



Government of **Western Australia**
Department of the **Premier and Cabinet**

ANNUAL REPORT 2009/2010

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Department of the Premier and Cabinet

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STATEMENT OF COMPLIANCE

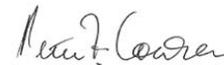
For the year ended 30 June 2010

Hon C J Barnett MEd MLA

PREMIER

In accordance with section 63 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 financial year ended 30 June 2010.

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



Peter Conran
DIRECTOR GENERAL

13 September 2010

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DIRECTOR GENERAL'S REVIEW

2009/10 was a year of consolidation for the Department of the Premier and Cabinet (DPC or the Department). The transfer of functions to establish the Public Sector Commission enabled the Department to focus on the provision of strategic policy to the Premier and Cabinet, and work collaboratively with agencies to deliver the Government's policy priorities.

The Government has prioritised the delivery of reform initiatives to sustain Western Australia's economic recovery as it emerges from the global financial crisis. During the past year, the Department has worked closely with agencies across Government to improve critical service areas and support the State's economic growth. In particular, the Department has assisted with:

- promoting public sector excellence, efficiency and effectiveness;
- prioritising and investing in projects and activities that will address the community's needs and aspirations, including the Perth City Link and Foreshore Redevelopment;
- removing structural impediments to growth by streamlining the approvals process, improving land availability and housing affordability, and attracting wealth generating projects; and
- improvement in the delivery of services, such as health and education.

The Department has also continued to strengthen its dialogue with the Commonwealth Government to maintain sufficient flexibility for the State to deliver services which meet the needs and expectations of the Western Australian community.

I have been impressed by the capacity and commitment of our people to work productively with other agencies, governments and sectors. I look forward to the policy innovation and service improvement which will flow from these ongoing partnerships in the coming year.

Our Focus in 2009/10

Delivering Government's Strategic Priorities

Over the past year, the Department has:

- supported the Ministerial Taskforce on Approvals, Development and Sustainability to establish a Lead Agency Framework to streamline the approvals process and developed initiatives to address land availability and housing affordability to support the State's future population growth;
- overseen the implementation of the Community Sector Partnership Forum to enhance relationships between the public and community sectors;
- commenced implementation of the Community Development Investment Fund, a \$10 million low interest loan facility for community sector organisations for capital investment, and the Social Innovation Grants Program which will provide up to \$4 million a year to stimulate social innovation in the delivery of human services; and
- in conjunction with other departments and agencies, supported Western Australia's participation in the Council of Australian Governments (COAG) meetings, which have resulted in a 47% increase in Commonwealth funding for core State services areas of health,

education, skills development and training, housing and indigenous services.

Facilitating a High- Performing Department

In addition to delivering Government's policy priorities, the Department has focused on strengthening internal structures to ensure that it continues as a high-performing and innovative organisation. During 2009/10, the Department's Strategic Plan 2009-2012 was launched. This plan provides a new vision for the Department to *"make a difference through leadership and innovation"* and a new purpose to *"deliver high quality advice, services and support to enable the Premier and Government to serve the Western Australian community well."*

The Year Ahead

A highlight of 2010/11 will be managing and coordinating the Commonwealth Heads of Government Meeting (CHOGM) and the accompanying Royal Visit in October 2011. This will be a wonderful opportunity to showcase Western Australia.

The Department will also continue to focus on strengthening the relationship between the government, the non-government sector and the community. This approach presents a unique opportunity to put the public first by providing better services that meet the needs of the public.

I look forward to working with the Department's many talented people to deliver the high-level policy advice and support required by the Premier and his Government to enable them to best serve the Western Australian community.



Peter Conran
DIRECTOR GENERAL

DEPARTMENT OVERVIEW

Responsible Minister

The Department reports to the Hon C J Barnett MEd MLA, in his capacity as Premier.

Chief Executive Officer

Mr Peter Conran, AM is the Chief Executive Officer of the Department appointed under section 45 of the *Public Sector Management Act 1994* and also the Accountable Authority, as prescribed in section 52 of the *Financial Management Act 2006*.

Authority for the Establishment of the Agency

The Department was established under the *Public Sector Management Act 1994* in 2001.

Relationship to the Government Goals

Following the transfer of functions to establish the Public Sector Commission and the transfer of the Office of Road Safety to Main Roads Western Australia, the Department developed a [new strategic plan](#) with an outcome-based performance management framework. The Department's purpose and refocused service structure continues to support the Government Goal of (see above right):

Government Goal

Outcomes Based Service Delivery
Greater focus on achieving results in key service areas for the benefit of all Western Australians

Our Vision

We make a difference through leadership and innovation

Our Purpose

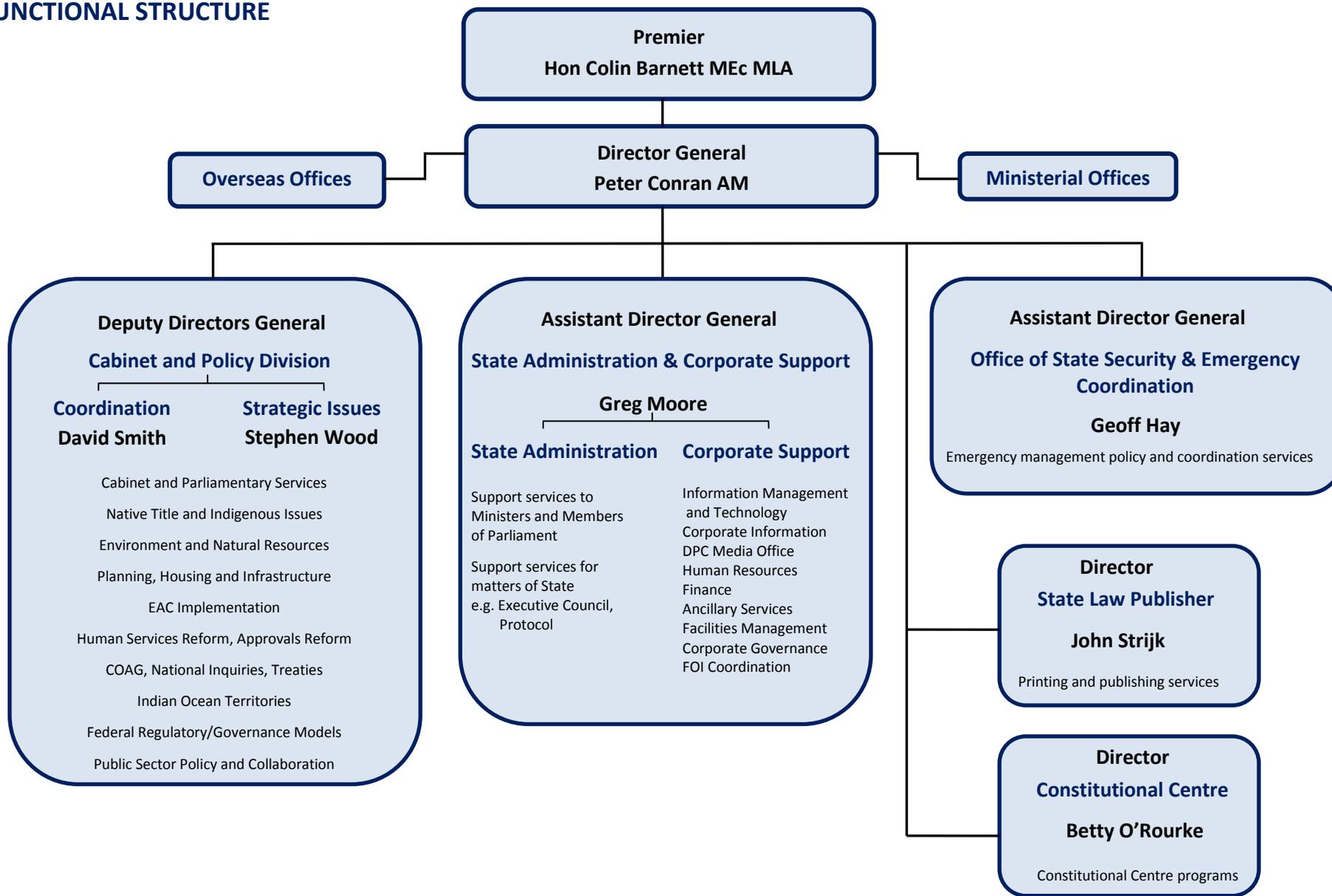
To deliver high quality advice, services and support to the Western Australian community

The Department's service areas are:

- Service 1 – Administration of Executive Government Services**
- Service 2 – Government Policy Management**



FUNCTIONAL STRUCTURE



SENIOR EXECUTIVE PROFILES

DIRECTOR GENERAL

Mr Peter Conran AM

Mr Peter Conran commenced as Director General of the Department of the Premier and Cabinet on 28 November 2008. In this capacity he leads the Department, and the Western Australian public service more generally, in advising and serving the Premier and the Cabinet. Peter has over thirty years policy and leadership experience within the Western Australian, Northern Territory and Commonwealth Governments. His diverse positions have included Senior Advisor, Cabinet Secretary and Head of the Cabinet Policy Unit within the Office of the Prime Minister. Additionally, he has been Deputy Director General of this Department and Secretary of both the Department of the Chief Minister and the Attorney General's Department in the Northern Territory.



DEPUTY DIRECTOR GENERAL - COORDINATION, CABINET AND POLICY DIVISION

Mr David Smith

Mr Smith has been Deputy Director General – Coordination since August 2008. Prior to this he was a member of the corporate executive of the Department of Treasury and Finance, with responsibility for economic policy.

Mr Smith had been in the Treasury Department in a variety of positions for 12 years. Prior to this he gained over 20 years experience in the Commonwealth public service, including in the Department of the Prime Minister and Cabinet and an overseas posting with the Department of Foreign Affairs and Trade. He has also worked with a private economic consultancy in London.



DEPUTY DIRECTOR GENERAL – STRATEGIC ISSUES CABINET AND POLICY DIVISION

Mr Stephen Wood

Mr Wood commenced as Deputy Director General – Strategic Issues on 14 December 2009. Prior to this he was a Commissioner of the Western Australian Industrial Relations Commission for approximately 10 years. He was the Deputy Director General of the Department of Premier and Cabinet from 1997 to 1999; and the Chief Executive, Policy Office in the Department of Premier and Cabinet from 1995 to 1996. Mr Wood held a variety of positions in the State Department of Productivity and Labour Relations between 1988 and 1993. He has also worked in the Commonwealth Public Service for about nine years in the Department of Defence, the Public Service Board and Customs.



**ASSISTANT DIRECTOR GENERAL
STATE ADMINISTRATION AND CORPORATE
SUPPORT**

Mr Greg Moore

Mr Moore was appointed to the position of Assistant Director General, State Administration and Corporate Support in June 2007. Prior to this appointment, Mr Moore was the Director, State Administration in the State Administration and Corporate Support Division. Mr Moore has over 40 years experience in the public sector and prior to joining the Department of the Premier and Cabinet in 1987, held positions in the Public Service Commission, Office of Industrial Relations and the Department of Labour and Industry.



**DIRECTOR
STATE LAW PUBLISHER**

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 39 years public sector experience and occupied various positions in the Department of State Services and State Print.



**ASSISTANT DIRECTOR GENERAL
OFFICE OF STATE SECURITY AND EMERGENCY
COORDINATION**

Mr Geoff Hay

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.



**DIRECTOR
CONSTITUTIONAL CENTRE**

Ms Betty O'Rourke

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



OUR WORKING ENVIRONMENT

The Department's Workforce

As at 30 June 2010, the Department employed 459 people in either a full-time or part-time capacity. One hundred and sixty four of these employees worked in Ministerial Offices with the remainder located in the Department's Service areas and Corporate Support. DPC also provided administrative support to a further 284 full-time or part-time Electorate Office staff who are employed by the Presiding Officers of Parliament.

Employer of Choice

The Department wishes to be regarded as an "employer of choice" and looks to draw on the expertise available throughout the Western Australian public sector to develop new approaches to respond to the many challenges that the State will face over the coming years. DPC's staff and those in other agencies will be encouraged to be more innovative and creative in developing and implementing strategies to grow Western Australia for the community's benefit. This will involve temporary assignment of key public sector staff to high-level working groups within the Department focused on addressing particular issues.

Employment Opportunities

The Department recruits a broad spectrum of people ranging from high-level strategic policy specialists, senior project managers, experienced administrative managers and staff, to graduates and DPC's youngest employees – the school based trainees.

The Department employs permanent full-time and part-time staff, short and long-term contract staff and officers seconded to the Department from other Government agencies.

The graduate and trainee recruitment programs provide excellent opportunities for successful applicants to learn about, and work in a central agency at the heart of Government. In 2009/10, the Department recruited six graduates, four school-based trainees, and one indigenous trainee to undertake a full-time business traineeship.

Graduates are provided with opportunities to rotate through core parts of the organisation over a period of up to two years. They 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.



Past and present participants in the DPC Graduate Program at the farewell of the Program's former Coordinator, Mr Graham Stafford (10th from right) in June 2010

The Department provides work for two supported work teams of people with varying levels of disability. These teams undertake clerical/administrative work, such as filing or photocopying. They are supported by a coordinator who ensures tasks are completed in an efficient, timely and cost effective manner. This initiative has been highly successful with team members making a great contribution in the workplace.

The Department continues to explore strategies to improve equity and diversity by encouraging employment of people with disabilities, people from diverse backgrounds, youth (under 25) and indigenous Australians.

Flexible Work Arrangements

A healthy work and family lifestyle is very important to ensure staff are able to balance their responsibilities in both areas, while helping the Department to achieve its objectives.

