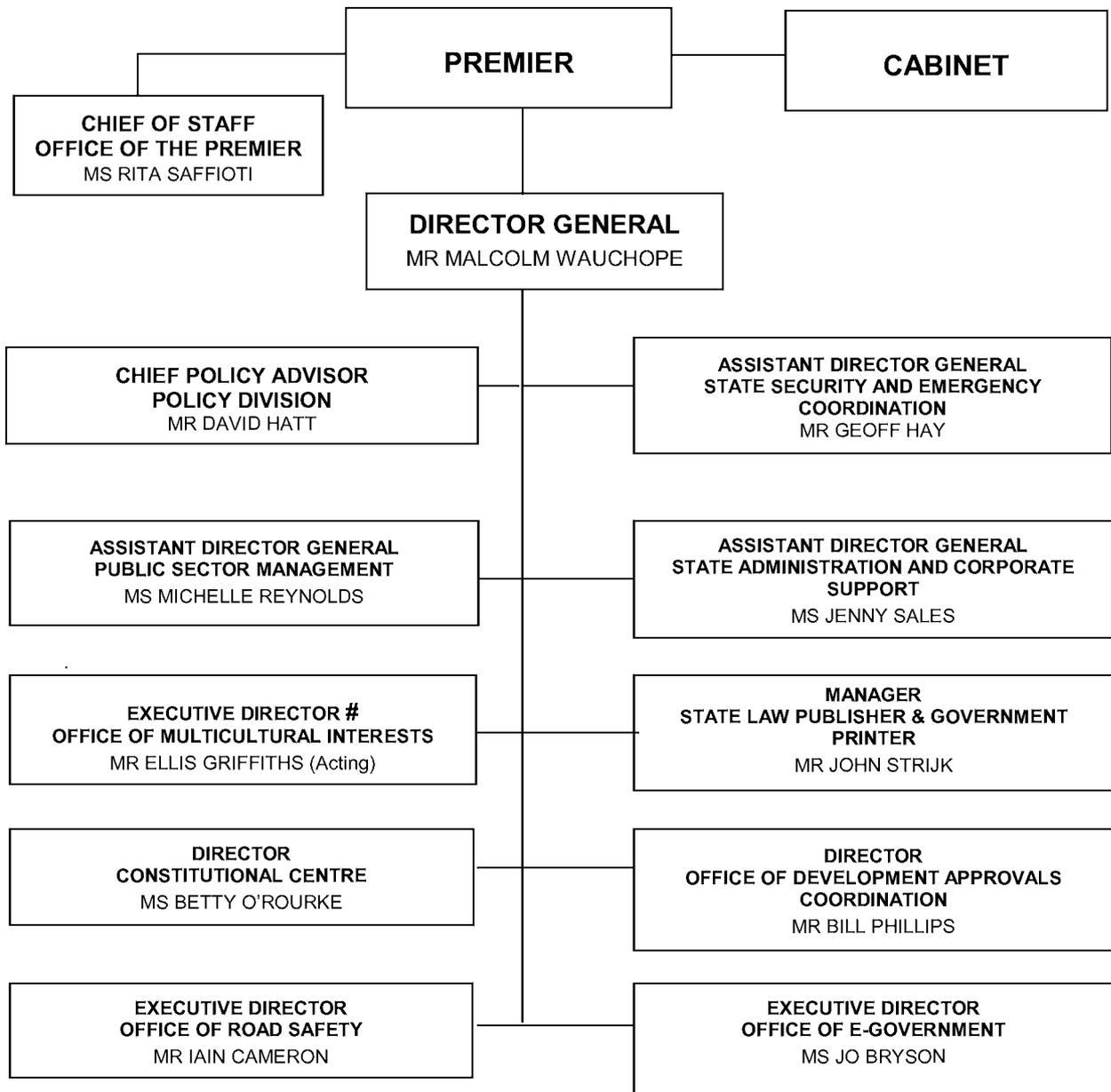
e-Government Policy and Coordination (Service 9)

The Office of e-Government is responsible for:

- promoting and leading the implementation of the e-Government Strategy for the Western Australian Public Sector;
- developing a policy framework, standards and guidelines that are consistent with the e-Government Strategy for the Western Australian Public Sector, and with national and international best practice;
- coordinating and facilitating cross-sector implementation of the e-Government Strategy for the Western Australian Public Sector and policy framework;
- initiating, leading and coordinating strategic e-government projects that deliver improved internal efficiencies, integrated service delivery and greater opportunities for community participation; and
- encouraging a better understanding of e-Government and promoting its benefits to the public sector, business and the community.

DEPARTMENT OF THE PREMIER AND CABINET
ORGANISATIONAL STRUCTURE

As at 30 June 2007



The Office of Multicultural Interests transferred to the Department of Communities on 1 July 2007

**SENIOR OFFICERS
AS AT 30 JUNE 2007**

DIRECTOR GENERAL

MR MALCOLM WAUCHOPE B Com (Hons), M Com

Mr Wauchope was appointed to the position of Director General in October 1997 and reappointed in October 2002 having previously held the positions of Chief Executive, Office of State Administration and Chief Executive, Department of the Premier. Mr Wauchope has 34 years public sector experience and held senior positions in the Treasury Department prior to joining the Department of the Premier and Cabinet. In addition to holding the position of Director General, Mr Wauchope is the State representative on the Council for the Order of Australia and has been Clerk of the Executive Council since 1987.

CHIEF OF STAFF, OFFICE OF THE PREMIER

MS RITA SAFFIOTI B Bus (Dist)

Ms Rita Saffioti was appointed to the position of Chief of Staff to the Premier on 25 January 2006. Prior to her appointment to this position she was the Director of the Economic Policy Unit and key economic adviser to the former Premier Hon Dr Geoff Gallop MLA for whom she worked while he was Premier and the Leader of the Opposition. Ms Saffioti previously worked in the Department of Treasury and Finance and the Department of Finance in Canberra.

ASSISTANT DIRECTOR GENERAL, STATE ADMINISTRATION AND CORPORATE SUPPORT

MS JENNY SALES BSc, Grad Dip Bus

Ms Sales was appointed to the position of Assistant Director General, Corporate and Business Services, Department of the Premier and Cabinet in April 2002. The position was subsequently expanded to include responsibility for State Administration and Ms Sales was appointed to the new role in July 2006. Ms Sales has over 20 years experience in the public sector and prior to joining the Department of the Premier and Cabinet in 1997, held positions in the then Department of Land Administration, Department of Commerce and Trade and Department of Productivity and Labour Relations.

ASSISTANT DIRECTOR GENERAL, SECURITY PLANNING AND COORDINATION

MR GEOFF HAY B Com (Hons)

Mr Hay was appointed to the position of Assistant Director General, Security Planning and Coordination in July 2005 following periods in the positions of Assistant Director General, State Administration, and Assistant Director General, Public Sector Management. Prior to that Mr Hay held the position of Assistant Under Treasurer at the Treasury Department. Mr Hay has over 25 years of experience in the public sector and in addition to the Treasury Department, he has been employed by the Department of Corrective Services and the Fremantle Port Authority.

CHIEF POLICY ADVISOR, POLICY DIVISION

MR DAVID HATT B Ed, JP

Mr Hatt was appointed to head the Policy Division of Department of the Premier and Cabinet in 2003. Prior to this he held numerous positions in the State Government as an adviser to four Premiers and as a senior public servant. Mr Hatt was Chief Executive of the Department of Planning and Urban Development from 1988-1993, Chairman of the Joondalup Development Corporation and the inaugural Chairman of the Western Australian Land Authority (LandCorp). Mr Hatt also held senior positions in Government sports administration at State and Commonwealth level and for seven years was the Chief Executive of the Fremantle Football Club in the Australian Football League. He recently relinquished his role as Chairman of the AFL Research and Development Board.

ASSISTANT DIRECTOR GENERAL, PUBLIC SECTOR MANAGEMENT

MICHELLE REYNOLDS BA, MBA

Ms Reynolds was appointed to the position of Assistant Director General in September 2006. Prior to taking up this opportunity Ms Reynolds was the Director, Employment, Public Sector Management Division. Prior to working at the Department of the Premier and Cabinet, Ms Reynolds worked at the Police Department, Public Service Board/Commission, Totalisator Agency Board, Department of Employment and Training and the then Crown Law Department.

MANAGER, STATE LAW PUBLISHER AND GOVERNMENT PRINTER

MR JOHN STRIJK

Mr Strijk was appointed to the position of Manager, State Law Publisher and Government Printer in June 1996 having previously acted in the position of Director, State Print. Mr Strijk has over 35 years public sector experience and occupied various positions in the Department of State Services and State Print.

DIRECTOR, CONSTITUTIONAL CENTRE

MS BETTY O'ROURKE BEd

Ms O'Rourke was appointed as Director of the Constitutional Centre of Western Australia in February 2000. Ms O'Rourke had 15 years experience as a teacher before spending the following 6 years as Head of Public Programs at the Western Australian Museum.

ACTING EXECUTIVE DIRECTOR, OFFICE OF MULTICULTURAL INTERESTS

MR ELLIS GRIFFITHS BA (HONS), MED

Mr Griffiths was appointed Acting Executive Director, Office of Multicultural Interests on 22 June 2006. He had previously been on secondment, from the Department of Culture and the Arts, to the Intergovernmental Relations Unit to coordinate the negotiation of a bilateral agreement between the Western Australian and the Commonwealth Governments on Indigenous Affairs. Mr Griffiths started his career in the public sector in 1980 following ten years of experience as a community worker and training consultant. He has held executive level positions in the then Department of Youth, Sport and Recreation, the Youth Affairs Bureau, the Office of the Family, the Department of Community Development and the Department of Culture and the Arts.

EXECUTIVE DIRECTOR, OFFICE OF ROAD SAFETY

MR IAIN CAMERON BPE, Dip Ed, Post Grad Dip Health Prom, MPH

Mr Cameron was appointed to this position in October 2000 in the Department of Transport and joined the Department on 1 July 2002 with the transfer of the Office. Mr Cameron started his public service as a teacher in 1984 and has had public service roles in education, health and drug strategy. He has worked for a professional teaching association, lectured and written university health promotion courses and curriculum materials for the Curriculum Council. He is a member of the Road Safety Council, the National Road Safety Strategy Panel, the Board of the Australasian New Car Assessment Program, the National Advisory Group on Novice Driver Safety, chair of the National Automotive Advertising Monitoring Group and an Australian member of the OECD Working Groups on Achieving Ambitious Road Safety Targets and Novice Driver Safety.

EXECUTIVE DIRECTOR, OFFICE OF e-GOVERNMENT

MS JO BRYSON M Bus

Ms Bryson was appointed Executive Director, Office of e-Government, Department of the Premier and Cabinet in March 2004. She has held senior executive management positions at international, State and local government levels over a period of thirty years. These have included management of European Commission projects, Chief Executive, Office of Communications, Science and Advanced Technology, Northern Territory Government and Director, WA Land Information System with the Western Australian Government. Ms Bryson has lectured and is the author of several leading edge management textbooks and journal articles.

DIRECTOR, OFFICE OF DEVELOPMENT APPROVALS COORDINATION

MR BILL PHILLIPS, Dip Pub Admin

Mr Phillips was seconded to the Department of the Premier and Cabinet in November 2005 with the establishment of the Office of Development Approvals Coordination. Prior to his appointment to this position he was an Assistant Director General in the Department of Industry and Resources responsible for governance and corporate issues. Mr Phillips has over 25 years public sector experience at senior level relating to legislation and land access and titles for the resource industries.

STATEMENT OF COMPLIANCE WITH RELEVANT WRITTEN LAW

The Department was established under the *Public Sector Management Act 1994*. Statutes committed to the administration of the Premier; Minister for Federal-State Relations; Trade; Innovation; Science; Public Sector Management as at 30 June 2007, were:

LEGISLATION ADMINISTERED BY THE DEPARTMENT

<i>Agent General Act 1895</i>	<i>Multicultural and Ethnic Affairs Commission Act 1983</i>
<i>Alteration of Statutory Designations Act 1974</i>	<i>Mutual Recognition (Western Australia) Act 2001</i>
<i>Armorial Bearings Protection Act 1976</i>	<i>Parliamentary and Electorate Staff (Employment) Act 1992</i>
<i>Census Act 1891</i>	<i>Parliamentary Papers Act 1891</i>
<i>Civil Liability Act 2002</i>	<i>Parliamentary Privileges Act 1891</i>
<i>Constitution Act 1889</i>	<i>Public Sector Management Act 1994</i>
<i>Constitution Acts Amendment Act 1899</i>	<i>Returned Servicemen's Badges Act 1953</i>
<i>Daylight Saving Act 2006</i>	<i>Royal Commissions Act 1968</i>
<i>Deputy Governor's Powers Act 1911</i>	<i>Royal Commission (Custody of Records) Act 1992</i>
<i>Discharged Servicemen's Badges Act 1967</i>	<i>Royal Commission Into Commercial Activities of Government Act 1992</i>
<i>Election of Senators Act 1903</i>	<i>Royal Powers Act 1953</i>
<i>Fairbridge Farm School Act 1948</i>	<i>Royal Style and Titles Act 1947</i>
<i>Friendlies Societies' Association of Kalgoorlie Governor's Establishment Act 1992</i>	<i>Standard Time Act 2005</i>
<i>Indian Ocean Territories (Administration of Laws) Act 1992</i>	<i>Taxation (Staff Arrangements) Act 1969</i>
<i>Machinery of Government (Miscellaneous Amendments) Act 2006</i>	<i>Terrorism (Commonwealth Powers) Act 2002</i>
<i>Members of Parliament (Financial Interests) Act 1992</i>	<i>Unauthorised Documents Act 1961</i>
<i>Ministers Titles Act 1925</i>	<i>Uniforms Act 1895</i>

LEGISLATION IMPACTING ON THE DEPARTMENT'S ACTIVITIES

<i>Corruption and Crime Commission Act 2003</i>	<i>Parliamentary Commissioner Act 1971</i>
<i>Disability Services Act 1993</i>	<i>Public and Bank Holidays Act 1972</i>
<i>Equal Opportunity Act 1984</i>	<i>Public Interest Disclosure Act 2003</i>
<i>Financial Management Act 1985</i>	<i>Public Sector Management Act 1994</i>
<i>Freedom of Information Act 1992</i>	<i>Road Safety Council Act 2002</i>
<i>Industrial Relations Act 1979</i>	<i>State Records Act 2000</i>
<i>Minimum Conditions of Employment Act 1993</i>	<i>State Supply Commission Act 1991</i>
<i>Occupational Safety and Health Act 1984</i>	<i>Workers Compensation Reform Act 2004</i>

OTHER LEGISLATION REPORTED ON IN THIS REPORT

Salaries and Allowances Act 1975

COMPLIANCE REPORTING REQUIREMENTS

PUBLIC SECTOR MANAGEMENT ACT 1994

The Department continues to achieve a high level of compliance with public sector standards in human resource management, the Code of Ethics and Code of Conduct. Further details are found on page 65 in the report.

Existing controls and checks are considered sufficient to provide a reasonable assurance of compliance with the standards and ethical codes. Auditing is conducted on a regular basis as part of the internal audit program. The applications made for a breach of standards review and the corresponding outcomes for the reporting period are:

- Number Lodged – 1
- Breaches Found – 0
- Multiple Breaches – N/A
- Applications Under Review – N/A
- Material Breaches – 0
- Breaches Withdrawn – 0
- Breaches Dismissed - 1

Disciplinary Investigations

The Department completed three investigations into alleged breaches of discipline during the year. Of these investigations, one is ongoing, one resulted in a reprimand and one was dismissed.

EQUAL OPPORTUNITY ACT 1984

Details of the Department's achievement of objectives in relation to Equity and Diversity are reported on page 66 in accordance with Section 146 of the *Equal Opportunity Act 1984*.

ELECTORAL ACT 1907

Appendix 1 details the information required to be presented by the Department to comply with Section 175ZE of the *Electoral Act 1907*.

FREEDOM OF INFORMATION ACT 1992

Appendix 3 details the "Information Statement" required to be presented by the Department to comply with Sections 96 and 97 of the *Freedom of Information Act 1992*.

STATE RECORDS ACT 2000

Details of the Department's "Recordkeeping Plan" are reported on page 67 in accordance with Section 19 of the *State Records Act 2000*.

SUBSTANTIVE EQUALITY

Details of the Department's achievement of objectives in relation to Substantive Equality are reported on page 70 in accordance with the requirements in *Premier's Circular 2005/07*.

SUSTAINABILITY

Details of the Department's achievement of objectives in relation to Sustainability are reported on page 70 in accordance with the requirements of the *Sustainability Code of Practice for Government Agencies and Resource Guide for Implementation*.

DISABILITY SERVICES ACT 1993

The prime focus of the Department's operations is to support the Premier and Cabinet in achieving the Government's vision for all Western Australians, through leadership and coordination and the promotion of excellence in the public sector. Accordingly, the Department provides limited services directly to the community or people with disabilities, their families and carers. The Department is committed to ensuring its services and facilities are fully accessible to people with disabilities where applicable.

The *Disability Services Act 1993* was amended in December 2004 requiring public authorities to develop and implement Disability Access and Inclusion Plans by July 2007 to replace existing Disability Service Plans.

The Department's existing Disability Services Plan was revised in May 2006 to reflect organisational changes that occurred during last financial year and was forwarded to the Disability Services Commission in accordance with the new legislation. A new Disability Access and Inclusion Plan was being developed at year's end and will be lodged with the Disability Services Commission in July 2007 in accordance with the *Disability Services Amendment Act 2004*.

The following reflects action taken in relation to the six Disability Access and Inclusion Plan Outcomes as required this year:

- Outcome 1: People with disabilities have the same opportunities as other people to access the services of, and any events organised by, a public authority. No action required.
- Outcome 2: People with disabilities have the same opportunities as other people to access the buildings and other facilities of a public authority. No action required.
- Outcome 3: People with disabilities receive information from a public authority in a format that will enable them to access the information as readily as other people are able to access it. An upgrade of the Department's website has continued during the year to ensure it meets the requirements under the *Guidelines for State Government Web Sites*, which includes access to people with disabilities. No other action required.
- Outcome 4: People with disabilities receive the same level and quality of service from the staff of a public authority as other people receive from staff of that public authority. No action required.
- Outcome 5: People with disabilities have the same opportunities to make complaints to a public authority. No action required.
- Outcome 6: People with disabilities have the same opportunities to participate in any public consultation by a public authority. No action required.



M C Wauchope
DIRECTOR GENERAL

MINISTERIAL RESPONSIBILITY FOR SERVICES

Responsible Minister	Service
Premier; Minister for Federal-State Relations; Trade; Innovation; Science; Public Sector Management	1. Support for the Premier as Head of Government 2. Management of Matters of State 3. Management of Policy 4. Support for the Premier as Minister for Public Sector Management 5. Parliamentary, Statutory and Legislative Publishing Service 9. e-Government Policy and Coordination
Minister for Local Government; Racing and Gaming; Multicultural Interests and Citizenship; Government Enterprises; Minister Assisting the Minister for Planning and Infrastructure; Goldfields-Esperance; Youth	6. Management of the Constitutional Centre Programs 7. Promotion and support of citizenship and multiculturalism in Western Australia
Minister for Police and Emergency Services; Community Safety; Water Resources; Sport and Recreation	8. Support for the Implementation of the State's Road Safety Initiatives

RELATIONSHIP OF SERVICES TO GOVERNMENT STRATEGIC GOALS

Broad, high-level government goals are supported at agency level by more specific desired outcomes. Agencies deliver services to achieve these desired outcomes, which ultimately contribute to meeting the higher-level government goals. The following table illustrates the relationship between agency level desired outcomes and the most appropriate government goals.

Government Goals	Desired Outcomes	Services
Developing and maintaining a skilled, diverse and ethical public sector serving the Government with consideration of the public interest.	The Premier's requirements and those of Cabinet are met.	1. Support for the Premier as Head of Government 2. Management of Matters of State 3. Management of Policy
	The Premier's obligations as Minister for Public Sector Management are met.	4. Support for the Premier as Minister for Public Sector Management
	A secure, confidential and time critical printing and publishing service for Parliament and Government.	5. Parliamentary, Statutory and Legislative Publishing Service
	Increased level of community awareness of the Western Australian and Commonwealth Constitutions, and the Australian federal system of government.	6. Management of the Constitutional Centre Programs
	The strategic transformation of the operations of Government, using technology as a tool to improve internal efficiency, service delivery to citizens and community participation.	9. e-Government Policy and Coordination

Government Goals	Desired Outcomes	Services
Enhancing the quality of life and wellbeing of all people throughout Western Australia by providing high quality, accessible services.	A Western Australian public sector in which there is widespread acceptance of the principle of multiculturalism to enable the achievement of substantive equality for culturally and linguistically diverse communities.	7. Promotion and support of citizenship and multiculturalism in Western Australia
	Reducing the number of fatalities in Western Australia through the implementation of Road Safety programs.	8. Support for the Implementation of the State's Road Safety Initiatives

SIGNIFICANT ISSUES AND TRENDS

The following are some of the most significant issues and trends that the Department is considering and dealing with:

- the importance of effective counter-terrorism, emergency management and human influenza pandemic planning and preparedness continues to be reinforced by events in Australia and overseas. The Department coordinates the provision of advice to the Premier on these issues;
- the nature of Australia's federation and the relationship between the Commonwealth and the States increasingly provides an important context to many aspects of State Government activity, particularly given the High Court's 2006 Work Choices decision. The Department plays a key role in providing advice and support to the Premier on strategic intergovernmental issues;
- workforce management issues (especially workforce planning, attraction and retention and professional development) remain a key issue for Government in 2007/08 as some of the sector's most experienced people retire and the labour market tightens;
- employment flexibility is emerging as a major retention issue for both older and younger generations of public sector workers;
- work practices and lifestyles that are increasingly mobile will provide opportunities to change the way Government delivers services and interacts with citizens and business. The Department is identifying initiatives that will enable citizens and business to communicate and undertake transactions with government electronically, with mobile devices and associated technologies increasingly playing a part; and
- the Bilateral Agreement on Indigenous Affairs between the Commonwealth of Australia and the State of Western Australia 2006-2010 has significant policy, service delivery and budgetary implications following the abolition of the Aboriginal and Torres Strait Islander Commission and the Commonwealth decision to cease funding the Community Development Employment Program in the metropolitan area and most larger regional towns. The Special Advisor on Indigenous Affairs is identifying whole-of-government strategies to address these matters.

AGENCY PERFORMANCE - REPORT ON OPERATIONS FOR THE YEAR ENDED 30 JUNE 2007

Financial Targets - Actual performance compared to budget targets

	2006-07 Target \$000 ⁽¹⁾	2006-07 Actual \$000	Variation \$000 ⁽²⁾
Total cost of services (expense limit) (sourced from Income Statement)	143,814	138,154	(5,660) ^(a)
Net cost of services (sourced from Income Statement)	116,993	121,427	4,434 ^(b)
Total equity (sourced from Balance Sheet)	26,433	26,784	351
Net increase / (decrease) in cash held (sourced from Cash Flow Statement)	-2,127	3,304	5,431 ^(c)
	No.	No.	No.
Approved full time equivalent (FTE) staff level	807 ^(d)	860 ^(e)	53

(1) As specified in the budget statements for the year in question.

(2) Further explanations are also contained in Note 33 'Explanatory Statement' to the financial statements.

(a) The variation is mainly due to grants and subsidies paid from the Office of Road Safety being significantly less than budgeted.

(b) In addition to the explanation above regarding expenses, the variation was mainly due to revenue for the Office of Road Safety from photographic based infringements being less than budgeted.

(c) The increase in cash held is the result of payments not being as high as budgeted, mainly in grant payments.

(d) This figure was incorrectly stated in the 2006/07 Budget Statements. The correct figure is 835. The original figure excluded officers seconded to the Department whose salaries were recouped by their home agency.

(e) In terms of actual FTEs, the Department reduced staff by 44.8 FTEs from 904.8 in 2005/06 to 860 FTEs in 2006/07. This FTE figure is based on the average number of FTEs, calculated over the course of the year, including electorate officers.

AGENCY PERFORMANCE - REPORT ON OPERATIONS FOR THE YEAR ENDED 30 JUNE 2007

Summary of Key Performance Indicators: Actual performance compared to budget Targets

	Target 2006-07	Actual 2006-07 ⁽¹⁾	Variation ⁽²⁾
<p>Outcome: The Premier's requirements and those of Cabinet are met.</p> <p>Key Effectiveness Indicator(s):</p> <p>The extent to which the needs of the Premier and Cabinet are met by services provided by the Department of the Premier and Cabinet.</p>	3.2	3.2	-
<p>Service: Support for the Premier as Head of Government</p> <p>Key Efficiency Indicator(s):</p> <p>Cost of services provided to support the Premier</p> <p>Average cost of representing WA interests overseas (per region)</p> <p>Average cost of media and communication services provided to each Minister (including the Premier)</p>	\$3,641,787 \$1,547,819 \$187,177	\$3,541,717 \$1,668,836 \$208,092	\$100,070 (\$121,017) (\$20,915)
<p>Service: Management of Matters of State</p> <p>Key Efficiency Indicator(s):</p> <p>Average operating cost per Ministerial Office (including the Leaders of the Opposition).</p> <p>Average cost of administration provided for each Ministerial Office (including the Leaders of the Opposition).</p> <p>Average entitlement cost per Member of Parliament.</p> <p>Average cost of administration per Member of Parliament.</p> <p>Average cost of providing an Executive Government Service.</p> <p>Average cost per Indian Ocean Territory Service Delivery Arrangement coordinated.</p> <p>Average cost per security project.</p>	\$1,598,952 \$344,806 \$281,036 \$10,451 \$14,556 \$7,540 \$153,021	\$1,670,024 \$567,691 \$290,261 \$9,565 \$15,503 \$8,281 \$85,652	(\$71,072) (\$222,885) (\$9,225) \$886 (\$947) (\$741) \$67,369
<p>Service: Management of Policy.</p> <p>Key Efficiency Indicator(s):</p> <p>Average cost per hour of policy advice, development and co-ordination.</p>	\$128	\$95	\$33
<p>Outcome: The Premier's obligations as Minister for Public Sector Management are met.</p> <p>Key Effectiveness Indicator(s):</p> <p>The extent to which the needs of the Premier are met by services provided by the Department of the Premier and Cabinet.</p>	3.0	4.0	1.0
<p>Service: Support for the Premier as Minister for Public Sector management.</p> <p>Key Efficiency Indicator(s):</p> <p>Average cost of support services provided per Senior Executive Service (SES) member.</p>	\$3,484	\$1,742	\$1,742

ANNUAL REPORT – 2006/2007

	Target 2006-07	Actual 2006-07 (1)	Variation(2)
Average cost per recruitment and redeployment service provided.	\$2,940	\$3,285	(\$345)
Average cost per hour of workforce development provided.	\$106	\$140	(\$34)
Average cost per visit to on-line facilities provided.	\$1.65	\$0.64	\$1.01
Average cost per hour of policy advice and policy implementation provided.	\$141	\$125	\$16
Average cost per Public Sector Management Program participant.	\$4,335	\$6,502	(\$2,167)
Outcome: A secure, confidential and time critical printing and publishing service for Parliament and Government.			
Key Effectiveness Indicator(s):			
Proportion of Parliamentary documents produced and delivered within agreed timeframes established by each house of Parliament.	100%	99.85%	(0.15%)
Proportion of documents produced and released in accordance with security and confidentiality requirements.	100%	99.72%	(0.28%)
Service: Parliamentary, Statutory and Legislative Publishing Service.			
Key Efficiency Indicator(s):			
Average cost per printing image produced.	\$0.10	\$0.09	\$0.01
Average cost of publications sold.	\$9.57	\$8.75	\$0.82
Average sale value.	\$13.00	\$17.11	(\$4.11)
Outcome: Increased level of community awareness of the Western Australian and Commonwealth Constitutions, and the Australian Federal system of government.			
Key Effectiveness Indicator(s).			
Percentage growth in Constitutional Centre customer numbers compared with previous year.	7%	14%	7%
Percentage increase in use of electronic information provided on the Constitutional Centre web page.	17%	56%	39%
Level of regional demand / support for travelling or outreach programs.	25%	14%	(11%)
Service 6: Management of the Constitutional Centre programs.			
Key Efficiency Indicator(s):			
Cost per customer of the Constitutional Centre.	\$13.11	\$11.69	\$1.42
Outcome: A Western Australian public sector in which there is widespread acceptance of the principle of multiculturalism to enable the achievement of substantive equality for culturally and linguistically diverse communities.			
Key Effectiveness Indicator(s)			
The extent to which the principles of multiculturalism are accepted and practised in Western Australia.	65%	65%	0%
The extent to which policies and practices of public sector agencies reflect the principles of multiculturalism.	75%	85%	10%

ANNUAL REPORT – 2006/2007

	Target 2006-07	Actual 2006-07 ⁽¹⁾	Variation⁽²⁾
Service: Lead the public sector in realising the ideals of multiculturalism, achieving substantive equality for culturally and linguistically diverse communities.			
Key Efficiency Indicator(s)			
Average cost per initiative undertaken to achieve substantive equality for culturally and linguistically diverse communities.	\$65,323	\$89,711	(\$24,388)
Average cost per initiative undertaken to support public sector agency implementation of policies and practices reflecting the principles of multiculturalism.	\$33,435	\$19,136	\$14,299
Average cost per unit of major policy and/or research.	\$46,876	\$15,311	\$31,565
Outcome: Reducing the number of fatalities in Western Australia through the implementation of Road Safety programs.			
Key Effectiveness Indicator(s)			
Deaths from road crashes per 100,000 estimated residential population.	8.1	9.8	(1.7)
Police reported hospital admissions due to road crashes per 100,000 population.	140	134	6
Hospital admissions due to road crashes per 100,000 population.	180	157	23
Service: Support for implementation of the state's road safety initiatives.			
Key Efficiency Indicator(s)			
Average cost of awareness-raising campaigns.	\$664,014	\$590,058	\$73,956
Average cost of road safety initiatives.	\$661,250	\$955,636	(\$294,386)
Average cost per FTE for support services to the Road Safety Council.	\$152,044	\$353,455	(\$201,411)
Outcome: The strategic transformation of the operations of Government, using technology as a tool to improve internal efficiency, service delivery to citizens and community participation.			
Key Effectiveness Indicator(s)			
Proportion of Departments that adopt and implement policies, standards and guidelines developed by the Office of e-Government.	43%	95% ^(a)	52%
Strategic Management Council e-Government Sub-Committee's satisfaction with quality of advice and support provided.	3.4	3.4	-
Premier's Office satisfaction with advice and support provided.	4.0	4.0	-

ANNUAL REPORT – 2006/2007

	Target 2006-07	Actual 2006-07 (1)	Variations (2)
Service: e-Government policy and coordination.			
Key Efficiency Indicator(s)			
Average cost per Department that adopts and implements policies, standards and guidelines.	\$221,452	\$39,027	\$182,425
Average cost per significant e-government initiative in which the Office is involved.	\$156,050	\$221,581	(\$65,531)

(1) As specified in the budget statements for 2006/07.

(2) Detailed explanations for variations between target and actual results are contained in the footnotes in the Performance Indicators section of this Annual Report commencing at page 116.

**SERVICE ONE
SUPPORT FOR THE PREMIER AS HEAD OF GOVERNMENT**

This Service relates to the Government's Strategic Goal – *“Developing and maintaining a skilled, diverse and ethical public sector serving the Government with consideration of the public interest”*

The Department provides administrative support and advice responsive to the Premier's requirements as Head of Government. This service also includes the promotion of Western Australia's interests overseas and communicating Government policies and activities.

PREMIER'S OFFICE

The Premier's Office is staffed by secretarial, administrative, policy and media support employees who operate under the guidance of the Chief of Staff.

Policy Officers assist with Government issues and liaise with State Parliamentary members, Ministers and Ministerial Offices. They also advise the Premier on policy and related issues.

The Premier has direct responsibility for the overseas offices in Japan, London and Dubai and staff in the Premier's Office assist in liaising with these overseas offices. Staff also provide contact and liaison points for matters directly involving the Premier and attend meetings and follow up on matters arising from these meetings.

EUROPEAN OFFICE – London, United Kingdom

The Office is responsible for monitoring business developments and activities that are likely to have an impact on Western Australia's interest in, and ability to do business with Europe. Promoting inward investment into Western Australia, particularly in the area of value-enhancing, and secondary processing of the State's natural resource assets, remains a key activity. Trade development opportunities for Western Australian business in both the industrial and domestic markets continues to be promoted. Western Australia is also promoted as a destination for business and skilled migrants and for European students to study.

Some of the key activities undertaken this year were:

- promoted skilled and business migration to Western Australia in the United Kingdom and Europe, including Emigrate in London and Working Down Under in Ireland;
- assisted Perth based agencies including the WA Police Service with their specific migration programmes;
- promoted education services in Western Australia at fourteen education exhibitions and conferences throughout the United Kingdom and Europe;
- coordinated a food and beverage promotion, specifically targeting the UK food service sector at the Restaurant Show in London, provided specific assistance to companies in their marketing programs, and attended food and beverage related trade shows and events to network, support the agents of WA products and assess the relevance of certain events for the future;
- attended various biotechnology events to support biotechnology companies in Western Australia and to develop a network and knowledge base in the UK and Europe;

- assisted ten Western Australian groups that participated in the WA industry mission to the Offshore Northern Seas 2006 exhibition in Norway, Europe's largest oil and gas event;
- exhibited at Australia Week in Moscow in order to create awareness of opportunities in Western Australia, and to assist in Government's assessment of the potential of the Russian market;
- assisted in the planning, programming, and support of Ministerial visits to the UK and Europe, and the coordination of the Government sponsored 2007 ANZAC Student Tour; and
- supported the Department of Treasury and Finance in promoting an infrastructure initiative in Europe. The initiative seeks to have major infrastructure providers establish operations in Western Australia to participate in anticipated future public and private infrastructure programs to improve competition in the industry.

NORTH ASIA OFFICE – Tokyo, Japan

The Office is responsible for trade development and investment attraction from the North Asia region. Some of the major achievements were:

- assisted a number of Western Australian companies to identify trading partners in the mining, agribusiness, biotechnology and ITC sectors in Japan through its business matching services;
- supported the Premier's visit to Japan and an associated biotechnology industry promotion and seminar featuring Nobel Prize winner Professor Barry Marshall;
- as part of the 25th anniversary of the Western Australia/Hyogo Prefecture sister state relationship, the Kansai/Hyogo Strategy was reaffirmed and a new joint agreement signed by the Premier and the Governor of Hyogo. The Office coordinated the Governor's visit and the associated trade and investment mission groups; and
- through its WA Wine Ambassador program the Office successfully lobbied three separate wine and lifestyle journals to visit Western Australia, resulting in over 40 pages of coverage to a readership of more than 15 million.