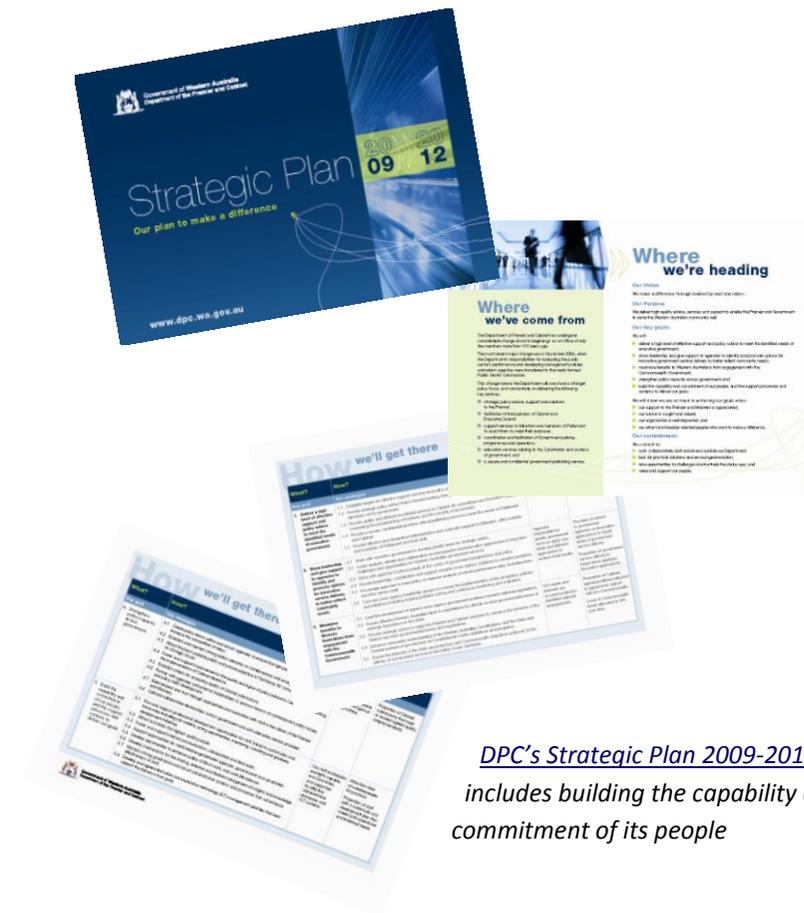
Flexitime, telecommuting, purchased leave and part-time arrangements enable staff to achieve a balance between their work and personal lives. The Department continues to look for innovative working arrangements that might be of benefit in this regard.

Employee Assistance Program

The Department provides a confidential counselling service to all employees and their immediate families. Professional counsellors are available to staff and their immediate families to offer support and guidance when they may be experiencing personal and/or work-related problems.

Support to the Community

During the year, staff participate in monthly “Free Dress Days” to raise funds for staff selected charitable organisations and causes. Workplace giving arrangements also allow employees to make personal donations from their salary to eligible charities and receive an immediate tax deduction.



DPC's Strategic Plan 2009-2012 includes building the capability and commitment of its people

ADMINISTERED LEGISLATION

The following is a list of the Acts of Parliament, which are the responsibility of the Premier and are administered by the Department.

Agent General Act 1895
Alteration of Statutory Designations Act 1974
Armorial Bearings Protection Act 1979
Census Act 1891
Constitution Act 1889
Constitution Acts Amendment Act 1899
Daylight Saving Act 2006
Deputy Governor's Powers Act 1911
Discharged Servicemen's Badges Act 1967
Election of Senators Act 1903
Fairbridge Farm School Act 1948
Friendly Societies' Association of Kalgoorlie Investment Validation Act 1919
Indian Ocean Territories (Administration of Laws) Act 1992
Machinery of Government (Miscellaneous Amendments) Act 2006
Members of Parliament (Financial Interests) Act 1992
Ministers' Titles Act 1925
Mutual Recognition (Western Australia) Act 2001
Parliamentary and Electorate Staff (Employment) Act 1992
Parliamentary Papers Act 1891
Parliamentary Privileges Act 1891
Returned Servicemen's Badges Act 1953
Royal Commission (Custody of Records) Act 1992
Royal Commission into Commercial Activities of Government Act 1992
Royal Commissions Act 1968
Royal Powers Act 1953

Royal Style and Titles Act 1947
Standard Time Act 2005
State Flag Act 2006
Taxation (Staff Arrangements) Act 1969
Terrorism (Commonwealth Powers) Act 2002
Trans-Tasman Mutual Recognition (Western Australia) Act 2007
Uniforms Act 1895

OTHER KEY LEGISLATION IMPACTING ON THE DEPARTMENT'S ACTIVITIES

Corruption and Crime Commission Act 2003
Disability Services Act 1993
Equal Opportunity Act 1984
Financial Management Act 2006
Freedom of Information Act 1992
Industrial Relations Act 1979
Minimum Conditions of Employment Act 1993
Occupational Safety and Health Act 1984
Parliamentary Commissioner Act 1971
Public and Bank Holidays Act 1972
Public Interest Disclosure Act 2003
Public Sector Management Act 1994
State Records Act 2000
State Supply Commission Act 1991
Workers Compensation and Injury Management Act 1981
Workers Compensation Reform Act 2004

STRATEGIC PLAN AND PERFORMANCE MANAGEMENT FRAMEWORK

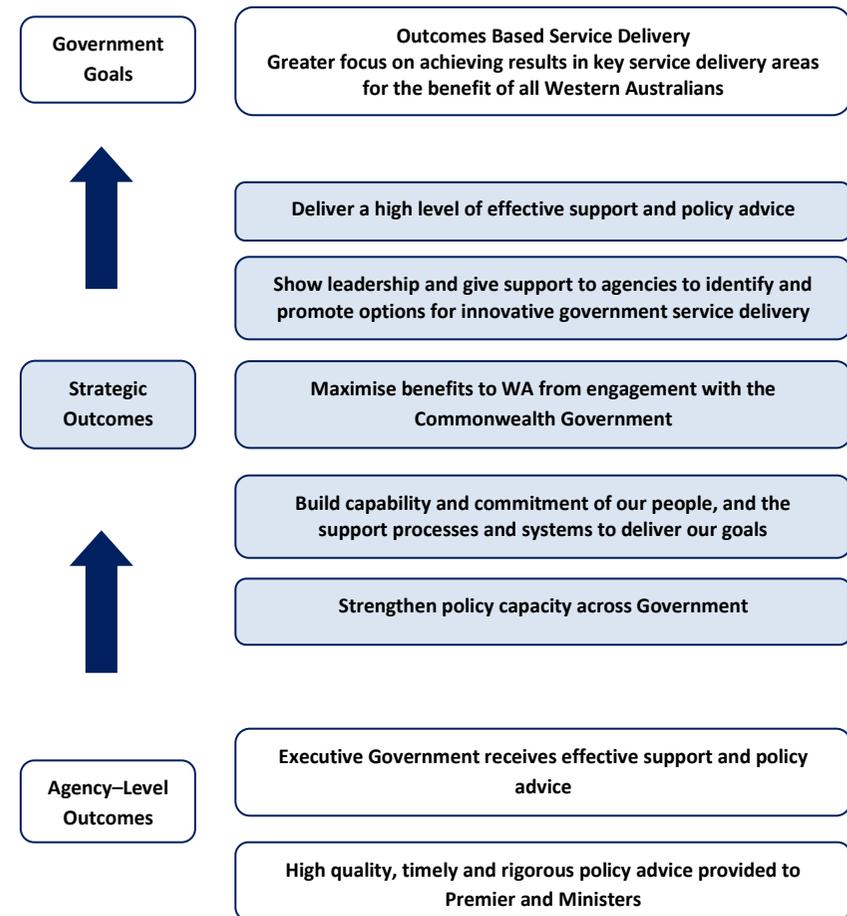
During 2009/10, the Department published the [Strategic Plan 2009-2012](#). This plan articulated a new vision “*We make a difference through leadership and innovation*” and purpose “*We deliver high quality advice, services and support to enable the Premier and Government to serve the Western Australian community well.*”

The goals set and the strategic outcomes (depicted in the adjacent figure) contribute to the Government Goal – *Outcomes Based Service Delivery: “greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.”*

To achieve these goals and outcomes, staff are working collaboratively both within and outside the Department, looking for practical solutions and encouraging innovation, as well as taking opportunities to constructively challenge the status quo. The Department is also committed to valuing and supporting its people.

New Outcome Based Management Structure

The new Outcome Based Management Structure and key performance indicators are closely linked to the purpose and goals in the strategic plan. The new structure has two agency-level outcomes replacing six in the old structure, and two services replacing eight in the old structure. The key effectiveness and key efficiency indicators have been chosen for their ability to demonstrate progress towards achievement of the Strategic Plan goals.



Relationship between agency-level outcomes, strategic outcomes and the Government Goals

PERFORMANCE MANAGEMENT FRAMEWORK

The two agency-level outcomes are:

1. Executive government receives appropriate support.
2. The Premier and Ministers receive high quality, rigorous and timely policy support.

These outcomes directly relate to the purpose and goals set out in the Strategic Plan, and the service structure to deliver these outcomes has been designed around the administrative and policy functions of the Department. In this regard, several functions previously delivered by separate services have been combined or reassigned to recognise a common service delivery focus.

The Department's activities also contribute to the Government goals; Financial and Economic Responsibility; Social and Environmental Responsibility; and State Building – Major Projects.

Service 1: Administration of Executive Government Services

This service delivers:

- administrative support to the Premier, Ministers, the Leader of the Opposition, the Executive Council and Members (and former Members) of Parliament;
- promotion of Western Australia's interests overseas; management of the State occasions, official visits and Constitutional Centre programs; and
- publishing services for Parliament and Government.

The key effectiveness and efficiency indicators report on the agency-level outcomes undertaken by this service.

Service 2: Government Policy Management

This service delivers:

- policy advice and coordination for the Premier and Cabinet;
- leadership and coordination of cross-agency solutions to complex policy issues;
- management and coordination of input and advice for intergovernmental negotiations with COAG and the Council for Australian Federation (CAF);
- support for Cabinet and Parliament processes;
- emergency management policy advice; and
- whole-of-government management and coordination of security incident and emergencies.

The key effectiveness and efficiency indicators report on the agency-level outcomes undertaken by this service.

Shared Responsibilities with Other Agencies

The Department contributes to a number of cross-agency initiatives, including:

Initiative	Related Outcome
<p>COAG Implementation and Monitoring</p> <p>Strategic framework comprising Directors' General Implementation and Monitoring Steering Committee; Cross-agency Secretariat Working Group; and agency-based implementation teams.</p>	<ul style="list-style-type: none"> ➤ Policy support and advice to ensure Western Australian priorities are progressed and best use is made of all available State and Commonwealth resources. ➤ Maximised opportunities to progress Western Australia's own policy and reform priorities. ➤ Monitoring of Western Australia's achievements against milestones and minimisation of onerous Commonwealth reporting requirements.
<p>Approvals</p>	<ul style="list-style-type: none"> ➤ Streamlining approvals processes, removal of administrative duplications, increased proponent satisfaction and legislative amendments in Western Australia. ➤ Engagement with relevant Commonwealth agencies.
<p>Indigenous</p>	<ul style="list-style-type: none"> ➤ A comprehensive cross-agency approach to improve service delivery to indigenous Western Australians at a local level. ➤ Coordination of high level policy development and across agency implementation plans across all levels of government to help 'close the gap on indigenous disadvantage' in areas such as health, education, employment, child safety, housing and early childhood.
<p>Ravensthorpe/Hopetoun</p>	<ul style="list-style-type: none"> ➤ Coordinated policy and service delivery to the Ravensthorpe and Hopetoun communities, to minimise the economic and social impacts of the closure of the BHP Billiton Ravensthorpe Nickel Operation.
<p>Economic Audit Committee Final Report - Implementation</p>	<ul style="list-style-type: none"> ➤ Leading and facilitating the implementation of recommendations from the Economic Audit Committee's Final Report, <i>Putting the Public First – Partnering with the Community and Business to Deliver Outcomes</i>.
<p>Support for CHOGM 2011</p>	<ul style="list-style-type: none"> ➤ Provision of security, health, traffic management and other services to assist the Commonwealth Government with the hosting of the CHOGM in 2011. ➤ To facilitate participation in the event by the Western Australian community and Western Australian businesses.

OUTCOMES, SERVICES AND PERFORMANCE INFORMATION

The details of actual results against targets established in the Department's Annual Resource Agreement with the Premier and the Treasurer are set out in the table below. Explanations of material variances are provided opposite. It should be noted that the 2009/10 target data has been derived by recasting historical data to recognise changes in the Department's outcome-based management structure and the transfer of the Office of Road Safety function to Main Roads Western Australia. Accordingly, the 2009/10 target reported is not fully comparable with 2009/10 actual data.

Financial Targets	2009/10 Target \$000	2009/10 Actual \$000	Variation \$000 ⁽¹⁾
Total cost of services (expense limit) (sourced from Income Statement)	101,963	114,733	12,770
Net cost of services (sourced from Income Statement)	99,120	109,960	10,840
Total equity (sourced from Statement of Financial Position)	24,219	16,703	(7,516)
Net increase/(decrease) in cash held (sourced from Cash Flow Statement)	(353)	(8,348)	(7,995)
	No.	No.	No.
Approved full time equivalent (FTE) staff level (average annual)	640 ⁽²⁾	648	8

⁽¹⁾ Further explanations are also contained in Note 33 'Explanatory Statement' to the Financial Statements.

⁽²⁾ Includes Electorate Office employees. DPC provides administrative support to Electorate Office staff who are employed by the Presiding Officers of Parliament. FTE is not comparable to headcount (actual) employee numbers stated elsewhere in this report.

Explanation of Significant Variances

Total Cost of Services

The increase in total cost of services between 2009/10 target and 2009/10 actual is increased operational expense for Member's Electorate Offices, the up-front expense of the 2010 target employment separation offer, and the payment of grants and other assistance related to the closure of the Ravensthorpe nickel mine.

Net Cost of Services

The increase in the net cost of services 2009/10 target and 2009/10 actual is increased operational expense for Member's Electorate Offices, the up-front expense of the 2010 target employment separation offer, and the payment of grants and other assistance related to the closure of the Ravensthorpe nickel mine, partially offset by increased recoveries received for seconded officers.

Total Equity

The decrease in total equity between 2009/10 target and 2009/10 actual is also attributable to the higher operational expense for Member's Electorate Offices and the payment of grants and other assistance related to the closure of the Ravensthorpe nickel mine.

Net Increase/(Decrease) in cash held

The decrease in cash between the 2009/10 target and 2009/10 actual is similarly attributable to the higher operational expense for Member's Electorate Offices, the payment of grants and other assistance related to the closure of the Ravensthorpe nickel mine and capital expense met from reserves.

Approved full time equivalent

The FTE reported is the average annual FTE. The variance is comprised of marginal FTE increases in both Service 1 and Service 2.

Key Effectiveness Indicators

With the exception of printing and publishing services, the indicators are new and in the absence of past period data, the 2009/10 target cannot be provided.