WESTERN AUSTRALIAN TRADE OFFICE – Dubai, United Arab Emirates

The Office is responsible for trade development and investment attraction from the Middle Eastern region. Since opening there has been a significant growth in numbers of Western Australian clients visiting the region and there has also been an increasing flow of inquiries about the capabilities of the State from Middle East companies. Some of the major achievements were:

- concluded comprehensive market research to analyse three Gulf markets, the United Arab Emirates, Qatar and Saudi Arabia highlighting opportunities for WA industries, and developed and launched a comprehensive Oil and Gas market research report, focusing on Western Australia's strengths and opportunities in the Middle East region;

- worked with the Department of Agriculture and Food to:
 - support the Minister for Agriculture and Food's visit program in January 2007 to United Arab Emirates, Bahrain and Qatar;
 - facilitate a Memorandum of Understanding with the Qatar Ministry of Municipal Affairs and Agriculture;
 - win a \$9M soil survey project in Abu-Dhabi;
 - facilitate a Memorandum of Understanding with the Environmental Agency Abu-Dhabi, the Abu-Dhabi food control authority to provide assistance in implementing a Bio-Security seminar in Abu-Dhabi hosted and funded by the Abu-Dhabi food control authority; and
 - develop project opportunities in Qatar (livestock and agriculture), Abu-Dhabi (bio-security and food safety), Bahrain (meat and processed food), and Egypt (dairy).

- in conjunction with Western Australian education providers, the Office:
 - supported the Education Minister's first visit to the Gulf Region in May 2007;
 - assisted in the development of a blended learning post-graduate course in Oil and Gas Engineering by University of Western Australia in partnership with the Higher College of Technology of Abu-Dhabi/United Arab Emirates;
 - assisted TAFE WA in promoting vocational training programs to local government and privates institutes in the Gulf Cooperation Council counties; and
 - assisted in attracting an influential Middle East delegation of scholarship providers to Perth to increase inflow of government-sponsored students to Western Australian Universities.

- assisted the Perth Mint to establish a presence in the lucrative Gulf Region market when they won the contract to provide medals for the 15th Asian Games held in Doha in Qatar;

- supported the Tourism Minister's visit to Dubai to promote tourism and investment into Western Australia in April 2007, and Tourism WA's participation in the Arabian Travel Market and Arabian Hotel Investment Conference to attract investments into Western Australia's tourism industry;

- coordinated the Minister for Planning and Infrastructure's visit to the United Arab Emirates, and organised key meetings with DP World (world's biggest port handling company) and Dubai Aluminium (world's biggest aluminium smelter); and

- in conjunction with the Department of Industry and Resources, the Office recruited and supported 15 Western Australian building and construction companies that participated in the Middle East's biggest Building Construction Exhibition providing in-market briefing and business matching programs to identify export opportunities.

GOVERNMENT MEDIA OFFICE

The Government Media Office co-ordinates and distributes information to media, facilitates liaison between Cabinet Ministers and the media outlets, as well as providing administrative support to Ministerial Advisers.

The media office frequently utilises new technologies such as AAP Message Connect SMS/fax/email alerts, FTR video and audio software and Newsclip scanning software.

The Government Media Office was responsible for the production of 1944 media statements and 511 media alerts during the year.

The Government Advertising Unit is responsible for managing advertising policy and providing expert advice to Government departments on advertising issues.

Due to the rapid growth in internet-based services there has been a significant increase in more targeted advertising campaigns, resulting in savings of millions of dollars to government.

ANZAC DAY WORKING GROUP

In July 2003, the former Premier Hon Dr Geoff Gallop announced the formation of the ANZAC Day Working Group to enhance Western Australia's observance of ANZAC Day, to commemorate the 60th anniversary of the end of World War II in 2005, and to preserve the State's wartime history.

Since its inception, the ANZAC Day Working Group has overseen the implementation of A *Grateful State Remembers* program. This program commemorated the 60th anniversary of the end of World War II in 2005. Program initiatives included the distribution of commemorative *ANZAC Medallions* for surviving men and women who fought, helped or dedicated their services to Australia and/or its Allied Forces during World War II; *Tell Us Your Story*, a program involved inviting people to submit their story in writing about wartime experiences; and *Under Fire* involving funding of \$40,000 for special commemorative events held during 2005 in the eight Western Australian communities that came under attack during World War II.

In addition the ANZAC Day Working Group administers the following programs:

- **Small Grants Scheme** - On 11 November 2006 the Premier Alan Carpenter announced that the State Government would provide an additional \$1 million as part of a two-year extension of the ANZAC Day Small Grants Scheme Program. On 28 January 2007, the Premier launched the first application round for these grants and nominated Mr Bob Kucera MLA as the Chairman of the Working Group. The purpose of the Anzac Small Grants Scheme is to assist with the refurbishment and restoration of dilapidated war memorials and honour rolls across Western Australia; upgrade facilities at RSL or Memorial Halls or other venues used for ANZAC and Remembrance Day Services; provide funding to develop interpretive programs; provide funding for research and publications; and to provide for the purchase of public address (PA) systems and lecterns for ANZAC Day and Remembrance Day services. On ANZAC Day 2007, Mr Kucera announced that 54 grants had been awarded to a value of \$261,926. Round 2 was launched on 1 June 2007 and successful applicants for this round will be announced on Remembrance Day 2007 with successive rounds on Anzac Day 2008 and Remembrance Day 2008.
- **Student Delegation to ANZAC Sites** - 14 high school students accompanied the Minister for Education and Training on the annual Premier's ANZAC Student Tour, which began in 2004 and will be held every year until the Gallipoli centenary in 2015. This year's tour visited the sites of World War I battles where Australians took part, such as Villers Bretonneux, Thiepval, Pozieres and Bullecourt in France and after attending ANZAC services at Ypres in Belgium, including an evening service at Menin Gate, where the Last Post is sounded every evening in remembrance of Australian soldiers, the students travelled to Gallipoli to visit ANZAC Cove.
- **ANZAC Website and War Memorial Register** - the website www.anzac.dpc.wa.gov.au contains the WA War Memorial Register, a comprehensive database of 321 war memorials throughout the State. In each entry there is a description of the memorial and a list of those people commemorated.

**SERVICE TWO
MANAGEMENT OF MATTERS OF STATE**

This Service relates to the Government’s Strategic Goal – “Developing and maintaining a skilled, diverse and ethical public sector serving the Government with consideration of the public interest”

The Department provides a range of services on behalf of the Premier, including:

- support for the functions of Executive Government;
- administration of entitlements for Members of Parliament;
- support for Ministerial Offices and the Leaders of the Opposition Parties;
- management of State occasions and official visits program;
- coordinating delivery of government services provided to the Indian Ocean Territories on behalf of the Commonwealth Government; and
- provision of emergency management advice and support to the Premier, Ministers and government agencies, and whole-of-government management and coordination of significant security incidents and emergencies.

This service also includes the corporate services function provided to the Office of the Public Sector Standards Commissioner, the Parliamentary Commissioner for Administrative Investigations; Healthway; and the Department of Treasury and Finance.

CABINET SERVICES

The Department continued to provide procedural, operational and other services to Cabinet, including:

- the programming of Cabinet business and setting of agendas;
- the monitoring of submissions presented to Cabinet to ensure that they conform with the guidelines set down in the Cabinet Handbook;
- ensuring that members of Cabinet have all relevant information relating to issues that may impact on one or more of their agencies through the Cabinet referral process;
- providing advice to Ministers, departments and agencies on Cabinet operations and requirements;
- recording and distributing Cabinet submissions and decisions in a secure manner;
- monitoring and recording appointments to government boards and committees; and
- maintaining a register of people who have expressed an interest in being appointed to government boards and committees.

There were 49 Cabinet meetings held between 1 July 2006 and 30 June 2007, including seven Regional meetings. During this period, Cabinet considered a total of 816 submissions.

The locations and dates of the Regional meetings were:

Bunbury	6 and 7 March 2007	Collie	4 and 5 September 2006
Pinjarra/ North Dandalup/ Dwellingup (Shire of Murray)	27 and 28 May 2007	Shire of Wanneroo (Upper Northern Suburbs)	16 October 2006
Joondalup	25 June 2007	Broome (Kimberley)	13 and 14 November 2006
Karratha and Roebourne (North West Coastal)	31 July and 1 August 2006		

PARLIAMENTARY SERVICES

The 2006 spring sittings of the Thirty-Seventh Parliament commenced on 15 August 2006 and the 2007 autumn sittings concluded on 28 June 2007.

Assistance was provided to the Government with its legislative program and managing the parliamentary questions database.

There were 2,449 Questions on Notice and 2,018 Questions Without Notice.

57 Government Bills and two Private Members' Bills were passed during the year.

CONSTITUTIONAL AND VICE-REGAL

The Department arranged the formalities associated with 70 temporary allocations of ministerial portfolios during the year to provide for Ministers' short-term absences from office.

Arrangements were made by the Department on nine occasions during the year for the appointment of a deputy of the Governor to exercise the powers and functions of the office when the Governor was formally absent from office.

The Department coordinated the arrangements for four reconstitutions of the Ministry. The composition of the Ministry at 30 June 2007 is shown at Appendix 2.

EXECUTIVE COUNCIL

Throughout the year, the Department continued to provide administrative and research support to the Executive Council and acted as a contact point for inquiries.

The Department coordinated 26 regular meetings of the Executive Council and 18 special meetings during the year. The total number of submissions processed was 999.

COMMUNITY ACCESS AND CORRESPONDENCE

The Department continued to provide the Community Access service, which enables the public to convey their views to the Premier. Departmental officers attended four interviews of members of the public on behalf of the Premier and responded to 2,982 telephone calls to the Community Access telephone line.

The telephone numbers and email address for the Community Access service are as follows:

Metropolitan	(08) 9222 9449
Country (toll free)	1800 198 274
Email	wa-government@dpc.wa.gov.au

The Department continued to service the Premier's correspondence needs during the year. The Correspondence Secretariat prepared 13,619 items of correspondence for the Premier.

ENTITLEMENTS

The Department administers and provides advice in respect of a range of travel, vehicle and other entitlements provided for Members of Parliament, Ministers and others.

Support and assistance was also provided to Members and their staff in the administration of their Parliamentary electorate offices located throughout the State. In particular, the Department facilitated the relocation of 11 electorate offices, with a further seven being at various stages of completion. The Department also facilitated extensive refurbishments of four existing offices. Visits to six other offices were conducted as part of an organised visit program to liaise with staff, determine any general maintenance requirements and organise the replacement of furniture and equipment where necessary.

TRANSPORT

The Department, through the Government Garage, coordinated the delivery of vehicle and chauffeur services to the Premier, Ministers and certain designated office holders. It also administered the operational leasing facilities for departmental vehicles.

EVENTS AND VISIT MANAGEMENT SERVICES

The Department continued its role of planning and coordinating official visits to the State, directing and arranging State hospitality functions and major government ceremonial and special events, arranging official gifts for presentation by the Premier, providing protocol advice to the government and the public, and being a focal point for liaison with the Consular Corps.

State Visit Management

The Department was responsible for the coordination of 34 visit programs during the year. The categories of visits coordinated by the Department were as follows:

- 2 Ministerial level visits
- 1 Sister State Visit
- 24 Visits by Ambassadors and High Commissioners
- 4 Visits by Consular Representatives
- 3 Overseas visits by the Premier

Significant visits included those by:

- His Excellency Mr Toshizo Ido, Governor of Hyogo Prefecture, Japan, accompanied by a delegation of 121, to commemorate the 25th anniversary of the sister state relationship between Western Australia and Hyogo Prefecture, 4 – 7 November 2006; and
- His Excellency Mr Zeng Peiyan, Vice Premier of the State Council, People's Republic of China, 19 – 21 March 2007.

Assistance was provided with arrangements for the Premier's official visits to India (14 – 24 February 2007), Malaysia (22 – 26 April 2007) and the People's Republic of China (4 – 11 June 2007).

Dignitary Protection

As part of its visit management role, the Department maintained close liaison with protective security agencies especially in relation to dignitary protection and continued to be represented on the National Counter Terrorism Committee's Dignitary Protection Managers' Forum.

Hospitality, Ceremonial and Special Event Management

A total of 36 hospitality, ceremonial and special events were arranged by the Department during the year. These included receptions, dinners and luncheons for distinguished visitors,

hosted by the Premier or Ministers on his behalf and community functions associated with regional cabinet meetings.

Major events arranged during the year included:

- Premier's dinner for the Vice Premier of the People's Republic of China, 20 March 2007;
- Premier's reception for Heads of Delegations attending the APEC Ministers Responsible for Mining Meeting, 13 February 2007; and
- Joint Reception to commemorate the 25th anniversary of the Sister State relationship with Hyogo Prefecture, Japan, 6 November 2006.

CELEBRATION / RECOGNITION AND PROMOTION MANAGEMENT

The Department manages services provided for the recognition of special achievements and celebrations for Western Australians, through the administration of Bravery Awards and arranges the issue of congratulatory messages from the Premier. It also manages services provided for promotion of the State through the provision of presentation packs to exchange students and teachers and through the administration of the State Flag allocation and loan schemes.

SECURITY

The Department coordinated the arrangements for the monitoring of security measures in Ministers' offices and private residences during the year. It also arranged for security assessments to be carried out and measures implemented in respect of the private residences of four Ministers.

The Department continued to coordinate the internal security arrangements for staff located in its facilities.

SUPPORT TO MINISTERS AND LEADERS OF THE OPPOSITION

Ministerial offices form part of the Department and each Minister is provided with appropriate policy and administrative staff. In addition, the full range of corporate support is provided to the offices and dedicated staff assist the offices with staffing matters, accommodation, air charter services and budget matters.

The Department convenes a Merit Panel, which assesses the merits of any intended secondments and appointments to Ministerial Offices, together with an assessment of the designation and salary to be offered. This results in a consistent approach to the appointment of staff across all Ministerial Offices. The Merit Panel considered 93 submissions during the year in both formal and out of session meetings.

The Director General continued to provide briefings for Ministerial Officers on topics including the Public Sector Management Act, Department and Ministerial Codes of Conduct, procedures and guidelines covered by the Ministerial Office Manual and the role of the Corruption and Crime Commission.

During the year the Department continued to provide corporate support to the Office of the Leader of the Opposition and the Office of the Leader of the Second Party in Opposition.

Advice and assistance were provided on a range of matters including budget, staffing and entitlements.

THE AUSTRALIAN HONOURS SYSTEM

Her Majesty The Queen established the Australian Honours system in 1975. The system recognises outstanding achievement and commitment by Australians who have contributed to our country in a way that encourages and reinforces the highest community standards and values.

The Director General is Western Australia's Representative on the Council for the Order of Australia and the Chair of the State selection panel for the Public Service Medal.

A total of 114 awards were made to Western Australians in the Australia Day and Queen's Birthday Honours Lists 2007.

MINISTERIAL AIR CHARTER

The Department provides a dedicated air charter service for the Premier and Ministers.

During the year Cabinet approved the replacement of the previous air charter contract, which expired in December 2006 by leasing two new aircraft, a Hawker 850XP jet and a Beechcraft Kingair B200.

Two Requests for Tender were let for the leasing facility and a contract for the management, operation and maintenance of both aircraft to provide ongoing support for ministerial air services for the next 10 years.

Cabinet also approved additional funding for the 2006/07 period to accommodate the transition arrangements of initial start up costs, pilot training, production of operational and maintenance manuals and for consultancy, legal and probity audit costs. Also approved were ongoing operational, maintenance and related costs across the forward estimates.

INDIAN OCEAN TERRITORIES [CHRISTMAS AND THE COCOS (KEELING) ISLANDS]

The Department is the first point of contact for services provided in the Indian Ocean Territories by State agencies and authorities; it develops the policies and negotiates the arrangements under which Western Australia assists the Commonwealth Government to discharge its constitutional obligations in the Territories.

In 2006/07, the Department:

- undertook reviews (jointly with the Commonwealth) of 18 Service Delivery Arrangements (SDAs) due to expire at 30 June 2007, to determine whether performance objectives had been achieved and whether the services provided were consistent with similar remote mainland localities. All reviewed organisations were evaluated as having met their objectives and were recommended for renewal or extension. Renewed SDAs were renegotiated for 16 agencies/authorities for a further four years;
- at the Commonwealth's request for services to be provided by the Building Disputes Tribunal, negotiated a new SDA with the Builders' Registration Board of Western Australia;

- developed and ran a program (in conjunction with the Department of Local Government and Regional Development) to raise awareness of SDA services and other items of interest for the Shires of Christmas and the Cocos (Keeling) Islands during WA's Local Government Week;
- assisted an *Inquiry into the Appropriate Level of Funding for the Indian Ocean Territories* conducted by the Commonwealth Grants Commission; and
- monitored and provided ongoing advice and assistance to the 36 SDAs which are now in place between State/Statutory Authorities and the Commonwealth.

STATE SECURITY AND EMERGENCY COORDINATION

(previously Security Planning and Coordination)

The Office of State Security and Emergency Coordination (the Office), through its representation on the State Emergency Management Committee (SEMC) and the National Counter-Terrorism Committee (NCTC) and various sub-groups of those bodies, continued to provide advice and support to the Premier on matters associated with security planning and emergency management in Western Australia.

Significant areas of work undertaken by the Office in the past 12 months have included:

Human Influenza Pandemic Planning

- coordinated the development of the *Western Australian Government Human Influenza Pandemic Plan* which outlines measures and mitigating strategies to protect the community and minimise the impact of an influenza pandemic upon Western Australia;
- established the CEO Human Influenza Pandemic Taskforce to support the implementation of human influenza pandemic planning and preparedness in the State and ensure that there is a coordinated and integrated response from the public and private sectors;
- coordinated a major desktop exercise involving participants from 39 government and non-government agencies, which enabled agencies to assess their business continuity planning for a possible pandemic and provided a learning opportunity to assist the further development of pandemic influenza plans at agency and whole-of-government level; and
- worked collaboratively with other key agencies to develop and deliver a program of 11 workshops in locations around the State to support Local Government business continuity planning and pandemic planning.

Council of Australian Governments' (COAG) Review of Hazardous Materials

- managed Western Australia's input to the Council of Australian Governments' Review of Hazardous Materials and negotiations with the Commonwealth on nationally consistent controls on those identified as security sensitive substances. This work culminated with COAG agreeing to the reports on Radiological and Biological materials of concern in April 2007. Work on hazardous chemicals is ongoing; and
- hosted two industry consultation sessions in January 2007, with approximately 100 people attending representing industry, manufacturers, farmers, food producers, and the academic sector.

National Counter-Terrorism Exercise Program

- took a lead role, in partnership with Western Australia Police, in ensuring that the State meets its obligations under the National Counter-Terrorism Exercise Program. The program has been refocussed to include 'drill style' exercises designed to reinforce specific skills, procedures and arrangements;
- conducted five exercises involving key government agencies during 2006/07. This included 'no notice' drills to further test preparedness and response arrangements;
- the exercises involved both the land and aviation transport sector and infrastructure protection in the North West. Further exercise scenarios are being developed for 2007/08; and
- planning has also commenced for a major counter-terrorism exercise to be conducted in Western Australia in October 2008. The exercise will feature a combination of deployment and discussion/desktop activities.

JUSTICE REFORM IMPLEMENTATION

The Department of the Premier and Cabinet provided support to the Justice Reform Implementation Committee (JRIC) that had oversight of the implementation of the Government's justice reform package arising from the report of *'The Inquiry into the Management of Offenders in Custody and in the Community'*.

JRIC, chaired by Mr Greg Joyce and comprising representatives of all principal stakeholder Departments, met on 11 occasions between its establishment on 30 November 2005 and its winding up on 31 May 2007. As well as producing three progress reports covering the first three quarters of 2006/07, JRIC produced an implementation plan and a monitoring and evaluation framework for justice reform.

OFFICE OF DEVELOPMENT APPROVAL COORDINATION

The Office of Development Approvals Coordination (ODAC) is a key component of the Western Australian Government's initiative to improve approvals processes for industrial and resource development projects.

ODAC was established on 14 November 2005 and is led by the Development Approvals Coordinator, Mr Brendan Hammond.

ODAC is responsible for:

- leading a multi-agency program to streamline the overall approvals system while not compromising regulatory standards; and
- coordinating the statutory approvals process for very large or complex proposals.

Major achievements include:

- coordination services were provided for seven major development projects and advice and assistance was provided to numerous companies regarding approvals aspects of their projects;
- following completion of a strategic review coordinated by ODAC, in November 2006 the Minister for the Environment announced a number of measures to streamline controls under the *Environmental Protection (Clearing of Native Vegetation) Regulations 2004*;

- new arrangements, including a multi-agency management group and an industry stakeholder reference group, were established to oversee the operation and continuing development of the *Integrated Project Approvals System*;
- completed and published detailed process maps, to a common format, for 31 commonly required approval processes. In addition to helping to identify areas of overlap and duplication this work will provide the foundation for a future whole-of-government electronic approvals management system;
- a mechanism was established, as recommended by the *Review of the Project Development Approvals System 2002*, for routine review of the impact on approvals timelines of any proposals for new regulation; and
- support was provided for ongoing review and improvements within specific agencies, such as licensing reform by the Department of Environment and Conservation, development of the Department of Indigenous Affairs' *Aboriginal Heritage Inquiry System*, and development within the Department of Industry and Resources of the *Electronic Petroleum Register* to monitor petroleum regulatory applications.

SERVICE THREE MANAGEMENT OF POLICY

This Service relates to the Government's Strategic Goal – “*Developing and maintaining a skilled, diverse and ethical public sector serving the Government with consideration of the public interest*”

The Department provides advice to, and co-ordination for the Premier and Cabinet on key policy matters to ensure an effective government-wide perspective in the following areas:

- Social
- Environmental
- Economic
- Regional
- Sustainability

Advice is also provided on whole-of-government positions on federal reform, treaties, defence and other matters raised through the Council of Australian Governments and the Council for the Australian Federation, while managing and coordinating the Western Australian Government input into intergovernmental negotiations.

Support is also provided to Cabinet Standing Committees. The Cabinet Standing Committees have endorsed terms of reference, which include overviews of Cabinet decision making and advising Cabinet on the impact of government policies and decisions on Western Australian communities.

The following highlights the major achievements by the specific policy units of the Department.

Social Policy Unit

The Department provided policy advice and coordination on social issues for the Premier and the Cabinet Standing Committee on Social Policy.

The Department also:

- negotiated an across government approach to Early Childhood policy linked to the Council of Australian Governments (COAG) new National Reform Initiative on Human Capital. This work will deliver a national approach to antenatal services, parenting support, and childcare regulation and policy provision;
- established across agency Aboriginal child health service projects in the Kimberley and Pilbara, in partnership with the private sector and the Commonwealth Government;
- completed the *People with Complex Needs Project* which developed a policy framework and service model for the most complex and difficult clients receiving a wide range of government services including health, mental health, disability, corrective services and police;
- developed, through consultation and research, the Human Services Industry Roundtable which will continue to implement and monitor the *Industry Plan for the Non Government Human Services Sector*;
- assisted in the establishment of the new Department for Communities; and
- coordinated the State Government's input into the Productivity Commission's Report on Government Services 2007.

Intergovernmental Relations Unit

In the past year, the Department provided policy advice and coordination support to the Premier for two meetings of COAG held on 14 July 2006 and 13 April 2007. Where necessary, the Department was responsible for convening State working groups to facilitate

whole-of-government input, and officers also participated in national working group meetings on different COAG items. Key issues considered at COAG included:

- the National Reform Agenda (NRA) aimed at underpinning Australia's future prosperity through human capital reforms in the priority areas of:
 - diabetes;
 - literacy and numeracy;
 - early childhood;
 - competition and regulatory reforms, including establishment of a national Energy Market Operator for electricity and gas (allowing for Western Australia's early stage of electricity market disaggregation);
 - the staged roll-out of electricity smart meters;
 - heavy vehicle pricing for better price signals for transport freight infrastructure providers; and
 - achievement of uniform/national/harmonised approaches to address ten regulatory 'hot spots'.
- the institutional arrangements needed to support the implementation of the NRA (the COAG Reform Council);
- a new national system for the registration of health professionals and the accreditation of their training and education programs;
- a range of climate change initiatives, including endorsing the National Adaptation Framework, and agreeing to establish a mandatory national greenhouse gas emissions and energy reporting system;
- agreeing to a 5-year National Action Plan on Mental Health;
- the National Identity Security Strategy and the associated Intergovernmental Agreement;
- water reform;
- endorsing the National Action Plan for Human Influenza Pandemic;
- indigenous issues – including agreement on taking a collaborative approach on issues of policing, justice, support and governance;
- a range of counter-terrorism initiatives, building on the September 2005 COAG Special Meeting on Counter – Terrorism;
- double jeopardy law reform; and
- in-principle agreement on the inter-jurisdictional exchange of criminal history information for people working with children.

The Department also represented the State on other COAG-related working groups, including the Climate Change Policy Working Group, the National Identity Security Coordination Group and Skills Steering Committee. A joint Commonwealth State COAG Mental Health Group has also been established to maximise the effectiveness of the \$3.2 billion National Action Plan on Mental Health. The Working Group is overseeing the implementation of the 35 individual programs.

The Department provided policy advice and coordination support to the Premier for three meetings of the Council for the Australian Federation (CAF), at its inaugural meeting of 13 October 2006, and subsequent meetings on 9 February and 12 April 2007. In addition to certain COAG-related items, key issues considered by CAF included:

- commissioning work on federalism (*Australia's Federal Future* report), as a means of better informing public debate about fiscal federalism;

- working towards harmonisation of regulatory regimes, such as workers compensation and occupation, and examining options for the mutual recognition of drivers' licences and vehicle registration;
- jointly signing a Declaration on Climate Change;
- leading the way on implementing a national emissions trading scheme by the end of 2010 and agreeing to a 60% cut in national emissions by 2050, compared with 2000 levels;
- a range of water reform issues, including urban water planning;
- support for a Constitutional Convention to be held after the next federal election;
- endorsing a set of health reform principles; and
- undertaking a comprehensive review of the future of schooling in Australia.

Water Policy

The Department completed the *State Water Plan 2007*, which provides strategic direction for the management of water resources in Western Australia and underpins the legislative reform program and regional water plans being prepared by the Department of Water.

The Department also:

- provided support to the Water Resources Cabinet Standing Committee and State Water Council;
- assisted in the coordination of Government's response to the National Water Initiative and its National Implementation Plan; and
- commenced the development of a State Water Recycling Strategy at the request of the Premier.

Community Cabinet Liaison Unit

The Department provided support and advice to the Premier and Cabinet Ministers regarding the Regional Cabinet Program, ensuring a co-ordinated, whole-of-government approach to these visits.

A total of forty-nine Cabinet meetings were held in the community during the year, including seven regional meetings. The time and location of these regional meetings can be found on page 23.

The Department also:

- assisted with the preparation of relevant materials to ensure that communities across the State are appropriately informed about government decisions, policies and programs and facilitated the opportunity for constituents to provide feedback to government;
- prepared briefs for the Premier and Ministers on issues affecting local communities across the State; and
- provided support to the Cabinet Standing Committee on Regional Policy and the Cabinet Standing Committee for the North Metropolitan Region.

The Western Australian Government Office in Canberra was established and became operational from September 2006. Through this Office, the Department has provided advice and advocated on a range of key Commonwealth–State policy issues, including matters impacting on the State's resources industry, environmental and heritage issues, and an advisory role on Commonwealth funding and grant programs.

The Department provided the formal point of contact for, or coordinated responses on behalf of the State Government on a range of matters including:

- the National Heritage List, including convening the National Heritage List Interdepartmental Committee;
- defence, through convening the WA Defence Liaison Working Group;
- treaties and UN Conventions (such as the UN Convention on the Rights of the Child), and represents the State on the Standing Committee on Treaties; and
- the proposed protection zone over a submarine telecommunications cable off the Western Australia coast.

**SERVICE FOUR
SUPPORT FOR THE PREMIER AS MINISTER
FOR PUBLIC SECTOR MANAGEMENT**

This Service relates to the Government's Strategic Goal – “Developing and maintaining a skilled, diverse and ethical public sector serving the Government with consideration of the public interest”

The Department provides advice, assistance and support to the Minister for Public Sector Management and the public sector on a range of public sector management matters¹, including:

- functions under the *Public Sector Management Act 1994*, including as the employer of Chief Executive Officers and manager of the Senior Executive Service;
- best practice in human resource management including recruitment, employment, professional development, skills training and deployment;
- whole-of-government reporting on public sector workforce demographics, trends and management issues; and
- support for organisational restructuring and promotion of whole-of-government management improvement strategies and special projects.

The functions of the Minister, as set out in section 10 of the *Public Sector Management Act 1994*, dictate a broad role for the Department. The Department also has a very specific role in assisting the Minister to fulfil employment related functions outlined in the *Public Sector Management Act 1994*, and plays a key leadership role in developing policy, guidelines and legislation in a range of public sector management issues.

ADVICE, ASSISTANCE AND SUPPORT TO THE MINISTER

The Department has provided advice, assistance and support to the Minister on policy development and implementation in the following areas:

Legislative Support

The Department has provided considerable support to the legislative process in 2006/07.

A review of the *Public Interest Disclosure Act 2003* was undertaken in accordance with s.27 of that Act.

The Department also supported the Government in giving effect to legislation passed by the Parliament in November 2006 establishing a three year trial of daylight saving in Western Australia. This support included:

- establishing a website providing information to assist the public to implement daylight saving;
- coordinating Government agencies to ensure that particular administrative issues were identified and addressed, such as computer related matters, ensuring that transport and tidal chart timetables were considered, and the impact on timed lawn and garden reticulation and electricity and gas consumption meters; and
- arranging a public information campaign to inform the public of the commencement and conclusion of the first trial period through the Government Media Office.

¹ Advice, assistance and support were also provided to the Minister Assisting the Minister for Public Sector Management until 13 December 2006.

Other legislation supported by the Department included:

- the *Statutes Law Revision Bill 2005*, assented to on 4 July 2006, repealed 83 pieces of obsolete legislation, and the *Statutes (Repeals and Minor Amendments) Bill 2006*, introduced on 18 October 2006, which repealed further obsolete legislation and made various minor and non-controversial amendments to a number of Acts; and
- establishment of a new office of Commissioner for Children and Young People – legislation establishing this new office was passed by Parliament in October 2006.

The Department has also supported the Premier in the recruitment process to fill the Commissioner position, involving advertising throughout Australia, and a selection procedure, which is required to involve children and young people.

The Western Australian Public Sector's copyright royalty obligations were managed. Following the conclusion of the 12 month pilot survey of copying of sound and television broadcasts for work purpose, Screenrights commenced an analysis of the nature and extent of copying across all jurisdictions. This information will be used in negotiating a remuneration agreement with Screenrights. Negotiations for an agreement for the period 2002 to 2006 with Copyright Agency Limited for photocopying of copyright works for work purposes were progressed. The agreement with the Australasian Performing Right Association for the public performance of music remains in force.

Government Structures

Support and advice was provided on major reforms in a number of agencies, including:

- the creation of the Department for Child Protection and the Department for Communities;
- *Auditor General Act 2006* and *Financial Management Act 2006* replacing *Financial Administration and Audit Act 1987*, enhancing the office of Auditor General, proclaimed 1 February 2007;
- the establishment of the new WA Land Information Authority (replacing the Department of Land Information effective 1 February 2007);
- an Act to take the Chemistry Centre, an office within the Department of Industry and Resources, and establish it as a statutory authority, completed passage through Parliament and was assented to on 29 June 2007. Implementation will take place in 2007;
- development of plans to restructure GESB on a more commercial footing in response to reforms of superannuation laws;
- proclamation of the *Machinery of Government (Miscellaneous Provisions) Act 2006* on 1 July 2006. This Act made a number of general amendments to laws affecting the machinery of government, including restructuring the State Housing Commission as the Housing Authority, merging the Government Employees Housing Authority into the new Housing Authority, and restructuring the Country Housing Authority; and
- Perth International Centre for Application of Solar Energy was absorbed into the Sustainable Energy Development Office on commencement of *Perth International Centre for Application of Solar Energy Repeal Act 2006* effective 31 October 2006.

Chief Executive Officers

The Department is responsible for:

- **appointment of Chief Executive Officers (CEO).** During the year, 17 CEO appointments or reappointments under section 45 of the *Public Sector Management Act 1994* were finalised; and
- **performance agreements for Chief Executive Officers.** This includes reviewing the performance criteria in Chief Executive Officer performance agreements to ensure that they are consistent with government priorities.

The Department coordinated the recruitment, selection and appointment processes for the independent statutory offices of the Commissioner for Public Sector Standards and the Parliamentary Commissioner for Administrative Investigations. Assistance was provided to the Department of the Treasury and Finance in the appointment of the Auditor General.

The following appointments or reappointments were made during the reporting year:

CEO	AGENCY	APPOINTMENT/ REAPPOINTMENT	DATE TERM OF APPOINTMENT COMMENCED
Mr Stephen Yule	Gascoyne Development Commission	Appointment	18 July 2006
Mr Richard Strickland	Department of Education Services	Appointment	2 August 2006
Ms Jo Harrison-Ward	Fire and Emergency Services	Appointment	7 August 2006
Mr David Wood	Curriculum Council	Appointment	15 August 2006
Ms Jan Stewart	Lotteries Commission	Reappointment	21 August 2006
Mr Robert Mitchell	Department of Housing and Works	Appointment	12 September 2006
Mr Robert McDonald	State Supply Commission	Appointment	13 November 2006
Mr David Singe	Wheatbelt Development Commission	Reappointment	13 November 2006
Mr Jeff Gooding	Kimberley Development Commission	Reappointment	24 December 2006
Mr Alan Dodge	Art Gallery of Western Australia	Reappointment	23 January 2007
Mr Terry Murphy	Western Australian Alcohol and Drug Authority	Appointment	27 February 2007
Mr Robert Player	Challenger TAFE	Appointment	27 March 2007
Mr Neil Fernandes	Central TAFE	Appointment	11 April 2007
Ms Cheryl Gwilliam	Department of Local Government and Regional Development	Reappointment	28 May 2007
Mr Stephen Moir	Small Business Development Corporation	Appointment	6 June 2007
Mr Rodney Alderton	State Supply Commission	Appointment	6 June 2007
Ms Sharyn O'Neill	Department of Education and Training	Appointment	12 June 2007

Senior Executive Service

The *Public Sector Management Act 1994* establishes the Senior Executive Service (SES) as a distinct executive cohort within the Public Service. The SES comprises senior officers who provide high-level policy advice and senior leadership roles within agencies.

As at 30 June 2007 the number of SES members was 376.

The Department assesses all applications for classification or reclassification of positions within the Senior Executive Service.

During 2006/07, 106 applications were assessed.

Classification Requests (New Positions)	59
Reclassification Requests	42
Temporary Special Allowance Requests	5
TOTAL	106

The Department also manages the process associated with Management Initiated Retirements. During the year, seven senior executives accepted a Management Initiated Retirement package.

Human Resource Management Advice

The Department provides an advisory service to the Public Sector on human resource management matters. This primarily involves:

- advice and information for practitioners on interpreting the *Public Sector Management Act 1994*, subsidiary legislation (including Approved Procedures) and PSM policy; and
- advice to practitioners and managers on a range of people management issues including employment, classification determination, case management, discipline, remuneration and performance management.