Outcome: Executive government receives appropriate support

		Target 2009/10	Actual 2009/10	Variation ⁽¹⁾
1.1	Targets for support services are met or exceeded	n/a	92%	
1.2	Service recipient's confirmation that services provided enable them to meet executive government's obligations	n/a	3.4 ⁽²⁾	
1.3	Printing and publishing services are secure, timely and confidential	100%	99.4%	(0.6%)

Outcome: The Premier and Ministers receive high quality, rigorous and timely policy advice

		Target 2009/10	Actual 2009/10	Variation ⁽¹⁾
2.1	Proportion of Cabinet Submissions meeting or exceeding defined quality standards	n/a	97%	
2.2	Proportion of signed national agreements reflecting Cabinet agreed positions	n/a	100%	
2.3	Level of Commonwealth recurrent core services funding allocated to Western Australia over time	n/a	54%	

Service: Administration of executive government services

Where reported, 2009/10 target data has been derived by recasting historical data to recognise changes in the Department's outcome-based management structure and the transfer of the Office of Road Safety function to Main Roads Western Australia. Accordingly, the 2009/10 target data is not fully comparable with 2009/10 actual data.

		Target 2009/10	Actual 2009/10	Variation ⁽¹⁾
1.4	Average operating cost per ministerial office (including Premier's Office and Leader of the Opposition)	\$2,111,921	2,150,927	\$39,006
1.5	Average cost of support provided per ministerial office (including Premier's Office and Leader of the Opposition)	\$535,063	\$548,685	\$13,622
1.6	Average cost of representing Western Australia's interests overseas (per region)	\$1,475,589	\$1,661,670	\$186,081
1.7	Average cost of entitlements per Member of Parliament	\$295,155	\$345,202	\$50,047
1.8	Average cost of support provided per Member of Parliament	\$20,035	\$17,770	(\$2,265)
1.9	Average cost per print image produced	\$0.34	\$0.36	\$0.02

Service: Government policy management

	Target 2009/10	Actual 2009/10	Variation (1)
2.4 Average cost per Cabinet submission assessed	n/a	\$19,403	
2.5 Average cost per agreement where Cabinet agreed positions are incorporated in final national agreements	n/a	\$153,032	

⁽¹⁾ Detailed explanations for variations between target and actual results are contained in notes in the Key Performance Indicator section commencing at page 65.

⁽²⁾ See explanatory note at page 67.

REPORT ON OPERATIONS – SERVICES

Service 1 Administration of Executive Government Services

Support to the Premier

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

Policy Officers advise the Premier on policy and related issues, and liaise with State Parliamentary members, Ministers and staff in the ministerial and overseas offices. Premier's Office staff are the contact and liaison points for matters directly involving the Premier, attend meetings with or on his behalf, and follow up matters arising from those meetings.

Promotion of Western Australia's Interests Overseas

The Premier has direct responsibility for three overseas offices. These offices are responsible for identifying opportunities for Western Australia, and monitoring business developments and activities that are likely to have an impact on Western Australia's overseas interests. They develop and implement strategies to identify, promote, and exploit opportunities in a range of areas, including inward investment, primary and secondary industry trade, skilled migration, tourism and education.

These offices are based in London to promote interests across Europe; Tokyo and Kobe to focus on North Asia; and Dubai to promote Western Australian interests in the Middle East.

The key achievements of the European Office in London included:

- supporting promotional opportunities, including G'Day UK, CEO Forum, and Offshore Europe 2009;
- promoting Western Australia as a destination for oil, gas and mineral investment, including assistance to Scottish Development International and the UK Industry Association, Energy Industries Council, and to a number of large delegations visiting Western Australia;
- assisting Western Australian and European companies with market information, coordination of visit programmes, accommodation and general advice, and promotion of Western Australia as an international conference venue;
- promoting Western Australian educational opportunities at events in 28 European cities; and
- providing presentations at 27 migration events and assistance provided to the Insurance Commission and Health Department in undertaking specialised skilled recruitment.

The key achievements of the North Asia office based in Tokyo and Kobe included:

- assisting the Western Australian mining and Liquefied Natural Gas (LNG) sectors, including business matching for iron ore producers and attraction of investment into the Western Australia LNG developments;

- promoting the State's development priorities, including Oakajee Port and Rail, the Ord and the Kimberley; Japanese investors and off-take contractors;
- business matching and support of a Western Australian delegation of food companies exhibiting at Foodex including sponsorship and management of a dedicated Western Australian products and industry capability display;
- enhancing the trilateral medical research agreement between the University of Western Australia, Kobe University and Zhejiang University in China by promoting research connections between the three institutions and encouraging annual consolidation conferences;
- lobbying the Japanese Government to allow protocols for Western Australian agricultural products including grapefruit, and lupins for feedstock;
- promoting the Western Australian education sector capacity and strengths, through a Japan focus group that disseminates information and attends education events and fairs on behalf of the sector; and
- business matching and market visits for more than 50 Western Australian small and medium enterprises, including across the fashion, biotechnology, viticulture, medical equipment and building materials industry sectors.

During 2009/10, the Western Australian Trade Office in Dubai focused its activities in Saudi Arabia, United Arab Emirates, Qatar, and Kuwait, and

extended its work to promote Western Australian interests in Pakistan. Its key activities included:

- supporting Western Australian companies to participate in the Middle East's Gulfood exhibition for the food and beverage industry;
- negotiating to host the next convention of International Business Linkages Forum in Perth in August 2010; and
- assisting Western Australian companies in mining, marine, oil and gas sectors.

It also promoted opportunities in the areas of construction and technology, health, art, tourism and education.

Support to Ministers, Policy Advice and Support to Ministerial Offices and the Leader of the Opposition

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

The Ministerial Merit Panel assesses the merits of any intended staff secondments and appointments to Ministerial Offices. It advises on the classification and salary to be offered to ensure a consistent approach to the appointment process across Ministerial Offices. The Ministerial Merit Panel considered 176 submissions during the year in both formal and out-of-session meetings.

Security

Arrangements for the assessment and monitoring of security measures in Ministers' offices and private residences were managed throughout the year.

The coordination of the internal security arrangements for Departmental staff located in the Governor Stirling Tower and other departmental accommodation continued.

Transport

Vehicle and Chauffeur services for the Premier, Ministers, the Leader of the Opposition, visiting overseas dignitaries and some Parliamentary Office Holders were provided. Administration was also provided for operational leasing facilities for the Public Sector Commission's and the Department's vehicles.

Support to the Executive Council

The services provided include:

- supporting the operation of the Executive Council, including 26 regular Executive Council meetings and nine extraordinary meetings at which 821 submissions were considered;
- facilitating reconstitutions of the Ministry on 17 November 2009 and 28 April 2010;
- arranging the appointment of Parliamentary Secretaries on 11 August 2009 and 28 April 2010; and
- coordinating the appointment of the Lieutenant-Governor of Western Australia.

Administration of Entitlements

During the year the Department provided support and assistance to Members of Parliament and their staff in the operation of Parliamentary Electorate Offices throughout the State. In particular, the Department provided advice in respect of travel, vehicle and other Members of Parliament entitlements.

Departmental staff were involved in accommodating new and existing Members and coordinating the establishment, relocation, and fit-out of 18 electorate offices following the 2008 State General Election and changes in membership of the Legislative Assembly and the Legislative Council.

Site visits were routinely conducted to liaise with Members and their staff to determine any general maintenance requirements and to organise furniture and equipment.

Management of State Occasions and Official Visits

The Department plans and coordinates official visits to the State, directs and arranges State hospitality functions and major Government ceremonial and special events. The Protocol staff also arrange official gifts for presentation by the Premier, provide protocol advice to the Government and the public. The Protocol Branch also provides a focal point for liaison with the Consular Corps.

State Visit Management

The Department was responsible for either leading or assisting Commonwealth departments in the arrangement for 24 visit programs during the year. Visits coordinated by DPC were:

- Ministerial level Visits (6);
- Visits by Ambassadors and High Commissioners (14);
- Visits by Consular Representatives (2); and
- Overseas visits by the Premier (2).

Significant visits included those by:

- His Excellency Mr Katsuya Okada, Minister for Foreign Affairs in the Government of Japan, 20-21 February 2010; and
- Her Excellency the Rt Hon Baroness Valerie Amos, High Commissioner of the United Kingdom, 8-13 February 2010.

Assistance was provided with arrangements for the Premier's official visits to China (19-26 July 2009) and the United States (7-18 April 2010).

Dignitary Protection

As part of its visit management role, close liaison was maintained with protective security agencies in relation to dignitary protection and the Department participated in the National Counter Terrorism Committee's Dignitary Protection Managers' Forum, held in Adelaide in November 2009.

Hospitality, Ceremonial and Special Event Management

A total of 30 hospitality, ceremonial, special events and calls on the Premier were arranged 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:

- the signing ceremony for the Gorgon Gas Project;
- arrangements for the reception at the Regional Parliament in Bunbury;
- the reception for the Indonesian Young Ambassadors program; and
- in partnership with University of Western Australia and Curtin University, the launch of the International Centre for Radio Astronomy Research.

Communication of Government Policies and Activities

On 1 January 2010 the former Government Media Office was abolished and the DPC Media Office was created to streamline decision-making and coordination of media and communications.

This restructuring included the relocation of the role and functions of the Director of Communication to the Premier's Office with responsibilities including: coordination and implementation of government messages and themes across portfolios; principal point of contact for media and communication related issues; approval of media alerts, events and statements; and providing advice on government advertising and promotional campaigns.

The DPC Media Office consists of the Media Monitoring Unit, the Administration/Sub Editing Unit and a Government Communications Unit. It is responsible for the coordination of all government advertising and marketing as well as the daily Media Monitoring Services for Ministers and many Government Agencies.

Community Access and Correspondence

A Community Access service was provided, enabling the public to convey their views to the Premier and Western Australian Government via telephone and email. Departmental officers responded to 2,446 telephone calls to the Community Comment 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 supported the Premier's correspondence needs preparing 7,373 items of correspondence for his approval over the year.

Printing and Publishing Service for Parliament and Government

State Law Publisher (SLP) processed all the working documents required for the operation of Parliament including Notice Papers, Hansard and the different versions of Parliamentary Bills as they progressed through the legislative process. Parliamentary requirements for the dissemination of some documents electronically and placement of 'tabled documents' into their electronic database were met.

As the Government's 'official publisher' the SLP published 'under authority' of the Government Printer all State legislation and other statutory publications. Copies of these publications are available through a retail sales outlet, while an online service at <http://www.slp.wa.gov.au/> is also provided to enable users to access databases of various legislation materials. On-line archival databases provide access to previous versions of legislation and past copies of Government Gazettes.



*Mr Peter Telford and Mr Marinko Novak
working in the State Law Publisher*

Electronic Uptake of the Government Gazette

Scanning and take-up of previously published copies of the Western Australian Government Gazette continued with a further 65,000 pages being scanned and converted to electronic format.

The database now provides free access to text searchable PDF copies of all Government Gazettes published since 1947.

While poor copy quality of older Government Gazettes has slowed progress, this project will be continued as resources allow until all Gazettes have been scanned.

Electronic Uptake of Reprints

During the year the Parliamentary Counsel's Office, with SLP assistance, scanned all previous versions of reprinted Acts for every Western Australian Act currently in-force.

This part of the database will provide users with access to the text of all official reprints of current Acts in a searchable PDF format. The database will be housed with current Western Australian legislation databases on the SLP website, with access provided free of charge.

Reprints Program

The joint reprints program in conjunction with the Parliamentary Counsel's Office continued with 128 titles of legislation consolidated and reprinted for the financial year.

Titles that have extensive amendments were fast tracked through the reprint process, particularly those in high demand. The benefit is that the volume and cost of titles is reduced significantly, with legislation becoming more "user friendly" as all amendments are consolidated.

Management of Exhibitions and Programs at the Constitutional Centre

The Constitutional Centre, unique in Australia, is responsible for helping to educate the community on the Western Australian and Commonwealth Constitutions, and the Federal system of government.

School Education Programs

In addition to the programs conducted in the metropolitan area, the Centre continues to take programs to regional areas of the State with Education Officers visiting areas of the State not covered by current regional staffing. Programs are targeted to primary and secondary students and include free civics education and teacher resources. Since the Centre opened in October 1997 around 65,000 country students and 200,000 metropolitan students have participated in these programs.

Three new programs — *Inside the Constitution, Rules and Laws, and The Role of the Senate* — were developed and delivered. Materials and programs for remote and regional schools continued to be distributed on a loan basis throughout the State.

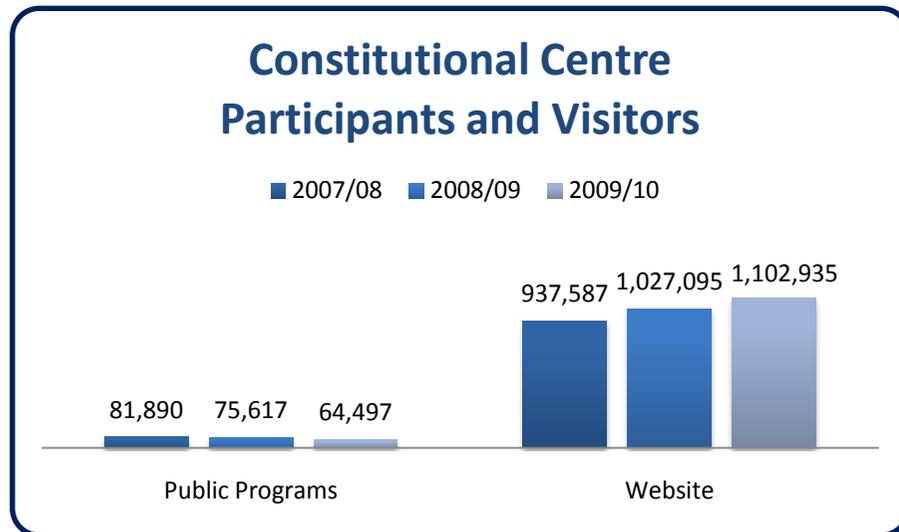
Public Programs

During the year the Centre hosted public forums and debates including a forum reflecting on the early themes, doctrines and cases of the High Court under Chief Justice French, *The French Court: Some Early Glimmerings*, held in conjunction with the University of Western Australia and the Australian Association for Constitutional Law.

The Centre also hosted *Behind the Lines*, an exhibition from the National Museum of Australia, exhibiting the year's best political cartoons from 2009, and the Mature Adults Learning Association that conducted two 10-week seasons of adult education at the Constitutional Centre.

Website

Traffic on the Constitutional Centre website continues to increase as schools use it as a key teaching resource for civics education programs. In 2009/10, over one million pages of information were downloaded, an increase of around five per cent on the previous year.