Entry Level and Traineeship Recruitment

The Department administers three recruitment programs to supplement the normal recruitment activities of individual agencies:

- Entry-Level Employment Program;
- Business Traineeship Program; and
- School-Based Traineeship Program.

These programs recruit job seekers who are eligible, suitable and interested in entry-level employment within the Western Australian Public Sector. Subject to meeting the minimum requirements, job seekers are registered and made available to Public Sector agencies.

Each Employment Program also has dedicated sub-programs to recruit Aboriginal and Torres Strait Islanders and people with disabilities.

These Programs perform the recruitment function on behalf of Public Sector agencies and provide:

- public sector agencies with a source of suitable and available job seekers to fill metropolitan-based Level 1 or Traineeship opportunities; and

- registered job seekers with a point of entry to access fixed-term employment opportunities within the Government of Western Australia.

Entry Level Recruitment

Public Sector agencies can source candidates (including specific equity groups) for entry-level administrative positions that arise.

The Program assists agencies to expeditiously recruit, select and appoint job seekers to:

- cover periods of staff leave;
- complete a backlog of work;
- assist in projects of a finite nature; and
- cover periods of time where staff are performing other jobs on a temporary basis.

Registration with the Entry Level Employment Program (ELEP) is dependent upon job seekers meeting the minimum requirements of the Public Sector Recruitment Test (PSRT). In November 2006, an online PSRT was introduced that allows job seekers to register and complete the 22-minute test, via the Internet.

The new PSRT provides job seekers with greater flexibility in applying for registration with the ELEP as candidates have online access and up to 7 days to complete the PSRT. As at 30 June 2007, 1,923 candidates were registered with the ELEP.

Traineeship Recruitment

Public Sector agencies can also source candidates (including equity groups) to fill Business Traineeship opportunities.

The Department administers the *Access Government Traineeships* strategy, which details Government's commitment to youth employment. Developed in partnership with the Department of Education and Training (DET), this strategy targets job seekers under 25 years of age without any formal qualifications.

As a result of a number of promotional campaigns, the number of Business Trainees sourced from this Program has increased by 30% since last financial year.

Also in conjunction with DET, the Department facilitates the School-Based Traineeship Program, which provides Year 11 and 12 students with employment within a Public Sector agency for two days a week while attending school for the remainder.

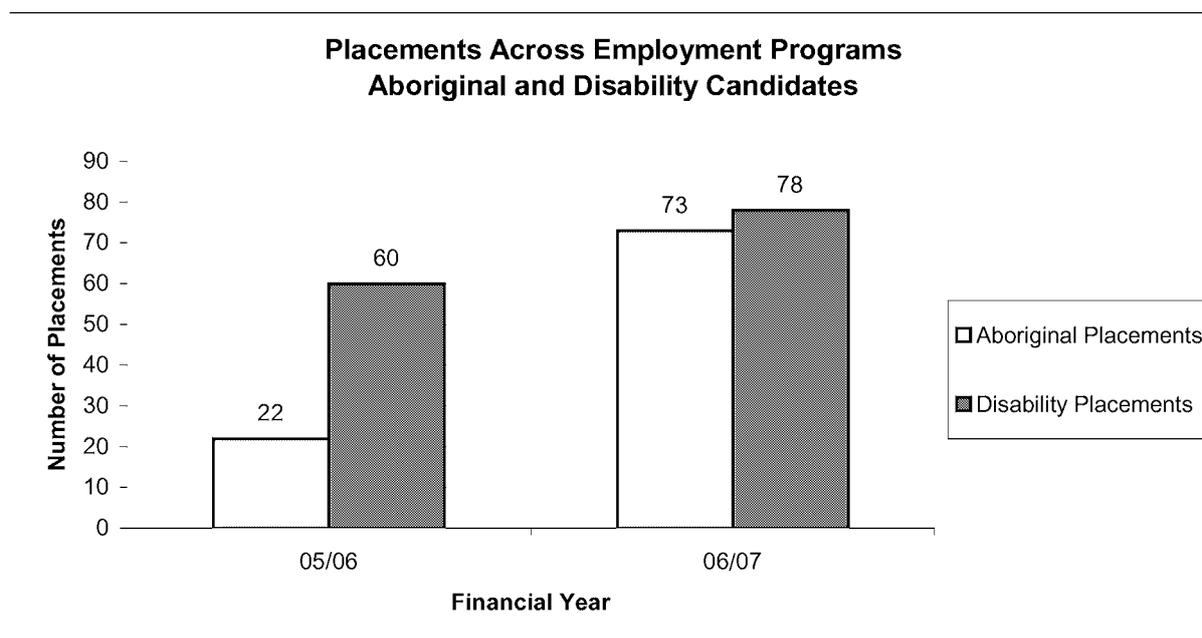
Trainees receive either a Certificate II or III in Business, a nationally recognised qualification, on completion of the Traineeship, and may be offered ongoing employment or an opportunity to complete a higher-level Certificate.

The number of School-Based Trainees recruited from this Program increased by 17% in the year under review.

For 2006/07, the Department facilitated the following number of placements across the Entry Level and Traineeship Employment Programs:

	General	Aboriginal	Disability	Total
Full Time Trainee Placements	52	25	8	85
School Based Trainee Placements	40	3	0	43
Entry Level Placements	343	45	70	458
TOTAL	435	73	78	586

Across each of these employment programs, the number of Aboriginal and Torres Strait Islander and disability placements has significantly increased since the 2005/06 financial year, by 70% and 23%, respectively.



Workforce Development

The Department has continued to provide a range of whole-of-government professional development programs encompassing leadership development, policy, public sector improvement, strategic human resource management, graduate development and career development. Both the number of events and total registrations increased from the previous year.

In September 2006, a new sector-wide **Leadership Development Strategy** was launched. This includes a capability framework, which defines the skills and behaviours required of public sector leaders; a specially designed assessment service, which allows leaders and aspiring leaders to assess their existing skills against the required capabilities; and a range of skills workshops and other learning activities. The success of the Strategy is demonstrated by:

- 465 people from 26 agencies accessing the new assessment service to 30 June;
- 652 registrations for 32 leadership skills workshops (including 16 held in-house at agency request) on 10 different topics; and
- double the number of participants (to 90) in the six-month Pathways to Leadership program this financial year compared with last financial year.

New initiatives for senior officers in professional developments included:

- Coaching for Managers: 4 workshops attended by 74 participants; and
- Issues Management: first workshop held, with 22 participants.

The **Australia and New Zealand School of Government (ANZSOG)** program is continuing with the 10 full scholarship participants on the Executive Master of Public Administration program progressing well with their studies. Work has commenced on the selection of scholarship placements for the 2008 intake, with 119 potential applicants attending an information session in June and a further 37 who were unable to attend have been added to the mailing list and sent electronic information packages.

Program Delivery

Category	No. of Events	No. of Registrations	No. of Hours
Executive Seminar Series	2	629	943
Leadership skills workshops	32	652	5,159
Pathways to Leadership	4	90	1,820
Public Sector Improvement	5	96	672
Strategic HRM Series	7	138	1,078
Graduate Development Program	6	539	1,171
Policy Program	1	192	384
Career Development Programs	34	507	3,549
Public Sector Welcome Induction	3	346	1,211
Totals	94	3,189	15,987

Increase in program delivery

Year	Events	Registrations	Hours
2005/06	63	1,225	9,807
2006/07	90	3,189	15,987
Percentage increase 2006/07 from 2005/06	43%	160%	63%

Public Sector Management Program (PSM)

The key objective of the PSM Program is to enhance the knowledge and capabilities of public sector managers to improve service outcomes, productivity and the management of public sector employees.

The Program takes 15 months to complete. Successful participants can choose a Graduate Certificate from one of four leading universities; Curtin University, Macquarie University, Griffith University, and RMIT. The Program provides credit into a range of further post-graduate studies. Its outcomes link to the Leadership Development Strategy reflecting the strategic workforce priorities and leadership skills needed in a modern professional public sector. In 2006/07 three PSM Programs commenced in:

- July 2006, with 26 participants;
- October 2006, with 26 participants; and
- March 2007, with 29 participants.

Redeployment and Redundancy Management

The Department has responsibilities for the management and maintenance of an effective whole-of-government redeployment and redundancy management framework. The Department undertakes these duties under Part 6 of the *Public Sector Management Act 1994* and the *Public Sector Management (Redeployment and Redundancy) Regulations 1994*.

Individual agencies retain responsibility and accountability for the management of their own redeployees who undertake work assignments while awaiting redeployment. Redeployees are required to take an active role in the redeployment process and are provided priority access to public sector vacancies through an internet based *Recruitment Advertising Management System (RAMS)*.

Redeployment and Redundancy Activity

Redeployment and Redundancy Activity 2006/07	No
New redeployees registered	44
Number of agencies that registered redeployees	16
Current number of redeployees	51
Current redeployees in secondment positions	20
Redeployment placements effected	41
Average number of vacant positions referred for redeployment consideration each month	1,306

Voluntary Severance

Public sector agencies reported that a total of 51 employees accepted offers of voluntary severance during the 2006/07 financial year. This compares with 50 acceptances during 2005/06.

Recruitment Advertising and Management System (RAMS)

The State Government's Recruitment Advertising and Monitoring System (RAMS) is currently facilitated through the Department via Empired Pty Ltd for the whole of the public sector. RAMS was introduced in 2004. Since May 2004, an average of 431 jobs per day have been advertised on the jobs board.

COORDINATION OF AND SUPPORT FOR MANAGEMENT IMPROVEMENT IN THE PUBLIC SECTOR

The Department has provided advice, assistance and support to the Minister and Chief Executive Officers in relation to issues of whole-of-government strategic coordination and management improvement.

The Public Sector Improvement Strategy was developed in 2006 in order to focus various initiatives around the four themes:

- Structural and Functional Reviews;
- Attraction and Retention;
- Workforce Planning; and
- Workforce Development.

Strategic Management Council (SMC)

Executive support was provided for the four meetings of the Strategic Management Council of Directors General in 2006/07. The SMC consists of the Directors General of each key Government Department and is chaired by the Premier as Minister for Public Sector Management. It meets regularly to consider strategic policy matters related to the management and coordination of the State's public sector.

State Strategic Planning

Better Planning: Better Futures - A Framework for the Strategic Management of the Western Australian Public Sector was published in September 2006 following a review of the existing State strategic plan, *Better Planning: Better Services*.

The aim of *Better Planning: Better Futures* is to underpin long-term planning for the Western Australian public sector. The framework contains a vision for the public sector, and five goals to help achieve this vision with a number of strategic outcomes supporting each of the goals.

Regional Skills Strategy

A Regional Skills Strategy was developed and introduced by the Department to address identified skill deficiencies impacting regionally based agencies, and the imbalance in accessing training and development opportunities within regional and metropolitan areas.

This strategy is designed to enhance both the quantity and quality of the professional development available to employees in regional areas.

Four programs addressing career development and leadership skills workshops were presented in regional areas. A Regional Skills Forum has also been established. This is an electronic forum that allows people in regional areas to communicate with colleagues in other agencies and regions. It facilitates inter-agency cooperation through the sharing of training and development resources and ideas.

Both the strategy and forum will be reviewed and developed further to realise its intended benefits.

Organisational Reviews

The Department is providing support to the Minister for Public Sector Management in undertaking functional reviews of government agencies. This process is being conducted under section 10(1)(d) of the *Public Sector Management Act 1994*.

In 2006/07, reviews of the Department of Industry and Resources and the Department of Community Development were commenced following reviews of the Department of Indigenous Affairs (DIA), and the Western Australian Sports Centre Trust (WASCT) in 2005/06.

Annual Report Framework 2006/07

The Department and the Department of Treasury and Finance (DTF) conducted a joint review of requirements for agency annual reports. The review sought to enhance agency annual reporting by:

- increasing the focus on agencies' core business and performance (both financial and non-financial); and
- eliminating or reducing information that is either available elsewhere, or is not used by readers of annual reports, while not adversely impacting on accountability and governance.

Following the review, the Annual Report Framework 2006/07 introduced a number of changes in reporting requirements, the more significant being:

- a new structure for annual reports; and
- removal of the following reporting requirements from annual reports:
 - Waste Paper Recycling;

- Public Interest Disclosures;
- Evaluations;
- Youth Outcomes;
- Cultural Diversity and Language Services Outcomes;
- Energy Smart Government;
- Regional Development Policy;
- Information Statements;
- Promotional, Public Relations and Marketing Activities;
- Research and Development Activities; and
- Name(s), Method and Term of Appointment of Accountable Authorities.

CEO Performance Agreement Review

A review of the Chief Executive Officer (CEO) Performance Agreement and Assessment Framework was undertaken in 2006/07. The objective was to appraise the current arrangements and recommended changes where necessary to ensure the system:

- is useful and effective for CEOs, their Boards and Ministers, and the Minister for Public Sector Management;
- is practical and efficient to administer; and
- complies with legislation.

As a result of the review, amendments have been made to the 2007/08 CEO Performance Agreements to:

- enhance the content of agreements, focusing on agency performance and CEO functional priorities;
- ensure that performance criteria are specific, measurable, achievable, relevant and time-based (SMART); and
- align the preparation and completion of the agreements and assessments as closely as practicable with key budget and other financial reporting timelines.

Workforce Planning

Data Collection

The Department manages an information system based on Human Resource Minimum Obligatory Information Requirements (HR MOIR) to enable strategic management of the government's workforce and evaluation of critical human resource management issues.

Information produced from the system is used as the basis for policy decisions, policy advice and monitoring of public sector performance in aspects of human resource management. This data:

- assists agencies to evaluate and continuously improve aspects of their own human resource management practices; and
- provides workforce information that can form the basis of research and decision making for government and Chief Executive Officers.

In 2006 the Department undertook a review of its HR MOIR data collection and, in February 2007, Western Australia joined the Workforce Analysis and Comparison Application (WACA). The WACA is a data collection and analysis facility run by a consortium of Australian State Government agencies with a responsibility for public sector management. The transition of

Western Australian data to this system will consolidate the work already undertaken in terms of public sector workforce demographics and assist in further enhancing data accuracy and reporting capabilities.

A range of other statistical and analytical publications on aspects of the government's workforce have been published on the Department's website at - <http://www.dpc.wa.gov.au/psmd>.

Research

The Department released the Retirement Intentions Survey 2006, a comprehensive survey generated from the responses of 18,000 permanent or long-term contract public servants aged 45 or over. Following on from a similar, though smaller, survey conducted in 2000, the 2006 survey provides invaluable workforce planning data for agencies seeking to identify likely retirement trends over the coming decade.

The Department also released a complementary publication entitled *Meeting The Challenge: Attracting and Keeping Public Sector Employees*. This report summarises key activities being undertaken by the Department and other agencies to ensure that the public sector is able to deal with the challenges of an ageing workforce by attracting and retaining suitably skilled staff.

Review of Recruitment and Selection Practices

The Department commenced a review of recruitment, selection, and appointment (RSA) practices in the Western Australian public sector.

The objective is to ensure that the public sector can continue to compete in the labour market and attract quality candidates.

Key issues to be examined include:

- current practices;
- the rules around the process;
- innovative practices within the sector; and
- advertising and marketing of jobs.

Recommendations arising from the review will be implemented during 2007/08.

Staff Mobility

The Department has developed *Skills Connect* to assist in the development of high-performing individuals by providing ongoing learning and development opportunities. *Skills Connect* will give public sector agencies access to a talent pool to meet short-term employment opportunities. The facility will also be a valuable resource for agencies seeking additional staff to undertake project work.

The Department also developed a whole-of-government mobility program.

The Mobility Program is a leadership development initiative, which encourages the acquisition of transferable skills and a whole-of-government perspective through placement in a different organisation.

The pilot intake will commence in July 2007.

Premier's Awards

In 2006, the categories for the Premier's Awards for Excellence in Public Sector Management were reduced in number and amended to reflect the new Government Goals articulated in *Better Planning: Better Futures*. In recognition of the breadth and variety of work undertaken by public sector organisations, two Awards were presented in the Better Services category: one for agencies with more than 100 employees and one for agencies with fewer than 100 employees. The judging panel was comprised of eminent people from the private, academic and community sectors.

Awards were presented to:

- **Better Services (Large Agencies)** – State Library of Western Australia for *Better Beginnings Family Literacy Program*;
- **Better Services (Small Agencies)** – Dampier Port Authority for *Port Security – Lending a Helping Hand*;
- **Jobs and Economic Development** – Tourism Western Australia for *Online Marketing Campaigns*;
- **Lifestyle and the Environment** – Department of Fisheries for *Recovery of Shark Bay's Inner Gulf Pink Snapper Populations 1995-2006*;
- **Regional Development** – Department of Education and Training for *Follow the Dream – A Secondary School 'Aspirations' Strategy for Aboriginal Students*; and
- **Governance and Public Sector Improvement** – Department of Corrective Services for *Working Smarter – Community and Juvenile Justice Strategic Management System*.

The Department of Fisheries initiative, *Recovery of Shark Bay's Inner Gulf Pink Snapper Populations 1995-2006*, was awarded the overall Premier's Award for Excellence.

Communication

InterSector, the Western Australian public sector magazine, is a magazine published for all Western Australian Public Sector employees. It aims to:

- showcase the Western Australian State public sector;
- promote news on events, awards, achievements and initiatives within the Western Australian State public sector; and
- profile people and work groups within the Western Australian State public sector.

The InterSector website (www.intersector.wa.gov.au) provides supplementary material as well as an electronic version of the magazine. The website is being developed to become a dynamic communications hub, on which State Government agencies can promote new initiatives and achievements, and a focal point for people to obtain information which is relevant to their work as State Government employees.

InterSector has a hardcopy circulation of 11,500 copies and the website currently records an average of over 7,140 visits each month to a potential readership of approximately 105,000 WA State public sector workers. The hardcopy is distributed widely within Western Australia to 3,000 locations – almost every State Government workplace.

**SERVICE FIVE
PARLIAMENTARY, STATUTORY
AND LEGISLATIVE PUBLISHING SERVICES**

This Service relates to the Government's Strategic Goal – “*Developing and maintaining a skilled, diverse and ethical public sector serving the Government with consideration of the public interest*”

Through the State Law Publisher, the Department provides a secure, confidential and time critical publishing service to meet the needs of Parliament and Government.

CLIENT SURVEY

The annual client survey of State Law Publisher clients was conducted to measure the level of satisfaction with the services provided to clients.

The survey was conducted by mail outs to a random selection of some 450 State Law Publisher clients and unstructured personal interviews with key Document Reproduction Services clients.

The survey results indicated that ninety-eight percent of clients surveyed were either highly satisfied or satisfied with the levels of customer service they received from the State Law Publisher. The result illustrates there has been a slight increase in client levels of satisfaction with an overall increase of 1% on the previous year's result.

WA LEGISLATION DATABASE

During the year the State Law Publisher participated in the Parliamentary Counsel's Office *Business Improvement Project* with the development of revised and updated databases of Western Australian legislation.

Assistance was given by way of resources for development of the Lotus Notes interface for Internet publishing of the database. The revised databases have a number of additional features that will provide users with access to a range of data sets.

Preparation and publication of documents for Internet publishing will now be far less labour intensive than the previous databases.

The new legislation databases will contain complete copies of all historical versions commencing from January 2006 in a number of formats so users can reference legislation as it was at a given point in time from that point onwards.

The existing service will continue, possibly until the end of 2007, and the new system will be progressively made available to selected users over the coming months and go live during the second half of 2007 depending on client feedback and further development requirements.

REPRINTS PROGRAM

The reprints program undertaken jointly with the Parliamentary Counsel's Office resulted in 170 titles of legislation being consolidated and reprinted for the financial year.

The program aims to fast track titles that have extensive amendments through the reprint process, particularly titles that are in high demand. There are major benefits for clients as a result of this initiative with the volume and cost of titles being reduced significantly. The State Law Publisher plans to continue to support this initiative for the foreseeable future.

PARLIAMENTARY SUPPORT

Ongoing support for the Parliament was provided during the year with the production of chamber documents, Bills, Weekly Hansard and Bound Volumes of Hansard.

During the year there were 573 deliveries of documents to the Parliament with a 99.8% on time delivery record within prescribed deadlines being achieved.

ELECTRONIC UPTAKE OF THE GOVERNMENT GAZETTE

The State Law Publisher has commenced a project to scan and take up previously published copies of the WA Government Gazette. The project was initiated due to the aging and deterioration of old paper copies of the Government Gazette held by the State Law Publisher with records going back to the 1800's. An appeal was advertised for donations or loans of old historical copies so that these could be scanned and taken up electronically. As a result of the appeal and Gazettes already held in the State Law Publisher's archive, the database will contain most or all of the Government Gazettes published in Western Australia.

The project is expected to take up to five years to complete and will provide a valuable archive for research and reference purposes. The database will be progressively made available on the State Law Publisher's website at: www.slp.wa.gov.au

SERVICE SIX
MANAGEMENT OF THE CONSTITUTIONAL CENTRE PROGRAMS

(Minister for Local Government; Racing and Gaming; Disability Services; Multicultural Interests and Citizenship; Government Enterprises; Minister Assisting the Minister for Planning and Infrastructure; Goldfields-Esperance; Youth)

This Service relates to the Government’s Strategic Goal – “Developing and maintaining a skilled, diverse and ethical public sector serving the Government with consideration of the public interest”

The Government is committed to helping educate the community on the Western Australian and Commonwealth Constitutions, and the Federal system of government through the provision of exhibitions and programs at the Constitutional Centre.

The Constitutional Centre is the only one of its kind in Australia and is supported by an Advisory Board, consisting of:

- Mr Malcolm McCusker, QC (Chairperson)
- Mrs Anne Conti
- Mrs Janice Dudley
- Mr Bill Hassell
- Mr Robert O’Connor, QC
- Ms Rosemary Hudson Miller
- Ms Colleen Hayward (Deputy Chairperson)
- Ms Diana Warnock
- Professor Greg Craven
- Professor David Black
- Professor Harry Phillips
- Mr Albert D’Cruz

SCHOOLS EDUCATION PROGRAMS

Participation has continued to grow with increased demand for outreach programs in both the regions and the metropolitan area. Programs and staffing structures have been adapted to meet this need.

The Joint Civics Education Outreach program, conducted with the Parliamentary Education Office and the Electoral Education Centre, takes programs to regional areas of the State and has casual presenters based in Albany, Bunbury, Dumbleyung, Esperance, Kalgoorlie, Merredin and Geraldton. In addition, Centre Education Officers have made road trips to areas of the State not covered by current regional staffing and regional presenters have been trained to present both Centre programs and the joint civics program. These programs are for both primary and secondary students and provide free civics education and teacher resources. Since these initiatives commenced in July 2003, 38,379 country students have taken part. In the same period 63,549 metropolitan students have participated in the joint civics initiative and the ongoing Centre programs.

The annual Schools Constitutional Conventions were held in Albany, Geraldton, Kalgoorlie and Bunbury during September and October with a total of 495 students taking part. The theme of the convention was Federalism, exploring the concept of Federalism, the intentions of the founding fathers and the impact of GST revenues. Attending students were eligible to apply to be one of 15 students to represent the State at the National Schools Constitutional Convention in Canberra in March 2007

In partnership with the Office of Multicultural Interests, the Centre again held a series of Harmony Week Conventions on *Human Rights and the Constitution* in Perth, Albany, Geraldton and Bunbury with around 450 Year 10 students taking part.

Use of the Constitutional Centre website continues to increase with many schools accessing it to teach their students as part of their civics education program. 827,210 pages of information were downloaded, an increase of almost 56% on the previous year.

PUBLIC PROGRAMS

In conjunction with Curtin University, Flinders University of South Australia and the Department of Treasury and Finance, the Department is one of the Collaborating Organisations who received an Australian Research Council Linkage Grant to undertake research on “*Public Policy and Fiscal Federalism: evaluating the use of ‘tied grants’ in Australia*”. The Constitutional Centre will be contributing \$20,000 per annum for three years plus in-kind support for forums and conferences. The final report will be due at the end of 2009.

During the year the Centre hosted a number of public forums and debates, including a public debate for lawyers entitled *Ethics in Politics* with speakers The Attorney-General, the Hon Jim McGinty MLA, Professor Greg Craven and Mr Peter Kennedy; and public consultation forums on the proposed *Human Rights Act*.

The Mature Adults Learning Association continued to conduct two 10 week seasons of adult education at the Constitutional Centre. Over 500 participants attend lectures each day. The Centre also participated in the Royal Show.

In December the Governor General of Australia, Major General Michael Jeffery, visited the Centre to discuss the publications and public programs currently in place.

PUBLICATIONS AND EXHIBITIONS

Five tapestries chronologically depicting an overview of the history of Western Australia from pre-1829 to the present were completed by a group of community weavers, *Tapestry in Company*, using a grant of \$39,000 allocated in 2004.

These tapestries will form the centrepiece of a new interactive exhibition on the history of governance in Western Australia. This resource, which will be available at the Centre and on the Centre website, should be completed by 2008.

A set of educational materials entitled *Schoolies are Poolies*, consisting of a big book with a set of smaller identical individual reading materials, was developed for distribution to every remote school in Western Australia. The cost of the program, around \$25,000, was shared by the Parliament, Electoral Commission and the Constitutional Centre.

OTHER AREAS OF RESPONSIBILITY

- administration of grant to Celebrate WA Inc;
- administration of grant to The Australia Day Council; and
- administration and distribution of Anzac Small Grants on behalf of the Anzac Day Working Group.

**SERVICE SEVEN
PROMOTION AND SUPPORT OF CITIZENSHIP AND MULTICULTURALISM IN
WESTERN AUSTRALIA.**

(Minister for Local Government; Racing and Gaming; Disability Services; Multicultural Interests and Citizenship; Government Enterprises; Minister Assisting the Minister for Planning and Infrastructure; Goldfields-Esperance; Youth)

This Service relates to the Government's Strategic Goal – "Enhancing the quality of life and wellbeing of all people throughout Western Australia by providing high quality, accessible services"

The Office of Citizens and Civics coordinates the implementation of the Western Australian Citizenship Strategy 'A Voice for All: Strengthening Democracy', by:

- developing policy in the areas of citizenship and governance, civics and strengthening democracy;
- identifying information, skills and mechanisms required for effective participation in public life and decision-making; and
- facilitating and fostering dialogue between the people of Western Australia, their governments and other institutions.

The Office of Multicultural Interests (OMI) assists in delivering Government's commitments set out in the Western Australian Charter of Multiculturalism by:

- promoting the ideals of multiculturalism to public sector agencies and the community; and
- developing and influencing policies that reflect the principles of multiculturalism.

CITIZENSHIP

On 20 September 2006, the then Minister for Citizenship and Multicultural Interests, the Hon Tony McRae MLA advised the Legislative Assembly of his decision to close the Office of Citizenship and Civics, effective from 31 December 2006. Responsibility for the 'Western Australian Citizenship Strategy', 'A Voice for All: Strengthening Democracy' and the Citizenscape website was transferred to the Office of Multicultural Interests.

Citizenscape (<http://www.citizenscape.wa.gov.au>) is an information rich web site of resources for those interested in active citizenship and community consultation and participation. Citizenscape provides a wealth of information on citizenship-related organisations, activities, resources and projects including:

- issues relating to citizenship, governance, human rights and democracy;
- advice and techniques for organising and facilitating meetings;
- working with the media and writing grant applications;
- information on how Local, State and Commonwealth Governments work;
- tips for community engagement practitioners;
- publications on effective consultation; and
- what's on – a calendar of events.

The whole of government Consultations Catalogue *Consult WA* also resides on the Citizenscape website. *ConsultWA* provides all Western Australians with a comprehensive, easy to access, list of consultations being conducted by Western Australian State government departments and agencies.

The last of the Consulting Citizens Guides - "Working Together: Involving Community and Stakeholders in Decision-Making" was also launched together with a flier to CEOs outlining the Government's position on consultation.

MULTICULTURALISM

Strategic Directions

The strategic direction for multiculturalism was reinforced through the WA Charter of Multiculturalism which became government policy in November 2004. Although multiculturalism as a concept that informs public policy is not new, it continues to be contested. The purpose of the Charter was to explicitly recognise that the people of Western Australia are of different linguistic, religious, racial and ethnic backgrounds, and to promote their participation in democratic governance, within an inclusive society.

Harmony Week

OMI formed a partnership with the Town of Vincent for the presentation of a spectacular multicultural showcase of Western Australia's rich cultural diversity. The event was held in Hyde Park and aimed to engage, educate and connect with people from 'all walks of life' whilst participating in activities and sharing experiences.

Connect @ HYDE PARK was a highlight of Harmony Week 2007, and attracted approximately 5,000 people with a program of well-organised and highly interactive activities. Four connection points were established for the event. These were:

- *Universal stage* - a showcase of multicultural music and dance;
- *Mind Marquee* - conversations and presentations featuring guest speakers and panel discussions;
- *Harmony Hotspots* - a structured series of community engagement workshops; and
- *World Village* - a kaleidoscope of food, art, craft, community organisations and cultural stalls. Stallholders could apply for a small grant of up to \$500 from OMI.

Other key events included the Western Australian Multicultural Community Service Awards and Secondary School Conventions. The Awards recognise excellence and innovation in promoting multiculturalism, inclusiveness and participation, and improving access to services and promoting equity in services for minority communities. Five Awards were presented in the Individual Category and one for a Highly Commended Certificate. In addition, two Awards were presented in the Organisation Category as well as a Highly Commended Certificate.

Four Secondary School conventions were organised in conjunction with the Constitutional Centre. The United Nations Declaration of Human Rights (UNDHR) formed the basis of work for participating secondary school students who were engaged in dialogue about human rights, anti-racism and multiculturalism. In total 262 students from 29 secondary schools attended the Conventions.

Integrated Service Centre Pilot Project

The Integrated Service Centre (ISC) Pilot Project aims to address a range of issues affecting service delivery for humanitarian entrants in Western Australia. The ISC Pilot Project is a partnership between State Government agencies, primarily the Office of Multicultural Interests (OMI), Department of Education and Training (DET) and Department of Health (DoH). The Department of Community Development (DCD) and the Commonwealth Department of Immigration and Citizenship (DIAC) are also key stakeholders.

The Pilot Project focuses on issues relating to health, including mental health, education, training and employment, and family and community development for humanitarian entrants. Pilot programs were established at the Intensive English Centres at Koondoola Primary School and Parkwood Primary School.

Three positions have been funded by OMI at each of the Pilot Project site locations: nurse, counsellor (mental health), and multicultural community liaison officer. In addition, DET is funding a career development service position.

The Pilot Project complements existing and planned Commonwealth and State Government initiatives to assist humanitarian entrants. The target group for the ISCs are adults, young people and children who are humanitarian entrants to Western Australia and are beyond the six-month eligibility period for access to services provided as part of the Integrated Humanitarian Settlement Strategy (IHSS). The migrant community health nurses, however, will not only address health needs post IHSS, but also provide acute follow up healthcare following the initial assessment soon after arrival, and prior to the six-month expiration of IHSS services.

The Pilot Project also takes into account the notion of “Schools as Hubs” articulated in an October 2006 Federal Government paper.

Mental Health

Research and consultations have identified limited services and a lack of choice in the provision of mental health services for people from culturally and linguistically diverse (CaLD) backgrounds. While the Association for Services to Torture and Trauma Survivors [ASeTTTS] provides counselling to victims of torture and trauma in new and emerging communities, OMI was advised that this service is unable to meet the demand. OMI is also aware that new and emerging communities are reluctant to access mainstream health services. To address this need, OMI provided funding to the Multicultural Services Centre to deliver appropriate and effective mental health services to people from new and emerging CaLD communities.

The objectives of the program are to:

- provide people from ethnic backgrounds, particularly new and emerging communities, with access to quality, effective and equitable culturally sensitive and specialist counselling;
- provide families and individuals experiencing mental health problems with support and assistance to cope with and improve their well-being;
- aid medical services and health professionals in understanding mental health issues arising from the experiences of clients;
- reduce the effects of associated behaviour problems from mental health issues such as marginalisation, social isolation, risk of involvement with the criminal justice system, suicide prevention; and
- monitor and identify opportunities from potential funding programs, including the National Action Plan on Mental Health package, in order to access further resourcing for CaLD mental health services.

Inclusion and Integration Action Plan

OMI has been implementing the Counter Terrorism Action Plan for Western Australia (now the Inclusion and Integration Action Plan) that was endorsed by State Cabinet on 21 November 2005. The Plan has five elements that, together, aim to address current challenges faced by

the State in respect of the potential for terrorism as well as promoting long-term preventative measures. Some of the projects included in the Plan are:

- *Youth Sports Program*: addressing the barriers faced by some ethnic young people accessing sporting clubs and engaging in mainstream sporting activities;
- *Supporting Community-based Initiatives*: capacity-building projects for ethnic communities funded through an Inclusion and Integration Grants Program (IIGP). This includes youth leadership, inter-cultural and inter-faith projects; and
- *Community Relations Integration Officers*: funding community-based workers in selected NGOs to build networks between members of new and emerging communities and service providers.

These initiatives are described in more detail (below).

Ethnic Youth in Sport Program

The Ethnic Youth in Sport Program aims to address the barriers currently faced by some ethnic young people accessing sporting clubs and engaging in mainstream sporting activities and identify and implement strategies to increase participation. OMI is working in partnership with the Department of Sport and Recreation (DSR) to progress a number of strategies. Initiatives undertaken in 2006 were:

- ***Sport and Recreation Community Grants Scheme – Consultation/Information Forums*** - Two information sessions were conducted by OMI and DSR to inform ethnic community leaders about DSR's Sport and Recreation Community Grants Scheme which, in 2006, focused on attracting applications from ethnic communities. An officer has been appointed by DSR to promote the Scheme to ethnic community groups;
- ***Active 2006 Conference*** – OMI, DSR and the City of Stirling (CoS) arranged for 60 free delegate places to be allocated to ethnic community group representatives to encourage their attendance at DSR's annual sporting industry conference. The 2006 conference focused on how sport organisations and local governments could assist CaLD groups to increase their participation in sport and recreation activities, and how sport can help break down racial barriers;
- ***Welcome to the AFL Program*** - OMI assisted with the coordination of an information session for Intensive English Centre staff on the Fremantle Dockers' *Welcome to the AFL Program*, which aims to increase CaLD participation in Aussie Rules football. All attendees signed up for the program to be implemented at their schools; and
- ***City of Stirling CALD Youth Sport, Recreation and Leisure Project*** - A three year partnership between OMI, DSR and CoS to increase CaLD participation in sport, recreation and leisure. CoS was identified as a suitable pilot local government area due to the relatively large number of CaLD migrants, particularly humanitarian entrants, who have settled in the area between 2000 and 2005.

Inclusion and Integration Grants Program (IIGP)

OMI developed and implemented a grants program for community based and non-government organisations to undertake programs designed to build community capacity, and promote integration and active participation by all members of Western Australia's diverse community.