Note: Public attendance has declined due to no longer having a presence at the Royal Show

Other Areas of Responsibility

The Constitutional Centre is also responsible for maintenance of the ANZAC Website and War Memorial Register - the website www.anzac.dpc.wa.gov.au contains the Western Australian 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 2
Government Policy Management**

Leadership, coordination and support of cross-agency solutions to complex problems

The Cabinet and Policy Division (CAPD) supported the Government’s focus on development and infrastructure projects, including the Gorgon Gas project, Oakajee port and rail, the Kimberley Browse LNG precinct, the Northbridge Link and Perth foreshore redevelopment through streamlined and simplified approvals processes.

During 2009/10 the Department formulated and coordinated cross-portfolio strategic advice to the Ministerial Taskforce on Approvals, Development and Sustainability (the Ministerial Taskforce) on implementing approval reforms and issues relating to environmental, native title and heritage approvals.

Initiatives for the Ministerial Taskforce to improve land and housing availability and infrastructure provision to support resource projects and development in the Perth Metropolitan area and in regional centres were also identified.

CAPD staff contributed to the Economic Audit Committee’s Final Report, *Putting the Public First: Partnering with the Community and Business to Deliver Outcomes*, released by the Government in December 2009. The Report sets out a vision for the public sector that places the needs of citizens at the centre of decision making and ensures that taxpayers’ money is spent in ways that maximise value for the community.

- the Economic Audit Committee's recommendations relating to the role of the community sector in the delivery of human services are of priority to the Department.

The Department provided strategic support for the expansion of the Independent Public Schools initiative. Independent Public Schools, while remaining part of the public schools system, have the ability to make decisions about their own curriculum, staffing selection, schools assets and budget. A second intake of schools announced in July 2010 will build on the success of the initiative in 2009/10.

Work was also undertaken with the Public Sector Commission to implement the Government's review of boards and committees resulting in a reduction in the number of these bodies and new arrangements put in place for ongoing management.

Managing and coordinating Western Australian Government engagement with the Commonwealth Government

CAPD staff provided support to the Premier and Treasurer for three COAG and the two CAF meetings held in 2009/10. Outcomes from these meetings included the signing of new National Partnership agreements and agreement to 42 implementation plans (68 initiatives).

The Department provided advice on Western Australia's decision not to support the COAG agreement in April 2010 on health reform. Negotiations with the Commonwealth propose that the scope of the reforms include a focus on financing of public hospitals reform, primary health care reform, governance and workforce.

Other achievements during 2009/10 in managing the engagements with the Commonwealth Government include:

- coordination of Western Australia's implementation of COAG agreements through State agencies and providing the formal point of contact for the State's responses to the COAG Reform Council. This included coordinating State input and comment on the seven reports published by the Council in 2009/10;
- support to line agencies in promoting Western Australia as a centre for Defence industry development, Defence servicing and an operational hub. The Department facilitated the Defence Consultative Forum to further strengthen the relationship between Defence and Western Australian Government agencies;
- establishment of the telepresence facility (shown below) to provide a secure video conferencing system to assist Ministers and public servants to participate in intergovernmental forums. Benefits include cost saving, reduced travel time and lower greenhouse emissions. The facility became operational on 30 June 2010; and



DPC's Telepresence Facility

- coordination of the State's input into Commonwealth consultation on international instruments including United Nations' treaties and Free Trade agreements.

Support for the functions of Cabinet and Parliament

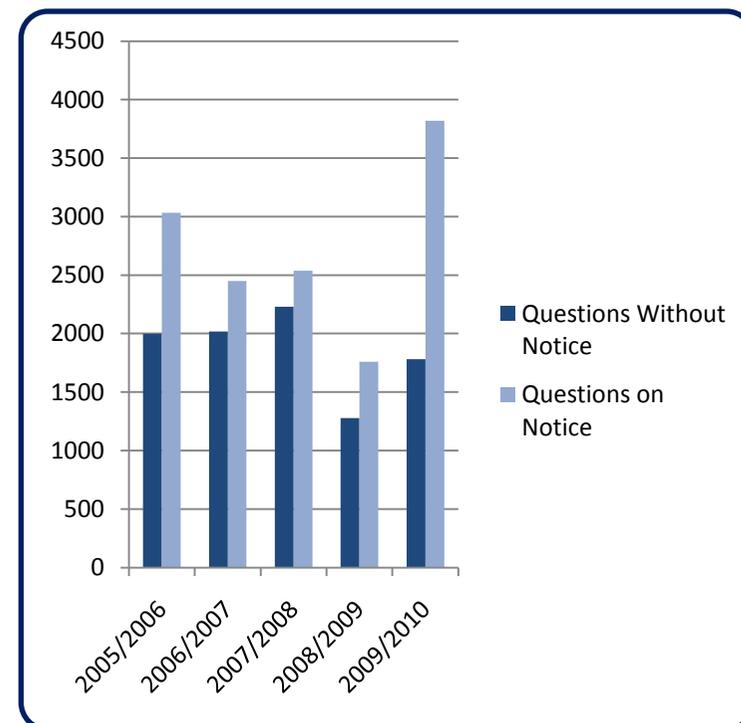
The Cabinet Secretariat staff provided procedural, operational and other services to Cabinet, including:

- programming of Cabinet business and setting of agendas;
- monitoring of submissions presented to Cabinet to ensure that they conform with the guidelines set down in the Cabinet Handbook;
- ensuring that Cabinet members have 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; and
- administrative support to the Economic and Expenditure Reform Cabinet Sub-Committee.

The Cabinet Secretariat supported 48 Cabinet meetings, including regional meetings in Geraldton and Bunbury. Cabinet considered a total of 860 submissions. Support was also provided to the Government's legislative program (including secretariat support for the Legislation Standing Committee and Cabinet).

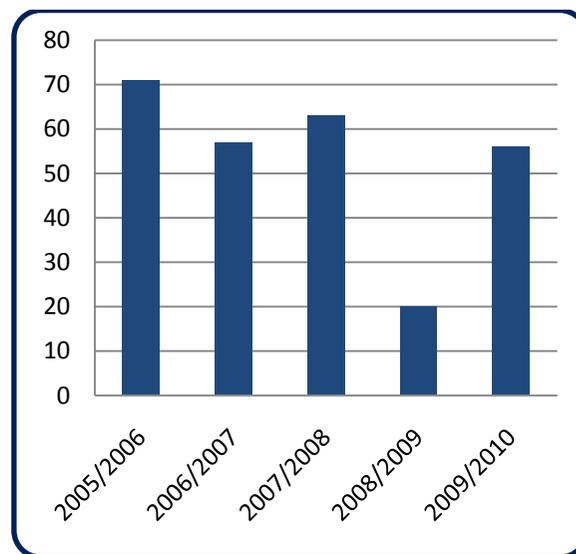
The Cabinet Secretariat managed the parliamentary questions database, coordinating responses to 3,820 Parliamentary Questions on Notice and 1,782 Parliamentary Questions Without Notice.

Parliamentary Questions: Volume 2005-2010



The 2009 Spring sittings of the Thirty-Eighth Parliament commenced on 11 August 2009 and the 2010 Autumn sittings concluded on 1 July 2010. 56 Government Bills were passed during the year.

Government Bills Passed: 2005 - 2010



Emergency management policy advice, and management and coordination of significant security incidents and emergencies

The Office of State Security and Emergency Coordination, through its representation on the State Emergency Management Committee, COAG Sub-Committees, the National Counter-Terrorism Committee, the National Emergency Management Committee and related working groups provided advice and support to the Premier on security planning and emergency management in Western Australia.

Significant activities over the past 12 months include:

Human Influenza Pandemic Planning

Following the outbreak of Pandemic Influenza (H1N1) 2009 and the declaration of a pandemic in Australia, the Office supported national strategic decision-making and response activity through participation in the National Pandemic Emergency Committee and coordinated whole of government communications in support of the Western Australian Department of Health. Subsequently, the Office participated in a review of the National Action Plan and, as a consequence, is undertaking an examination of the State arrangements.

Counter-Terrorism

The Office continued to work in partnership with Western Australia Police to ensure that the State met its obligations under national counter terrorism arrangements. Six exercises and training development opportunities were conducted involving police and other emergency services agencies.

Bushfire Review

The Office is supporting an independent review into the Department of Environment and Conservation's capability to manage major fires in

keeping with a recommendation made by the Coroner following the inquest into the 2007 Boorabbin fire.

Toodyay Bushfire Recovery

Following the Toodyay bushfire in December 2009, the Government provided “immediate needs” assistance to affected households. The Office liaised with the Shire of Toodyay to effect disbursement of the *Toodyay Bush Fire Relief Payment* to eligible residents.

The Office also consulted with the Shire regarding the establishment of a local recovery committee and recovery activities following the fire, and was represented on the Local Recovery Committee’s Financial Sub-Committee established to make recommendations regarding the distribution of money donated to the various Toodyay bush fire appeals.

2011 Commonwealth Heads of Government Meeting

The Australian Government will host the next CHOGM in Perth from 28-30 October 2011. The event comprises a series of discussions and forums culminating in a meeting of Heads of Government from the 54 Commonwealth member nations.

While responsibility for hosting CHOGM rests with the Australian Government, the Western Australian Government will play a major supporting role in providing services and managing some CHOGM-related activities. The Office of State Security and Emergency Coordination will support the CHOGM State Director in coordinating the Department’s oversight of the State’s involvement in the event and facilitate interaction between the Commonwealth and Western Australian Governments and their agencies.

The Western Australian CHOGM Steering Committee was established to consider how best to achieve Western Australia’s CHOGM objectives, including funding support for a program of works that will promote the State and help the Western Australian community and Western Australian businesses to participate in CHOGM 2011 activities.

SIGNIFICANT ISSUES – 2010/11

- As Western Australia enters a new period of growth, driven by both public and private major development projects, the Department will further assist the current approvals reform program by developing substantial longer term reforms to integrate approvals processes for major infrastructure projects.
- Over the coming year, the Department will continue to work in partnership with other Government agencies, the community sector and private enterprise to progress a number of initiatives identified in the report of the Economic Audit Committee.
- In order to achieve better outcomes for the community, it is anticipated that there will be a progressive shift in the delivery of some services away from Government agencies to the community sector. The Department will play a key role in implementing initiatives aimed at enhancing the community sector's capacity to deliver these services as efficiently and effectively as possible. These initiatives include:
 - the establishment of a Community Sector Partnership Forum;
 - reducing the regulatory burden imposed on community sector organisations;
 - a grants scheme to promote new and better ways of delivering human services; and
 - a low interest loans scheme to assist community sector organisations to build their asset bases.
- Western Australia's capacity to support the future population needs arising from major resource projects is constrained. A Ministerial Taskforce is identifying initiatives to improve land and housing availability and infrastructure provision to support resource and develop projects in both regional and Perth Metropolitan areas. The Department assists the Ministerial Taskforce by leading the formulation and coordination of cross-portfolio strategic advice.
- While the Government will continue to hold a disciplined fiscal line and drive economic growth, it will increasingly focus on social and environmental policy. The Department will assist with the implementation of initiatives to improve community safety, transform mental health services, improve water quality in the Swan and Canning Rivers, and commence work on a new children's hospital. The successful implementation of these objectives will require strategic coordination across government and community-based agencies.
- Independent Public Schools, while remaining part of the public schools system, have the ability to make decisions about their own curriculum, staffing selection, school assets and budget. A second intake of schools will build on the success of the initiative to date. The Department will continue to provide strategic support for the expansion of the Independent Public Schools initiative.
- With the increasing number of unauthorised boat arrivals, issues relating to minors and the Immigration Detention Centre on Christmas Island require the Department to support Government in its negotiations with the Commonwealth, particularly in respect of

Western Australia's provision of education services, child protection and the potential demand for new services.

- Western Australia is increasingly expanding its Defence industry capability. The Department will continue to support line agencies in promoting Western Australia as a centre for Defence industry development, Defence servicing and an operational hub.
- The Western Australian Government will to play a major role in providing services and managing some CHOGM-related activities. The Department will oversee Western Australia's involvement in the event and arrangements are in place to facilitate the coordination required between Commonwealth and State committees and agencies.
- Promoting and protecting Western Australia's interests within the Federation will continue to be a focus for the State Government, including in forums such as the COAG. The Department will have a major role in advising and supporting the Premier and Cabinet in these activities.

DISCLOSURES AND LEGAL COMPLIANCE

Opinion of the Auditor General



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 2010

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 Statement of Financial Position as at 30 June 2010, and the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, Schedule of Income and Expenses by Service, Schedule of Assets and Liabilities 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.

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 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. This document is available on the OAG website under "How We Audit".

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 2010

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 2010 and its financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards 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 2010.


COLIN MURPHY
AUDITOR GENERAL
25 August 2010

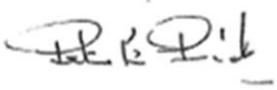
FINANCIAL STATEMENTS

CERTIFICATION OF FINANCIAL STATEMENTS

For the year ended 30 June 2010

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 ending 30 June 2010 and the financial position as at 30 June 2010.

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.



Peter E Pride

CHIEF FINANCE OFFICER

02 August 2010



Peter Conran

ACCOUNTABLE AUTHORITY

02 August 2010

DEPARTMENT OF THE PREMIER AND CABINET
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2010

	Note	2010 \$000	2009 \$000
COST OF SERVICES			
Expenses			
Employee benefits expense	6	62,502	67,993
Supplies and services	7	24,201	38,607
Depreciation and amortisation expense	8	2,176	2,305
Accommodation expenses	9	18,527	18,082
Grants and subsidies	10	6,611	24,494
Loss on disposal of non-current assets	13	180	150
Loss on foreign exchange		465	-
Other expenses	11	71	272
Total cost of services		114,733	151,903
Income			
Revenue			
User charges and fees	12	3,185	8,936
Regulatory fines		-	13,386
Sales		1,182	1,232
Commonwealth grants and contributions		406	331
Interest revenue		-	600
Total Revenue		4,773	24,485
Gains			
Gain on foreign exchange		-	296
		-	296
Total income other than income from State Government		4,773	24,781

DEPARTMENT OF THE PREMIER AND CABINET
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2010

	Note	2010 \$000	2009 \$000
NET COST OF SERVICES		109,960	127,122
INCOME FROM STATE GOVERNMENT			
Service appropriation		99,414	120,244
Resources received free of charge		1,499	1,200
Total income from State Government	14	100,913	121,444
SURPLUS/(DEFICIT) FOR THE PERIOD		(9,047)	(5,678)
OTHER COMPREHENSIVE INCOME			
Gain/(Losses) on foreign exchange recognised directly in equity		(229)	2,453
Total other comprehensive income		(229)	2,453
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(9,276)	(3,225)

Refer to the 'Schedule of Income and Expenses by Service'.

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

DEPARTMENT OF THE PREMIER AND CABINET
STATEMENT OF FINANCIAL POSITION
for the year ended 30 June 2010

	Note	2010 \$000	2009 \$000
ASSETS			
Current Assets			
Cash and cash equivalents	26	3,903	10,376
Restricted cash and cash equivalents	15	-	2,154
Inventories	16	88	102
Receivables	17	1,582	5,458
Amounts receivable for services	18	5,313	4,383
Other Assets	28	572	3,325
Total Current Assets		<u>11,458</u>	<u>25,798</u>
Non-Current Assets			
Restricted cash and cash equivalents	15	985	799
Amounts receivable for services	18	14,504	14,491
Property, plant and equipment	19	5,547	6,082
Intangible assets	20	-	2
Total Non-Current Assets		<u>21,036</u>	<u>21,374</u>
TOTAL ASSETS		<u>32,494</u>	<u>47,172</u>
LIABILITIES			
Current Liabilities			
Payables	22	3,446	13,536
Provisions	23	10,179	8,852
Other current liabilities	24	8	8
Total Current Liabilities		<u>13,633</u>	<u>22,396</u>
Non-Current Liabilities			
Provisions	23	2,158	3,022
Total Non-Current Liabilities		<u>2,158</u>	<u>3,022</u>

DEPARTMENT OF THE PREMIER AND CABINET
STATEMENT OF FINANCIAL POSITION
for the year ended 30 June 2010

	Note	2010 \$000	2009 \$000
Total Liabilities		15,791	25,418
Net Assets		16,703	21,754
Equity	25		
Contributed Equity		4,225	-
Hedging Reserve		(1,558)	(1,329)
Accumulated surplus/(deficiency)		14,036	23,083
Total Equity		16,703	21,754

Refer to the 'Schedule of Assets and Liabilities by Service'.

The Statement of Financial Position 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 2010

	Note	Contributed Equity	Reserves	Accumulated Surplus/ (deficit)	Total Equity
Balance at 1 July 2008		236	(3,782)	30,230	26,684
Changes in Accounting policy or correction of prior period errors					
Restated balance at 1 July 2008	25	236	(3,782)	30,230	26,684
Total comprehensive income for the year			2,453	(5,678)	(3,225)
Transactions with owners in their capacity as owners:					-
Capital appropriations		-			-
Transfer of accumulated surplus		1,469		(1,469)	-
Other contributions by owners		-			-
Distributions to owners		(1,705)			(1,705)
Total		(236)	2,453	(7,147)	(4,930)
Balance at 30 June 2009		-	(1,329)	23,083	21,754
Balance at 1 July 2009					
Total comprehensive income for the year			(229)	(9,047)	(9,276)
Transactions with owners in their capacity as owners:					-
Capital appropriations					-
Other contributions by owners		2,000			2,000
Distributions to owners		2,225	-		2,225
Changes in Accounting policy or correction of prior period errors		-	-	-	-
Total		4,225	(229)	(9,047)	(5,051)
Balance at 30 June 2010		4,225	(1,558)	14,036	16,703

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

DEPARTMENT OF THE PREMIER AND CABINET
STATEMENT OF CASH FLOWS
for the year ended 30 June 2010

	2010	2009
Note	\$000	\$000
CASH FLOWS FROM STATE GOVERNMENT		
Service appropriation	94,973	115,317
Holding account drawdowns	3,481	3,139
Capital contributions	-	-
Non-retained revenue distributed to owners	(533)	(2,311)
Net cash provided by State Government	97,921	116,145
Utilised as follows:		
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments		
Employee benefits	(61,755)	(70,109)
Supplies and services	(22,589)	(37,210)
Accommodation	(18,300)	(18,219)
Grants and subsidies	(6,453)	(26,330)
GST payments on purchases	(4,907)	(7,558)
GST payments to taxation authority	(814)	(952)
Receipts		
User charges and fees	1,961	6,870
Regulatory fines	-	13,387
Sales of goods and services	2,353	1,357
Commonwealth grants and contributions	325	455
Interest received	-	786
GST receipts on sales	776	1,023
GST receipts from taxation authority	5,895	7,243
Net cash provided by/(used in) operating activities	26 (103,508)	(129,257)

DEPARTMENT OF THE PREMIER AND CABINET
STATEMENT OF CASH FLOWS
for the year ended 30 June 2010

	2010	2009
Note	\$000	\$000
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from the sale of non-current physical assets	98	3
Purchase of non-current physical assets	(2,859)	(1,550)
Net cash provided by/(used in) investing activities	<u>(2,761)</u>	<u>(1,547)</u>
Net increase/(decrease) in cash and cash equivalents	(8,348)	(14,659)
Cash and cash equivalents at the beginning of period	13,329	27,875
Effects of exchange rate changes on cash balances held in foreign currency	(93)	113
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	<u>26</u>	<u>4,888</u>
		<u>13,329</u>

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

DEPARTMENT OF THE PREMIER AND CABINET
STATEMENT OF INCOME AND EXPENSES BY SERVICES
for the year ended 30 June 2010

	Administration of Executive Government Services	Government Policy Management	Public Sector Management	Road Safety	e-Government	Total
COST OF SERVICES	2010	2010	2010	2010	2010	2010
	\$000	\$000	\$000	\$000	\$000	\$000
Expenses						
Employee benefits expense	53,379	9,123	-	-	-	62,502
Supplies and services	22,047	2,154	-	-	-	24,201
Depreciation and amortisation expense	1,855	321	-	-	-	2,176
Accommodation expenses	16,751	1,776	-	-	-	18,527
Grants and subsidies	1,697	4,914	-	-	-	6,611
Loss on disposal of non-current assets	180	-	-	-	-	180
Loss on foreign exchange	465	-	-	-	-	465
Other expenses	65	6	-	-	-	71
Total cost of services	96,439	18,294	-	-	-	114,733
Income						
User charges and fees	2,524	661	-	-	-	3,185
Regulatory fines	-	-	-	-	-	-
Sales	1,182	-	-	-	-	1,182
Commonwealth grants and contributions	-	406	-	-	-	406
Interest revenue	-	-	-	-	-	-
Total income other than income from State Government	3,706	1,067	-	-	-	4,773
NET COST OF SERVICES	92,733	17,227	-	-	-	109,960
INCOME FROM STATE GOVERNMENT						
Service appropriation	83,498	15,916	-	-	-	99,414
Resources received free of charge	1,426	73	-	-	-	1,499
Total income from State Government	84,924	15,989	-	-	-	100,913
Surplus/(deficit) for the period	(7,809)	(1,238)	-	-	-	(9,047)

STATEMENT OF INCOME AND EXPENSES BY SERVICES
for the year ended 30 June 2010

	Administration Government Services	Government Management	Public Sector Management	Road Safety	e-Government	Total
COST OF SERVICES	2009	2009	2009	2009	2009	2009
	\$000	\$000	\$000	\$000	\$000	\$000
Expenses						
Employee benefits expense	54,838	7,122	2,712	2,315	1,006	67,993
Supplies and services	25,787	1,672	1,666	9,196	286	38,607
Depreciation and amortisation expense	1,891	344	37	30	3	2,305
Accommodation expenses	15,486	1,778	304	281	233	18,082
Grants and subsidies	2,368	629	8	21,484	5	24,494
Loss on disposal of non-current assets	122	28	-	-	-	150
Other expenses	217	28	13	9	5	272
Total cost of services	100,709	11,601	4,740	33,315	1,538	151,903
Income						
User charges and fees	1,697	233	385	6,556	65	8,936
Regulatory fines	-	-	-	13,386	0	13,386
Sales	1,232	-	-	-	-	1,232
Commonwealth grants and contributions	10	321	-	-	-	331
Interest revenue	160	14	-	426	-	600
Gain on foreign exchange	296	-	-	-	-	296
Total income other than income from State Government	3,395	568	385	20,368	65	24,781
NET COST OF SERVICES	97,314	11,033	4,355	12,947	1,473	127,122
INCOME FROM STATE GOVERNMENT						
Service appropriation	97,871	11,416	4,963	4,244	1,750	120,244
Resources received free of charge	1,096	52	27	19	6	1,200
Total income from State Government	98,967	11,468	4,990	4,263	1,756	121,444
Surplus/(deficit) for the period	1,653	435	635	(8,684)	283	(5,678)

DEPARTMENT OF THE PREMIER AND CABINET
SCHEDULE OF ASSETS AND LIABILITIES BY SERVICE
for the year ended 30 June 2010

	Administration of Executive Government Services	Government Policy Management	Public Sector Management	e-Government	Road Safety	Total
	2010 \$000	2010 \$000	2010 \$000	2010 \$000	2010 \$000	2010 \$000
ASSETS						
Current assets	10,561	897	-	-	-	11,458
Non-current assets	17,935	3,101	-	-	-	21,036
Total assets	28,496	3,998	-	-	-	32,494
LIABILITIES						
Current liabilities	11,171	2,463	-	-	-	13,634
Total non-current liabilities	1,733	424	-	-	-	2,157
Total Liabilities	12,904	2,887	-	-	-	15,791
NET ASSETS	15,592	1,111	-	-	-	16,703
	2009 \$000	2009 \$000	2009 \$000	2009 \$000	2009 \$000	2009 \$000
ASSETS						
Current assets	12,410	1,056	241	-	12,091	25,798
Non-current assets	18,018	3,224	33	17	82	21,374
Total assets	30,428	4,280	274	17	12,173	47,172
LIABILITIES						
Current liabilities	11,532	2,036	126	45	8,657	22,396
Total non-current liabilities	2,400	485	-	-	137	3,022
Total Liabilities	13,932	2,521	126	45	8,794	25,418
NET ASSETS	16,496	1,759	148	(28)	3,379	21,754

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

Note: There is no allocation to Road Safety, Public Sector Management, and e-Government as the services was transferred out at 30 June 2009.

DEPARTMENT OF THE PREMIER AND CABINET
SUMMARY OF CONSOLIDATED ACCOUNT APPROPRIATIONS AND INCOME ESTIMATES
for the year ended 30 June 2010

	2010 ESTIMATE \$000	2010 ACTUAL \$000	VARIANCE \$000	2010 ACTUAL \$000	2009 ACTUAL \$000	VARIANCE \$000
DELIVERY OF SERVICES						
Item 5 Net amount appropriated to deliver services Section 25 Transfer of service appropriation ^(a)	95,881	97,621	(1,740)	97,621	130,517 (11,999)	(32,896) 11,999
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	1,793	1,793	-	1,793	1,726	67
Total appropriations provided to deliver services	97,674	99,414	(1,740)	99,414	120,244	(20,830)
CAPITAL						
Item 124 Capital Contribution	-	-	-	-	-	-
GRAND TOTAL	97,674	99,414	(1,740)	99,414	120,244	(20,830)
Details of Expenses by Service						
Administration of Executive Government Services	88,141	96,439	(8,298)	96,439	100,709	(4,270)
Government Policy Management	13,557	18,294	(4,737)	18,294	11,601	6,693
Support for the Premier as Minister for Public Sector Management	-	-	-	-	4,740	(4,740)
Road Safety	-	-	-	-	33,315	(33,315)
E-Government	-	-	-	-	1,538	(1,538)
Total Cost of Services	101,698	114,733	(13,035)	114,733	151,903	(37,170)
Less total income	(3,317)	(4,773)	1,456	(4,773)	(24,781)	20,008
Net Cost of Services	98,381	109,960	(11,579)	109,960	127,122	(17,162)
Adjustments	(707)	(10,546)	9,839	(10,546)	(6,878)	(3,668)
Total appropriations provided to deliver services	97,674	99,414	(1,740)	99,414	120,244	(20,830)

DEPARTMENT OF THE PREMIER AND CABINET
SUMMARY OF CONSOLIDATED ACCOUNT APPROPRIATIONS AND INCOME ESTIMATES
for the year ended 30 June 2010

	2010 ESTIMATE \$000	2010 ACTUAL \$000	VARIANCE \$000	2010 ACTUAL \$000	2009 ACTUAL \$000	VARIANCE \$000
Capital Expenditure						
Purchase of non-current physical assets	1,992	2,859	(867)	2,859	1,550	1,309
Adjustment for other funding sources	(1,992)	(2,859)	867	(2,859)	(1,550)	(1,309)
Capital Contribution (appropriation)	-	-	-	-	-	-

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 2010 and between the actual results for 2009 and 2010.

- (a) AASB 1004.57 requires that where activities are transferred from one government agency to another government agency as a result of a restructure of administrative arrangements, the transferee government agency must disclose in the notes to the financial statements the expenses and revenues attributable to the transferred activities for the reporting period, showing separately those expenses and revenues recognised by the transferor government agency during the reporting period.

DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO FINANCIAL STATEMENTS
for the year ended 30 June 2010

1 Australian Accounting Standards

General

The Department's financial statements for the year ended 30 June 2010 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' refers to Standards and Interpretations issued by the Australian Accounting Standard Board (AASB).

The Department has adopted any applicable, new and revised Australian Accounting Standards from their operative dates.

Early adoption of standards

The Department cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 Application of Australian Accounting Standards and Other Pronouncements. No Australian Accounting Standards that have been issued or amended but not operative have been early adopted by the Department for the annual reporting period ended 30 June 2010.

2 Summary of significant accounting policies

(a) General Statement

The financial statements constitute general purpose financial statements that have 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 2006* 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.

(b) Basis of Preparation

The financial statements have been prepared 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.

Mission

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

Services

The Department provides the following services:

Service 1: Administration of Executive Government Services.

Service 2: Government Policy Management.

(d) Contributed Equity

AASB Interpretations 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities' requires transfers, other than as a result of a restructure of administrative arrangements, 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, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal. See note 25 "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.

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 Treasury. See note 14 "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 2009-2010 Budget Statements, the Department retained \$11.292 million in 2010 (\$13.159 million in 2009) 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.

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.

Depreciation

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner that 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.
- Plant and equipment.
- Computer hardware.
- Office establishment.

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.

(g) 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.

(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-based 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 21 'Impairment of assets' for the outcome of impairment reviews and testing.

See note 2(o) 'Receivables' and note 17 '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

In addition to cash, the Department has two categories of financial instrument:

Financial Assets

- Cash and cash equivalents.
- Restricted cash and cash equivalents.
- Receivable for services.
- Amount Receivable for services.

Financial Liabilities

- Payables.
- Other liabilities.

Initial recognition and measurement of financial instrument is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest applicable and subsequent measure is not required as the effect of discounting is not material.

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.