The first round had three categories of funding:

- Community Based Initiatives category – funding up to \$20,000;
- Promotion of Interaction and Communication category – up to \$20,000; and
- Youth Leadership category – up to \$15,000

Nine applications were approved, totalling approximately \$140,000, and these are currently being implemented.

A second IIGP funding round was advertised and focused on a single category - Promotion of Interaction and Communication – with funding of up to \$20,000 available for each grant.

Community Relations Integration Officers

The Community Relations Integration Officer (CRIO) Grants Program was developed in response to issues raised in consultations with new and emerging communities and non-government organisations. These consultations indicated that many members of new and emerging communities in Western Australia are unaware of, or experiencing barriers in, accessing the range of available services and programs.

Through the CRIO Grants Program, OMI has provided funding to seven non-government agencies to employ a CRIO to raise awareness of, and facilitate access to services and programs for members of new and emerging communities. The aims of the Grants Program are to:

- develop relationships and networks between new and emerging communities and service providers to facilitate access to services and programs; and
- build the capacity of these communities to identify and find solutions to their needs.

Successful applicants were Gosnells Women's Health Service, The Gowrie, Mission Australia, The Coalition for Asylum Seekers, Refugees and Detainees Incorporated, Ethnic Disability Advocacy Centre, Muslim Women's Support Centre, and Brockman House.

Grants and Sponsorship Program

A \$300,000 Community Grants Program for not-for-profit community based organisations is administered. The program was established in October 2001 and aims to assist and encourage the involvement of all Western Australians in projects and events that promote positive interaction between all members of the community.

In 2006/07, 165 grant applications were processed resulting in 113 grants and sponsorships being approved for a wide range of activities.

**SERVICE EIGHT
SUPPORT FOR THE IMPLEMENTATION OF THE STATE'S ROAD SAFETY
INITIATIVES**

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

This Service relates to the Government's Strategic Goal – “Enhancing the quality of life and wellbeing of all people throughout Western Australia by providing high quality, accessible services”

Support is provided to the Road Safety Council (RSC) to undertake implementation, monitoring and evaluation of the State's road safety initiatives.

The Department provides a range of legislated road safety services on behalf of the RSC and the Government.

The Department is responsible for developing the Road Safety Strategy for Western Australia on behalf of the RSC and the Minister for Community Safety. It also coordinates the implementation of the strategy in partnership with the responsible agencies and monitors it using data obtained from the relevant agencies. A major output is the road safety community education campaigns focusing on the major risk behaviours of speeding, drink driving, not wearing seatbelts and fatigue. The State Strategy aims to reduce the fatality rate per 100,000 population in Western Australia to equal the lowest fatality rate in Australia, over a 5 year period.

Over \$24 million was committed in 2006/07 to the implementation of the initiatives, and road safety trust funds were further enhanced by the core business expenditure of other agencies responsible for road safety outcomes, such as Main Roads Western Australia and the Western Australian Police Service. In addition, the *Road Safety Council Act 2002* provides that one third of all monies collected from red light and speed camera infringements are credited to the Road Trauma Trust Fund (RTTF). These funds are complemented by sponsorship revenue received from the Insurance Commission of Western Australia and the Royal Automobile Club of Western Australia.

Funds held within the RTTF are applied for the purposes determined and approved by the Minister for Community Safety on the recommendation of the RSC. A yearly budget is prepared by the Department to accord with the outcomes outlined in the Road Safety Strategy for Western Australia.

The components of the Road Safety Strategy for Western Australia together will:

- **improve the safety of the road and vehicle infrastructure** by increasing the focus on safety in land use planning, by remedial action to treat Blackspots and progressive improvements to the existing road system, by reducing vehicle speeds and promoting the purchase of safer vehicles;
- **encourage safer modes of travel** including a greater use of public transport;
- **reduce unsafe driver behaviours** by increasing publicity, improving the effectiveness of enforcement and improving the coordination of publicity and enforcement; and
- **support the implementation of new road safety initiatives** by building community support for road safety, by supporting legislation with significant road safety benefits, and by monitoring the progress and impact of road safety activity.

MAJOR ACHIEVEMENTS

The Department

- implemented major state-wide road safety community education programs focusing on drink driving, speed, use of restraints and fatigue, with a strong regional focus. An additional community education program focussing on the benefit of supervised driving for novice drivers was developed;
- progressed the legislative requirements for implementation of random roadside drug testing, and initiatives to further improve novice driver safety;
- progressed the legislative and operational requirements required for the implementation of initiatives to further improve novice driver safety;
- continued to work with stakeholders in developing legislative and operational measures to combat repeat drink driving;
- progressed legislative amendments to enable recommended changes to speeding, restraints and other penalties to the *Road Traffic Code 2000*;
- commenced a series of community engagement forums with a pilot project in Narrogin in August 2006. A further six forums were conducted in the final quarter of 2006/07 in regional and metropolitan WA; and
- a review was undertaken by the Road Safety Council to identify the best practice in speed enforcement. The recommendations from this review form the basis of a business case to be considered by Government.

SERVICE NINE e-GOVERNMENT POLICY AND COORDINATION

This Service relates to the Government's Strategic Goal – “Developing and maintaining a skilled, diverse and ethical public sector serving the Government with consideration of the public interest”.

The Office of e-Government is responsible for:

- promoting and leading the implementation of the e-Government Strategy for the Western Australian Public Sector;
- developing a policy framework, standards and guidelines that are consistent with the e-Government Strategy for the Western Australian Public Sector, and with national and international best practice;
- coordinating and facilitating cross-sector implementation of the e-Government Strategy for the Western Australian Public Sector and policy framework;
- initiating, leading and coordinating strategic e-government projects that deliver improved internal efficiencies, integrated service delivery and greater opportunities for community participation; and
- encouraging a better understanding of e-Government and promoting its benefits to the public sector, business and the community.

The Department is responsible for the strategic transformation of the operations of Government, using technology as a tool, to improve internal efficiency, service delivery to citizens and community participation.

The key objectives are:

- **Transform** – change existing structures and processes, facilitate culture change in Government;
- **Lead** – envision the future of Government, communicate the e-government vision, guide the way and empower agencies; and
- **Collaborate** – recognise and promote interdependency and collective responsibility within Government, participate with agencies to engage citizens in the process of transforming service delivery and promote the concept of Government as a learning organisation.

While continuing its collaboration with agencies in the development of policies, standards and guidelines, this year the Office of e-Government moved to an implementation stage, with the focus being on initiating and implementing a number of significant whole-of-government projects. This reflects the maturing of the Office, in having set the strategic direction for e-government there is now a transition to implementation.

CITIZEN CENTRIC GOVERNMENT: ELECTRONIC SERVICE DELIVERY STRATEGY FOR THE WESTERN AUSTRALIAN PUBLIC SECTOR

The Citizen Centric Strategy was launched in March 2007. The purpose of the Strategy is to help agencies develop the capabilities to meet the changing service delivery expectations of citizens and business into the future.

SINGLE ENTRY POINT

The Department merged the two Western Australian Government entry point websites into the wa.gov.au Single Entry Point. This is the first phase of a significant initiative to develop the website as a focal point for Western Australian Government Information and Services.

- a single entry point website for the Western Australian Government was a key recommendation of the Review of State Government Websites conducted in September 2005. The merger of the two existing Western Australian Government entry points (www.wa.gov.au and Online WA) was completed in November 2006; and
- in addition to contributing to the objective of rationalising the number of Western Australian Government websites, the new Single Entry Point removes duplication of content and effort that existed between the sites, ensuring that the focus is on Western Australian Government Information and Services.

EMAIL NAMING STANDARD AND TRANSITION GUIDELINE

The Department developed an *Email Naming Standard and Transition Guideline* to assist the Western Australian public sector to adopt the *International Personal Naming Convention*; this was endorsed by the e-Government Sub-Committee.

- adoption of the convention presents a more consistent corporate identity for government and assists customers to contact the public service more easily through electronic channels. It requires all agencies to adopt firstname.lastname@agency.wa.gov.au email addresses by 1 May 2007.

ELECTRONIC SERVICES INVENTORY

The Department commenced the development of an inventory of electronic services across the Western Australian public sector which was a recommendation of the Electronic Service Delivery Expert Group. The main purpose of the Services Inventory is to identify duplications, gaps and inefficiencies in the delivery of services to customers of the Western Australian Government.

- the inventory will document key services delivered by specific Western Australian public sector agencies to citizens, business, industry, local governments and other government departments; and
- services that will be investigated include, high volume common transactions; transactions used by multiple agencies for multiple stakeholders; and areas where there will be tangible savings in lessening duplication, service delivery enhancements and improved customer satisfaction.

It is anticipated that the outcomes of the services inventory will be the identification of opportunities to:

- develop efficient, streamlined, end to end services that span multiple agencies and are focused on customers of government;
- deliver efficiency gains to the Western Australian public sector through the removal of current inefficiencies and duplication of services; and
- capitalise on government's intellectual and ICT assets to facilitate more informed decision making.

BUSINESS PLAN FOR A GOVERNMENT WIDE AREA NETWORK (GWAN)

The Department worked with agencies to produce a Business Plan for a Government Wide Area Network (GWAN), a whole-of-government telecommunications connectivity solution which was a recommendation of *Connected Government: The Telecommunications Strategy for the Western Australian Public Sector 2005-2015*. The Business Plan is being used to inform the development of the proposed StateWide Broadband Network.

EMERGENCY SERVICES COMMUNICATIONS STRATEGY

The Department has continued its collaborative work in developing the *Emergency Services Communications Strategy* that will be completed in August 2007 and will be put to the e-Government Sub-Committee for endorsement. The Strategy:

- identifies the mid to long-term direction for Western Australian emergency and incident management communications services. It provides a common approach to interoperability, data management, public advice, governance and continuity of services across emergency service organisations; and
- has been developed in consultation with the government emergency services and support agencies, as well as non-government emergency service organisations and independent consultants.

WESTERN AUSTRALIAN GOVERNMENT NUMBER (WAGN)

The Department worked with the Office of Shared Services and other agencies to develop a unique, sector-wide employee number. The Western Australian Government Number (WAGN) will shortly start to be implemented across the Western Australian Government.

- the WAGN system, which is being built into the Shared Services environment, will enable agencies to adopt the WAGN as the consistent whole-of-government identifier for all employees accessing systems; and
- agencies will be encouraged increasingly to use the WAGN as their primary employee identifier so as to maximise the benefits that the WAGN can facilitate in terms of employee mobility, identity management, and inter-agency information sharing.

INFORMATION AND COMMUNICATIONS TECHNOLOGY (ICT) INFRASTRUCTURE GROUP (ICTIG)

In 2006 the Department highlighted the need for a solution for the provision of ICT services that are best delivered in a shared manner across the sector. The Department, in partnership with the Department of Treasury and Finance and other agencies, has developed a business case and strategy for the design and implementation of such a whole-of-government solution.

- an ICTIG Steering Committee has been established, which consists of members from the Department of the Premier and the Cabinet, the Department of Treasury and Finance, the Office of Shared Services, the Department of the Attorney General and the Department of Planning and Infrastructure to provide a governance framework.

ALIGNING e-GOVERNMENT PROJECTS TO THE e-GOVERNMENT STRATEGY

The Department plays an important role as part of the Department of Treasury and Finance capital bid review process. Significant agency Information and Communications Technology

projects are referred to the Office of e-Government for consideration, in accordance with the 2003 Functional Review recommendations.

- in 2006/07 the Department reviewed significant agency budget bids, worth more than \$200m, to ensure better alignment with the goals and principles of the e-Government Strategy for the Western Australian Public Sector as part of the *Aligning e-Government Projects to the e-Government Strategy* process and the capital submission process.

STRATEGIC ADVICE TO AGENCIES

The Department liaises with agencies to identify and progress strategic e-government projects and to facilitate collaboration between agencies. Our representatives provide strategic advice and assistance to a number of national, State and agency committees and oversight groups, including the following:

- StateWide Broadband Network Strategic Planning;
- National Broadband Development Group;
- National Coordinating Committee for Government Radio Communications;
- Cross Jurisdictional CIO Committee;
- CJCIOC Smartcard Reference Group;
- Western Australian Telecentre Advisory Council;
- Western Australian ICT Industry Development Forum;
- Western Australian Chief Information Officers Forum;
- e-Government Strategy Alignment – Department of Health
- TRELIS Oversight Group;
- Electronic Land Development Process (eLDP) Programme Committee;
- Shared Service Centres – ICT Business Unit Technical Infrastructure Options Analysis Governance Board;
- WA Police Communications Strategy Project;
- Western Australian Emergency Radio Network Steering Committee Meeting;
- Online Communications Council for Ministers (advisory capacity); and
- Inter-Agency Information Security Management Group.

ENTERPRISE ARCHITECTURE PROGRAM FOR THE WESTERN AUSTRALIAN PUBLIC SECTOR

The Department undertook an environmental scan for a potential whole-of-government Enterprise Architecture Program for the Western Australian Public sector. The aim of the environmental scan was to identify barriers to the successful achievement of e-Government transformation and to identify how an Enterprise Architecture Program can assist in addressing these issues.

The information gathered during the environmental scan is also being used to inform the development of a web-based Repository of e-government standards, policies and guidelines.

**AFFILIATED BODIES
SALARIES AND ALLOWANCES TRIBUNAL**

FUNCTIONS

The *Salaries and Allowances Act 1975* requires the Tribunal to enquire into, and determine at intervals of not more than 12 months, the remuneration to be paid to:

- Ministers of the Crown and the Parliamentary Secretary of the Cabinet;
- A Parliamentary Secretary appointed under section 44A(1) of the *Constitution Acts Amendment Act 1899*;
- Parliamentary Secretaries, Chairmen, Deputy Chairmen and members of standing and joint standing committees of the Parliament;
- Officers and members of the Parliament;
- Clerk of the Legislative Council or Clerk of the Legislative Assembly or the Deputy Clerk of either House;
- Officers of the Public Service holding offices included in the Special Division of the Public Service;
- Person holding any other office of a full-time nature, created or established under a law of the State, that is prescribed for the purposes of this section, but not being an office the remuneration for which is determined by or under any industrial award or agreement made or in force under any other law of the State;
- Chief Commissioner, Senior Commissioner and Commissioners of the Western Australian Industrial Relations Commission (WAIRC); and
- Non-judicial members of the State Administrative Tribunal.

For Parliamentarians the Tribunal determines:

- basic salary;
- additional salary for Ministers of the Crown and Officers of the Parliament;
- electorate allowances;
- expense, travelling (including air charter and hire) and accommodation allowances; and
- postage and telephone allowances.

For the Clerk of the Legislative Council or the Clerk of the Legislative Assembly or the Deputy Clerk of either House, Officers of the Public Service holding offices in the Special Division of the Public Service, person holding prescribed offices and Chief Commissioner, Senior Commissioner and Commissioners of the WAIRC, the Tribunal determines the salaries to be paid to the holders of these positions and the motor vehicle entitlement.

The Tribunal also is required to enquire into and report at intervals of not more than 12 months on the remuneration to be paid to:

- Judges of the Supreme Court, the Masters of the Supreme Court and Judges of the District Court;
- Stipendiary Magistrates; and
- The Parliamentary Inspector of the Corruption and Crime Commission.

The report with recommendations to the Minister must be tabled before each House of Parliament and the recommendations may be disallowed.

The Tribunal is responsible for determining (before an appointment is made to the office) the remuneration to be paid to the Governor of Western Australia.

The Tribunal also enquires into and makes a recommendation report on the total reward package to be paid to CEOs of local government areas at intervals of not more than 12 months. The Tribunal's recommendations are published in the *Government Gazette*.

The Tribunal is also required from time to time, as it sees fit, to determine aspects of Parliamentary Superannuation. Changes to the *Parliamentary Superannuation Act 1970* in October 2000 significantly increased the responsibilities of the Tribunal in this area.

The benefits and entitlements granted to former Premiers, Ministers of the Crown and members of the Parliament are determined from time to time by the Tribunal.

TRIBUNAL MEMBERSHIP

The members of the Tribunal are appointed by the Governor for a three-year period. The current membership is:

Professor M C Wood, Chairman
Ms M L Nadebaum, Member

Mr Michael Hollier is the Tribunal's Executive Officer.

Meetings are held monthly as a minimum or as required.

MAJOR ACTIVITIES

The Tribunal has issued a number of determinations and reports in the reporting period. These include:

- August 2006 - a determination was issued increasing the salary for Parliamentarians to \$118,450 per annum;
- November 2006 - the Tribunal issued a recommendation report for an increase of 4.4 percent for the judiciary;
- February 2007 - the Tribunal issued its first determination for the non-judicial members of the State Administrative Tribunal;
- March 2007 - a determination was issued for the Commissioners of the WAIRC;
- March 2007 - the Tribunal issued its first determination for Parliamentary Secretaries, Chairmen, Deputy Chairmen and members of standing and joint standing committees of the Parliament;
- April 2007 - a determination was given for the special division positions and prescribed office holder positions; and
- several additional variation determinations were produced to acknowledge specific changes in circumstances or to clarify earlier determinations.

CORPORATE AND OTHER SERVICES

Core Corporate Services include Human Resource Services, Financial Services, Information Technology, Corporate Information, Ancillary Services, Library and Reception. Other services include - Shared Services Implementation Project, Corporate Governance and Review, Internal Audit, Risk Management, Corruption Prevention, Substantive Equality, Sustainability and Freedom of Information.

HUMAN RESOURCE SERVICES

Employee Profile

The salary bands for 2006/07 have been updated to correspond with the 2006 PSGA salary scales, which took effect from the first full pay period on or after 26 February 2006.

Overall, numbers have slightly declined. The Office of Crime Prevention and the Office of Water Strategy transferred to other Departments on 1 July 2006.

Level	Salary Range	2006/2007		
		Total	Female	Male
1	0-39047	30	18	12
2	39048-44890	71	48	23
3	44891-50538	106	65	41
4	50539-55393	75	51	24
5	55394-64439	88	65	23
6	64440-75133	68	40	28
7	75134-84741	54	31	23
8	84742-97264	59	32	27
9	97265-110311	55	19	36
	110312+	50	14	36
	Total	656	383	273

2005/06	675	402	273
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There were 246 commencements and 248 cessations during 2005/2006.

Graduate Employment

On 29 January 2007, the Department recruited a further four graduates into its graduate pool. Graduates are provided with opportunities to rotate throughout core parts of the organisation over a period of two years and are provided with specific training and development related to the roles they undertake. Each graduate becomes a permanent officer after the initial 12 months, subject to satisfactory performance. The Department has recruited 26 graduates since the program began in 2001.

Traineeships

As at 30 June 2007 the Department had four trainees participating in a school-based traineeship that employs students part time while they complete Years 11 and 12. The Department also employed five trainees who are working full-time for 12 months while they complete a Certificate III in Business Administration.

Training and Development

Courses organised by the Human Resource Services Branch during 2006/07 include:

Management

- Selecting the Right Person for the Job
- How to Recruit and Select Smarter Quicker Easier

Information Technology

- Course available internally

GESB Information Sessions

- Adding to your Super
- Phased Retirement
- Budget and Tax implications
- Goldstate

Occupational Safety and Health

The Occupational Safety and Health Policy was launched during 2006/07 and incorporates a Return to Work Program and Injury Management System for the Department.

Workers Compensation

The Department had two workers compensation claims lodged during 2006/07, neither of which resulted in lost time.

Public Sector Standards in Human Resource Management

Associated policies to the Public Sector Standards in Human Resource Management and the Breach of Standards Regulations were reviewed to ensure compliance, currency and relevancy.

One claim of Breach of the Public Sector Standards in Human Resource Management – Recruitment, Selection and Appointment was lodged during 2006/07. The Breach was forwarded to the Office of the Public Sector Standards Commissioner to review and an external assessor was engaged. The Breach was subsequently dismissed.

Code of Ethics

The Department has complied with the ethical code, and continues to maintain a Code of Conduct, which is communicated widely to all employees. There have been no complaints lodged in 2006/07 relating to non-compliance.

Code of Conduct

The Code of Conduct 2005 was reviewed and replaced in September 2006. The Government released the 'Contact with Lobbyist Code' (the Lobbyist Code) in March 2007 to regulate contact between lobbyists and government representatives. This Code came into effect from 16 April 2007 and the Code of Conduct was updated in April 2007 to reflect this information.

A general review of the Code of Conduct 2006 is to be undertaken in the second half of 2007 in order to clarify integrity in relation to ethical behaviours, including obligations relating to responsibility associated with corrupt conduct, contact with lobbyists, personal reward, loyalty and incentive programs and public interest disclosures.

Disciplinary Investigations

The Department conducted three investigations into alleged breaches of discipline during 2006/07. Of these one is ongoing and one resulted in a reprimand and one was dismissed.

Equity and Diversity

Equity and diversity figures for the year ending 30 June 2007 indicates a decrease in numbers for People from Culturally Diverse Backgrounds. Figures for Indigenous Australians and People with Disabilities have had a minor decrease. Women in Management has also decreased slightly. Youth figures have increased slightly. The *Equity and Diversity Plan for 2006-2009* has been implemented with objectives and strategies to address diversity issues.

INFORMATION TECHNOLOGY

The Department has completed a Strategic Information Plan (SIP) with the aim of defining the Department's strategy for the effective management of corporate information and the technology that supports it. The SIP is the result of extensive consultation, research and review throughout the Department and it recommends various changes to the way the Department manages information and its related technologies. These recommendations will be carried out in the next three to five years.

Seven programs of work have been identified as part of the plan to deliver a more effective information management solution to the Department:

- Program 1 – Improve Ability to Communicate
- Program 2 – Enable Effective Collaboration
- Program 3 – Gather and Manage Knowledge & Intelligence
- Program 4 – Improve Business Flexibility & Ensure Continuity
- Program 5 – Compliance and Obligations
- Program 6 – Enabling Infrastructure
- Program 7 – Improving Governance and Service Delivery

The Department has also initiated a significant IT infrastructure upgrade program which will include upgrading to the latest version of the Microsoft Office productivity suites and the ability to upgrade to the latest versions of the operating system under a Microsoft Enterprise Agreement. The Department is also migrating its email system from the current Novell Groupwise to Microsoft Exchange and Outlook and is about to implement a new Service Desk System and an Assets Management System to replace the existing outdated systems.

During the year, the Department has also delivered the following:

- *Lobbyist Register* – a 'Register of Lobbyist' to provide information to the public, as well as the Government, about who is engaged in lobbying activities with Government and whom lobbyists represent in their dealings with Government;
- *Getting a Job* – a web site that provides information to the public with regard to employment within the State Government;
- *Developing Your Capabilities* – a web site that gears towards improving the professional skills, knowledge and abilities of leaders and other employees across the State's public sector;
- *Building WA* – A State Government initiative to consolidate and inform the public on the State's public infrastructure programmes via a public web site; and
- *Office of State Security and Emergency Coordination* – a web site for the Office of State Security and Emergency Coordination, who provides leadership to enhance the coordination of the State's relationships across government and the private sector to maximise Western Australia's response to terrorism and other significant emergencies.

CORPORATE INFORMATION SERVICES

The *State Records Act 2000* provides for the keeping of government records and requires government organisations to have a recordkeeping plan. The Department's recordkeeping plan includes programs that document and implement recordkeeping at a service area level. Recordkeeping documentation is regularly reviewed and updated.

Archives

The Department's Administrative History Project, to review corporate archives and produce a comprehensive history of each collection continues. To date over 51,000 records have been catalogued. 263 collections stored in the State Archive were reviewed and updated details of access restriction provided to the State Records Office.

New additions to the Department's archive included, Ministerial Records of the First Term Carpenter Government, Government Media Office and Cabinet Records. The Executive Council scanning project continues with 14 years of meetings digitally preserved and three years bound, while six years of Cabinet meetings have also been digitally preserved.

Two complimentary disposal authorities for records of *Executive Government* and *Ministerial Offices* were prepared for, and passed by, the State Records Advisory Committee.

Digital Recordkeeping

State Records Commission standards on digital recordkeeping are met through the implementation of a compliant electronic document management system. Formal training in digital recordkeeping was provided to 170 staff. Information about digital recordkeeping responsibilities is available to all staff online. Hummingbird continues to be used in Ministerial Offices and correspondence from 18 legacy Lotus Notes systems was migrated into Hummingbird.

Induction and Training

Employees and contractors are informed of their recordkeeping responsibilities through induction, training and a range of guidelines distributed to service areas. Recordkeeping documentation was revised to maintain currency and significant activities included:

- recordkeeping training and induction material was provided to 180 new staff following recruitment. An email notification process was also commenced to provide new staff with day-1 recordkeeping information;
- 32 new guidelines or revised induction and training documents were produced and published to the Department's intranet;
- recordkeeping programs, including briefings were prepared and provided to the Office of Development Approvals Coordination and Office of the Special Advisor on Indigenous Affairs;
- the *Recordkeeping Program for Ministerial Offices* was finalised and approved by Executive Management, Ministers and Chiefs of Staff; and
- guidelines for *Digital Recordkeeping*, *Grant Funding* and *Contracts for Information Services* were drafted and placed on the Department's intranet.

Managing Performance

The performance of records management services is measured by a process performed in accordance with best practice:

Performance Indicators	2007	2006
<i>To respond to customer Helpdesk phone, email and counter enquiries within agreed timeframes</i>	6,600 (enquiries)	4,500 (enquiries)
<i>Documents captured into the records system *</i>		
- Premier's Records	23,000	-
- Ministerial Office Records	97,000	63,500
- Service Area Records	4,400	6,500
<i>To capture official files into records systems</i>	6,100	4,500
<i>To receive and preserve records in accordance with the Department's recordkeeping plan. Including records of defunct agencies, Ministerial Offices and organisations transferred into the Department *</i>	6,100 (files)	8,300 (files)
- Ministerial Office Records	105,000 (documents)	-
- Service Area Records	62,000 (documents)	-
<i>To dispose of records in accordance with disposal authorities. Including routine disposal of files no longer required, transferring custody of service areas or functions no longer performed</i>	4,500 (files)	9,200 (files)
<i>* Adjusted for Hummingbird migrations</i>		

SHARED SERVICES IMPLEMENTATION PROJECT

The Department has continued to plan toward rolling into the shared services arrangements at the Office of Shared Services for finance and procurement services. The Department's roll in date was deferred from November 2006 to May 2007, and subsequently is now timed for December 2007.

Through the efforts of the Transition Team, Branch staff and external consultancy support the Department's policies and procedures have been revised in readiness for the new service model, and a training and awareness program is under development for implementation.

The Department's Shared Services Steering Committee continued to meet throughout the year to monitor progress of the implementation. A risk assessment undertaken by the Department's Internal Auditors on the Project's management practices and progress concluded that the controls and procedures in place were effective and any risks posed to the Department were manageable.

The Office of Shared Services (OSS) was transferred to the Department of Treasury and Finance as a separate business unit in November 2006. The transfer became effective from 1 January 2007. As such, the Department is no longer the Employing Authority for OSS Employees from this date.

CORPORATE GOVERNANCE AND REVIEW

Internal Audit

The internal audit services are, in the main, contracted and overseen by the Manager, Corporate Governance and Review. The results of all audits are reported to the Director General and the Department's Internal Audit Committee.

The Department's Internal Audit Committee met on two occasions during the financial year, on 26 July 2006 and on 21 March 2007.

Eleven audits, totalling 1,000 audit hours, were scheduled in 2006/07. The most significant scheduled reviews were for those operations that will be subject to transfer to the Office of Shared Services. Other reviews were conducted across a range of Departmental Units and activities.

The 2006/07 Annual Audit Plan was prepared in accordance with Treasurer's Instructions. The plan was based on the Department's risk profile as well as other obligatory reviews.

While the practice of external audits of the overseas offices remains under review, audits in the London and Dubai offices have been scheduled to be conducted in July 2007.

In addition the Department's Internal Audit Charter is being reviewed and amended within the context of the *Financial Management Act 2006* (which came into effect from 1 February 2007) and the Treasurer's Instructions.

Risk Management

The Risk Management function was subjected to an Internal Audit Review in February 2007. The quality of management control was assessed as being satisfactory while the overall risk exposure was considered to be low.

RiskCover has facilitated a project to assess strategic risk in the Department, with a view to identifying risks at a strategic level common to all or most of the Directorates and Offices within DPC.

Interviews were conducted with the Heads of Offices and Directorates with a compilation of their feedback presented to the Corporate Executive. The process identified six strategic risks which were analysed using the WA Government Risk Management Framework developed by RiskCover.

RiskCover is continuing its support of the Department by conducting further risk assessments at unit level.

PROMOTING TRANSPARENCY AND ACCOUNTABILITY

The Department continues to take all necessary measures to improve existing governance and accountability arrangements in the public sector. This has included the development of the Corruption Prevention Plan 2007-2009, which identifies areas of risk and existing prevention strategies, and areas in which additional strategies may be required. The Plan will be published on the Department's intranet to facilitate staff access.

The Department has reviewed its Code of Conduct in light of issues arising from the Corruption and Crime Commission (CCC) hearings and to ensure its consistency with the Conflict of Interest Guidelines for the Western Australian Public Sector published by the

Integrity Coordinating Group (comprising the CCC, the Public Sector Standards Commissioner, the State Ombudsman and Auditor General).

The Code has also been amended to include a requirement for all persons employed, contracted or engaged by the Department to comply with the *Contact with Lobbyists Code*, which commenced operation on 16 April 2007. The Code was established to preserve the integrity of lobbying as a legitimate activity in the democratic process and to provide an open, accountable mechanism for public scrutiny and lobbying activity.

The Director General briefs incoming Ministers and their Chiefs of Staff on a range of statutory and administrative obligations and regularly provides comprehensive briefings to Ministerial office staff. In 2006/07, three workshops 'Dealing with Conflicts of Interest' were conducted for Departmental staff by the Corruption and Crime Commission. The Department is also providing sponsorship for the Australian Public Sector Anti-Corruption Conference to be held in Sydney in October 2007.

SUBSTANTIVE EQUALITY

Following the implementation of the Policy Framework for Substantive Equality across the public sector, a draft implementation plan for the Department was presented to Corporate Executive during the year.

The objective of the policy framework is to achieve substantive equality in the Western Australian public sector by eliminating systemic racial discrimination in the provision of public sector services and to promote sensitivity to the different needs of client groups.

The Office of e-Government was selected as the first area within the Department to implement the policy and following the submission of the Office's "impact assessment" to the Equal Opportunity Commission a schedule for implementation across the rest of the Department is currently awaiting endorsement of Corporate Executive.

SUSTAINABILITY

A number of sustainable practices continue to be implemented across the Department. These are consistent with government policies, such as a reduction in 6 cylinder motor vehicles for the Departmental fleet and reinforcement of energy savings measures in the Department's facilities and offices.

FREEDOM OF INFORMATION (FOI)

The Department aims to assist the public to access available documents held by this agency at the least possible cost.

Forty-one new valid applications were received during the year. Of these, five applications were transferred in full to another public sector agency for processing and three applications were withdrawn by the applicant. A further three applications were carried over from the previous year.

The table below provides a breakdown of the FOI applications that were finalised during this period. A more comprehensive breakdown of this agency's statistics is provided in the Information Commissioner of Western Australia's Annual Report - www.foi.wa.gov.au.

The Department's FOI Statement is provided at Appendix 3 of this report.

ANNUAL REPORT – 2006/2007

In 2006/07 the Department continued to provide FOI support to the Salaries and Allowances Tribunal as a bureau service and training and advice to FOI Coordinators at Ministerial Offices.

FOI APPLICATIONS

	2006/2007			2005/2006		
	Total			Total		
Carried Over	3	-	-	1	-	-
Received	41	-	-	59	-	-
Total handled	44	-	-	60	-	-
Applications Decided in Year		Personal Information	Non-Personal Information		Personal Information	Non-Personal Information
Full Access	10	1	9	16	2	14
Edited Access	5	0	5	17	0	17
Deferred Access	0	0	0	0	0	0
Section 28 Access	0	0	0	0	0	0
Access Refused	12	0	12	14	1	13
TOTAL DECISIONS	27	1	26	47	3	44
Transfer to other Agencies	5	-	-	5	-	-
Withdrawn	3	-	-	5	-	-
Total Applications Finalised	35	-	-	57	-	-
<i>Carried Forward</i>	9	-	-	3	-	-

**CERTIFICATION OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

The accompanying financial statements of the Department of the Premier and Cabinet have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2007 and the financial position as at 30 June 2007.

At the date of signing, we are not aware of any circumstances, which would render any particulars included in the financial statements misleading or inaccurate.



M C WAUCHOPE
ACCOUNTABLE AUTHORITY

3 August 2007



G McAULLAY
CHIEF FINANCE OFFICER

3 August 2007



AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

**DEPARTMENT OF THE PREMIER AND CABINET
FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR
THE YEAR ENDED 30 JUNE 2007**

I have audited the accounts, financial statements, controls and key performance indicators of the Department of the Premier and Cabinet.

The financial statements comprise the Balance Sheet as at 30 June 2007, and the Income Statement, Statement of Changes in Equity, Cash Flow Statement, Schedule of Income and Expenses by Service, and Summary of Consolidated Account Appropriations and Income Estimates for the year then ended, a summary of significant accounting policies and other explanatory Notes.

The key performance indicators consist of key indicators of effectiveness and efficiency.

The Director General's Responsibility for the Financial Statements and Key Performance Indicators

The Director General is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions, and the key performance indicators. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements and key performance indicators that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; making accounting estimates that are reasonable in the circumstances; and complying with the Financial Management Act 2006 and other relevant written law.

Summary of my Role

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements, controls and key performance indicators based on my audit. This was done by testing selected samples of the audit evidence. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion. Further information on my audit approach is provided in my audit practice statement. Refer "<http://www.audit.wa.gov.au/pubs/Audit-Practice-Statement.pdf>".

An audit does not guarantee that every amount and disclosure in the financial statements and key performance indicators is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements and key performance indicators.

**Department of the Premier and Cabinet
Financial Statements and Key Performance Indicators for the year ended 30 June 2007**

Audit Opinion

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the Department of the Premier and Cabinet at 30 June 2007 and its financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions;
- (ii) the controls exercised by the Department provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (iii) the key performance indicators of the Department are relevant and appropriate to help users assess the Department's performance and fairly represent the indicated performance for the year ended 30 June 2007.


COLIN MURPHY
AUDITOR GENERAL
6 September 2007

**DEPARTMENT OF THE PREMIER AND CABINET
INCOME STATEMENT**

for the year ended 30 June 2007

	Note	2007 \$000	2006 \$000
COST OF SERVICES			
Expenses			
Employee benefits expense	6	68,064	69,524
Supplies and services	7	44,557	44,687
Depreciation and amortisation expense	8	1,563	1,345
Accommodation expenses	9	13,131	12,555
Grants and subsidies	10	8,367	31,679
Capital user charge	11	1,495	1,987
Loss on disposal of non-current assets	14	143	497
Loss on foreign exchange		640	-
Other expenses	12	194	125
Total cost of services		138,154	162,399
Income			
Revenue			
User charges and fees	13	5,863	5,885
Regulatory fines		7,252	12,178
Sales		2,630	2,989
Commonwealth grants and contributions		533	354
Interest revenue		449	472
Profit on foreign exchange		-	18
Total Revenue		16,727	21,896
Total income other than income from State Government		16,727	21,896
NET COST OF SERVICES		121,427	140,503
INCOME FROM STATE GOVERNMENT			
Service appropriation		121,866	136,971
Resources received free of charge		834	1,506
Liabilities assumed by the Treasurer		659	350
Total income from State Government	15	123,359	138,827
SURPLUS/(DEFICIT) FOR THE PERIOD		1,932	(1,676)

The Income Statement should be read in conjunction with the accompanying notes.