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 and highly probable forecast transactions are accounted for as cash flow hedges. At the inception of the hedge relationship the Department 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.

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.

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 25.

(k) Cash and Cash Equivalents

For the purpose of the Cash Flow Statement, cash and cash equivalent includes restricted cash and cash equivalents. These are comprised of cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

(l) Accrued Salaries

The accrued salaries suspense account (see note 15 'Restricted cash and cash equivalents') consists of amounts paid annually into a suspense account over a period of 10 financial years

to largely meet the additional cash outflow in each eleventh year when 27 pay days occur instead of the normal 26. No interest is received on this account.

Accrued salaries (refer note 22 "Payables") represent the amount due to staff but unpaid at the end of the financial year, as the pay date for the last pay period for that financial year does not coincide with the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. The Department considers the carrying amount of accrued salaries to be equivalent to its net fair value.

(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 14 'Income from State Government' and note 18 'Amounts receivable for services'.

(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 16 'Inventories'.

(o) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for uncollectible amounts (i.e. impairment). The collectability 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 2(j) 'Financial Instruments' and note 17 '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 2(j) 'Financial Instruments' and note 22 '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 24 '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 date. See note 23 '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.

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 the 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 2(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 11 'Other expenses and note 23 'Provisions').

(s) Superannuation Expense

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 Account.

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.

3 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.

4 Key sources of estimation uncertainty

The Department makes key estimates and assumptions concerning the future. These estimates and assumptions are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Long Service Leave

In calculating the Department's long service leave provision, several estimations and assumptions have been made. These include expected future salary rates, salary inflation, discount rates, employee retention rates and expected future payments. Any changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

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 2009 that impacted on the Department:

AASB 101

Presentation of Financial Statements (September 2007). This Standard has been revised and introduces a number of terminology changes as well as changes to the structure of the Statement of Changes in Equity and the Statement of Comprehensive Income. It is now a requirement that owner changes in equity be presented separately from non-owner changes in equity. There is no financial impact resulting from the application of this revised Standard.

AASB 2007-10

Further Amendments to Australian Accounting Standards arising from AASB 101. This Standard changes the term 'general purpose financial report' to 'general purpose financial statements', where appropriate in Australian Accounting Standards and the Framework to better align with IFRS terminology. There is no financial impact resulting from the application of this Standard.

AASB 2008-13

Amendments to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-cash Assets to Owners [AASB 5 & AASB 110]. This Standard amends AASB 5 Non-current Assets Held for Sale and Discontinued Operations in respect of the classification, presentation and measurement of non-current assets held for distribution to owners in their capacity as owners. The Department does not expect any financial impact when the Standard is first applied prospectively.

AASB 2009-2

Amendments to Australian Accounting Standards – Improving Disclosures about Financial Instruments AASB 4, AASB 7, AASB 1023 & AASB 1038. This Standard amends AASB 7 and will require enhanced disclosures about fair value measurements and liquidity risk with respect to financial instruments. There is no financial impact resulting from the application of this Standard.

Future impact of Australian Accounting Standards not yet operative

The Department cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 Application of Australian Accounting Standards and Other Pronouncements. Consequently, the Authority has not applied early any following Australian Accounting Standards that have been issued that may impact the Authority. Where applicable, the Department plans to apply these Australian Accounting Standards from their application date

Operative for reporting periods
Beginning on/after 1 Jan 2013

AASB 2009-11

Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12].

The amendment to AASB 7 requires modification to the disclosure of categories of financial assets. The Authority does not expect any financial impact when the Standard is first applied. The disclosure of categories of financial assets in the notes will change.

	2010 \$000	2009 \$000
6 Employee benefits expense		
Wages and salaries ^(a)	56,838	64,234
Superannuation - defined contribution plans ^(b)	4,660	4,676
Long service leave ^(c)	805	(977)
Annual leave ^(c)	199	60
	62,502	67,993
(a)	Includes the value of the fringe benefit to the employee plus the fringe benefits tax component.	
(b)	Defined contribution plans include West State, Gold State and GESB Super Scheme (contributions paid).	
(c)	Includes a superannuation contribution component.	
	Employment on-costs such as workers' compensation insurance are included at note 11 'Other expenses'. The employment on-costs liability is included at note 23 'Provisions'.	
7 Supplies and services		
Professional services	5,019	9,568
Consultants	57	806
Travel	2,873	3,588
Other staff costs	347	589
Communications	1,977	2,102
Consumables	2,423	4,739
Lease of Aircraft	6,020	5,487
Lease of Motor Vehicle	2,586	2,688
Copyright	-	16
Advertising	100	5,054
Other administration costs	2,799	3,970
	24,201	38,607

	2010 \$000	2009 \$000
8 Depreciation and amortisation expense		
Depreciation		
Computer hardware	177	179
Furniture and fittings	79	25
Motor vehicles	29	38
Office equipment	49	283
Office establishment	1,450	1,774
Total depreciation	2,174	2,299
Amortisation		
Intangible assets		
Software	2	6
Total amortisation	2	6
Total depreciation and amortisation.	2,176	2,305
9 Accommodation expenses		
Lease rentals and outgoings	18,527	18,082
	18,527	18,082
10 Grants and subsidies		
<u>Recurrent</u>		
Subsidies and community grants	31	730
Government agency grants	5,054	10,639
External grants	1,526	13,125
	6,611	24,494
11 Other Expenses		
Employment on-costs	71	272
	71	272
	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 23 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.	

DISCLOSURE AND COMPLIANCE

	2010 \$000	2009 \$000
12 User charges and fees		
Contributions by senior officers to the Government Vehicle Scheme	116	128
Provision of services	1,192	1,299
Recoups	1,468	7,114
Sponsorships	6	5
Other revenue	403	390
	3,185	8,936
13 Net gain/(loss) on disposal of non-current assets		
<u>Cost of Disposal on Non-Current Assets</u>		
Computer hardware and software	-	1
Artwork	54	-
Motor Vehicles	15	-
Office equipment	11	12
Office establishment	198	139
	278	152
<u>Proceeds from Disposal of Non-Current Assets</u>		
Motor Vehicles	24	-
Office establishment	74	2
	98	2
Net gain/(loss)	(180)	(150)
14 Income from State Government		
Appropriation received during the year:		
Service appropriations ^(a)	99,414	120,244
Resources received free of charge ^(b)		
Determined on the basis of the following estimates provided by agencies:		
Department of Education and Training - staff secondment	319	252
Department of Treasury and Finance - lease administration services	590	535
Department of the Attorney General - legal services	231	265
Department of Treasury and Finance - procurement services	180	148
Department of Water	179	-
	1,499	1,200
	100,913	121,444

(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) Where assets or services have been received free of charge or for nominal cost, the Department recognises revenues equivalent to the fair value of the assets and/or the fair value of those services that can be reliably measured and which would have been purchased if they were not donated, and those fair values shall be recognised as assets or expenses, as applicable. Where the contribution of assets or services are in the nature of contributions by owners, the Department makes the adjustment direct to equity.

	2010 \$000	2009 \$000
15 Restricted cash and cash equivalent assets		
<u>Current</u>		
Road Trauma Trust Fund ^(a)	-	2,154
	-	2,154
<u>Non Current</u>		
Accrued salaries suspense account ^(b)	985	799
	985	2,953

(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.

DISCLOSURE AND COMPLIANCE

	2010 \$000	2009 \$000
16 Inventories		
<u>Current</u>		
Inventories held for resale:		
- Publications	17	21
Inventories not held for resale		
- Stationery stores and material	71	81
	<u>88</u>	<u>102</u>

17 Receivables		
<u>Current</u>		
Receivables	1,234	4,042
GST receivable	348	1,416
	<u>1,582</u>	<u>5,458</u>

Reconciliation of changes in the allowance for impairment of receivables:

Balance at start of year		
Doubtful debts expense recognised in the income statement	-	-
Amounts written off during the year	-	-
Amount recovered during the year	-	-
Balance at end of year	<u>-</u>	<u>-</u>

The Department does not hold any collateral as security or other credit enhancements relating to receivables.

See also note 2(o) 'Receivables' and note 35 'Financial Instruments'.

18 Amounts receivable for services		
Current	5,313	4,383
Non-current	14,504	14,491
	<u>19,817</u>	<u>18,874</u>

Represents the non-cash component of service appropriations. See note 2(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.

	2010 \$000	2009 \$000
19 Property, plant and equipment		
Artwork		
At cost	-	54
Accumulated depreciation	-	-
Accumulated impairment losses	-	-
	<u>-</u>	<u>54</u>
Computer Hardware		
At cost	967	963
Accumulated depreciation	(756)	(614)
Accumulated impairment losses	-	-
	<u>211</u>	<u>349</u>
Furniture and Fittings		
At cost	540	437
Accumulated depreciation	(277)	(199)
Accumulated impairment losses	-	-
	<u>263</u>	<u>238</u>
Motor Vehicles		
At cost	113	161
Accumulated depreciation	(69)	(73)
Accumulated impairment losses	-	-
	<u>44</u>	<u>88</u>
Office Equipment		
At cost	2,765	3,247
Accumulated depreciation	(1,471)	(2,466)
Accumulated impairment losses	-	-
	<u>1,294</u>	<u>781</u>
Office Establishment		
At cost	11,006	11,116
Accumulated depreciation	(7,271)	(6,544)
Accumulated impairment losses	-	-
	<u>3,735</u>	<u>4,572</u>
Total	<u>5,547</u>	<u>6,082</u>

Property, Plant and Equipment - 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
2010							
Carrying amount at start of year	54	349	238	88	781	4,572	6,082
Additions	-	49	178	-	314	1,473	2,014
Transfers	-	(10)	(74)	-	649	(662)	(97)
Disposals	(54)	-	-	(15)	(11)	(198)	(278)
Depreciation	-	(177)	(79)	(29)	(439)	(1,450)	(2,174)
Carrying amount at end of year	-	211	263	44	1,294	3,735	5,547

2009

Carrying amount at start of year	54	239	146	126	810	5,231	6,606
Additions	-	292	117	-	322	1,504	2,235
Transfers	-	(2)	-	-	(56)	(249)	(307)
Disposals	-	(1)	-	-	(12)	(139)	(152)
Depreciation	-	(179)	(25)	(38)	(283)	(1,775)	(2,300)
Carrying amount at end of year	54	349	238	88	781	4,572	6,082

	2010 \$000	2009 \$000
20 Intangible assets		
Computer Software		
At cost	396	396
Accumulated amortisation	(396)	(394)
Accumulated impairment losses	-	-
	<u>-</u>	<u>2</u>
<u>Reconciliations:</u>		
Computer Software		
Carrying amount at start of year	2	8
Additions	-	-
Disposals	-	-
Amortisation expense	(2)	(6)
Carrying amount at end of year	<u>-</u>	<u>2</u>

21 Impairment of assets

There were no indications of impairment of property, plant and equipment, infrastructure and intangible assets at 30 June 2010.

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.

DISCLOSURE AND COMPLIANCE

	2010 \$000	2009 \$000
22 Payables		
<u>Current</u>		
Trade payables	462	1,196
Accrued salaries	771	538
Accrued expenses	2,213	11,802
	<u>3,446</u>	<u>13,536</u>

See also note 2(p) Payables and note 35 'Financial instruments.'

	2010 \$000	2009 \$000
23 Provisions		
<u>Current</u>		
Employee benefits provision		
Annual leave ^(a)	5,340	5,106
Long service leave ^(b)	4,825	3,704
48/52 leave arrangements	9	2
Deferred salary scheme	-	-
	<u>10,174</u>	<u>8,812</u>
Other provisions		
Employment on-costs ^(c)	5	40
	<u>5</u>	<u>40</u>
	<u>10,179</u>	<u>8,852</u>
<u>Non-current</u>		
Long service leave ^(b)	2,128	2,999
Deferred salary scheme	29	9
	<u>2,157</u>	<u>3,008</u>
Other provisions		
Employment on-costs ^(c)	1	14
	<u>1</u>	<u>14</u>
	<u>2,158</u>	<u>3,022</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 balance sheet date. Assessments indicate that actual settlement of the liabilities will occur as follows:

	2010 \$000	2009 \$000
Within 12 months of balance sheet date	2,922	2,910
More than 12 months after balance sheet date	2,428	2,198
	<u>5,350</u>	<u>5,108</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 balance sheet date. Assessments indicate that actual settlement of the liabilities will occur as follows:

	2010 \$000	2009 \$000
Within 12 months of balance sheet date	2,689	2,738
More than 12 months after balance sheet date	4,293	3,974
	<u>6,982</u>	<u>6,712</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 disclosed in note 11 'Other expenses'.

Movement in Other Provisions

	2010 \$000	2009 \$000
<u>Employment on-cost provision</u>		
Carrying amount at start of year	54	78
Additional provisions recognised	-	-
Payments/other sacrifices of economic benefits	(48)	(24)
	<u>6</u>	<u>54</u>
Carrying amount at end of year	6	54

	2010 \$000	2009 \$000
24 Other liabilities		
Current		
Other liability	8	8
	<u>8</u>	<u>8</u>

See also note 35 'Financial Instruments'.

25 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	-	236
Contributions by owners:		
Transfer of accumulated surplus		1,469
Transfer of net assets from other agencies ^(a)	2,000	
Total contributions by owners	<u>2,000</u>	<u>1,705</u>
Distributions to owners:		
Transfer of net assets to other agencies ^(b)	<u>2,225</u>	<u>(1,705)</u>
Total distributions to owners	<u>2,225</u>	<u>(1,705)</u>
Balance at the end of the year	<u>4,225</u>	<u>-</u>

(a) The Department of the Attorney General - Office of Native Title transferred net assets of \$2,000,000 to the Department during the year.

(b) Under TI 955, non-discretionary (non-reciprocal) transfers net assets between State Government agencies have been designated as contributions by owners in accordance with AASB Interpretation 1038, where the transferee agency accounts for a non-discretionary (non-reciprocal) transfer of net assets as a contribution by owners and the transferor agency accounts for the transfer as a distribution to owners. Equity transfers of \$2,206,000 were made to Main Roads WA - Office of Road Safety and a further \$19,000 was made to the Public Sector Commission during the year.