DEPARTMENT OF THE PREMIER AND CABINET
BALANCE SHEET
as at 30 June 2007

	Note	2007	2006
		\$000	\$000
ASSETS			
Current Assets			
Cash and cash equivalents	27	12,634	12,304
Restricted cash and cash equivalents	16	7,737	7,849
Inventories	17	95	125
Receivables	18	4,416	12,570
Amounts receivable for services	19	2,920	834
Total Current Assets		27,802	33,682
Non-Current Assets			
Restricted cash and cash equivalents	16	415	193
Amounts receivable for services	19	15,275	14,458
Property, plant and equipment	20	5,714	4,090
Intangible assets	21	60	107
Total Non-Current Assets		21,464	18,848
TOTAL ASSETS		49,266	52,530
LIABILITIES			
Current Liabilities			
Payables	23	2,941	4,527
Provisions	24	12,234	10,313
Other current liabilities	25	3,444	6,264
Total Current Liabilities		18,619	21,104
Non-Current Liabilities			
Provisions	24	3,863	3,680
Total Non-Current Liabilities		3,863	3,680
Total Liabilities		22,482	24,784
Net Assets		26,784	27,746
Equity			
Reserves	26	(2,978)	-
Accumulated surplus/(deficiency)		29,762	27,746
Total Equity		26,784	27,746
TOTAL LIABILITIES AND EQUITY		49,266	52,530

The Balance Sheet should be read in conjunction with the accompanying notes.

DEPARTMENT OF THE PREMIER AND CABINET
STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2007

	Note	2007	2006
		\$000	\$000
Balance of equity at start of period		27,746	75,806
CONTRIBUTED EQUITY	26		
Balance at start of period		-	21,563
Capital contribution		2,200	500
Other contributions by owners		-	-
Distributions to owners		(2,198)	(44,959)
Balance at end of period		2	(22,896)
Transfer to Accumulated surplus/(deficit)		(2)	22,896
Restated balance at end of period		0	0
RESERVES	26		
Asset Revaluation Reserve			
Balance at start of period		-	868
Transfer to Accumulated surplus/(deficit)		-	(868)
Restated balance at end of period		0	0
Hedge Reserve			
Balance at start of period		0	0
Gains/(losses) recognised:			
Forward exchange contracts		(2,978)	-
Balance at end of period		(2,978)	0
ACCUMULATED SURPLUS (RETAINED EARNINGS)	26		
Balance at start of period		27,746	53,375
Change in accounting policy or correction of prior period errors		82	(1,925)
Restated balance at start of period		27,828	51,450
Transfer contributed equity		2	(22,896)
Transfer asset revaluation reserve		-	868
Surplus/(deficit) for the period ^(a)		1,932	(1,676)
Gain/(losses) recognised directly in equity		-	-
Balance at end of period		29,762	27,746
Balance of equity at end of period		26,784	27,746
Total income and expenses for the period ^(b)		1,932	(1,676)

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

DEPARTMENT OF THE PREMIER AND CABINET

CASH FLOW STATEMENT

for the year ended 30 June 2007

	Note	2007 \$000	2006 \$000
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		118,200	132,751
Holding account drawdowns		614	1,834
Capital contributions		2,200	500
Net cash provided by State Government		<u>121,014</u>	<u>135,085</u>
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(64,277)	(67,813)
Supplies and services		(44,265)	(43,471)
Capital user charge		(1,495)	(1,987)
Accommodation		(13,227)	(12,116)
Grants and subsidies		(8,971)	(31,012)
GST payments on purchases		(6,431)	(8,584)
GST payments to taxation authority		(881)	(834)
Other payments		(257)	(183)
Receipts			
Sales of goods and services		2,697	2,959
Regulatory fines		7,252	12,178
User charges and fees		7,320	6,482
Commonwealth grants and contributions		534	454
Interest received		459	378
GST receipts on sales		865	826
GST receipts from taxation authority		6,195	9,377
Net cash provided by/(used in) operating activities	27	<u>(114,482)</u>	<u>(133,346)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from the sale of non-current physical assets		28	57
Refundable deposit		6,057	(6,057)
Purchase of non-current physical assets		(3,256)	(3,154)
Net cash provided by/(used in) investing activities		<u>2,829</u>	<u>(9,154)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Treasurer's advance		(6,057)	6,057
Net cash provided by/(used in) financing activities		<u>(6,057)</u>	<u>6,057</u>
Net increase/(decrease) in cash and cash equivalents		3,304	(1,358)
Cash and cash equivalents at the beginning of period		20,346	66,454
Cash assets transferred to/from other sources		(2,475)	(44,768)
Effects of exchange rate changes on cash balances held in foreign currency		(389)	18
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	27	<u><u>20,786</u></u>	<u><u>20,346</u></u>

The Cash Flow Statement should be read in conjunction with the accompanying notes.

ANNUAL REPORT – 2006/2007

DEPARTMENT OF THE PREMIER AND CABINET
Schedule of Income and Expenses by Service
for the year ended 30 June 2007

	Support for the Premier	Mgmt of State	Mgmt of Policy	Public Sector Mgmt	Publishing Services	Constitutional Centre	Multicultural Interests	Native Title	Science and Innovation	Road Safety	e-Government	Crime Prevention	Water Strategy	Total
	2007 \$000	2007 \$000	2007 \$000	2007 \$000	2007 \$000	2007 \$000	2007 \$000	2007 \$000	2007 \$000	2007 \$000	2007 \$000	2007 \$000	2007 \$000	2007 \$000
COST OF SERVICES														
Expenses														
Employee benefits expense	6,481	42,203	5,241	5,653	1,260	615	2,009	-	-	1,936	2,666	-	-	68,064
Supplies and services	3,837	20,888	1,264	3,994	736	1,238	961	-	-	11,319	1,320	-	-	44,557
Depreciation and amortisation expense	137	1,219	29	11	19	30	105	-	-	3	10	-	-	1,563
Finance costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accommodation expenses	1,115	9,401	679	723	350	132	255	-	-	182	294	-	-	13,131
Grants and subsidies	-	1,858	592	84	40	410	673	-	-	4,749	1	-	-	8,367
Capital user charge	199	794	101	195	40	11	43	-	-	49	63	-	-	1,495
Loss on disposal of non-current assets	-	5	109	10	3	1	5	-	-	4	5	-	-	143
Loss on foreign exchange	101	539	-	-	-	-	-	-	-	-	-	-	-	640
Other expenses	17	127	10	15	5	2	6	-	-	5	7	-	-	194
Total cost of services	11,882	77,138	7,927	10,685	2,413	1,439	4,057	0	0	18,247	4,366	0	0	138,154
Income														
User charges and fees	354	845	663	1,008	11	85	100	-	-	2,774	23	-	-	5,863
Regulatory fines	-	-	-	-	-	-	-	-	-	7,252	-	-	-	7,252
Sales	-	-	-	-	2,630	-	-	-	-	-	-	-	-	2,630
Commonwealth grants and contributions	-	433	-	-	-	-	100	-	-	-	-	-	-	533
Interest revenue	-	2	-	-	-	-	-	-	-	447	-	-	-	449
Total income other than income from State Government	354	1,280	663	1,008	2,641	85	200	0	0	10,473	23	0	0	16,727
NET COST OF SERVICES	11,528	75,858	7,264	9,677	(228)	1,354	3,857	0	0	7,774	4,343	0	0	121,427
INCOME FROM STATE GOVERNMENT														
Service appropriation	12,020	77,310	7,609	8,765	78	1,271	3,454	-	-	7,177	4,192	-	-	121,866
Resources received free of charge	47	628	42	45	14	5	17	-	-	16	20	-	-	834
Liabilities assumed by the Treasurer	61	411	46	50	36	6	10	-	-	17	22	-	-	659
Total income from State Government	12,128	78,349	7,697	8,850	128	1,282	3,481	0	0	7,210	4,234	0	0	123,359
Surplus/deficit for the period	600	2,491	433	(827)	356	(72)	(376)	0	0	(664)	(109)	0	0	1,932

The Schedule of Income and Expenses by Service should be read in conjunction with the accompanying notes.

ANNUAL REPORT – 2006/2007

DEPARTMENT OF THE PREMIER AND CABINET
Schedule of Income and Expenses by Service
for the year ended 30 June 2007

	Support for the Premier	Mgmt of Matters of State	Mgmt of Policy	Public Sector Mgmt	Publishing Services	Constitutional Centre	Multicultural Interests	Native Title	Science and Innovation	Road Safety	e-Government	Crime Prevention	Water Strategy	Total
	2006 \$'000	2006 \$'000	2006 \$'000	2006 \$'000	2006 \$'000	2006 \$'000	2006 \$'000	2006 \$'000	2006 \$'000	2006 \$'000	2006 \$'000	2006 \$'000	2006 \$'000	2006 \$'000
COST OF SERVICES														
Expenses														
Employee benefits expense	5,893	40,251	4,619	4,144	1,217	557	1,930	1,866	1,086	1,643	2,286	3,047	985	69,524
Supplies and services	3,446	16,330	1,008	2,520	764	256	644	1,278	599	9,072	1,147	2,845	2,778	44,687
Depreciation and amortisation expense	141	844	21	14	186	17	100	-	8	4	8	2	-	1,345
Finance costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accommodation expenses	1,067	8,669	436	591	213	117	282	225	153	113	236	311	142	12,555
Grants and subsidies	-	1,198	884	13	-	322	591	1,748	14,168	8,944	-	2,732	1,079	31,679
Capital user charge	203	1,051	159	192	50	14	67	28	13	45	90	51	24	1,987
Loss on disposal of non-current assets	11	255	-	-	-	-	-	216	6	-	3	6	-	497
Other expenses	6	75	9	7	4	1	4	4	2	3	4	5	1	125
Total cost of services	10,767	70,673	7,136	7,481	2,434	1,284	3,618	5,365	16,035	19,824	3,774	8,999	5,009	162,399
Income														
User charges and fees	292	436	534	978	1	71	150	73	4	2,602	39	688	17	5,885
Regulatory fines	-	-	-	-	-	-	-	-	-	12,178	-	-	-	12,178
Sales	-	-	-	-	2,989	-	-	-	-	-	-	-	-	2,989
Commonwealth grants and contributions	-	303	-	21	-	-	5	-	-	-	-	25	-	354
Interest revenue	-	-	-	-	-	-	-	-	-	470	-	2	-	472
Profit on foreign exchange	18	-	-	-	-	-	-	-	-	-	-	-	-	18
Total income other than income from State Government	310	739	534	999	2,990	71	155	73	4	15,250	39	715	17	21,896
NET COST OF SERVICES	10,457	69,934	6,602	6,482	(566)	1,213	3,463	5,292	16,031	4,574	3,735	8,284	4,992	140,503
INCOME FROM STATE GOVERNMENT														
Service appropriation	10,932	62,007	6,082	6,724	262	1,203	4,043	252	25,700	5,617	3,339	7,444	3,366	136,971
Resources received free of charge	86	644	87	90	25	8	32	377	25	23	31	47	31	1,506
Liabilities assumed by the Treasurer	23	211	20	23	12	3	2	10	6	8	11	16	5	350
Total income from State Government	11,041	62,862	6,189	6,837	299	1,214	4,077	639	25,731	5,648	3,381	7,507	3,402	138,827
Surplus/deficit for the period	584	(7,072)	(413)	355	855	1	614	(4,653)	9,700	1,074	(354)	(777)	(1,590)	(1,676)

The Schedule of Income and Expenses by Service should be read in conjunction with the accompanying notes.

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DEPARTMENT OF THE PREMIER AND CABINET

Summary of Consolidated Account Appropriations and Income Estimates for the year ended 30 June 2007

	2007 ESTIMATE \$000	2007 ACTUAL \$000	VARIANCE \$000	2007 ACTUAL \$000	2006 ACTUAL \$000	VARIANCE \$000
DELIVERY OF SERVICES						
Item 5 Net amount appropriated to deliver services	114,456	120,405	5,949	120,405	148,390	(27,985)
Section 25 Transfer of service appropriation ^(a)	0	601	601	601	(12,065)	12,666
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	553	860	307	860	646	214
Total appropriations provided to deliver services	<u>115,009</u>	<u>121,866</u>	<u>6,857</u>	<u>121,866</u>	<u>136,971</u>	<u>(15,105)</u>
CAPITAL						
Item 124 Capital Contribution	2,855	2,200	(655)	2,200	500	1,700
ADMINISTERED TRANSACTIONS						
Item 6 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	0	0	0	0	27	(27)
Section 25 Transfer Amount provided for Administered Grants, Subsidies and Other Transfer Payments ^(a)	0	0	0	0	(14,551)	14,551
Item 119 Administered Capital Contribution	0	0	0	0	0	0
Section 25 Transfer amount provided for Administered Capital Contribution ^(a)	0	0	0	0	(44,689)	44,689
Total administered transactions	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(59,213)</u>	<u>59,213</u>
GRAND TOTAL	<u>117,864</u>	<u>124,066</u>	<u>6,202</u>	<u>124,066</u>	<u>78,258</u>	<u>45,808</u>
Details of Expenses by Service						
Support for the Premier as Head of Government	11,467	11,882	415	11,882	10,767	1,115
Management of matters of State	71,318	77,138	5,820	77,138	70,673	6,465
Management of policy	8,821	7,927	(894)	7,927	7,136	791
Support for the Premier as Minister for Public Sector Management	11,090	10,685	(405)	10,685	7,481	3,204
Parliamentary, statutory and legislative publishing services	3,244	2,413	(831)	2,413	2,434	(21)
Constitutional Centre	1,353	1,439	86	1,439	1,284	155
Multicultural Interests	4,679	4,057	(622)	4,057	3,618	439
Native Title	0	0	0	0	5,365	(5,365)
Science and Innovation	0	0	0	0	16,035	(16,035)
Road Safety	26,975	18,247	(8,728)	18,247	19,824	(1,577)
E-Government	4,867	4,366	(501)	4,366	3,774	592
Crime Prevention	0	0	0	0	8,999	(8,999)
Water Strategy	-	0	0	0	5,009	(5,009)
Total Cost of Services	143,814	138,154	(5,660)	138,154	162,399	(24,245)
Less total income	(26,821)	(16,727)	10,094	(16,727)	(21,896)	5,169
Net Cost of Services	116,993	121,427	4,434	121,427	140,503	(19,076)
Adjustments	(1,984)	439	2,423	439	(3,532)	3,971
Total appropriations provided to deliver services	<u>115,009</u>	<u>121,866</u>	<u>6,857</u>	<u>121,866</u>	<u>136,971</u>	<u>(15,105)</u>
Capital Expenditure						
Purchase of non-current physical assets	2,855	3,256	401	3,256	3,859	(603)
Adjustment for other funding sources	0	(1,056)	(1,056)	(1,056)	(3,359)	2,303
Capital Contribution (appropriation)	<u>2,855</u>	<u>2,200</u>	<u>(655)</u>	<u>2,200</u>	<u>500</u>	<u>1,700</u>
DETAILS OF INCOME ESTIMATES						
Income disclosed as Administered Income	0	0	0	0	27	(27)
TOTAL CONSOLIDATED FUND APPROPRIATIONS	<u>117,864</u>	<u>124,066</u>	<u>6,202</u>	<u>124,066</u>	<u>137,498</u>	<u>(13,432)</u>

(a) Financial Administration and Audit Act 1985

Adjustments comprise movements in cash balances and other accrual items such as receivables, payables and superannuation.

Note 33 "Explanatory statement" provides details of any significant variations between estimates and actual results for 2007 and between the actual results for 2006 and 2007.

**DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 30 June 2007

1 Departmental mission and funding

The Department's mission is to ensure the Premier's requirements and those of Cabinet are met.

The Department is mainly funded by Parliamentary appropriations. The financial statements encompass all funds through which the Department controls resources to carry on its functions.

2 Australian Equivalents to International Financial Reporting Standards

General

The Department's financial statements for the year ended 30 June 2007 have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), which comprise a Framework for the Preparation and Presentation of Financial Statements (the Framework) and Australian Accounting Standards (including the Australian Accounting Interpretations).

In preparing these financial statements the Department has adopted, where relevant to its operations, new and revised Standards and Interpretations from their operative dates as issued by the AASB and formerly the Urgent Issues Group (UIG).

Early adoption of standards

The Department cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101 "Application of Australian Accounting Standards and Other Pronouncements". No Standards and Interpretations that have been issued or amended but are not yet effective have been early adopted by the Department for the annual reporting period ended 30 June 2007.

3 Summary of significant accounting policies

(a) General Statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary application, disclosure, format and wording.

The Financial Management Act and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board.

Where modification is required and has a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

**DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 30 June 2007

(b) Basis of Preparation

The financial statements have been prepared in accordance with Accounting Standard AAS 29 "Financial Reporting by Government Departments" on the accrual basis of accounting using the historical cost convention.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000).

The judgements that have been made in the process of applying the Department's accounting policies that have the most significant effect on the amounts recognised in the financial statements are disclosed at note 4 'Judgements made by management in applying accounting policies'.

(c) Reporting Entity

The reporting entity comprises the Department.

The Department administers assets, liabilities, income and expenses on behalf of Government which are not controlled by, nor integral to the function of the Department. These administered balances and transactions are not recognised in the principal financial statements of the Department but schedules are prepared using the same basis as the financial statements and are presented at note 36 'Administered expenses and income'.

(d) Contributed Equity

UIG Interpretations 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities' requires transfers in the nature of equity contributions to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions. Capital contributions (appropriations) have been designated as contributions by owners by Treasurer's Instruction (TI) 955 "Contributions by Owners made to Wholly Owned Public Sector Entities" and have been credited directly to Contributed Equity.

Transfer of net assets to/from other agencies are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal. See note 26 "Equity".

(e) Income

Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities as follows:

Sale of goods

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership control transfer to the purchaser and can be measured reliably.

Rendering of Services

Revenue is recognised upon the delivery of the service to the client or by reference to the stage of completion of the transaction.

Interest

Revenue is recognised as the interest accrues.

DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2007

Service Appropriations

Service Appropriations are recognised as revenues in the period in which the Department gains control of the appropriated funds. The Department gains control of appropriated funds at the time those funds are deposited into the Department's bank account or credited to the holding account held at the Treasury. See note 15 "Income from State Government" for further detail.

Net Appropriation Determination

The Treasurer may make a determination providing for prescribed receipts to be retained for services under the control of the Department. In accordance with the determination specified in the 2006-2007 Budget Statements, the Department retained \$12.025 million in 2007 (\$14.497 million in 2006) from the following:

- * Proceeds from fees and charges;
- * Other departmental revenue.
- * GST input credits
- * GST receipts on sales

Grants, donations, gifts and other non-reciprocal contributions

Revenue is recognised at fair value when the Department obtains control over the assets comprising the contributions which is usually when cash is received.

Other non-reciprocal contributions that are not contributions by owners are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the balance sheet date, the nature of, and amounts pertaining to, those undischarged conditions are disclosed in the notes.

Gains

Gains may be realised or unrealised and are usually recognised on a net basis. These include gains arising on the disposal of non-current assets.

(f) Property , Plant and Equipment

Capitalisation/Expensing of assets

Items of property, plant and equipment costing \$5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of property, plant and equipment costing less than \$5,000 are immediately expensed direct to the Income Statement (other than where they form part of a group of similar items which are significant in total).

Initial recognition and measurement

All items of property, plant and equipment are initially recognised at cost.

For items of property, plant and equipment acquired at no cost or for nominal consideration, the cost is their fair value at the date of acquisition.

Subsequent measurement

The Department does not hold land, buildings or infrastructure assets. As such, items of property, plant and equipment are carried at historical cost less accumulated depreciation and accumulated impairment losses.

DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2007

Depreciation

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner which reflects the consumption of their future economic benefits.

Depreciation is calculated using the straight line method, using rates which are reviewed annually. Estimated useful lives for each class of depreciable asset are:

Furniture and fittings	10 years
Plant and equipment	5 years
Computer hardware	3 years
Office establishment	4 years

Works of art controlled by the Department are classified as property, plant and equipment. They are anticipated to have very long and indefinite useful lives. Their service potential has not, in any material sense, been consumed during the reporting period and so no depreciation has been recognised.

(9) Intangible Assets

Capitalisation/Expensing of assets

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$5,000 or more are capitalised. The cost of utilising the assets is expensed (amortised) over their useful life. Costs incurred below these thresholds are immediately expensed directly to the Income Statement.

All acquired and internally developed intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

The cost model is applied for subsequent measurement requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

Amortisation for intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful life) on the straight line basis using rates which are reviewed annually. All intangible assets controlled by the Department have a finite useful life and zero residual value. The expected useful lives for each class of intangible asset are:

Software	3 Years
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Computer Software

Software that is an integral part of the related hardware is treated as property, plant and equipment. Software that is not an integral part of the related hardware is treated as an intangible asset. Software costing less than \$5,000 is expensed in the year of acquisition.

Web site costs

Web site costs are charged as expenses when they are incurred unless they relate to the acquisition or development of an asset when they may be capitalised and amortised. Generally, costs in relation to feasibility studies during the planning phase of a web site, and ongoing costs of maintenance during the operating phase are expensed. Costs incurred in building or enhancing a web site, to the extent that they represent probable future economic benefits that can be reliably measured, are capitalised.

DEPARTMENT OF THE PREMIER AND CABINET

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2007

(h) Impairment of Assets

Property, plant and equipment and intangible assets are tested for any indication of impairment at each balance sheet date. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised. As the Department is a not-for-profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at each balance sheet date irrespective of whether there is any indication of impairment.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairment at each balance sheet date.

See note 22 'Impairment of assets' for the outcome of impairment reviews and testing.

See note 3(o) 'Receivables' and note 18 'Receivables' for impairment of receivables.

(i) Leases

The Department has entered into a number of operating lease arrangements for the rent of the aircraft, office buildings and motor vehicles where the lessor effectively retains all of the risks and benefits incidental to ownership of the items held under the operating leases. Equal instalments of the lease payments are charged to the Income Statement over the lease term as this is representative of the pattern of benefits to be derived from the leased property.

(j) Financial Instruments

The Department enters into derivative financial instruments to manage its exposure to foreign exchange rate risk, by way of foreign exchange forward contracts. Further details of derivative financial instruments are disclosed in note 35 to the financial statements.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event, the timing of the recognition in profit or loss depends on the nature of the hedge relationship. The Department designates certain derivatives as either hedges of the fair value of recognised assets or liabilities or firm commitments (fair value hedges), hedges of highly probable forecast transactions or hedges of foreign currency risk of firm commitments (cash flow hedges), or hedges of net investments in foreign operations.

The fair value of hedging derivatives is classified as a non-current asset or a non-current liability if the remaining maturity of the hedge relationship is more than 12 months and as a current asset or a current liability if the remaining maturity of the hedge relationship is less than 12 months.

**DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 30 June 2007

Derivatives not designated into an effective hedge relationship are classified as a current asset or a current liability.

Hedge accounting

The Department designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations.

Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges. At the inception of the hedge relationship the entity documents the relationship between the hedging instrument and hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Department documents whether the hedging instrument that is used in a hedging relationship is highly effective in offsetting changes in fair values or cash flows of the hedged item.

Note 35 contains details of the fair values of the derivative instruments used for hedging purposes. Movements in the hedging reserve in equity are also detailed in note 26.

Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are deferred in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss as part of other expenses or other income.

Amounts deferred in equity are recycled in profit or loss in the periods when the hedged item is recognised in profit or loss. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability.

Hedge accounting is discontinued when the Department revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss deferred in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred in equity is recognised immediately in profit or loss.

(m) Amounts Receivable for Services (Holding Account)

The Department receives appropriation funding on an accrual basis that recognises the full annual cash and non-cash cost of services. The appropriations are paid partly in cash and partly as an asset (Holding Account receivable) that is accessible on the emergence of the cash funding requirement to cover items such as leave entitlements and asset replacement.

See also note 15 'Income from State Government' and note 19 'Amounts receivable for services'.

**DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 30 June 2007

(n) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned by the method most appropriate to each particular class of inventory, with the majority being valued on a first in first out basis.

Inventories not held for resale are valued at cost unless they are no longer required, in which case they are valued at net realisable value.

See note 17 'Inventories'.

(o) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for uncollectible amounts (i.e. impairment). The collect ability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Department will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

See note 3(j) 'Financial Instruments' and note 18 'Receivables'.

(p) Payables

Payables are recognised when the Department becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as they are generally settled within 30 days. *See note 3(j) 'Financial Instruments' and note 23 'Payables'.*

(q) Amounts Due to the Treasurer

The amount due to the Treasurer is in respect of a Treasurer's Advance. Initial recognition and measurement, and subsequent measurement is at the amount repayable. Although there is no interest charged the amount repayable is equivalent to fair value as the period of the borrowing is for less than 12 months with the effect of discounting not being material. *See note 25 'Other Liabilities'.*

(r) Provisions

Provisions are liabilities of uncertain timing and amount and are recognised where there is a present legal, equitable or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet reporting date. *See note 24 'Provisions'.*

(i) Provisions - Employee Benefits

Annual Leave and Long Service Leave

The liability for annual and long service leave expected to be settled within 12 months after the end of the balance sheet date is recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled. Annual and long service leave expected to be settled more than 12 months after the end of the balance sheet date is measured at the present value of amounts expected to be paid when the liabilities are settled. Leave liabilities are in respect of services provided by employees up to the balance sheet date.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions. In addition, the long service leave liability also considers the experience of employee departures and periods of service.

**DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 30 June 2007

The expected future payments are discounted using market yields at the balance sheet date on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

All annual leave and unconditional long service leave provisions are classified as current liabilities as the Department does not have an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Superannuation

The Government Employees Superannuation Board (GESB) administers the following superannuation schemes.

Employees may contribute to the Pension Scheme, a defined benefit pension scheme now closed to new members or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme also closed to new members. The Department has no liabilities for superannuation charges under the Pension or the GSS Schemes as the liability has been assumed by Treasurer.

Employees commencing employment prior to 16 April 2007 who are not members of either the Pension or the GSS Schemes became non-contributory members of the West State Superannuation Scheme (WSS). Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). Both of these schemes are accumulation schemes. The Department makes concurrent contributions to GESB on behalf of employees in compliance with the Commonwealth Government's *Superannuation Guarantee (Administration) Act 1992*. These contributions extinguish the liability for superannuation charges in respect of the WSS and GESBS Schemes.

The GESB makes all benefit payments in respect of the Pension and GSS Schemes, and is recouped by the Treasurer for the employer's share.

See also note 3(s) 'Superannuation expense'.

(ii) Provisions - Other

Employment On-Costs

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses' and are not included as part of the Department's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'. (See note 12 'Other expenses and note 24 'Provisions').

**DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 30 June 2007

(s) Superannuation Expense

The following elements are included in calculating the superannuation expense in the Income Statement:

- (a) Defined benefit plans - Change in the unfunded employer's liability (i.e. current service cost and, actuarial gains and losses) assumed by the Treasurer in respect of current employees who are members of the Pension Scheme and current employees who accrued a benefit on transfer from that Scheme to the Gold State Superannuation Scheme (GSS); and
- (b) Defined contribution plans - Employer contributions paid to the West State Superannuation Scheme (WSS), GESB Super Scheme (GESBS), and the equivalent of employer contributions to the GSS.

Defined benefit plans - in order to reflect the true cost of services, the movements (i.e. current service cost and, actuarial gains and losses) in the liabilities in respect of the Pension Scheme and the GSS Scheme transfer benefits are recognised as expenses directly in the Income Statement. As these liabilities are assumed by the Treasurer (refer note 3(r)(i)), a revenue titled 'Liabilities assumed by the Treasurer' equivalent to the expense is recognised under Income from State Government in the Income Statement. See note 15 'Income from State Government'.

The superannuation expense does not include payment of pensions to retirees, as this does not constitute part of the cost of services provided in the current year.

Defined contribution plans - in order to reflect the Department's true cost of services, the Department is funded for the equivalent of employer contributions in respect of the GSS Scheme (excluding transfer benefits). These contributions were paid to the GESB during the year and placed in a trust account administered by the GESB on behalf of the Treasurer. The GESB subsequently paid these employer contributions in respect of the GSS Scheme to the Consolidated Fund.

The GSS Scheme is a defined benefit scheme for the purpose of employees and whole-of-government reporting. However, apart from the transfer benefit, it is a defined contribution plan for agency purposes because the concurrent contributions (defined contributions) made by the agency to GESB extinguishes the agency's obligations to the related superannuation liability.

(t) Resources Received Free of Charge or for Nominal Cost

Resources received free of charge or for nominal cost that can be reliably measured are recognised as income and as assets or expenses as appropriate, at fair value.

(u) Comparative Figures

Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current financial year.

(v) Foreign Currency Translation

The Department has offices in North Asia, Europe and the Middle East.

Transactions denominated in a foreign currency are translated at the rates in existence at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange current at balance sheet date. Exchange gains and losses are brought to account in determining the result for the year.

**DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 30 June 2007

4 Judgements made by management in applying accounting policies

The judgements that have been used in the process of applying accounting policies have had no material effect on amounts recognised in the financial statements.

5 Disclosure of Accounting Policy and Estimates

Initial application of an Australian Accounting Standard

The Department has applied the following Australian Accounting Standards and Australian Accounting Interpretations effective for annual reporting periods beginning on or after 1 July 2006:

1. AASB 2005-9 'Amendments to Australian Accounting Standards [AASB 4, AASB 1023, AASB 139 & AASB 132]' (Financial guarantee contracts). The amendment deals with the treatment of financial guarantee contracts, credit insurance contracts, letters of credit or credit derivative default contracts as either an "insurance contract" under AASB 4 'Insurance Contracts' or as a "financial guarantee contract" under AASB 139 'Financial Instruments: Recognition and Measurement'. The Department does not currently undertake these type of transactions, resulting in no financial impact in applying the Standard.
2. UIG Interpretation 4 'Determining whether an Arrangement Contains a Lease' as issued in June 2005. This Interpretation deals with arrangements that comprise a transaction or a series of linked transactions that may not involve a legal form of a lease but by their nature are deemed to be leases for the purpose of applying AASB 117 'Leases'. At balance sheet date, the Department has not entered into any arrangements as specified in the Interpretation, resulting in no impact in applying the Interpretation.
3. UIG Interpretation 9 'Reassessment of Embedded Derivatives'. This Interpretation requires an embedded derivative that has been combined with a non-derivative to be separated from the host contract and accounted for as a derivative in certain circumstances. At balance sheet date, the Department has not entered into any contracts as specified in the Interpretation resulting in no impact in applying the Interpretation.

The following Australian Accounting Standards and Interpretations are not applicable to the Department as they have no impact or do not apply to not-for-profit entities:

AASB Standards and Interpretations

2005-1 'Amendments to Australian Accounting Standard [AASB 139]'

2005-5 'Amendments to Australian Accounting Standards [AASB 1 & AASB 139]'

2006-1 'Amendments to Australian Accounting Standards [AASB 121]'

2006-3 'Amendments to Australian Accounting Standards [AASB 1045]'

2006-4 'Amendments to Australian Accounting Standards [AASB 134]'

2007-2 'Amendments to Australian Accounting Standards arising from AASB Interpretation 12 [AASB 1, AASB 117, AASB 118, AASB 120, AASB 121, AASB 127, AASB 131 AASB 139]' - paragraph 9

UIG 5 'Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds'

UIG 6 'Liabilities arising from Participating in a Special Market - Waste Electrical and Electronic Equipment'

UIG 7 'Applying the Restatement Approach under AASB 129 Financial Reporting in Hyperinflationary Economies'

UIG 8 'Scope of AASB 2'

**DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 30 June 2007

Future impact of Australian Accounting Standards not yet operative

The Department cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. Consequently, the Department has not applied the following Australian Accounting Standards and Australian Accounting Interpretations that have been issued but are not yet effective. These will be applied from their application date:

1. AASB 7 'Financial Instruments: Disclosures' (including consequential amendments in AASB 2005-10 'Amendments to Australian Accounting Standards [AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 & AASB 1038]'). This Standard requires new disclosures in relation to financial instruments. The Standard is considered to result in increased disclosures, both quantitative and qualitative of the Department's exposure to risks, enhanced disclosure regarding components of the Department's financial position and performance, and possible changes to the way of presenting certain items in the financial statements. The Department does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2007.
2. AASB 2005-10 'Amendments to Australian Accounting Standards (AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 1, AASB 4, AASB 1023 & AASB 1038)'. The amendments are as a result of the issue of AASB 7 'Financial Instruments: Disclosures', which amends the financial instrument disclosure requirements in these standards. The Department does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2007.
3. AASB 101 'Presentation of Financial Statements'. This Standard was revised and issued in October 2006 so that AASB 101 has the same requirements as IAS 1 'Presentation of Financial Statements' (as issued by the IASB) in respect of for-profit entities. The Department is a not-for-profit entity and consequently does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2007.
4. AASB 2007-4 'Amendments to Australian Accounting Standards arising from ED 151 and other Amendments (AASB 1, 2, 3, 4, 5, 6, 7, 102, 107, 108, 110, 112, 114, 116, 117, 118, 119, 120, 121, 127, 128, 129, 130, 131, 132, 133, 134, 136, 137, 138, 139, 141, 1023 & 1038)'. This Standard introduces policy options and modifies disclosures. These amendments arise as a result of the AASB decision that, in principle, all options that currently exist under IFRSs should be included in the Australian equivalents to IFRSs and additional Australian disclosures should be eliminated, other than those now considered particularly relevant in the Australian reporting environment. The Department of Treasury and Finance has indicated that it will mandate to remove the policy options added by this amending Standard. The Standard is required to be applied to annual reporting periods beginning on or after 1 July 2007.
5. AASB 2007-5 'Amendment to Australian Accounting Standard - Inventories Held for Distribution by Not-for-Profit Entities (AASB 102)'. This amendment changes AASB 102 'Inventories' so that inventories held for distribution by not-for-profit entities are measured at cost, adjusted when applicable for any loss of service potential. The Department does not have any inventories held for distribution so does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 July 2007.

**DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 30 June 2007

6. AASB Interpretation 4 'Determining whether an Arrangement Contains a Lease [revised]'. This Interpretation was revised and issued in February 2007 to specify that if a public-to-private service concession arrangement meets the scope requirements of AASB Interpretation 12 'Service Concession Arrangements' as issued in February 2007, it would not be within the scope of Interpretation 4. At balance sheet date, the Department has not entered into any arrangements as specified in the Interpretation or within the scope of Interpretation 12, resulting in no impact when the Interpretation is first applied. The Interpretation is required to be applied to annual reporting periods beginning on or after 1 January 2008.

7. AASB Interpretation 12 'Service Concession Arrangements'. This Interpretation was issued in February 2007 and gives guidance on the accounting by operators (usually a private sector entity) for public-to-private service concession arrangements. It does not address the accounting by grantors (usually a public sector entity). It is currently unclear as to the application of the Interpretation to the Department if and when public-to-private service concession arrangements are entered into in the future. At balance sheet date, the Department has not entered into any public-to-private service concession arrangements resulting in no impact when the Interpretation is first applied. The Interpretation is required to be applied to annual reporting periods beginning on or after 1 January 2008.

8. AASB Interpretation 129 'Service Concession Arrangements: Disclosures [revised]'. This Interpretation was revised and issued in February 2007 to be consistent with the requirements in AASB Interpretation 12 'Service Concession Arrangements' as issued in February 2007. Specific disclosures about service concession arrangements entered into are required in the notes accompanying the financial statements, whether as a grantor or an operator. At balance sheet date, the Department has not entered into any public-to-private service concession arrangements resulting in no impact when the Interpretation is first applied. The Interpretation is required to be applied to annual reporting periods beginning on or after 1 January 2008.

The following Australian Accounting Standards and Interpretations are not applicable to the Department as they will have no impact or do not apply to not-for-profit entities:

AASB Standards and Interpretations

AASB 8 'Operating Segments'

AASB 1049 'Financial Reporting of General Government Sectors by Governments'

AASB 2007-1 'Amendments to Australian Accounting Standards arising from AASB Interpretation 11 [AASB 2]'

AASB 2007-2 'Amendments to Australian Accounting Standards arising from AASB Interpretation 12 [AASB 1, AASB 117, AASB 118, AASB 120, AASB 121, AASB 127, AASB 131 & AASB 139]' - paragraphs 1 to 8

AASB 2007-3 'Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 & AASB 1038]'

Interpretation 10 'Interim Financial Reporting and Impairment'

Interpretation 11 'AASB 2 - Group and Treasury Share Transactions'

DEPARTMENT OF THE PREMIER AND CABINET

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2007

	2007	2006
	\$000	\$000
6 Employee benefits expense		
Wages and salaries ^(a)	60,114	63,918
Superannuation - defined contribution plans ^(b)	4,824	5,177
Superannuation - defined benefit plans ^(c)	659	350
Long service leave ^(d)	1,506	50
Annual leave ^(d)	961	29
	<u>68,064</u>	<u>69,524</u>

(a) Includes the value of the fringe benefit to the employee plus the fringe benefits tax component.

(b) Defined contribution plans include West State and Gold State (contributions paid).

(c) An equivalent notional income is also recognised (see note 15 'Income from State Government').

(d) Includes a superannuation contribution component.

Employment on-costs such as workers' compensation insurance are included at note 12 'Other expenses'. The employment on-costs liability is included at note 24 'Provisions'.

7 Supplies and services

Professional services	11,348	13,194
Consultants	1,666	2,235
Travel	8,106	6,737
Other staff costs	445	757
Communications	2,047	2,477
Consumables	3,564	3,715
Other administration costs	17,381	15,572
	<u>44,557</u>	<u>44,687</u>

DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2007

	2007	2006
	\$000	\$000
8 Depreciation and amortisation expense		
Depreciation		
Computer hardware and software	31	67
Furniture and fittings	27	29
Motor vehicles	34	49
Office equipment	298	432
Office establishment	1,116	683
Total depreciation	<u>1,506</u>	<u>1,260</u>
Amortisation		
Intangible assets		
Software	57	85
Total amortisation	<u>57</u>	<u>85</u>
Total depreciation and amortisation.	<u><u>1,563</u></u>	<u><u>1,345</u></u>
9 Accommodation expenses		
Lease rentals and outgoings	13,131	12,555
	<u>13,131</u>	<u>12,555</u>
10 Grants and subsidies		
<u>Recurrent</u>		
Subsidies and community grants	1,393	6,137
Government agency grants	4,768	8,112
External grants	2,206	17,430
	<u>8,367</u>	<u>31,679</u>
11 Capital User Charge		
	1,495	1,987
	<u>1,495</u>	<u>1,987</u>

The charge was a levy applied by Government for the use of its capital. In 2006-07, the final year in which the charge was levied, a single payment was made equal to the appropriation for 2006-07 less any adjustment relating to 2005-06.

**DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 30 June 2007

	2007	2006
	\$000	\$000
12 Other Expenses		
Employment on-costs	194	125
	<u>194</u>	<u>125</u>

Includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liability is included at note 24 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

13 User charges and fees		
Contributions by senior officers to the Government Vehicle Scheme	157	170
Provision of services	838	917
Recoups	878	762
Sponsorships	2,569	2,418
Other revenue	1,421	1,618
	<u>5,863</u>	<u>5,885</u>

14 Net gain/(loss) on disposal of non-current assets

Cost of Disposal on Non-Current Assets

Computer hardware and software	-	11
Furniture and fittings	-	-
Motor Vehicles	13	-
Office equipment	56	94
Office establishment	102	392
	<u>171</u>	<u>497</u>

Proceeds from Disposal of Non-Current Assets

Motor Vehicles	28	-
	<u>28</u>	<u>0</u>

Net gain/(loss)	<u>(143)</u>	<u>(497)</u>
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**DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 30 June 2007

	2007	2006
	\$000	\$000
15 Income from State Government		
Appropriation received during the year:		
Service appropriations ^(a)	121,866	136,971
 The following liabilities have been assumed by the Treasurer during the financial year:		
- Superannuation ^(b)	659	350
 Resources received free of charge ^(c)		
Determined on the basis of the following estimates provided by agencies:		
Department of Education and Training - staff secondment	-	91
Department of Land Information - title searches and land information	4	360
Department of Housing and Works - lease administration services	338	377
Department of the Attorney General - legal services	425	612
Department of Treasury and Finance - procurement services	67	66
	<u>834</u>	<u>1,506</u>
	<u>123,359</u>	<u>138,827</u>

(a) Service appropriations are accrual amounts reflecting the full cost of services delivered. The appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the depreciation expense for the year and any agreed increase in leave liability during the year.

(b) The assumption of the superannuation liability by the Treasurer is a notional income to match the notional superannuation expense reported in respect of current employees who are members of the Pension Scheme and current employees who have a transfer benefit entitlement under the Gold State Superannuation Scheme. (The notional superannuation expense is disclosed at note 6 'Employee benefits expense').

(c) Where assets or services have been received free of charge or for nominal consideration, the Department recognises revenues (except where the contributions of assets or services are in the nature of contributions by owners in which case the Department shall make a direct adjustment to equity) equivalent to the fair value of the assets and/or the fair value of those services that can be reliably determined and which would have been purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable.

DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2007

	2007	2006
	\$000	\$000
16 Restricted cash and cash equivalent assets		
<u>Current</u>		
Westfield Premier's Education Scholarship ^(a)	0	15
Youth Vehicle Theft Offender Program ^(a)	0	56
Road Trauma Trust Fund ^(a)	7,737	7,778
	<u>7,737</u>	<u>7,849</u>
<u>Non Current</u>		
Accrued salaries suspense account ^(b)	415	193
	<u>8,152</u>	<u>8,042</u>

(a) Cash held in these accounts is to be used only for the purposes as prescribed in the Special Purpose Accounts referred to in Note 34.

(b) Amount held in the suspense account is only to be used for the purpose of meeting the 27th pay in a financial year that occurs every 11 years.

17 Inventories

Current

Inventories held for resale:

- Publications 80 103

Inventories not held for resale

- Stationery stores and material 15 22

95 125

18 Receivables

Current

Receivables 2,283 3,810

GST receivable 956 681

3,239 4,491

Prepayments 1,177 8,079

Total current 4,416 12,570

See also note 3(o) 'Receivables' and note 35 'Financial Instruments'.

DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2007

	2007	2006
	\$000	\$000
19 Amounts receivable for services		
Current	2,920	834
Non-current	15,275	14,458
	<u>18,195</u>	<u>15,292</u>
<p>Represents the non-cash component of service appropriations. See note 3(m) 'Amounts Receivable for Services (Holding Account)'. It is restricted in that it can only be used for asset replacement or payment of leave liability.</p>		
20 Property, plant and equipment		
Artwork		
At cost	54	54
Accumulated depreciation	-	-
Accumulated impairment losses	-	-
	<u>54</u>	<u>54</u>
Computer Hardware		
At cost	698	729
Accumulated depreciation	(675)	(697)
Accumulated impairment losses	-	-
	<u>23</u>	<u>32</u>
Furniture and Fittings		
At cost	235	235
Accumulated depreciation	(207)	(180)
Accumulated impairment losses	-	-
	<u>28</u>	<u>55</u>
Motor Vehicles		
At cost	226	183
Accumulated depreciation	(100)	(151)
Accumulated impairment losses	-	-
	<u>126</u>	<u>32</u>
Office Equipment		
At cost	3,535	3,430
Accumulated depreciation	(2,601)	(2,496)
Accumulated impairment losses	-	-
	<u>934</u>	<u>934</u>
Office Establishment		
At cost	10,064	7,396
Accumulated depreciation	(5,515)	(4,413)
Accumulated impairment losses	-	-
	<u>4,549</u>	<u>2,983</u>
Total	<u><u>5,714</u></u>	<u><u>4,090</u></u>

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DEPARTMENT OF THE PREMIER AND CABINET NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2007

20 Property, Plant and Equipment - (con't)

Reconciliations

Reconciliations of the carrying amounts of plant, equipment and vehicles at the beginning and end of the current and previous financial year are set out below:

	Artwork \$000	Computer Hardware \$000	Furniture and Fittings \$000	Motor Vehicles \$000	Office Equipment \$000	Office Establishment \$000	Total \$000
2007							
Carrying amount at start of year	54	32	55	32	934	2,983	4,090
Additions	-	22	-	141	353	2,785	3,301
Transfers	-	-	-	-	-	-	0
Disposals	-	-	-	(13)	(56)	(102)	(171)
Depreciation	-	(31)	(27)	(34)	(298)	(1,116)	(1,506)
Carrying amount at end of year	54	23	28	126	933	4,550	5,714

	Artwork \$000	Computer Hardware \$000	Furniture and Fittings \$000	Motor Vehicles \$000	Office Equipment \$000	Office Establishment \$000	Total \$000
2006							
Carrying amount at start of year	54	85	77	81	977	1,553	2,827
Additions	-	22	7	-	483	2,505	3,017
Transfers	-	-	-	-	-	-	0
Disposals	-	(8)	-	-	(94)	(392)	(494)
Depreciation	-	(67)	(29)	(49)	(432)	(683)	(1,260)
Carrying amount at end of year	54	32	55	32	934	2,983	4,090

DEPARTMENT OF THE PREMIER AND CABINET

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2007

	2007	2006
	\$000	\$000
21 Intangible assets		
Computer Software		
At cost	818	808
Accumulated amortisation	(758)	(701)
Accumulated impairment losses	-	-
	<u>60</u>	<u>107</u>
<u>Reconciliations:</u>		
Computer Software		
Carrying amount at start of year	107	195
Additions	10	-
Disposals	-	(3)
Amortisation expense	(57)	(85)
Carrying amount at end of year	<u>60</u>	<u>107</u>

22 Impairment of assets

There were no indications of impairment of property, plant and equipment, infrastructure and intangible assets at 30 June 2007.

The Department held no goodwill or intangible assets with an indefinite useful life during the reporting period and at reporting date there were no intangible assets not yet available for use.

23 Payables

<u>Current</u>		
Trade payables	207	1,711
Other payables ^(a)	2,734	2,816
	<u>2,941</u>	<u>4,527</u>

(a) Includes accrued expenses.

DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2007

	2007	2006
	\$000	\$000
24 Provisions		
<u>Current</u>		
Employee benefits provision		
Annual leave ^(a)	6,235	5,290
Long service leave ^(b)	5,931	4,940
48/52 leave arrangements	3	4
Deferred salary scheme	9	31
	<u>12,178</u>	<u>10,265</u>
Other provisions		
Employment on-costs ^(c)	56	48
	<u>56</u>	<u>48</u>
	<u>12,234</u>	<u>10,313</u>
<u>Non-current</u>		
Long service leave ^(b)	3,807	3,618
Deferred salary scheme	38	45
	<u>3,845</u>	<u>3,663</u>
Other provisions		
Employment on-costs ^(c)	18	17
	<u>18</u>	<u>17</u>
	<u>3,863</u>	<u>3,680</u>

(a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after reporting date. Assessments indicate that actual settlement of the liabilities will occur as follows:

Within 12 months of reporting date	3,446	5,325
More than 12 months after reporting date	2,839	45
	<u>6,285</u>	<u>5,370</u>

(b) Long service leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after reporting date. Assessments indicate that actual settlement of the liabilities will occur as follows:

Within 12 months of reporting date	4,115	4,940
More than 12 months after reporting date	5,623	3,618
	<u>9,738</u>	<u>8,558</u>

(c) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments. The associated expense, apart from the unwinding of the discount (finance cost), is included in note 12 'Other expenses'.

**DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 30 June 2007

	2007	2006
	\$000	\$000
Movement in Other Provisions		
<u>Employment on-cost provision</u>		
Carrying amount at start of year	65	68
Additional provisions recognised	9	(3)
Payments/other sacrifices of economic benefits	-	-
Carrying amount at end of year	<u>74</u>	<u>65</u>

25 Other liabilities

Current		
Accrued salaries	207	200
Amount due to the Treasurer	8	6,064
Other liability	3,229	-
	<u>3,444</u>	<u>6,264</u>

See also note 35 'Financial Instruments'.

26 Equity

Equity represents the residual interest in the net assets of the Department. The Government holds the equity interest in the Department on behalf of the community. The asset revaluation reserve represents that portion of equity resulting from the revaluation of non-current assets.

Contributed equity

Balance at the start of the year	0	21,563
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Contributions by owners:

Capital Contributions ^(a)	2,200	500
Total contributions by owners	<u>2,200</u>	<u>500</u>

Distributions to owners:

Transfer of net assets to other agencies ^(b)	(2,198)	(44,959)
Net assets transferred to Government ^(c)	-	-
Total distributions to owners	<u>(2,198)</u>	<u>(44,959)</u>

Balance at the end of the year	2	(22,896)
Transfer to Accumulated surplus/(deficit)	(2)	22,896
Restated balance at the end of the year	<u>0</u>	<u>0</u>

- (a) Capital Contributions (appropriations) and non-discretionary (non-reciprocal) transfers of net assets from other State government agencies have been designated as contributions by owners in Treasurer's Instruction TI 955 'Contribution by Owners Made to Wholly-Owned Public Sector Entities' and are credited directly to equity.

DEPARTMENT OF THE PREMIER AND CABINET

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2007

	2007	2006
	\$000	\$000
(b) UIG Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities' requires that where the transferee accounts for a transfer as a contribution by owner, the transferor must account for the transfer as a distribution to owners. Consequently, non-discretionary (non-reciprocal) transfers of net assets to other State government agencies are distribution to owners and are debited directly to equity.		
(c) TI 955 requires non-reciprocal transfers of net assets to Government to be accounted for as distribution to owners.		

Reserves

Asset revaluation reserve

Balance at the start of the year	0	868
Net revaluations increments/(decrements)	-	-
Balance at the end of the year	<u>0</u>	<u>868</u>
Transfer to Accumulated surplus/(deficit)	-	(868)
Restated balance at the end of the year	<u>0</u>	<u>0</u>

Hedge reserve

Balance at the start of the year	0	0
Net revaluations increments/(decrements)	<u>(2,978)</u>	-
Restated balance at the end of the year	<u>(2,978)</u>	<u>0</u>

Accumulated surplus/(deficit) (Retained Earnings)

Balance at the start of the year	27,746	53,375
Result for the period	1,932	(1,676)
Transfer contributed equity	2	(22,896)
Transfer asset revaluation reserve	-	868
Change in accounting policy or correction of prior period errors	82	(1,925)
Balance at the end of the year	<u>29,762</u>	<u>27,746</u>

**DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 30 June 2007

	2007	2006
	\$000	\$000
27 Notes to the Cash Flow Statement		
<u>Reconciliation of cash</u>		
Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:		
Cash and cash equivalents	12,634	12,304
Restricted cash and cash equivalents (refer to note 16)	8,152	8,042
	<u>20,786</u>	<u>20,346</u>
<u>Reconciliation of net cost of services to net cash flows provided by/(used in) activities</u>		
Net cost of services	(121,427)	(140,503)
Non-cash items:		
Depreciation and amortisation expense	1,563	1,345
Superannuation expense	659	350
Resources received free of charge	834	1,506
Net (gain)/loss on sale of plant and equipment	143	497
Net (gain)/loss on foreign exchange	640	(18)
<u>(Increase)/decrease in assets:</u>		
Current receivables	1,526	608
Current inventories	30	10
Other current assets	846	239
<u>Increase/(decrease) in liabilities:</u>		
Current payables	(1,505)	1,659
Current provisions	2,187	955
Other current liabilities	8	267
Non current provisions	289	(876)
Change in GST in receivables/payables	(275)	615
Net cash provided by/(used in) operating activities	<u>(114,482)</u>	<u>(133,346)</u>

**DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 30 June 2007

	2007	2006
	\$000	\$000
28 Resources provided free of charge		
During the year the following resources were provided to other agencies free of charge for functions outside the normal operations of the Department:		
Department of Treasury and Finance - Library and Reception Services	251	209
Office of the Public Sector Standards Commissioner - Corporate Services	58	81
Parliamentary Commissioner for Administrative Investigations - Corporate Services	73	70
Salaries and Allowances Tribunal - Corporate Services	24	29
Healthway - Corporate Services	3	3
	<u>409</u>	<u>392</u>

All the above expenses form part of the Department's net cost of services.

29 Commitments

Lease commitments

Commitments in relation to leases contracted for at the reporting date but not recognised in the financial statements are payable as follows:

Non-cancellable operating lease commitments:

Within 1 year	10,504	6,274
Later than 1 year and not later than 5 years	27,163	4,040
Later than 5 years	9,611	0
	<u>47,278</u>	<u>10,314</u>

Motor vehicle leases as part of the "whole of Government" arrangement:

Within 1 year	1,285	1,459
Later than 1 year but not later than 5 years	586	739
Later than 5 years	-	-
	<u>1,871</u>	<u>2,198</u>

Accommodation leases occupied by the Department:

Within 1 year	7,303	4,815
Later than 1 year and not later than 5 years	18,218	3,301
Later than 5 years	154	-
	<u>25,675</u>	<u>8,116</u>

Aircraft leases used by the Department:

Within 1 year	1,916	-
Later than 1 year but not later than 5 years	8,359	-
Later than 5 years	9,457	-
	<u>19,732</u>	<u>0</u>

These commitments are all inclusive of GST.

**DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 30 June 2007

	2007	2006
	\$000	\$000

30 Remuneration of Senior Officers

Remuneration

The number of senior officers, whose total of fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands are:

\$	2007	2006
70,001 - 80,000	-	1
80,001 - 90,000	-	1
90,001 - 100,000	-	2
100,001 - 110,000	-	1
110,001 - 120,000	-	2
120,001 - 130,000	3	3
130,001 - 140,000	2	1
140,001 - 150,000	2	2
150,001 - 160,000	1	1
160,001 - 170,000	1	-
180,001 - 190,000	1	-
190,001 - 200,000	-	1
210,001 - 220,000	2	-
260,001 - 270,000	-	1
290,001 - 300,000	-	1
340,001 - 350,000	-	1
400,001 - 410,000	1	-

The total remuneration of senior officers is: 2,259 2,730

The total remuneration includes the superannuation expense incurred by the Department in respect of senior officers.

No senior officers are members of the Pension Scheme.

31 Remuneration of Auditor

Remuneration payable to the Auditor General for the financial year is as follows:

Auditing the accounts, financial statements and performance indicators	125	116
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32 Supplementary Financial Information

Write-offs

During the financial year \$150 was written-off's under the authority of section 48 of the *Financial Management Act 2006* by:

The accountable authority	-	1
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Gifts of public property

Gifts of public property provided by the Department	61	48
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**DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 30 June 2007

33 Explanatory statement

Significant variations between estimates and actual results for income and expense as presented in the financial statement titled 'Summary of Consolidated Fund Appropriations and Income Estimates' are shown below. Significant variations are considered to be those greater than 10% or \$5.0 million.

Significant variances between estimate and actual for 2007 - Total appropriations provided to deliver services:

	2007 Estimate \$000	2007 Actual \$000	Variance \$000
	115,009	121,866	6,857

There were a number of adjustments that impacted on the Department's appropriation during the year, which can be summarised as follows:

- (a) Repositioning of appropriation into outyears - \$9,508,000;
- (b) Transfer of function and appropriation with a net amount of \$601,000; and
- (c) Additional funding for various initiatives totalling \$15,764,000.

1 Management of Policy	8,821	7,927	(894)
The reduced expenditure against budget was the result of various delays in a number of initiatives such as the State Water Plan, the Building WA Campaign and the establishment of an office in Canberra.			
2 Management of matters of State	71,318	77,138	5,820
The increased expenditure was a result of unbudgeted establishment costs associated with the Ministerial air charter service and a number of one off donations.			
3 Parliamentary, statutory and legislative publishing	3,244	2,413	(831)
As a result of reduced sales activity, less was spent on raw materials and supplies for the production of publications.			
4 Multicultural Interests	4,679	4,057	(622)
The Counter Terrorism Action Plan was originally expected to be completed in 2006/07, but various delays have resulted in an underspending.			
5 Road Safety	26,975	18,247	(8,728)
The level of expenditure undertaken by this service is aligned to revenue. As revenue for the year was substantially less than forecast, expenditure was adjusted accordingly to match available funds.			
6 E-Government	4,867	4,366	(501)
A change in the apportionment of corporate and executive overhead has resulted in an underspending in this service area.			
7 Total Income	(26,821)	(16,727)	(10,094)
The decrease is due to revenue for the Office of Road Safety's Road Trauma Trust Fund being substantially less than the budget estimate.			

**DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 30 June 2007

Significant variances between actuals for 2006 and 2007 - Total appropriation provided to deliver services:

	2007 Actual \$000	2006 Actual \$000	Variance \$000
	121,866	136,971	(15,105)
8 Support for the Premier as Head of Government	11,882	10,767	1,115
In 2006/07 there was a substantial one-off increase in the establishment of the new air charter contract. A portion of this expense was allocated to this service area.			
9 Management of matters of State	77,138	70,673	6,465
The increased expenditure was a result of establishment costs associated with the Ministerial air charter service and a number of one off donations.			
10 Management of Policy	7,927	7,136	791
Expenditure on new initiatives in 2006/07 includes progress on the establishment of the WA office in Canberra, the Building WA Campaign and various policies associated with the State Water Plan.			
11 Public Sector Management	10,685	7,481	3,204
The increase in expenditure reflects progress on the public sector improvement initiative.			
12 Constitutional Centre	1,439	1,284	155
In 2006/07 there was a slight increase in grant expenditure.			
13 Multicultural Interests	4,057	3,618	439
Expenditure on new initiatives in 2006/07 includes progress on the African Community Project and the Counter Terrorism Action Plan.			
14 Native Title	-	5,365	(5,365)
This function was transferred to the Department of Treasury and Finance in late 2005/06. No further expenditure is shown in the Department of Premier and Cabinet.			
15 Science and Innovation	-	16,035	(16,035)
This function was transferred to the Department of Industry and Resources in late 2005/06. No further expenditure is shown in the Department of Premier and Cabinet.			
16 E-Government	4,366	3,774	592
In 2006/07 the service was fully resourced and able to complete the amalgamation of the two WA Government's web site entry points to create a single entry point. Major progress was made towards the development of the emergency services communications strategy.			
17 Crime Prevention	-	8,999	(8,999)
This function was transferred to the WA Police Service on the 30 June 2006 and expenditure for 2006/07 is now shown against that agency.			
18 Water Strategy	-	5,009	(5,009)
This function was transferred to the Department of Water on the 30 June 2006 and expenditure for 2006/07 is now shown against that agency.			
19 Total Income	(16,727)	(21,896)	5,169
The reduction between the years is for revenue for the Office of Road Safety's Road Trauma Trust Fund.			

DEPARTMENT OF THE PREMIER AND CABINET

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2007

	2007	2006
	\$000	\$000
34 Special Purpose Accounts		
The Gerald Frank Brown Memorial Trust		
<u>Purpose of the Trust</u>		
To hold money:		
- bequeathed to the Government of Western Australia by Gerald Frank Brown and subsequently appropriated by Parliament; and		
- received from private organisations and persons for the provision of scholarships and studentships to young persons from the European Economic Community to visit Western Australia and/or young persons from Western Australia to visit countries within the European Economic Community to undertake approved educational activities for the purpose of promoting and enhancing the social, cultural, historical and economic ties between Western Australia and Europe.		
Balance at the start of the year	318	301
Receipts	11	11
Payments	(8)	(2)
Unrealised gain/(loss) on translation	(9)	8
Balance at the end of the year	<u>312</u>	<u>318</u>

Overseas transactions have been translated in accordance with AASB 121, 'The Effects of Changes in Foreign Exchange Rates'.

Young Vehicle Theft Offender Program

Purpose of the Trust

To receive and hold in trust, moneys payable to the contracting parties (Commonwealth Attorney General's Department, National Motor Vehicle Theft Reduction Council Inc and the Department of the Premier and Cabinet) pursuant to clause 14(3) of the Young Vehicle Theft Offender Program Agreement.

Balance at the start of the year	56	19
Receipts	1	181
Payments	(57)	(144)
Balance at the end of the year	<u>0</u>	<u>56</u>

**DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 30 June 2007

	2007	2006
	\$000	\$000
Road Trauma Trust Fund		
<u>Purpose of the Trust</u>		
To receive and hold funds from the Department for Planning and Infrastructure and Department of the Attorney General from photographic based vehicle infringement notices for the purposes as specified by section 12 of the <i>Road Safety Council Act 2002</i> .		
Balance at the start of the year	7,778	4,903
Receipts	18,324	22,312
Payments	(18,365)	(19,437)
Balance at the end of the year	<u>7,737</u>	<u>7,778</u>

Westfield Premiers Education Scholarship

Purpose of the Trust

To receive and hold in trust, donations from Westfield Holdings Ltd and Ginger Max (Australia) Pty Ltd to support and encourage educational and cultural exchange between Western Australia and other countries as a means of improving the quality of Australian education with respect to secondary school teachers.

Balance at the start of the year	15	11
Receipts	-	72
Payments	(15)	(68)
Balance at the end of the year	<u>0</u>	<u>15</u>

Burrup - Maitland Industrial Estates Trust Account

Purpose of the Trust

The Department held funds in a trustee capacity for the Burrup-Maitland Industrial Estates. During the year the Office of Native Title service was transferred to the Department of Treasury and Finance. The payment from the trust represents the transfer of funds to the Department of Treasury and Finance.

Balance at the start of the year	0	3,783
Receipts	-	175
Payments	-	(3,958)
Balance at the end of the year	<u>0</u>	<u>0</u>

**DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 30 June 2007

35 Financial Instruments

(a) Financial Risk Management Objectives and Policies

Financial instruments held by the Department are cash and cash equivalents, Treasurer's advances and receivables and payables. The Department has limited exposure to financial risks. The Department's overall risk management program focuses on managing the risks identified below.

Credit risk

The Department trades only with recognised, creditworthy third parties. The Department has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Department's exposure to bad debts is minimal. There are no significant concentrations of credit risk.

Liquidity risk

The Department has appropriate procedures to manage cash flows including drawdowns of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Cash flow interest rate risk

The Department is not exposed to interest rate risk because cash and cash equivalents and restricted cash are non-interest bearing and have no borrowings other than the Treasurer's advance (non-interest bearing).

The Department seeks to minimise the effects of these risks, by using derivative financial instruments to hedge these risk exposures. The use of financial derivatives is governed by the Department's policies, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Department does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Department's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The Department enters into a variety of derivative financial instruments to manage its exposure to foreign currency risk, including foreign exchange contracts to hedge the exchange rate risk arising on imports from the United States.

There has been no change to the Department's exposure to market risks or the manner in which it manages and measures the risk.

(b) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3 to the financial statements.

(c) Foreign currency risk management

The Department undertakes certain transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2007

Forward foreign exchange contracts

It is the policy of the Department to enter into forward foreign exchange contracts to cover specific foreign currency payments and receipts to approximately 100% of the exposure generated.

The following table details the forward foreign currency contracts outstanding as at reporting date:

Outstanding Contracts	Ave Exchange Rate		Foreign Currency		Contract Value		Fair Value	
	2007 \$000	2006 \$000	2007 \$000	2006 \$000	2007 \$000	2006 \$000	2007 \$000	2006 \$000
Western Australian Treasury Corporation USD Less than 1 month	0.74185	-	18,975	-	25,606	-	3,229	-

The Department has entered into aircraft leases in USD. The Department also has commitments to purchase aircraft spares parts and maintenance costs in USD over the life of the aircraft leases. The Department has entered into forward foreign exchange contracts (for terms not less than 1 month) utilizing a rolling hedge strategy to hedge the exchange rate risk arising from these anticipated future transactions, which are designated as cash flow hedges.

As at reporting date the aggregate amount of unrealised losses under forward foreign exchange contracts deferred in the hedging reserve relating to the exposure on these anticipated future transactions is \$2,978,000 (2006: unrealised gains of \$ nil). It is anticipated that the purchases will take place during the next 114 months after the end of the financial year at which stage the amount deferred in equity will be released into profit or loss.

(d) Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined as follows:

The fair value of derivative instruments are calculated using quoted prices. Where such prices are not available use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives.

(e) Financial Instrument Disclosures

Financial instrument information for the year ended 2005 has been prepared under the previous AGAAP Australian Accounting Standard AAS 33 'Presentation and Disclosure of Financial Instruments'. Financial instrument information from 1 July 2005 has been prepared under AASB 132 'Financial Instruments: Presentation' and AASB 139 'Financial Instruments: Recognition and Measurement'. See also note 3 (u) 'Comparative figures'.

DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2007

Interest Rate Risk Exposure

The following table details the Department's exposure to interest rate risk at the reporting date:

	Weighted average effective interest rate	Variable interest rate	Fixed Interest Rate Maturity			Non- Interest Bearing	Total
			Less than 1 Year	1 to 5 Years	More than 5 Years		
	%	\$000	\$000	\$000	\$000	\$000	\$000
30 June 2007							
Financial Assets							
Cash and cash equivalents	2.044	250	-	-	-	12,384	12,634
Restricted cash and cash equivalents	6.021	7,737	-	-	-	415	8,152
Receivables		-	-	-	-	3,239	3,239
Amounts receivable for services		-	-	-	-	18,195	18,195
		<u>7,987</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>34,233</u>	<u>42,220</u>
Financial Liabilities							
Payables		-	-	-	-	2,941	2,941
Other liabilities		-	-	-	-	3,444	3,444
		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,385</u>	<u>6,385</u>
30 June 2006							
Financial Assets							
Cash and cash equivalents	2.454	242	-	-	-	12,062	12,304
Restricted cash and cash equivalents	5.473	7,834	-	-	-	208	8,042
Receivables		-	-	-	-	4,491	4,491
Amounts receivable for services		-	-	-	-	15,292	15,292
		<u>8,076</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>32,053</u>	<u>40,129</u>
Financial Liabilities							
Payables		-	-	-	-	4,527	4,527
Other liabilities		-	-	-	-	6,264	6,264
		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>10,791</u>	<u>10,791</u>

Fair Values

The carrying amount of financial assets and financial liabilities recorded in the financial statements are not materially different from their net fair values.

**DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 30 June 2007

	2007	2006
	\$000	\$000
36 Administered expenses and income		
(a) Office of Science and Innovation - InnovateWA		
The Office of Science and Innovation is responsible for administering the InnovateWA capital grants project which was to be provided to the Scitech Discovery Centre.		
(b) Functional Review Implementation		
Funding for the Functional Review Implementation includes set-up costs for the Office of Shared Services and procurement reform initiatives. On the 1 July 2006, functions associated with this initiative were transferred to the Office of Shared Services and the Department of Treasury and Finance.		
Administered Expenses and Income		
Grants and subsidies	-	2,027
Assets transferred out	-	5,992
	0	8,019
Appropriations	-	27
	0	27

37 Events occurring after the balance sheet date

There were no events occurring after the reporting date that impact on the financial statements.

38 Affiliated Bodies

Salaries and Allowances Tribunal

The Tribunal, established by section 5 of the *Salaries and Allowances Act 1975*, is a government affiliated body that received corporate services support from the Department. The Tribunal is not subject to operational control by the Department.

39 Contingent liabilities and contingent assets

Contingent Liabilities

The Department has no contingent liabilities.

Contaminated sites

Under the *Contaminated Sites Act 2003*, the Department is required to report known and suspected contaminated sites to the Department of Environment and Conservation (DEC). In accordance with the Act, DEC classifies these sites on the basis of the risk to human health, the environment and environmental values. Where sites are classified as contaminated - remediation required or possibly contaminated - investigation required, the Department may have a liability in respect of investigation or remediation expenses. The Department has no known or suspected contaminated sites.

Contingent Assets

The Department has no contingent assets.

**CERTIFICATION OF PERFORMANCE INDICATORS
FOR THE YEAR ENDING 30 JUNE 2007**

I hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Department of the Premier and Cabinet's performance, and fairly represent the performance of the Department of the Premier and Cabinet for the financial year ended 30 June 2007.



M C WAUCHOPE
ACCOUNTABLE AUTHORITY

3 August 2007



AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

**DEPARTMENT OF THE PREMIER AND CABINET
FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR
THE YEAR ENDED 30 JUNE 2007**

I have audited the accounts, financial statements, controls and key performance indicators of the Department of the Premier and Cabinet.

The financial statements comprise the Balance Sheet as at 30 June 2007, and the Income Statement, Statement of Changes in Equity, Cash Flow Statement, Schedule of Income and Expenses by Service, and Summary of Consolidated Account Appropriations and Income Estimates for the year then ended, a summary of significant accounting policies and other explanatory Notes.

The key performance indicators consist of key indicators of effectiveness and efficiency.

The Director General's Responsibility for the Financial Statements and Key Performance Indicators

The Director General is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions, and the key performance indicators. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements and key performance indicators that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; making accounting estimates that are reasonable in the circumstances; and complying with the Financial Management Act 2006 and other relevant written law.

Summary of my Role

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements, controls and key performance indicators based on my audit. This was done by testing selected samples of the audit evidence. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion. Further information on my audit approach is provided in my audit practice statement. Refer "<http://www.audit.wa.gov.au/pubs/Audit-Practice-Statement.pdf>".

An audit does not guarantee that every amount and disclosure in the financial statements and key performance indicators is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements and key performance indicators.