	2010 \$000	2009 \$000
Hedging Reserve		
Balance at the start of the year	(1,329)	(3,782)
Net revaluations increments/(decrements)	<u>(229)</u>	<u>2,453</u>
Balance at the end of the year	<u>(1,558)</u>	<u>(1,329)</u>
Accumulated surplus/(deficit) (Retained Earnings)		
Balance at the start of the year	23,083	30,230
Transfer to Contributed Equity	-	(1,469)
Result for the period	<u>(9,047)</u>	<u>(5,678)</u>
Restated balance at the end of the year	<u>14,036</u>	<u>23,083</u>

26 Notes to the Statement of Cash Flows

Reconciliation of cash

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:

	2010 \$000	2009 \$000
Cash and cash equivalents	3,903	10,376
Restricted cash and cash equivalents (refer to note 15)	985	2,953
	<u>4,888</u>	<u>13,329</u>

Reconciliation of net cost of services to net cash flows provided by/(used in)

operating activities

Net cost of services (109,960) (127,122)

Non-cash items:

Depreciation and amortisation expense	2,176	2,305
Resources received free of charge	1,499	1,200
Net (gain)/loss on sale of plant and equipment	180	150
Net (gain)/loss on foreign exchange	465	(114)

(Increase)/decrease in assets:

Current receivables ^(c)	175	(1,511)
Current inventories	14	21
Other current assets	1,376	(2,214)

Increase/(decrease) in liabilities:

Current payables ^(c)	(1,661)	903
Current provisions	1,887	(4,618)
Non current provisions	(727)	1,677

Net GST receipts/(payments)^(a)

Change in GST in receivables/payables^(b) 1,068 66

Net cash provided by/(used in) operating activities (103,508) (129,257)

- (a) This is the net GST paid/received, i.e. cash transactions.
- (b) This reverses out the GST in receivables and payables.
- (c) Note that the Australian Taxation Office (ATO) receivable/payable in respect of GST and the receivable/payable in respect of the sale/purchase of non-current assets are not included in these items as they do not form part of the reconciling items.

At the end of the reporting period, the Department had fully drawn on all financing facilities, details of which are disclosed in the financial statements.

27 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:

	2010 \$000	2009 \$000
Department of Treasury and Finance - Library and Reception Services	482	484
Office of the Public Sector Standards Commissioner - Corporate Services	85	33
Public Sector Commission	1,244	813
Ombudsman	95	33
	<u>1,906</u>	<u>1,363</u>

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

28 Other Assets

Derivative Financial Assets	426	999
Prepayments	146	2,326
	<u>572</u>	<u>3,325</u>

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:

	2010 \$000	2009 \$000
Within 1 year	11,159	11,676
Later than 1 year and not later than 5 years	27,721	26,299
Later than 5 years	6,867	10,535
	<u>45,747</u>	<u>48,510</u>

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

Within 1 year	1,353	1,299
Later than 1 year but not later than 5 years	641	673
Later than 5 years	-	-
	<u>1,994</u>	<u>1,972</u>

Accommodation leases occupied by the Department:

Within 1 year	6,816	6,969
Later than 1 year and not later than 5 years	13,634	13,328
Later than 5 years	1,017	1,316
	<u>21,467</u>	<u>21,613</u>

Aircraft leases used by the Department:

Within 1 year	2,990	3,408
Later than 1 year but not later than 5 years	13,446	12,298
Later than 5 years	5,850	9,219
	<u>22,286</u>	<u>24,925</u>

These commitments are all inclusive of GST.

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:

	2010	2009
1 - 10,000	-	1
10,001 - 20,000	-	1
20,001 - 30,000	2	-
30,001 - 40,000	-	1
40,001 - 50,000	-	1
50,001 - 60,000	1	-
60,001 - 70,000	-	2
70,001 - 80,000	-	1
80,001 - 90,000	2	-
90,001 - 100,000	-	-
100,001 - 110,000	1	2
110,001 - 120,000	2	1
120,001 - 130,000	-	1
130,001 - 140,000	-	1
140,001 - 150,000	-	-
150,001 - 160,000	1	2
160,001 - 170,000	2	1
170,001 - 180,000	-	2
180,001 - 190,000	-	1
190,001 - 200,000	-	1
200,001 - 210,000	1	1
210,001 - 220,000	1	-
220,001 - 230,000	1	-
230,001 - 240,000	1	-
240,001 - 250,000	1	-
250,001 - 260,000	1	-
260,001 - 270,000	1	-
270,001 - 280,000	1	-
280,001 - 290,000	1	-
290,001 - 300,000	1	-
300,001 - 310,000	1	-
310,001 - 320,000	1	-
320,001 - 330,000	1	-
330,001 - 340,000	1	-
340,001 - 350,000	1	-
350,001 - 360,000	1	-
360,001 - 370,000	1	-
370,001 - 380,000	1	-
380,001 - 390,000	1	-
390,001 - 400,000	1	-

	\$000	\$000
The total remuneration of senior officers is:	<u>\$1,880</u>	<u>\$2,123</u>

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.

DISCLOSURE AND COMPLIANCE

	2010 \$000	2009 \$000
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	124	127
32 Supplementary Financial Information		
<u>Write-offs</u>		
During the financial year there were amounts written off under the authority of section 48 of the <i>Financial Management Act 2006</i> .		
Amounts written off by the Accountable Authority	-	-
<u>Gifts of public property</u>		
Gifts of public property provided by the Department	3	7

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.

(a) Significant variances between estimate and actual for 2010 - Total appropriations provided to deliver services:

	2010 Estimate \$000	2010 Actual \$000	Variance \$000
1 Administration of Executive Government Services	88,141	96,439	(8,298)
Increases over previous estimates arise from increased expenditure in support of elected members and costs attributable to voluntary severances during the year.			
2 Adjustment	(707)	(10,546)	9,839
Expenditure increases were due to increased expenditure in support of elected members, severances and expenses related to the Ravensthorpe Nickel Mine closure.			

(b) Significant variances between actuals for 2010 and 2009 - Total appropriation provided to deliver services:

	2010 Actual \$000	2009 Actual \$000	Variance \$000
	99,414	120,244	(20,830)
The variation in appropriation between 2009 and 2010 has been influenced by : Reduced appropriation following the transfer of the Public Sector Commission in December 2008 and the Office of Road Safety in July 2009.			
1 Government Policy Management			
Additional expenditure relating to the Ravensthorpe Nickel Mine closure previously planned for 2009 was expended in 2010.	18,294	11,601	6,693
2 Road Safety			
Expenditure related to the Office of Road Safety was transferred to Main Roads WA from July 2009.	-	33,315	(33,315)
3 Total Income			
The transfer of the Office of Road Safety in July 2009 included a proportion of traffic camera revenue which was not received in 2010.	(4,773)	(24,781)	20,008

34 Special Purpose Accounts

The Gerald Frank Brown Memorial Trust

Purpose of the Trust

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.
-

DISCLOSURE AND COMPLIANCE

	2010	2009
	\$000	\$000
Balance at the start of the year		
Receipts	1	8
Payments	(4)	(4)
Unrealised gain/(loss) on translation	(34)	(6)
Balance at the end of the year	238	275

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

Road Trauma Trust Fund

Purpose of the Trust

In accordance with section 12 of the *Road Safety Council Act 2002*, to receive and hold funds from parliamentary appropriations, one-third of all moneys from photographic based vehicle infringement (via Department for Planning and Infrastructure and Department of the Attorney General) and any money lawfully received for the purpose of the Act.

Balance at the start of the year	2,154	17,252
Receipts	2,723	16,946
Payments	(4,877)	(32,044)
Balance at the end of the year	-	2,154

35 Financial Instruments

(a) Financial Risk Management Objectives and Policies

Financial instruments held by the Department are cash and cash equivalents, restricted cash and cash equivalents, Treasurer's advances, receivables and payables and forward foreign-exchange contracts. All of the Department's cash is held in the public bank account (non-interest bearing) apart from restricted cash held in a special purpose account. The Department has limited exposure to financial risks. The Department's overall risk management program focuses on managing the risks identified below.

Credit risk

Credit risk arises when there is the possibility of the Department's receivables defaulting on their contractual obligations resulting in financial loss to the Department. The Department measures credit risk on a fair value basis and monitors risk on a regular basis.

The maximum exposure to credit risk at balance sheet date in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment, as shown in the table at Note 35(c).

Credit risk associated with the Department's financial assets is minimal because the main receivable is the amounts receivable for services (holding account). For receivables other than Government, 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.

Allowance for impairment of financial assets is calculated based on objective evidence such as observable data indicating changes in client credit ratings. For financial assets that are either past due or impaired, refer to Note 17 "Receivables".

Liquidity risk

The Department is exposed to liquidity risk through its trading in the normal course of business. Liquidity risk arises when the Department is unable to meet its financial obligations as they fall due.

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.

Market risk

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

-Interest

Other than as detailed in the interest rate sensitivity analysis table at Note 35(c), the Department is not exposed to interest risk because apart from amounts in restricted cash, all other cash and cash equivalents are non-interest bearing, and have no borrowing other than the Treasurer's Advance (non-interest bearing).

-Foreign Currency

The Department undertakes certain transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise. This is managed within approved policy parameters such as utilising forward foreign exchange contracts to hedge the exchange rate risk arising from foreign currency denominated lease and service contracts.

Forward foreign exchange contracts

The Department has entered into aircraft leases in USD with commitments to purchase aircraft spare parts and meet maintenance costs in USD over the life of the aircraft leases. The Department has entered into forward foreign exchange contracts to hedge the exchange rate risk arising from these anticipated future transactions, which where appropriate, are designated as cash flow hedges. In the circumstances where the Department is unable to

designate the forward exchange contracts as a cash flow hedge, the contract by default, is categorised as Fair Value Through Profit or Loss (FVTPL).

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.

2010 Recycled from Equity to Profit or Loss

Balance	<1 year	1-2 years	2-3 years	3-4 years	4-5 years	5-8 years
DR 1,545	424	388	258	193	139	143

2009 Recycled from Equity to Profit or Loss

Balance	<1 year	1-2 years	2-3 years	3-4 years	4-5 years	5-8 years
DR 1,329	336	269	256	160	115	193

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 DR \$1,545,658 (2009: \$1,329,494). It is anticipated that the purchases will take place during the next 7 years at which stage the amount deferred in equity will be reclassified into profit or loss. The Department updates its forecast of foreign currency exposures at least as often as it performs hedge effectiveness testing and in accordance with accounting policy the Department reclassifies from the Cash Flow Reserve to Profit or Loss to the extent that foreign currency hedges are in excess of highly probable forecast transactions.

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. To the extent the foreign currency payments and receipts are no longer expected to occur the Department may from time to time have forward foreign exchange contracts in excess of the forecast foreign currency payments or receipts as originally forecast.

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

	Ave Exchange Rate		Foreign Currency Purchased		Contract Value		Fair Value	
	2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000
Outstanding Contracts								
Western Australian Treasury Corporation								
< 1 year	0.77797	0.78430	2,705	2,673	3,477	3,407	(162)	(33)
1 to 2 years	0.76921	0.77520	2,269	2,182	2,949	2,816	(60)	33
2 to 3 years	0.76670	0.77750	2,340	2,705	3,053	3,479	31	72
3 to 4 years	0.76450	0.76910	2,363	2,268	3,091	2,949	102	130
4 to 5 years	0.76245	0.76670	2,387	2,340	3,130	3,052	159	182
> 5 years	0.75931	0.76080	4,038	7,014	5,318	9,219	357	615

(b) Categories of Financial Instruments

In addition to cash and bank overdraft, the carrying amounts of each of the following categories of financial assets and financial liabilities at the balance sheet date are as follows:

	2010 \$000	2009 \$000
Financial Assets		
Cash and cash equivalents	3,903	10,376
Restricted Cash and cash equivalents	985	2,953
Receivables ^(a)	21,050	24,332
Derivatives - Cash Flow	367	742
Derivatives - FVTPL	59	247
Financial Liabilities		
Financial liabilities	3,454	14,361

(a) The amount of receivables excludes GST recoverable from ATO (statutory receivable).

(c) Financial Instrument Disclosures

Credit Risk, Liquidity Risk and Interest Rate Risk Exposures

The following table details the Department's exposure to liquidity risk and interest rate risk at the balance sheet date. The Department's maximum exposure to credit risk at the balance sheet date is the carrying amount of the financial assets as shown on the following date. The table is based on information provided to senior management of the Department. The contractual maturity amounts in the table are representative of the undiscounted amounts at the balance sheet date. An adjustment for discounting has been made where material.

The Department does not hold any collateral as security or other credit enhancements relating to the financial assets it holds.

The Department does not hold any financial assets that had to have their terms renegotiated that would have otherwise resulted in them being past due or impaired.

DISCLOSURE AND COMPLIANCE

	Weighted average effective interest rate	Variable interest rate	Fixed Interest Rate Maturity			Adjustment for Discounting	Non- Interest Bearing	Total
			Less than 1 Year	1 to 5 Years	More than 5 Years			
			\$000	\$000	\$000			
30-Jun-10								
Financial Assets								
Cash and cash equivalents	0.057	252	-	-	-	-	3,651	3,903
Restricted cash and cash equivalents		-	-	-	-	-	985	985
Receivables		-	-	-	-	-	1,234	1,234
Amounts receivable for services		-	-	-	-	-	19,816	19,816
Other assets - Derivatives		-	(165)	293	486	(188)	-	426
		252	(165)	293	486	(188)	25,686	26,364
Financial Liabilities								
Payables		-	-	-	-	-	3,446	3,446
Other liabilities		-	-	-	-	-	8	8
		-	-	-	-	-	3,454	3,454
30-Jun-09								
Financial Assets								
Cash and cash equivalents	1.441	28	-	-	-	-	10,348	10,376
Restricted cash and cash equivalents	5.376	2,154	-	-	-	-	799	2,953
Receivables		-	-	-	-	-	5,458	5,458
Amounts receivable for services		-	-	-	-	-	18,874	18,874
		-	(32)	512	884	(365)	-	999
		2,182	(32)	512	884	(365)	35,479	38,660
Financial Liabilities								
Payables		-	-	-	-	-	14,353	14,353
Other liabilities		-	-	-	-	-	8	8
		-	-	-	-	-	14,361	14,361

Interest rate and foreign exchange rate sensitivity analysis

The following tables represents a summary of the interest rate and foreign exchange rate sensitivity of the Department's financial assets and liabilities at the balance sheet date on the surplus for the period and equity for a 100 basis points change in interest rates and 10% change in foreign exchange rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

Interest rate

	Carrying Amount \$000	-1 % change		+1% change	
		Profit \$000	Equity \$000	Profit \$000	Equity \$000
30-Jun-10					
Financial Assets					
Cash and cash equivalents	252	(2.5)	(2.5)	2.5	2.5
Receivables					
Other Financial Assets					
	<u>252</u>	<u>(2.5)</u>	<u>(2.5)</u>	<u>2.5</u>	<u>2.5</u>
Financial Liabilities					
Payables	-	-	-	-	-
Other liabilities	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