Department of the Premier and Cabinet
Financial Statements and Key Performance Indicators for the year ended 30 June 2007

Audit Opinion

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the Department of the Premier and Cabinet at 30 June 2007 and its financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions;
- (ii) the controls exercised by the Department provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (iii) the key performance indicators of the Department are relevant and appropriate to help users assess the Department's performance and fairly represent the indicated performance for the year ended 30 June 2007.


COLIN MURPHY
AUDITOR GENERAL
6 September 2007

PERFORMANCE INDICATORS

The Department of the Premier and Cabinet’s mission is to **“Support the Premier and Cabinet in achieving the Government’s vision for all Western Australians, through leadership and coordination and the promotion of excellence in the public sector”**.

The Department achieves these objectives by planning and resourcing its functions and activities to ensure that it is able to address current and emerging Government priorities.

In accordance with a Cabinet decision of 12 February 2007, the Multicultural Interests function is to be transferred to the Department for Communities as at 1 July 2007.

In 2006/07, three of the Department’s services reported to Ministers other than the Premier as shown in the following table:

Minister	Service #	Service Description
Hon M M Quirk, MLA Minister for Corrective Services; Small Business; Minister assisting the Minister for Federal-State Relations	6	Management of the Constitutional Centre programs
Hon L Ravlich, MLC Minister for Local Government; Racing and Gaming; Multicultural Interests and Citizenship; Minister Assisting the Minister for Planning and Infrastructure; Goldfields-Esperance; Youth.	7	Lead the public sector in realising the ideals of multiculturalism, achieving substantive equality for culturally and linguistically diverse communities.
Hon J C Kobelke, MLA Minister for Police and Emergency Services; Community Safety; Water Resources; Sport and Recreation.	8	Support for implementation of the State’s Road Safety Initiatives.

The key effectiveness indicator for Services 1 - 4 is a client satisfaction rating derived from the results of the annual expectations survey issued to the Premier’s Office and Ministerial Offices. This data is reported in accordance with recommendations made by the Australian Bureau of Statistics. Unless otherwise indicated, client satisfaction is expressed as a value between one and five, where a value of one indicates that services were well below client expectations and five that services were well above client expectations. Survey instruments used in 2006/07 are consistent with those used for prior periods although response rates have varied over the past five years. As in previous years, some 2006/07 respondents were unable to evaluate all services provided.

Key efficiency indicators reported include all the costs associated with the particular product or service identified and, in aggregate, the total costs of the service. Some key efficiency indicators are an aggregation of internal measures captured for management and other purposes. Corporate and Executive Support costs are distributed across services on a Full-time Equivalent (FTE) basis, and are included in these indicators. The value of grants administered is excluded from key efficiency indicators since it is considered that those expenditures are not a cost of delivering services.

The corporate services costing allocation methodology adopted in 1999/00 has been applied consistently since then to determine a value for corporate services provided free of charge to external client agencies, and to allocate remaining corporate service expenditures across services. This methodology will be reviewed following the Department’s transition to the Office of Shared Services and some of these services are no longer provided to external agencies.

OUTCOME

The Premier's requirements and those of Cabinet are met.

SERVICES

Service 1: SUPPORT FOR THE PREMIER AS HEAD OF GOVERNMENT.

Service 2: MANAGEMENT OF MATTERS OF STATE.

Service 3: MANAGEMENT OF POLICY.

The principal clients of the Department of the Premier and Cabinet are the Premier as the Head of Government, Minister for Federal-State Relations; Trade; Innovation; Science; Public Sector Management; and the Cabinet Ministers. Services provided for the Premier and Cabinet include, but are not limited to:

- the provision of strategic advice;
- support for Ministers;
- support for Members of Parliament;
- the organisation of Cabinet and Executive Council meetings; and
- the provision of executive and administrative support.

Key Indicators

The diversity of services provided by the Department prevents representation of the Department's outcomes in a single set of efficiency and effectiveness indicators. Unique key efficiency indicators are reported for each of the Department's services, and unique key effectiveness indicators for Services 4 – 9.

The key effectiveness indicator for Services 1-3 is the degree to which the Premier's Office and Ministerial Office expectations are met by services provided by the Department. This indicator is expressed as a rating between one and five where a value of one indicates that services provided were well below expectations, and five that services provided were well above expectations. A value of three indicates that provision of services met expectations.

KEY EFFECTIVENESS INDICATOR

	03/04 Actual	04/05 Actual	05/06 Actual	06/07 Target	06/07 Actual
Premier's Office and Ministerial Office satisfaction with services provided	3.4	3.5	3.2	3.2	3.2

This key effectiveness indicator has been extracted from the responses to the client expectations survey issued to the Office of the Premier and the 14 Ministerial Offices. Responses were received from the Office of the Premier and from 13 of 14 Ministerial Offices surveyed, a combined response rate of 93%. Responses to the question seeking a general rating for all services provided were aggregated to produce this indicator. The Department knows of no circumstances that might have led the one non-respondent to make a different assessment those that returned surveys.

Service 1

SUPPORT FOR THE PREMIER AS HEAD OF GOVERNMENT

The Department provides administrative support and advice to assist the Premier in discharging his responsibilities as Head of Government. This service includes the promotion of Western Australia's interests overseas, communication of major Government initiatives and promotion of services to the Western Australian community.

KEY EFFICIENCY INDICATORS

Three major activities are reported as the key efficiency indicators for this service. The prime focus for this service is support for the Premier as Head of Government, and therefore, the principal efficiency indicator is the cost of providing services for the effective operation of the Office of the Premier. The remaining indicators recognise the importance of Western Australia's overseas representation, and the media and communication services provided to the Premier and to Ministers.

In addition to policy advice and professional support, the Office of the Premier provides administrative and secretariat services to the Premier. The costs reported for these indicators include a proportion of the expenditure on Departmental executive and corporate services.

Overseas Offices are maintained in Europe (London), the Middle East (Dubai) and North Asia (Tokyo and Kobe) to attract foreign investment to Western Australia and promote Western Australian products and services.

Media and communication costs include the co-ordination and monitoring of media releases and articles, the preparation of advice and correspondence associated with matters requiring the Premier's involvement, and support for initiatives such as Regional Cabinet meetings.

	03/04 Actual (\$000s) (a)	04/05 Actual (\$000s) (a)	05/06 Actual (\$000s) (a)	06/07 Target (\$000s) (a)	06/07 Actual (\$000s)
Cost of services provided to support the Premier	3,538	3,684	3,140	3,642	3,542 ^(b)
Average cost of representing WA interests overseas (per region)	1,650	1,689	1,532	1,548	1,669 ^(c)
Average cost of media and communication services provided to each Minister (including the Premier) ^(d)	236	232	175	187	208 ^{(e) (f)}

(a) Previous period key efficiency indicator values have not been recast to include corporate service overheads previously allocated to the Offices of Native Title, Science and Innovation, Crime Prevention and Water Strategy that were transferred to other public sector agencies during 2005/06 and at 1 July 2006, or the adoption of a new threshold value for the capitalisation of assets. Similarly, no adjustment has been made to reflect the removal of the Capital User Charge that occurred in 2006/07.

(b) The movement in the cost of services provided to support the Premier between 2005/06 actual and 2006/07 actual is principally the result a significant increase in ministerial air charter expense (a proportion of which is allocated to the Premier's Office), and a marginal increase in appropriation provided in the 2006/07 budget.

(c) The movement in the cost of representing WA overseas between 2005/06 actual, 2006/07 target and 2006/07 actual is principally the result of increased administrative expenditure in overseas offices combined with exchange rate movements.

- (d) *Severance expenses of \$25,782 in 2004/05 and \$76,281 in 2005/06 and \$4,961 in 2006/07 are excluded from this efficiency indicator as they are considered to be abnormal.*
- (e) *The movement in the average cost of media and communication services between 2005/06 and 2006/07 is principally due to the reduction in the number of ministers provided with services in 2006/07 and accrual movements.*
- (f) *The movement in the average cost of media and communication services between 2006/07 target and 2006/07 actual is principally due to the reduction in the number of ministers provided with services in 2006/07 and accrual movements.*

Service 2

MANAGEMENT OF MATTERS OF STATE

The Department provides services to support the functions of Executive Government; the administration of entitlements and services to Members of Parliament; and administrative support for Ministerial Offices and the Leaders of the First and Second parties in Opposition.

KEY EFFICIENCY INDICATORS

Key efficiency indicators for this service are the average cost of:

- providing administrative services to Ministers and Members of Parliament;
- providing Executive Government Services;
- providing briefings to the Premier as the Minister for Federal Affairs;
- administration of Indian Ocean Territory service delivery arrangements; and
- undertaking security projects.

The costs reported for these indicators include a proportion of the expenditure on Departmental executive and corporate services.

Support provided to Ministers and Members of Parliament includes office staffing, policy advice, general administration services, travel and accommodation, and the provision of executive and corporate services.

The Department has minimal discretion in respect of expenditure of items included in the operational costs of Ministerial Offices. A separate indicator is reported covering administrative support provided. Similarly, Members of Parliament's entitlements as determined by the Salaries and Allowances Tribunal constitute a significant proportion of the expenditure for this service and are non-discretionary. Therefore, expenditure on entitlements is reported separately from the cost of administrative support provided.

	03/04 Actual (\$000s) (a)	04/05 Actual (\$000s) (a)	05/06 Actual (\$000s) (a)	06/07 Target (\$000s) (a)	06/07 Actual (\$000s)
Average operating cost per Ministerial Office (including the Leaders of the Opposition) ^(b)	1,523	1,466	1,494	1,599	1,670 ^(c)
Average cost of administration provided for each Ministerial Office (including the Leaders of the Opposition)	378	369	373	345	568 ^(d)
Average entitlement cost per Member of Parliament ^(e)	201	203	248	281	290 ^(f)
Average cost of administration per Member of Parliament	8	11	10	10	10
Average cost of providing an Executive Government Service ^(g)	12	15	12	15	15 ^(h)
Average cost per Indian Ocean Territory Service Delivery Arrangement coordinated	8	8	6	8	8 ⁽ⁱ⁾
Average cost per security program and project undertaken ^(j)	N/A	42	41	153	86 ^{(k)(l)}

- (a) *Previous period key efficiency indicator values have not been recast to include corporate service overheads previously allocated to the Offices of Native Title, Science and Innovation, Crime Prevention and Water Strategy that were transferred to other public sector agencies during 2005/06 and at 1 July 2006, or the adoption of a new threshold value for the capitalisation of assets. Similarly, no adjustment has been made to reflect the removal of the Capital User Charge that occurred in 2006/07.*
- (b) *Severance expenses of \$1,317,163 in 2004/05, \$1,344,673 in 2005/06 and \$296,257 in 2006/07 have been excluded from this efficiency indicator as they are considered to be abnormal.*
- (c) *The movement in the average operating cost of a Ministerial Office between 2005/06 actual and 2006/07 actual is principally the result of the reduction in the number of ministerial offices in 2006/07 and the increased appropriation for salaries and contingencies approved in the 2006/07 budget.*
- (d) *The movement in the average cost of administration provided to Ministerial Offices between 2005/06 actual and 2006/07 actual is principally the result of the significant increase in the cost of new ministerial air charter arrangements, partially offset by reduced ministerial chauffeur expenses.*
- (e) *Severance expenses of \$60,737 in 2003/04 and \$849,920 in 2004/05 and \$124,743 in 2005/06 have been excluded from this efficiency indicator as they are considered to be abnormal.*
- (f) *The movement in the average entitlement cost per Member of Parliament between 2005/06 actual and 2006/07 actual is principally the result of the increase in appropriation in 2006/07, a higher budget base, and the impact of the increased proportion of corporate services overheads allocated on an FTE basis following the transfer of functions to other Departments.*
- (g) *An Executive Government Service may be any of the following: an Executive Council, Cabinet Meeting or Parliamentary Sitting Day supported; an official guest received or a hospitality function organised; and the correspondence service provided for the Premier. Each of these activities utilises resources that are provided by the Department. While the resource requirements for each of these elements are not identical, no attempt has been made to weight individual components of the indicator at this time.*
- (h) *The movement in the average cost per government service between 2005/06 actual, and 2006/07 target and 2006/07 actual is principally due to marginal increases in the base budgets for several of the components, and substantial movements in leave accruals between 2005/06 and 2006/07.*
- (i) *The movement in the average cost per Indian Ocean Territory Service Delivery Arrangement coordinated between 2005/06 actual and 2006/07 actual is principally the result of leave accrual movements.*
- (j) *The State Security and Emergency Coordination function was established in 2004/05 and therefore no prior period comparisons are available. Grants of \$87,116 in 2006/07 have been excluded from this efficiency indicator, as they are not considered to be a cost of delivering service.*
- (k) *The movement in the average cost per Security program and project between 2005/06 actual and 2006/07 actual is principally the result of carryover from 2005/06 to 2007/07, an increase in approved budget, and accrual movements.*
- (l) *The movement in the average cost per Security program and project between 2006/07 target and 2006/07 actual is principally the result of a 53% increase in the number of programs and projects undertaken in 2006/07, a 14% reduction in recurrent expenditure arising from repositioning to 2007/08, and Commonwealth revenue received but not spent in 2006/07.*

Expenditure on Corporate Services of \$510,389 provided free of charge to;

- the Office of the Public Sector Standards Commissioner,
- the Parliamentary Commissioner for Administrative Investigations (Ombudsman), and
- the Department of Treasury and Finance

and expenditure of \$5,025,010 on support provided to Commissions and Inquiries and community service obligations for the year ending 30 June 2007, and severance expense of \$177,017 is excluded from the key efficiency indicators reported for this service.

Service 3

MANAGEMENT OF POLICY

The Department provides advice to and co-ordination for the Premier and Cabinet on key policy matters to ensure an effective government-wide perspective in economic, regional, environmental, social and sustainability policy areas, and advice on whole of government positions on treaties, defence, federal reform and other matters raised through the Council of Australian Governments while managing and coordinating Western Australian Government input to federal negotiations.

KEY EFFICIENCY INDICATOR

The average cost per employee hour of policy advice, development and co-ordination, extrapolated from activity sampling conducted twice per year is the key efficiency indicator for this service. The former Federal Affairs function was transferred from the Management of Matters of State service to this service on 1 July 2006, and has resulted in an increase in the hours used to derive this indicator. The cost reported for this indicator includes a proportion of the expenditure on Departmental executive and corporate services.

	03/04 Actual (\$)^(a)	04/05 Actual (\$)^(a)	05/06 Actual (\$)^(a)	06/07 Target (\$)^(a)	06/07 Actual (\$)
Average cost per hour of policy advice, development and co-ordination ^{(b)(c)}	107	109	91	128	95 ^(d)

- (a) *Previous period key efficiency indicator values have not been recast to include corporate service overheads previously allocated to the Offices of Native Title, Science and Innovation, Crime Prevention and Water Strategy that were transferred to other public sector agencies during 2005/06 and at 1 July 2006, or the adoption of a new threshold value for the capitalisation of assets. Similarly, no adjustment has been made to reflect the removal of the Capital User Charge that occurred in 2006/07.*
- (b) *Severance expenses of \$25,679 in 2004/05 and \$160,537 in 2005/06 were excluded from this efficiency indicator as they were considered to be abnormal.*
- (c) *Grant expenditure of \$205,545 in 2003/04, \$881,823 in 2004/05, \$883,727 in 2005/06 and \$591,554 in 2006/07, and 175th Anniversary Celebration expenditure of \$100,525 in 2003/04 and \$265,760 in 2004/05 has been excluded from this key efficiency indicator, as they are not considered to be a cost of service delivery.*
- (d) *The movement in the average cost per hour of policy advice, development and co-ordination between 2006/07 target and 2006/07 actual is the result of a 40% increase in the number of hours of policy advice, development and co-ordination, partially offset by an increase in appropriation provided in the 2006/07 budget for salary and related expenses, and repositioning funding to 2007/08.*

OUTCOME

The Premier’s obligations as Minister for Public Sector Management are met.

Service 4

SUPPORT FOR THE PREMIER AS MINISTER FOR PUBLIC SECTOR MANAGEMENT

The Department provides advice, assistance and support to the Minister for Public Sector Management and the public sector on a range of public sector management matters, including:

- functions under the *Public Sector Management Act 1994*, including as the employer of Chief Executive Officers and manager of the Senior Executive Service;
- best practice in human resource management including recruitment, employment, professional development, skills training and deployment;
- whole-of-government reporting on public sector workforce demographics, trends and management issues; and
- support for organizational restructuring and promotion of whole-of-government management improvement strategies and special projects.

Clients for these services are principally the Premier as Minister for Public Sector Management and departmental chief executive officers.

The Senior Executive Service, including chief executive officers, is established under the *Public Sector Management Act 1994*. The Department supports chief executive officer appointment processes, development programs, and products and services. The Department co-ordinates public-sector redeployment policy and practices, co-ordinates some sector-wide recruitment programs, and provides expertise to support whole of government organisational improvement initiatives.

The Department supports the Government’s on-line Recruitment Advertising Management System and produces the monthly “InterSector” magazine and publications related to workforce demographic and management issues and other matters.

KEY EFFECTIVENESS INDICATOR

	03/04 Actual	04/05 Actual	05/06 Actual	06/07 Target	06/07 Actual
Premier’s Office satisfaction with the support services provided	4.0	3.0	3.0	3.0	4.0 ^(a)

(a) *The Department takes a conservative approach when estimating targets such as key effectiveness indicators. In this instance, the Premier’s Office as the only respondent for this indicator assessed the performance of the Public Sector Management Division to have exceeded their expectations.*

KEY EFFICIENCY INDICATORS

The key efficiency indicators for this service are the average cost for:

- support provided to the Minister for Public Sector Management and Senior Executive Service members per SES member;
- co-ordination of redeployment and recruitment functions;
- a visit to on-line facilities provided;
- per workforce development hour;
- per policy advice and implementation hour; and
- participants in the Public Sector Management program.

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The costs reported for these indicators include a proportion of the expenditure on Departmental executive and corporate services.

	03/04 Actual (\$) ^(a)	04/05 Actual (\$) ^(a)	05/06 Actual (\$) ^(a)	06/07 ^(a) Target (\$) ^(a)	06/07 Actual (\$)
Average cost of support services provided per Senior Executive Service member	1,840	3,154	2,100	3,484	1,742 ^(b)
Average cost per recruitment and redeployment service provided ^(c)	2,007	1,880	2,471	2,940	3,285 ^{(d)(e)}
Average cost per hour of workforce development provided	82	82	101	106	140 ^(f)
Average cost per visit to on-line facilities provided	N/A	2	1	2	1 ^(g)
Average cost per hour of policy advice and policy implementation provided ^(h)	92	102	78	141	125 ^{(i)(j)}
Average cost per Public Sector Management Program participant	3,992	3,950	4,349	4,335	6,502 ^(k)

- (a) Previous period key efficiency indicator values have not been recast to include corporate service overheads previously allocated to the Offices of Native Title, Science and Innovation, Crime Prevention and Water Strategy that were transferred to other public sector agencies during 2005/06 and at 1 July 2006, or the adoption of a new threshold value for the capitalisation of assets. Similarly, no adjustment has been made to reflect the removal of the Capital User Charge that occurred in 2006/07.
- (b) The movement in the average cost of support services per SES member between 2006/07 target and 2006/07 actual is principally due to a reduction in the FTE resources allocated to this activity in 2006/07.
- (c) Grants expenditure of \$167,258 in 2003/04, \$216,449 in 2004/05, \$12,235 in 2005/06 and \$84,200 in 2006/07 has been excluded from this efficiency indicator as it is not considered to be a cost of service delivery.
- (d) The movement in the average cost per recruitment and redeployment service provided between 2005/06 actual and 2006/07 actual is principally due to the increase in FTE resources allocated to the activity in 2006/07.
- (e) The movement in the average cost per recruitment and redeployment service provided between 2006/07 target and 2006/07 actual is principally due to a 7% decrease in the number of services provided, a marginal increase in FTE resources allocated to this activity during 2006/07 and carryover from 2005/06.
- (f) The movement in the average cost per hour of workforce development between 2005/06 actual and 2006/07 target and 2006/07 actual is principally due to repositioning of leadership development funding from 2005/06 to 2006/07, and the significant increase in FTE resources allocated to this activity, partially offset by a 65% increase in the number of hours delivered in 2006/07.
- (g) The movement in the average cost per visit to on-line facilities provided between 2006/07 target and 2006/07 actual is principally due to a substantial reduction in the FTE resources allocated to this activity in 2006/07 following the restructure of the division, and repositioning to 2007/08.
- (h) Copyright expenditure of \$149,784 in 2003/04, \$33,046 in 2004/05, \$26,000 in 2005/06 and \$35,352 in 2006/07 has been excluded from the average cost per hour of policy advice and policy implementation as it is not considered to be a cost of service delivery.
- (i) The movement in the average cost per hour of policy advice and policy implementation between 2005/06 actual and 2006/07 actual is principally due to new funding provided for public sector improvement and functional reviews, partially offset by a 41% increase in the number of hours of policy advice and implementation and repositioning from 2006/07 to 2007/08.
- (j) The movement in the average cost per hour of policy advice and policy implementation between 2006/07 target and 2006/07 actual is principally due to a 66% increase in the number of hours of policy advice and implementation provided during 2006/07, partially offset by a significant increase in the FTE resources allocated to this activity, repositioning to 2007/08 and additional functional review funding provided for 2006/07 in the 2007/08 budget process.

- (k) *The movement in the average cost per Public Sector Management Program Participant between 2005/06 actual and 2006/07 target compared with 2006/07 actual is due to the result of a 20% reduction in the number of participants in the program at 30 June 2006 compared with the number at 30 June 2005.*

OUTCOME

A secure, confidential and time critical printing and publishing service for Parliament and Government.

Service 5

PARLIAMENTARY, STATUTORY AND LEGISLATIVE PUBLISHING SERVICE

The Department provides secure, confidential and time critical printing and publishing services to meet Parliamentary and Government requirements. All costs of managing the State Law Publisher office, its staffing and equipment are included in the key efficiency indicators for this service.

KEY EFFECTIVENESS INDICATORS

The key effectiveness indicators relate to the requirement for timely, secure and confidential printing and publishing. Parliamentary documents such as Hansard and Bills must be delivered to the respective Houses of Parliament within certain timeframes. The first key effectiveness indicator reports the percentage of documents provided within those timeframes.

Certain documents are not to be publicly released until tabled in Parliament (for example, Royal Commission and Inquiry proceedings), or prior to scheduled publishing dates (for example, Government Gazette). The second key effectiveness indicator reports the proportion of documents produced and released in accordance with these security and confidentiality requirements.

	03/04 Actual	04/05 Actual	05/06 Actual	06/07 Target	06/07 Actual
Proportion of Parliamentary documents produced and delivered within agreed timeframes established by each house of Parliament	99.9%	100%	100%	100%	99.85%
Proportion of documents produced and released in accordance with security and confidentiality requirements	100%	100%	100%	100%	99.72%

KEY EFFICIENCY INDICATORS

Key efficiency indicators are the average cost per printing image, the average cost per publication and the average sale value. The costs reported for the first two indicators include a proportion of the expenditure on Departmental executive and corporate services.

	03/04 Actual (\$)^(a)	04/05 Actual (\$)^(a)	05/06 Actual (\$)^(a)	06/07 Target (\$)^(a)	06/07 Actual (\$)
Average cost per printing image produced ^{(b) (c)}	0.08	0.08	0.08	0.10	0.09
Average cost of publication sold ^(c)	4.94	6.91	6.43	9.57	8.75 ^(d)
Average sale value	8.93	12.28	13.71	13.00	17.11 ^(e)

(a) Previous period key efficiency indicator values have not been recast to include corporate service overheads previously allocated to the Offices of Native Title, Science and Innovation, Crime Prevention and Water Strategy that were transferred to other public sector agencies during 2005/06

and at 1 July 2006, or the adoption of a new threshold value for the capitalisation of assets. Similarly, no adjustment has been made to reflect the removal of the Capital User Charge that occurred in 2006/07.

- (b) A printing image is a single pass of a document through the Docutech machine.*
- (c) Severance expenses of \$122,498 in 2004/05 were excluded from these efficiency indicators as they were considered to be abnormal.*
- (d) The movement in the average cost per publication sold between 2005/06 and 2006/07 is principally the result of a 26% reduction in the number of publications sold in 2006/07 compared with 2005/06. The volume of publications sold has substantially reduced over the past several years as the number of customers accessing documents on-line increases.*
- (e) The movement in the average sale value between 2005/06 actual, 2006/07 target and 2006/07 actual is a result of the increasing use of free on-line download facilities, and the shift in remaining sales towards higher value items.*

OUTCOME

Increased level of community awareness of the Western Australian and Commonwealth Constitutions, and the Australian Federal system of government.

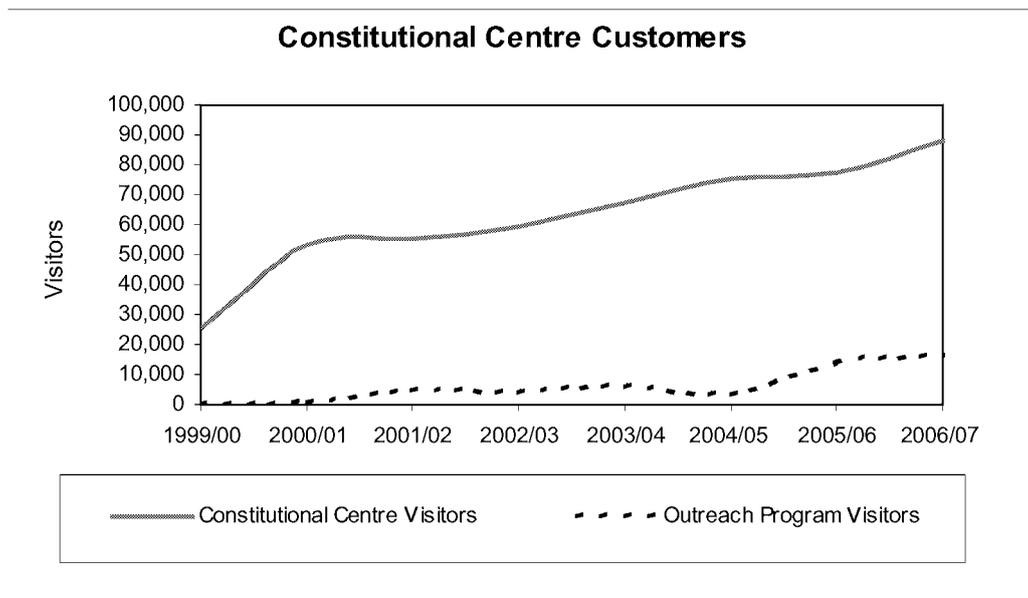
Service 6

MANAGEMENT OF THE CONSTITUTIONAL CENTRE PROGRAMS

The Government is committed to helping educate the community about the Western Australian and Commonwealth Constitutions, and the Federal system of government through the provision of exhibitions and programs at the Constitutional Centre.

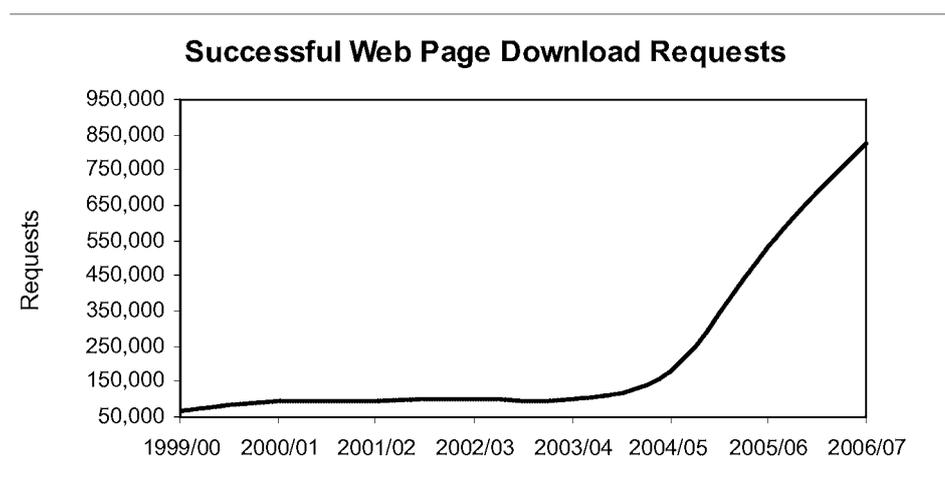
KEY EFFECTIVENESS INDICATORS

The key effectiveness indicators demonstrate the demand for services provided by the Constitutional Centre. The first indicator reports the annual growth in visitor numbers; and the second, participation rates for travelling and outreach programs delivered to regional areas. The third indicator reports the number of people accessing the Centre’s web pages and downloading information about Constitutional matters.



The Constitutional Centre conducts a range of exhibitions and programs providing information about the Western Australian and Commonwealth Constitutions, and the Federal system of government. This chart shows a sharp growth in visitor numbers from 1999/00 to 2000/01 flattening out through 2001/02 to 2002/03 and a steady rise through 2002/03 and 2004/05 before flattening out again in 2005/06, and then increasing again in 2006/07 when growth of nearly 14% was achieved.

The visitor data includes attendances at outreach events conducted in regional centres. Demand for these programs has significantly increased (from a low base) over the past five years. While some outreach activities are conducted in the metropolitan area, the number of visitors to such events is excluded from the outreach indicator, as its purpose is to highlight rural and regional activity. The reduced level of outreach activity in 2004/05 was the result of difficulties experienced in recruiting suitably skilled staff to deliver programs. Strategies adopted in 2005/06 addressed the demand that could not be met in 2004/05, resulting in the significant growth shown in the chart above. This level of attendance has been maintained in 2006/07.



The Constitutional Centre Web pages are a source of constitutional information for students and the general public. This indicator demonstrates a sustained level of demand for this facility, and is therefore a meaningful indicator of the site's effectiveness as a means of providing the community with information about constitutional matters and the federal system of government.

In 2005/06, the Department implemented in-house website hosting. The statistics provided report the number of people accessing the Centre's web pages and downloading information about Constitutional matters. Although the number of people downloading information increased sharply in 2005/06, analysis of the data did not identify any inaccuracies and it is therefore assumed that data for prior periods was under-reported. The continued growth through 2006/07 supports this assumption.

KEY EFFICIENCY INDICATOR

The cost per customer of the Centre is the key efficiency measure for this function. The cost reported for this indicator includes a proportion of the expenditure on Departmental executive and corporate services.

	03/04 Actual (\$) ^(a)	04/05 Actual (\$) ^(a)	05/06 Actual (\$) ^(a)	06/07 Target (\$) ^(a)	06/07 Actual (\$) ^(c)
Average cost per customer of the Constitutional Centre ^(b)	15.49	13.29	12.82 ^(c)	13.11	11.69 ^(c)

(a) Previous period key efficiency indicator values have not been recast to include corporate service overheads previously allocated to the Offices of Native Title, Science and Innovation, Crime Prevention and Water Strategy that were transferred to other public sector agencies during 2005/06 and at 1 July 2006, or the adoption of a new threshold value for the capitalisation of assets. Similarly, no adjustment has been made to reflect the removal of the Capital User Charge that occurred in 2006/07.

(b) Grants expenditure of \$279,667 in 2003/04, \$382,666 in 2004/05, \$322,333 in 2005/06 and \$410,000 in 2006/07, and expenditure on 175th Anniversary of European Settlement celebrations of \$1,869,494 in 2003/04 and \$2,612,042 in 2004/05 have been excluded from this efficiency indicator as it is not considered to be a cost of service delivery.

(c) The movement in the average cost per customer of the Constitutional Centre between 2005/05 actual, 2006/07 target and 2006/07 actual is the result of a 14% increase in the number of customers in 2006/07, partially offset by the transfer of 1 FTE and funding from the former Office of Citizens and Civics.

OUTCOME

A Western Australian public sector in which there is widespread acceptance of the principle of multiculturalism to enable the achievement of substantive equality for culturally and linguistically diverse communities.

Service 7

LEAD THE PUBLIC SECTOR IN REALISING THE IDEALS OF MULTICULTURALISM, ACHIEVING SUBSTANTIVE EQUALITY FOR CULTURALLY AND LINGUISTICALLY DIVERSE COMMUNITIES.

The Office of Citizens and Civics was reported as part of this service in 2005/06. A review of portfolio priorities undertaken by the former Minister for Citizenship and Multicultural Interests in August 2006 indicated that the principal objectives of the Office had been achieved, and it was therefore appropriate that agencies take responsibility for community consultation initiatives. Resources previously allocated to this function were transferred to other functions in the Department as at 31 December 2006, principally to the Office of Multicultural Interests.

Key performance indicators for the Office of Citizens and Civics for 2006/07 and expenditure of \$385,582 incurred to the 31 December 2006 are not reported as no data is available. Following the decision in August 2006 to cease operation, activities were confined to the transfer of community consultation responsibility to agencies, and winding up existing long-term projects.

KEY EFFECTIVENESS INDICATORS

The key effectiveness indicators are:

- the extent to which culturally and linguistically diverse (CALD) communities in Western Australia experience substantive equality through the multicultural principles of civic values, fairness, equality and participation in their dealings with the public sector, and
- the extent to which the policies and practices of public sector agencies reflect the principles of multiculturalism.

A standard survey instrument, administered by telephone to a random sample of CALD community organisations and to public sector agencies interacting with those groups is used to gather data. The target population is drawn from the Office of Multicultural Interests customer database, and in each case, the invited respondent was the individual with whom the Office most frequently interacts. Administration by telephone follows an initial contact to arrange a suitable time. A structured methodology is used to ensure validity and reliability.

Separate survey instruments were used for the CALD community and public sector agencies. Each instrument includes specific questions relating to the principles embedded in the 2004 Charter of Multiculturalism. The CALD Community population was 226 from which 157 responses were received; a response rate of 69% and the Public Sector Agency population was 122, from which 78 responses were received, a response rate of 63%. The responses to four questions in each survey have been aggregated to derive the key effectiveness indicators reported hereunder (the results are published as a percentage of all responses).

	03/04 Actual	04/05 Actual	05/06 Actual	06/07 Target	06/07 Actual
The extent to which CALD communities in Western Australia experience substantive equality through the multicultural principles of civic values, fairness, equality and participation in their dealings with the public sector	65.4%	63.8%	60.5%	65%	65.1%

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	03/04 Actual	04/05 Actual	05/06 Actual	06/07 Target	06/07 Actual
The extent to which the policies and practices of public sector agencies reflect the principles of multiculturalism.	77.4%	85.8%	83.6%	75% ^(a)	84.9%

(a) *The conservative estimate made for the 2006/07 target was exceeded when the respondent assessments returned to the levels reported in 2004/05 and 2005/06.*

KEY EFFICIENCY INDICATORS

All costs of the Office of Multicultural Interests are included in the efficiency indicators for this service. Key efficiency indicators report the cost of promoting multiculturalism to the wider community and supporting its implementation across the public sector, and the cost of significant policy/research activities. The costs reported for these indicators include a proportion of the expenditure on Departmental executive and corporate services.

	03/04 Actual (\$) ^(a)	04/05 Actual (\$) ^(a)	05/06 Actual (\$) ^(a)	06/07 Target (\$) ^(a)	06/07 Actual (\$) ^{(c)(d)}
Average cost per initiative undertaken to achieve substantive equality for culturally and linguistically diverse communities ^(b)	53,797	42,127	47,512	65,323	89,711 ^{(c)(d)}
Average cost per initiative undertaken to support public sector agency implementation of policies and practices reflecting the principles of multiculturalism ^(b)	34,189	19,337	23,281	33,435	19,136 ^{(e)(f)}
Average cost per unit of major policy and/or research ^(b)	30,768	54,185	25,434	46,876	15,311 ^{(g)(h)}

(a) *Previous period key efficiency indicator values have not been recast to include corporate service overheads previously allocated to the Offices of Native Title, Science and Innovation, Crime Prevention and Water Strategy that were transferred to other public sector agencies during 2005/06 and at 1 July 2006, or the adoption of a new threshold value for the capitalisation of assets. Similarly, no adjustment has been made to reflect the removal of the Capital User Charge that occurred in 2006/07.*

(b) *Grants expenditure of \$502,345 in 2003/04, \$597,624 in 2004/05, \$590,961 in 2005/06 and \$673,159 in 2006/07 has been excluded from these key efficiency indicators, as it is not considered to be a cost of service delivery.*

(c) *The movement in the average cost per community initiative between 2005/06 actual and 2006/07 actual is the result of \$443,000 in once-off funding provided in the 2006/07 budget for an African Community project, repositioning from 2005/06 to 2006/07, transfer of funding from Citizens and Civics, reassignment of FTE resources from public sector initiatives, and a marginal decrease in the number of initiatives undertaken in 2006/07.*

(d) *The movement in the average cost per community initiative between 2006/07 target and 2006/07 actual is principally due to a significant increase in the level of FTE resources allocated to these initiatives in 2006/07.*

(e) *The movement in the average cost of public sector initiatives between 2005/06 actual and 2006/07 actual is principally due to the 13% increase in the number of initiatives undertaken in 2006/07.*

- (f) *The movement in the average cost of public sector initiatives between 2006/07 target and 2006/07 actual is principally due to the 13% increase in the number of public sector initiatives actually undertaken in 2006/07, and a decrease in FTE resources actually allocated to these initiatives (the resources were redirected to community initiatives).*
- (g) *The movement in the average cost per unit of policy and/or research between 2005/06 actual and 2006/07 actual is principally due to the decrease in FTE resources allocated to major policy and research activities in 2006/07 (the resources were redirected to community initiatives).*
- (h) *The movement in the average cost per unit of policy and/or research between 2006/07 target and 2006/07 actual is principally due to the decrease in FTE resources allocated to major policy and research activities in 2006/07 (the resources were redirected to community initiatives) and substantial repositioning of one-off funding from 2006/07 to 2007/08.*

OUTCOME

Reducing the number of fatalities in Western Australia through the implementation of Road Safety programs.

Service 8

SUPPORT FOR IMPLEMENTATION OF THE STATE'S ROAD SAFETY INITIATIVES

Support is provided to the Road Safety Council to undertake implementation, monitoring and evaluation of the State's road safety initiatives.

The key effectiveness indicators for this service report the number of deaths per 100,000 estimated residential population resulting from road crashes, and injuries resulting from road crashes per 100,000 estimated residential population (defined as hospital admissions). The Road Safety Council's objective is to reduce fatalities from road crashes in Western Australia to a level equivalent to the lowest in Australia over a five-year timeframe commencing 2002/03. These indicators are consistent with those reported prior to 2001/02 when the Office was part of the Department of Transport.

KEY EFFECTIVENESS INDICATORS

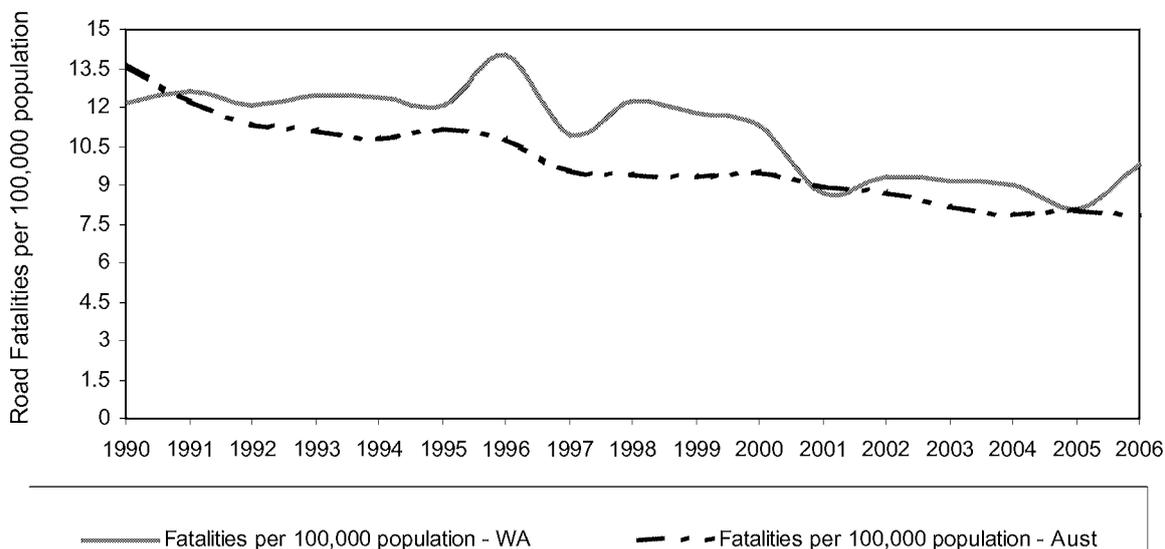
In 2006, 202 people were killed in road crashes on Western Australian roads. As a result, the Western Australian fatality rate per 100,000 population (9.81 deaths per 100,000 population) remains above the Australian rate (7.77 deaths per 100,000 population) but was lower than the Northern Territory (20.3) and Tasmania (11.0). The Australian Capital Territory had the lowest fatality rate of 3.95 per 100,000 population.

The number of fatalities at 1.26 deaths per 10,000 registered vehicles in Western Australia is marginally higher than the Australian average rate of 1.12 deaths per 10,000 registered vehicles.

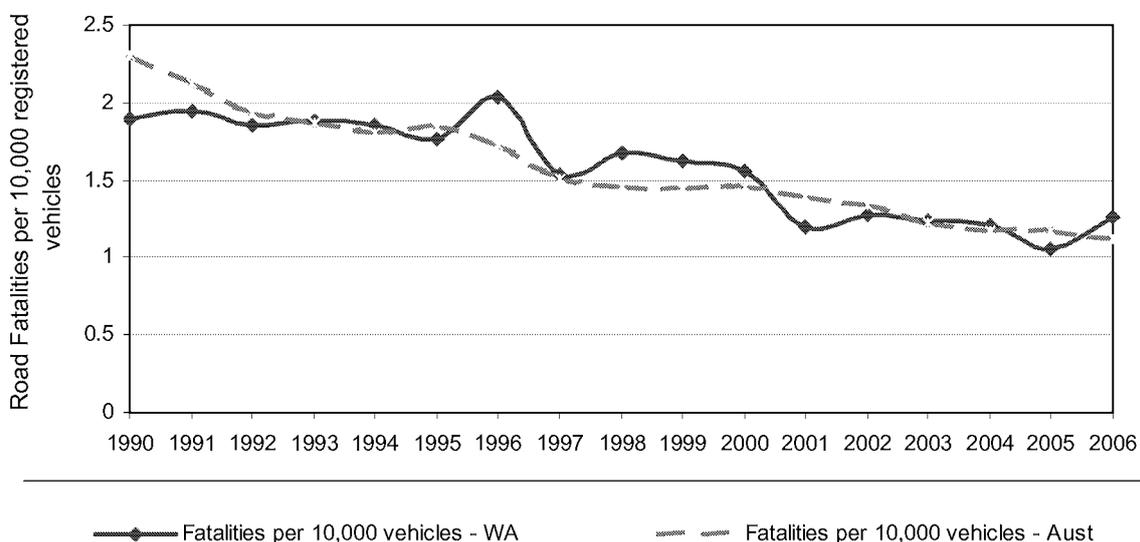
The following graphs demonstrate the extent of change in the fatality rate per 100,000 population and per 10,000 registered vehicles over time for Western Australia, compared to the Australian averages.

Since a peak in the number of fatalities in 1973 (358 fatalities) there has been a downward trend in death rates nationally and in WA, characterised by fluctuations up and down. In 2001 in WA there was a 'stepdown' effect where the number of deaths dropped, a step that has been maintained at a new lower level. This 'stepdown' effect is experienced in jurisdictions when major impacts are felt. While it is difficult to identify one particular factor, the 'stepdown' in WA in 2001 coincided with the lead-in to the introduction of 50km/h speed limits in WA in December 2001 and is associated with a corresponding small drop in travel speeds across the road network. Recent increases should be considered in the context of Western Australia's strong economic growth and increases in vehicle traffic in WA.

Road Fatalities per 100,000 population - Australia and Western Australia 1990-2006



Road Fatalities per 10,000 registered vehicles - Australia and Western Australia 1990-2006



Data for these tables are sourced from:

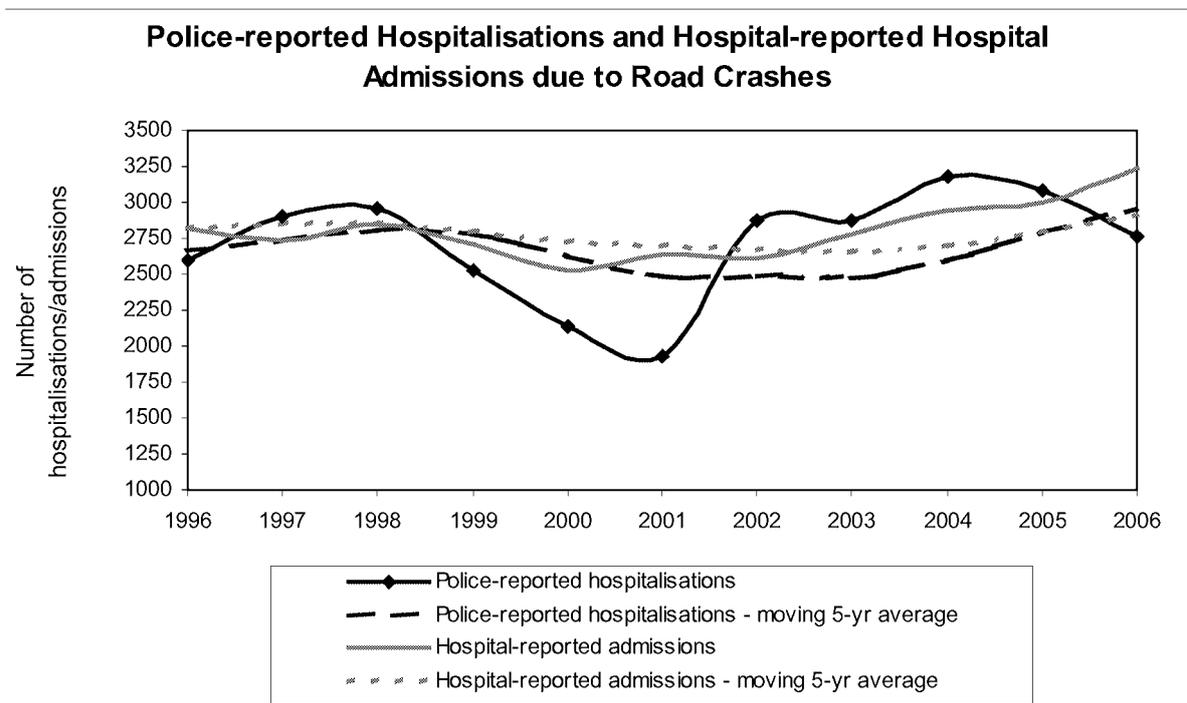
- (i) Australian rates taken from *Road Deaths Australia 2006 Statistical Summary* by the Australian Transport Safety Bureau (published April 2007). Western Australian rates calculated by the Office of Road Safety with Police Reported Crash Data maintained by Main Roads Western Australia.
- (ii) Population data are from *Australian Bureau of Statistics Population by Sex and Age: States and Territories (ABS Catalogue No. 3201.0 (2006))*. The population estimates are as at June 30 of each year. Only preliminary data are available for 2006.

(iii) Counts of registered motor vehicles obtained for years prior to 1995 are from the Australian Bureau of Statistics Motor Vehicle Registrations Australia (ABS Cat. No. 9303.0) and for years 1995 and thereafter from the Australian Bureau of Statistics Motor Vehicle Census Australia (ABS Cat. No. 9309.0).

Over the first four years of implementation of the WA Strategy, *Arriving Safely 2003-2007*, actual fatality rates for 2003 (179 fatalities or 9.23 deaths per 100,000), 2004 (179 fatalities or 9.00 deaths per 100,000), 2005 (162 fatalities or 8.11 deaths per 100,000) and 2006 (202 fatalities or 9.81 deaths per 100,000) were above the levels identified as required to meet the State target of 5.0 fatalities per 100,000 population.

Despite this, it is acknowledged that the five-year target set under *Arriving Safely 2003-2007* is deliberately ambitious when compared to the target set for Australia under the National Road Safety Strategy 2001-2010 (5.6 fatalities per 100,000 population). In this regard, the Road Safety Council has set a goal of achieving a similar target within a shorter timeframe, requiring significant and aggressive action. This action will see a continued focus on education of road users and compliance enforcement, coupled with a stronger commitment to safer roads and safer vehicles over the remaining life of the Strategy.

As shown in the below graph, Police reported 2,760 people hospitalised in 2006 as a result of their involvement in road crashes, this is a decrease from 2005 (down 322 hospitalisations or 10%). Preliminary hospital reported admission data⁽ⁱⁱ⁾ for the same period indicates that 3,240 people were admitted to hospital as a result of their involvement in road crashes, an 8% increase over comparable 2005 figures. The on-going variance between hospital-reported admissions and Police-reported hospitalisations is a result of differences in definitions and data collection methodologies.



Note: Scale does not start at zero.

Data for this table is sourced from:

- (i) Police Reported Crash Data maintained by Main Roads Western Australia.
- (ii) Hospital Reported Admissions from the Department of Health, Western Australia. 2006 data is preliminary and is expected to change. At this point in time only 95% of hospital admission records for 2006 have been processed. Data represents a count of those admitted to hospital for a traffic accident and may include those who have died after admission. In 1999 there was a 'break in series'. A change in classification from ICD-9 to ICD-10 means that data prior and after this time should be compared with caution.

The de-coupling trend, i.e. a long term decline in the trend of fatality rates and stable injury rates is being experienced in other Australian and international jurisdictions where road safety is progressive. A significant limitation to understanding this trend is the reporting of those admitted to hospital, where 'hospitalisation' does not sensitively identify degrees of injury severity within that category. A project investigating trends in the degree of injury severity for road crashes in Western Australia is currently being undertaken on behalf of the Road Safety Council.

KEY EFFICIENCY INDICATORS

The key efficiency indicators are the average costs for major awareness-raising campaigns targeting speeding, drink-driving, driver fatigue and seatbelts conducted during the year, and for road safety initiatives identified by the Road Safety Council (advertising and other campaigns focusing on particular issues, eg double demerit points over public holiday periods), and the average costs per FTE required to provide support to the Road Safety Council. Support provided to the Road Safety Council and its subsidiary committees and working groups includes executive support, coordination, research, and preparation of papers for consideration and routine administrative support. This cost includes, but is not limited to salaries and salary-related expenses. The costs reported for these indicators include a proportion of the expenditure on Departmental executive and corporate services.

	03/04 Actual (\$000s)^(a)	04/05 Actual (\$000s)^(a)	05/06 Actual (\$000s)^(a)	06/07 (Target (\$000s)^(a)	06/07 Actual (\$000s)^{(b)(c)}
Average cost of awareness-raising Campaigns	1,395	1,380	1,049	664	590 ^{(b)(c)}
Average cost of road safety initiatives ^(d)	265	281	294	661	956 ^{(e)(f)}
Average cost per FTE for support services to the Road Safety Council ^(g)	188	202	204	152	353 ^(h)

- (a) *Previous period key efficiency indicator values have not been recast to include corporate service overheads previously allocated to the offices of native title, science and innovation, crime prevention and water strategy that were transferred to other public sector agencies during 2005/06 and at 1 July 2006, or the adoption of a new threshold value for the capitalisation of assets. Similarly, no adjustment has been made to reflect the removal of the capital user charge that occurred in 2006/07.*
- (b) *The movement in the average cost of awareness-raising campaigns between 2005/06 actual and 2006/07 actual is the result of a 100% increase (from 7 to 14) in the number of campaigns undertaken in 2006/07, partially offset by a 12% increase in expenditure on those campaigns. Previously only large campaigns were included in this figure, but now all campaigns conducted are included to give a more accurate summary of the range of work being conducted.*
- (c) *The movement in the average cost of awareness-raising campaigns between 2006/07 target and 2006/07 actual is the result of a 40% increase (from 10 to 14) in the number of campaigns undertaken in 2006/07, partially offset by a 24% increase in expenditure on those campaigns. Previously only large campaigns were included in this figure, but now all campaigns conducted are included to give a more accurate summary of the range of work being conducted.*
- (d) *Grants expenditure of \$7,288,162 in 2003/04, \$7,077,031 in 2004/05, \$8,943,560 in 2005/06 and \$4,748,893 in 2006/07 have been excluded from this key efficiency indicator as grants are not considered to be a cost of delivering services.*

- (e) *The movement in the average cost of road safety initiatives between 2005/06 actual and 2006/07 actual is the result of a 60% reduction (from 10 to 4) in the number of initiatives undertaken in 2006/07 compared with 2005/06, and a 30% increase in funds allocated to these initiatives. The volume of work has not decreased. Initiative groupings have been consolidated to four to reflect the priority action areas of Safer Roads and Roadsides, Safer Vehicles, Safer Speeds and Safe Behaviour.*
- (f) *The movement in the average cost of road safety initiatives between 2006/07 target and 2006/07 actual is the result of a 33% reduction (from 6 to 4) in the number of initiatives undertaken in 2006/07 compared with 2005/06, and a 25% reduction in funding allocated to road safety initiatives. The volume of work has not decreased. Initiative groupings have been consolidated to four to reflect the priority action areas of Safer Roads and Roadsides, Safer Vehicles, Safer Speeds and Safe Behaviour.*
- (g) *This key efficiency indicator relates to resources allocated to provide support to the Road Safety Council, and to undertake policy development and the provision of policy advice. It is expressed as an average cost per full time equivalent (FTE) and includes salary and contingency expenditures, that is, it is not the average salary for an FTE. For this indicator, FTE's are treated as units of effort. 4 FTEs (approximately 20% of the Office of Road Safety's resources) were required to support the Road Safety Council, develop policy and provide policy advice in 2006/07.*
- (h) *The movement in the average cost per support service FTE for between 2005/06 actual and 2006/07 actual and 2006/07 target and 2006/07 actual is the result of the allocation of additional FTEs and financial resources to support the Road Safety Council in identifying and implementing strategies to address the increase in road deaths in 2007 calendar year.*

OUTCOME

The strategic transformation of the operations of government, using technology as a tool, to improve internal efficiency, service delivery to citizens and community participation.

SERVICE 9

e-GOVERNMENT POLICY AND COORDINATION

The Office of e-Government is responsible for:

- promoting and leading the implementation of the e-Government Strategy for the Western Australian Public Sector;
- developing a policy framework, standards and guidelines that are consistent with the e-Government Strategy for the Western Australian Public Sector, and with national and international best practice;
- coordinating and facilitating cross sector implementation of the e-Government Strategy for the Western Australian Public Sector and policy framework;
- initiating, leading and coordinating strategic e-government projects that deliver improved internal efficiencies, integrated service delivery and greater opportunities for community participation; and
- encouraging a better understanding of e-government and promoting its benefits to the public sector, business and the community.

The Office of e-Government was created in 2003 in response to the Functional Review Taskforce recommendations and incorporates a range of functions previously undertaken by the former Department of Industry and Technology.

KEY EFFECTIVENESS INDICATORS

The key effectiveness indicators developed for this service are the extent to which Departments adopt and implement the policies, standards and guidelines developed by the Office, and satisfaction ratings from the Strategic Management Council e-Government Sub-Committee and the Premier's Office.

The first indicator reports the level of agency commitment to implementation of e-government policies, standards and guidelines, developed by the Office and endorsed by the Strategic Management Council e-Government Sub-Committee to improve internal efficiency, service delivery to citizens and community participation. Twenty-two Departments were surveyed to assess the degree to which they had adopted policies, standards and guidelines issued in relation to State Government Web Sites and the WA Electronic Government Interoperability Framework. A 100% response rate to this survey was achieved.

The remaining indicators recognise the close working relationship with the Premier and the e-Government Sub-Committee necessary for the effective development and implementation of e-government strategy within the Western Australian public sector. The survey issued to the e-Government Sub-Committee was completed by 6 of the 8 members, a 75% response rate.

	03/04 Actual	04/05 Actual	05/06 Actual	06/07 Target	06/07 Actual
Proportion of Departments that adopt and implement policies, standards and guidelines developed by the Office	100%	81%	91%	43%	95% ^(a)
Strategic Management Council e-Government Sub-Committee's satisfaction with quality and timeliness of work undertaken to support the committee	3.4	3.4	3.4	3.4	3.4
Premier's Office satisfaction with advice and support provided	4	4	3	4	4

(a) *The significant increase in the proportion of Departments adopting and implementing policies, standards and guidelines in 2006/07 actual compared with the 2006/07 target is the result of a 120% increase in the number of Departments that provided evidence of adopting and implementing policies standards and guidelines, combined with a 50% reduction in the number of policies, standards and guidelines actually issued during 2006/07.*

KEY EFFICIENCY INDICATORS

The key efficiency indicators are the average cost per Department of adopting and implementing policies, standards and guidelines, and the average cost per significant e-government initiative in which the Office is involved. These indicators have been identified to appropriately recognise the allocation of resources to major activities designed to achieve e-government objectives. The costs reported for these indicators include a proportion of the expenditure on Departmental executive and corporate services.

	03/04 Actual (\$)^(a)	04/05 Actual (\$)^(a)	05/06 Actual (\$)^(a)	06/07 Target (\$)^(a)	06/07 Actual (\$)^{(c)(d)}
Average cost per Department that adopts and implements policies, standards and guidelines ^(b)	40,428	83,465	92,800	221,452	39,027 ^{(c)(d)}
Average cost per significant e-government initiative in which the Office is involved ^(b)	268,256	141,229	131,054	156,050	221,581 ^{(e)(f)}

(a) *Previous period key efficiency indicator values have not been recast to include corporate service overheads previously allocated to the Offices of Native Title, Science and Innovation, Crime Prevention and Water Strategy that were transferred to other public sector agencies during 2005/06 and at 1 July 2006, or the adoption of a new threshold value for the capitalisation of assets. Similarly, no adjustment has been made to reflect the removal of the Capital User Charge that occurred in 2006/07.*

(b) *Grants expenditure of \$5,700,000 in 2003/04, \$2,300,000 in 2004/05 and \$1,070 in 2006/07 has been excluded from these key efficiency indicators, as grants are not considered to be a cost of service delivery.*

(c) *The movement in the average cost per Department adopting and implementing policies, standards and guidelines between 2005/06 actual and 2006/07 actual is principally due to the significant reduction in the FTE resources allocated to these activities in 2006/07.*

- (d) *The movement in the average cost per Department between 2006/07 target and 2006/07 actual is results from 110% increase in the number of Departments adopting and implementing policies standards and guidelines compared with the projection made for the 2006/07 target, a 50% reduction in FTE resources allocated to this activity in 2006/07, and repositioning of funding from 2006/07 to 2007/08.*
- (e) *The movement in the average cost per initiative between 2005/06 actual and 2006/07 actual is principally due to a significant increase in the FTE resources allocated to this activity in 2006/07, partially offset by the 14% increase in the number of initiatives undertaken.*
- (f) *The movement in the average cost per initiative between 2006/07 target and 2006/07 actual is principally due to the significant increase in FTE resources allocated to this activity for 2006/07 not envisaged when establishing the 2006/07 target.*

APPENDICES

APPENDIX 1

STATEMENT OF EXPENDITURE

Electoral Act 1907 Section 175ZE

In compliance with Section 175ZE of the *Electoral Act 1907*, the Department of the Premier and Cabinet is required to report on expenditure incurred during the financial year in relation to advertising agencies, market research organisations, polling organisations, direct mail organisations and media advertising organisations.

Details are as follows:

(a) Expenditure with Advertising Agencies **\$ 2,331,032.03⁽¹⁾**

303 Advertising	The Brains Trust
Mills Wilson Media	Gatecrasher Advertising
Consultants	Spice Creative
Design Design Graphics	Impact Communications
Port Printing Pty Ltd	TVPERTH.COM.AU
Freeway Design	Key 2 Design

⁽¹⁾ This includes \$1,920,244.51 expenditure incurred by the Office of Road Safety, and \$235,976.93 incurred by the InterSector initiative.

(b) Expenditure with Market Research Agencies **\$ 401,185.29⁽²⁾**

Taylor Nelson Sofres Aust P/L
Media Monitors Aust P/L

⁽²⁾ This includes \$ 353,057.10 expenditure incurred by the Office of Road Safety.

(c) Expenditure with Polling Agencies **\$ 362,531.95⁽³⁾**

Synovate Pty Ltd

⁽³⁾ This includes \$185,757.00 expenditure incurred by the Office of Road Safety and \$169,899.95 incurred by the Government Media Office.

(d) Expenditure with Direct Mail Agencies **NIL**

(e) Expenditure with Media Advertising Agencies **\$ 6,148,842.57⁽⁴⁾**

Marketforce Express
Media Decisions WA
The West Australian Newspaper

⁽⁴⁾ This includes \$ 5,870,967.33 expenditure incurred by the Office of Road Safety.

TOTAL EXPENDITURE **\$ 9,243,591.84**

Note: Salaries and Allowances Tribunal while not part of the Department of the Premier and Cabinet incurred the following expenditure

(e) Expenditure with Media Advertising Agencies **\$ 8,319.12**

Marketforce Productions

APPENDIX 2

THE NINTH CARPENTER MINISTRY (as at 30 June 2007)

Honourable Alan John Carpenter MLA
Premier; Minister for Federal-State Relations; Trade; Innovation; Science; Public Sector Management

Honourable Eric Stephen Ripper MLA
Deputy Premier; Treasurer; Minister for State Development

Honourable Kimberley Maurice Chance MLC
Minister for Agriculture and Food; Forestry; the Mid West and Wheatbelt; Great Southern

Honourable Ljiljana Ravlich MLC
Minister for Local Government; Racing and Gaming; Multicultural Interests and Citizenship; Government Enterprises; Minister Assisting the Minister for Planning and Infrastructure; Goldfields-Esperance; Youth

Honourable John Charles Kobelke MLA
Minister for Police and Emergency Services; Community Safety; Water Resources; Sport and Recreation

Honourable James Andrew McGinty MLA
Attorney General; Minister for Health; Electoral Affairs

Honourable Michelle Hopkins Roberts MLA
Minister for Employment Protection; Housing and Works; Indigenous Affairs; Heritage; Land Information

Honourable Alannah MacTiernan MLA
Minister for Planning and Infrastructure

Honourable Sheila Margaret McHale MLA
Minister for Disability Services; Tourism; Culture and the Arts; Consumer Protection

Honourable Mark McGowan MLA
Minister for Education and Training; South West

Honourable Francis Michael Logan MLA
Minister for Energy; Resources; Industry and Enterprise

Honourable Jonathan Robert Ford MLC
Minister for Regional Development; Fisheries; the Kimberley, Pilbara and Gascoyne

Honourable Margaret Mary Quirk MLA
Minister for Corrective Services; Small Business; Minister Assisting the Minister for Federal-State Relations

Honourable David Alan Templeman MLA
Minister for the Environment; Climate Change; Peel

Hon Suzanne Mary Ellery MLC
Minister for Child Protection; Communities; Women's Interests; Seniors and Volunteering.

APPENDIX 3

FREEDOM OF INFORMATION (FOI) – INFORMATION STATEMENT

Freedom of Information Operations

The Freedom of Information Act 1992 ("the *FOI Act*"), which came into effect on 1 November 1993, created a general right of access to documents held by State and Local government agencies. The *FOI Act* requires agencies to make available details about the kind of information they hold and enables persons to ensure that personal information held by government agencies about them is "accurate, complete, up to date and not misleading".

It is the aim of the Department of the Premier and Cabinet to make information available promptly, for the least possible cost and wherever possible documents will be provided outside the FOI process.

Receipt of FOI Applications

FOI applications, payments, correspondence and general inquiries may be directed to the Department's FOI Coordinator, 28th Floor, 197 St George's Terrace, Perth, 6000 (Tel: (08) 9222 9409; Fax: (08) 9222 9690). FOI application forms are available from the Department's internet website at <http://www.foi.dpc.wa.gov.au/> or by contacting the FOI Coordinator.

Processing of Applications

The Department's FOI Unit is responsible for administering the processing of FOI applications within the agency. The FOI Coordinator and Assistant FOI Coordinator liaise with the Department's designated decision makers/internal reviewers to facilitate the processing of all applications in accordance with the *FOI Act*. The FOI Unit is the initial contact point for members of the community, applicants, third parties, the Office of the Information Commissioner and other public sector agencies for all FOI-related matters.

Fees and Charges

The rate of fees and charges are set under the *FOI Act*. Apart from the application fee for non-personal information all charges are discretionary. Details of fees and charges are listed below:

- Personal information about applicant – no fee
- Application fee (for non-personal information) - \$30.00
- charge for time taken dealing with the application – \$30.00 per hour
- charge for access time supervised by staff – \$30.00 per hour
- charges for photocopying - \$30.00 per hour for staff time and 20c per copy
- charges for staff time in transcribing information from a tape or other device - \$30.00 per hour
- charge for duplicating a tape, film or computer information – actual cost
- charge for delivery, packaging and postage – actual cost

Rights of Review

The *FOI Act* provides that applicants that are dissatisfied with a decision of the Department have the right to have that decision reviewed. In accordance with section 40 of the *FOI Act*,

internal review applications should be forwarded in writing to the Department within 30 calendar days after the date of the Department's initial Notice of Decision.

Following an internal review, if any matter remains in dispute applicants are advised of their right to request the Information Commissioner to conduct an "external review" of the matter. In certain instances, questions of law that arise in the course of dealing with a complaint may be referred to the Supreme Court. No fees or charges apply to internal or external reviews.

Documents Held by the Agency

The Department can trace its history through records back to the colonial settlement of Western Australia. These historical records (archives) are available for research at the State Archives. Records about the Department's role and responsibilities will continue to be an important part of the State's history.

The Department's records are arranged using activities based classification and include information about the following functions and activities:

Cabinet Support

Civics

Community Response (correspondence received by the Premier on current issues)

Commissions

Cultural Diversity

Economic Policy

Elected Members (*administrative support matters for elected members of the State Government*)

Environmental Policy

Federal Policy

Governance (*legislative and parliamentary processes*)

Government Initiatives (*projects of the elected government managed by the Department*)

Intergovernmental Relations

International Relations

Ministers' Support (administrative support matters for Ministers)

Official Protocol

Premier's Support (administrative support matters for the Premier)

Public Sector (review and development of the Western Australian public sector)

Regional Policy

Royal Visits

Social Policy

Treaties

Vice Regal

Workforce Management (*of Western Australian public sector workers*)

Broad categories of documents currently available to the public can be accessed through the Department of the Premier and Cabinet's website www.dpc.wa.gov.au (publications and policies, quick links) or by telephoning the Department's Freedom of Information Unit on 9222 9409 or 9222 9414.

The Department's Library has an extensive collection of information. The broad subject areas covered by the Library include: auditing, banking and taxation, economics, financial management, human resource planning, public finance, management, performance management, public administration, political science, training - executive development, sustainability and e-Government.

The library is not open to members of the public; however, access to library material can be obtained through inter-library arrangements.

Public Participation in the Formulation of Policy and Performance of Agency Functions

The Department's primary mission lies in the provision of services to the Premier and Cabinet. The avenues for public participation in the formulation of the agency's policy making and performance are limited and depend largely upon the nature of the particular portfolios held by the Premier of the day.

APPENDIX 4

PUBLICATIONS

During the year the Department of the Premier and Cabinet issued the following publications:

Policy Division

- State Water Plan 2007

Public Sector Management

- 11 editions of InterSector
- InterSector Employment Edition 2007
- Retirement Intentions 2006: Survey of Western Australian Public Sector Employees 45 years and older
- Meeting the Challenge: Attracting and Keeping Public Sector Employees
- Better Planning: Better Futures - A Framework for the Strategic Management of the Western Australian Public Sector
- Profile of the Western Australian State Government Workforce 30 June 2006
- "Quarterly Employment Levels in WA State Government Bodies": June, September & December 2006, March 2007
- Guide to Sourcing Candidates from the Business Traineeship Program
- Guide to Appointing Candidates from the Business Traineeship Program
- School-Based Traineeship Program Brochure
- Business Traineeship Program Brochure
- A Guide to Being Registered with the Business Traineeship Program
- A Guide to Being a Registered Job Seeker – Level 1 Clerical Database
- Employment Opportunities with the Western Australian State Government Brochure
- School-Based Traineeship Program – Information for Schools
- Leadership Development Strategy Package

State Law Publisher

- Client Information Newsletter – *Electronic format* – Weekly
- Calendar for 2007

Constitution Centre

- Reprint - "Dynamics in Government"
- Proclamation Day Grants Report 2006
- Schoolies are Poolies
- The Western Australian Tapestries

Office of Multicultural Interests (OMI)

- Multicultural WA – OMI Newsletter [Online]
- Harmony Week 2007: Posters, flyers, stickers, calendar magnets, tote bags, silicon wrist bands, t-shirts, postcards, Secondary School Conventions Newsletter

Office of Road Safety

Publications

- RSC Newsletter (3)
- 2003 Crash Stats Book
- 2004 Crash Stats Book

Information Kits, Leaflets, Posters, Brochures -Topics

- Reducing Travel Speeds
- Speed Dial
- Drink Driving
- Workplace Road Safety
- New Penalties
- Fatigue
- Restraints
- Novice Drivers
- Forum Report (3) Collie, Bunbury and South Perth
- Leaflets - Beer, Wine and Insurance
- Drink Wallet Card
- Posters (4) – Visible Brain, Enforcement, Sleep Over and Asleep on Verandah

Office of e-Government

- Western Australian Government Number (WAGN) flyer. Distributed to government agencies.
- Citizen Centric Government: The Strategy for Telecommunications in the Western Australian Public Sector
- Email Naming Standard and Transition Guideline
- BlackBerry & Mobile Push Email Technology: Security and Risk Management Guide
- Securing Wireless Technologies – Discussion Paper

Freedom of Information

- Annual Information Statement (see Appendix 3)