30-Jun-09

Financial Assets					
Cash and cash equivalents	28	(0.3)	(0.3)	0.3	0.3
Receivables	-	-	-	-	-
Other Financial Assets	-	-	-	-	-
	<u>28</u>	<u>(0.3)</u>	<u>(0.3)</u>	<u>0.3</u>	<u>0.3</u>
Financial Liabilities					
Payables	-	-	-	-	-
Other liabilities	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Foreign exchange rate

	Carrying Amount \$000	-10% change		+10% change	
		Profit \$000	Equity \$000	Profit \$000	Equity \$000
30-Jun-10					
Financial Assets					
Cash and cash equivalents	646	(64.6)	(64.6)	64.6	64.6
Receivables	31	(3.1)	(3.1)	3.1	3.1
Other Financial Assets-Derivatives	426	(42.6)	(42.6)	42.6	42.6
	<u>1,103</u>	<u>(110.3)</u>	<u>(110.3)</u>	<u>110.3</u>	<u>110.3</u>
Financial Liabilities					
Payables	-	-	-	-	-
Provisions	-	-	-	-	-
Other liabilities	8	(0.8)	(0.8)	0.8	0.8
	<u>8</u>	<u>(0.8)</u>	<u>(0.8)</u>	<u>0.8</u>	<u>0.8</u>

30-Jun-09	-10% change			+10% change	
	Carrying Amount \$000	Profit \$000	Equity \$000	Profit \$000	Equity \$000
Financial Assets					
Cash and cash equivalents	-	-	-	-	-
Receivables	-	-	-	-	-
Other Financial Assets	999	(99.9)	(99.9)	99.9	99.9
	<u>999</u>	<u>(99.9)</u>	<u>(99.9)</u>	<u>99.9</u>	<u>99.9</u>
Financial Liabilities					
Payables	-	-	-	-	-
Provisions	-	-	-	-	-
Other liabilities	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Fair Values

All financial assets and liabilities recognised in the balance sheet, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes. For financial instruments that are measured at fair value (foreign exchange contracts), they are all classified as Level 2 in accordance with the following table:

Level 1: fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable from the asset or liability, either directly (as prices) or indirectly (derived from prices)

Level 3: fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

36 Events occurring after the balance sheet date

There were no significant events effecting the operations of the Department of the Premier and Cabinet after the balance date.

37 Affiliated Bodies

Salaries and Allowances Tribunal

The Tribunal, established by section 5 of the *Salaries and Allowances Act 1975*, is a government affiliated body and is funded via parliamentary appropriation. The Tribunal is not subject to operational control by the Department.

38 Contingent liabilities and contingent assets

Contingent Liabilities

An appeal against the dismissal of a claim for damages estimated at \$80m was dismissed. The State was successful in its defence of the appeal. There were no contingent liabilities at the report date.

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 Appeal against the State was dismissed and costs were awarded in favour of the State. The potential net benefit to the State is estimated at \$500,000

ADDITIONAL KEY PERFORMANCE INDICATOR INFORMATION

Certification of Performance Indicators
For the year ended 30 June 2010

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 2010.

A handwritten signature in black ink, appearing to read 'Peter Conran', enclosed in a thin black rectangular border.

Peter Conran

ACCOUNTABLE AUTHORITY

02 August 2010

Performance Indicators

The Department delivers services to achieve the Government’s Outcomes Based Service Delivery Goal “Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians”. The Department’s outcome-based management structure was reviewed and key performance indicators identified to support reporting on delivery of the Government’s objectives, leading to the establishment of two agency-level outcomes:

Outcome 1: *Executive government receives appropriate support. (Service 1: Administration of executive government services)*

Outcome 2: *The Premier and Ministers receive high quality, rigorous and timely policy advice. (Service 2: Government policy management)*

The key effectiveness indicators reported against these outcomes were chosen for their ability to enable an assessment to be made of the extent to which the Department’s activities are achieving, or have made substantial progress towards achieving the approved agency-level outcomes. Only one key effectiveness indicator was retained from the former structure; the remaining five are new. Consequently, no prior period comparative data and information to support meaningful targets, is available for these periods. Explanations for each of the indicators follow the tables.

Effectiveness Indicators

Outcome: Executive government receives appropriate support

		2008/09 Actual	2009/10 Target	2009/10 Actual
1.1	Targets for support services are met or exceeded.	n/a	n/a	92%
1.2	Service recipient’s confirmation that services provided enable them to meet executive government’s obligations.	n/a	n/a	3.4
1.3	Printing and publishing services are secure, timely and confidential.	100%	100%	99.4%

Key Effectiveness Indicator Explanatory Notes

1.1 *Targets for support services are met or exceeded.*
Data for this indicator is derived from transaction records maintained by the Department on a range of essential services provided to the Premier and Ministers. The timeliness service targets have been determined by the Department having regard for the resources available to deliver each service and client expectations. The indicator reports the percentage of services that were delivered within the designated timeframe. In this regard, all services are considered to be of equal importance.

1.2 *Service recipient's confirmation that services provided enable them to meet executive government's obligations.*

This indicator is derived from a survey instrument provided to the Premier's Office, Ministerial Offices and the Leader of the Opposition's Office seeking feedback on the extent to which their expectations were met by services provided by the Department. The rating is a value between one and five, where a value of one indicates that services were well below expectations and five that services were well above expectations. A value of three indicates that provision of services met expectations. The data is reported in accordance with recommendations of the Australian Bureau of Statistics. As the survey instrument used in 2009/10 is substantially different to those for prior periods, no comparative data is reported.

Responses were received from the Office of the Premier and 15 of the 16 Ministerial Offices, a combined response rate of 89%.

Responses to the question seeking a general rating for all services delivered were used for the indicator. The Department is unaware of any circumstances that might have caused the non-respondents to respond differently to those that did.

1.3 *Printing and publishing services are secure, timely and confidential*

This indicator reports the extent to which secure, timely and confidential printing and publishing is delivered. Parliamentary documents such as Hansard and Bills must be delivered to the respective Houses of Parliament within certain timeframes. Some 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).

Feedback from key client and departmental records are used to derive this indicator.

Outcome: The Premier and Ministers receive high quality, rigorous and timely policy advice

		2008/09 Actual	2009/10 Target	2009/10 Actual
2.1	Proportion of Cabinet Submissions meeting or exceeding defined quality standards.	n/a	n/a	97%
2.2	Proportion of signed national agreements reflecting Cabinet agreed positions.	n/a	n/a	100%
2.3	Level of Commonwealth recurrent core services funding allocated to Western Australia over time	n/a	n/a	54%

Key Effectiveness Indicators Explanatory Notes

2.1. *Proportion of Cabinet Submissions meeting or exceeding defined quality standards.*

A key Departmental goal is to strengthen the policy capacity across the Government. This will be achieved by working with agencies to help them develop policy skills and competencies and a better understanding of the Government's policy objectives. The principal avenue for approval of agency-developed Government policy is by way of Cabinet submissions, and for this indicator, the quality of Cabinet policy submissions will be assessed against a checklist covering quality, timeliness and rigour attributes. The indicator reports the percentage of Cabinet submissions assessed as meeting all essential quality elements, and excludes submissions regarding appointments and similar non-policy matters.

2.2. *Proportion of signed national agreements reflecting Cabinet agreed positions.*

Ensuring that Western Australian needs and interests are accommodated in national agreements is another Departmental objective to maximise the benefits to Western Australia from engagement with the Commonwealth. Signed national agreements are assessed to determine the extent to which they are consistent with Cabinet's agreed position on the matters addressed (including any agreement to requirements modified by way of response to Commonwealth negotiations). The indicator is reported as the percentage of all agreements signed in the financial year.

2.3. *Level of Commonwealth recurrent core services funding allocated to Western Australia over time.*

Maximising financial benefits to Western Australia from engagement with the Commonwealth includes increasing (or at the very least maintaining) the level of Commonwealth funding to the core State service areas of health, education, skills development and training, housing and indigenous services (excluding GST revenues or other non-core national partnership payments which may be subject to adjustment and/or equalisation) allocated to Western Australia.

Funding of \$2,267,498,000 received in 2008/09 is used as the base for this indicator. Data sourced from DTF analysis of Commonwealth Budget Paper 3 is compared to the base to report a percentage increase or decrease.

Agency Services and Key Efficiency Indicators

The two services delivered: Service 1 - Administration of executive government services and Service 2 - Government policy management directly support delivery of agency-level outcomes and the Department's strategic goals.

The key efficiency indicators provide information on the cost of inputs required to deliver outcomes, and include all costs associated with the specific service. To report the total cost of service, corporate and executive support expenses are distributed across services on a FTE basis and incorporated in reported key efficiency indicators. Grants and donations administered, and employee severances paid are excluded from key efficiency indicators as these expenses are not considered to be a cost of service delivery.

DISCLOSURES AND LEGAL COMPLIANCE

Service 1: Administration of Executive Government Services

The Department's principal client for these services is the Premier as the Head of Government, Cabinet Ministers and Members of Parliament.

Services provided include, but are not limited to:

- administrative support to the Premier;
- administrative policy advice and support to the Ministerial Offices and the Leader of the Opposition;
- promotion of Western Australia's interests overseas;
- communication of Government policies and activities;
- support to the Executive Council;
- administration of entitlements for Members and former Members of Parliament;
- management of the State occasions and official visits program;
- a secure, confidential and time-critical printing and publishing service for Parliament and Government; and
- management of exhibitions and programs at the Constitutional Centre.

The major activities undertaken in Service 1 are embedded in the following key efficiency indicators that are largely unchanged from those reported under the Department's former outcome-based management structure.

Explanations for the indicators follow the table.

		2008/09 Actual (\$'000s) ⁽¹⁾	2009/10 Target (\$'000s) ⁽¹⁾	2009/10 Actual (\$'000s)
1.4	Average operating cost per ministerial office (including Premier's Office and Leader of the Opposition).	\$2,155	\$2,112	\$2,151
1.5	Average cost of support provided per ministerial office (including Premier's Office).	\$558	\$535	\$549
1.6	Average cost of representing Western Australia's interests overseas (per region).	\$1,752	\$1,476	\$1,662
1.7	Average cost of entitlements per Member of Parliament.	\$343	\$295	\$345
1.8	Average cost of support provided per Member of Parliament.	\$15	\$20	\$18
1.9	Average cost per print image produced.	\$0.38	\$0.34	\$0.36

⁽¹⁾ The 2008/09 actual and 2009/10 target indicator values have been prepared using historic data that was recast to remove the functions transferred to the Public Sector Commission on 28 November 2008 and Main Roads on 1 July 2009, and to reflect the significant changes in the outcome structure. This data may therefore not be fully comparable with 2009/10 actual.

Key Efficiency Indicator Explanatory Notes

1.4 *Average operating cost per ministerial office (including the Premier's Office and Leader of the Opposition).*

This indicator reports the average operational expense for each office (including the Premier's Office and Leader of the Opposition) plus a proportion of the cost of executive support and corporate services allocated on an FTE basis. End of contract payments of \$2,838,134 in 2008/09 actual and \$1,249,624 in 2009/10 actual have been excluded from this efficiency indicator as they are considered to be abnormal.

1.5 *Average cost of support provided per ministerial office (including the Premier's Office and Leader of the Opposition).*

This indicator reports the average expense for all executive government support functions per ministerial office (including the Premier's Office and Leader of the Opposition) plus a proportion of the cost of executive support and corporate services allocated on an FTE basis.

1.6 *Average cost of representing Western Australia's interests overseas (per region).*

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. The indicator is the average operational expense for all regions plus a proportion of the cost of executive support and corporate services allocated on an FTE basis.

The increase in the average cost per overseas office between 2009/10 target and 2009/10 actual is primarily due to increased salary and operational costs incurred by the European Office.

1.7 *Average cost of entitlements per Member of Parliament.*

Member's entitlements determined by the Salaries and Allowances Tribunal and administered by the Department include Electorate Office staffing and operational expense, a fully serviced motor vehicle, imprest and electorate travel and Former Members' entitlements. The indicator is the average cost per Member including executive and corporate support overheads allocated on a FTE basis. End of contract payments of \$1,309,771 in 2008/09 actual were excluded from this efficiency indicator as they were considered to be abnormal.

The increase in the average cost of entitlements per Member between 2009/10 target and 2009/10 actual is the result of increased salaries in accordance with the Electorate and Research Officer's General Agreement 2008 and operational expenses in 2009/10 in accordance with Salaries and Allowances Tribunal determinations.

1.8 *Average cost of support provided per Member of Parliament.*

This indicator reports the average expense for administrative support to Electorate Offices per Member including a proportion of the cost of executive support and corporate services allocated on an FTE basis.

The increase in the average cost of support provided to each Member between 2008/09 actual and 2009/10 actual is the full year effect of an increase in appropriation for research assistance for Independent Members in 2009/10, and the effect of accrued Electorate Office expenses for 2007/08 reversed in the wrong cost centre in July 2008.

1.9 *Average cost per print image produced.*

This key efficiency indicator is the average cost per printing image. A printing image is a single pass of a document through the printing machine producing an image on one side of the paper. The average cost reported includes a proportion of the cost of executive support and corporate services allocated on an FTE basis.

Expenditure of \$5,230,529 2008/09 actual, \$2,172,993 in 2009/10 target and \$4,203,780 in 2009/10 actual on inquiries, commissions, non-core functions, community service obligations, miscellaneous grants and donations, severances and corporate services provided free of charge to:

- the Public Sector Commission;
- the Office of the Public Sector Standards Commissioner;
- the Parliamentary Commissioner for Administrative Investigations (Ombudsman); and
- Department of Treasury and Finance

is excluded from the key efficiency indicators reported for this service.

The corporate services costing allocation methodology applied since 1999/00 to derive the estimated value of corporate services provided free of charge to external client agencies is subject to regular review to ensure its efficacy.

Service 2: Government Policy Management

The Premier as the Head of Government, Treasurer and Minister for State Development is the principal client for this service. Services provided include, but are not limited to:

- strategic policy advice and coordination to the Premier and Cabinet; leadership and coordination of cross-agency solutions to complex issues;
- managing and coordinating Western Australian Government input into intergovernmental negotiations, and advice on Government positions on federal reform, treaties, Defence and other matters raised through COAG and CAF;
- support for the functions of Cabinet and Parliament; and
- emergency management policy advice to the Premier, Ministers and Government agencies, and whole-of-government management and coordination of significant security incidents and emergencies.

The key efficiency indicators focus on the major activities undertaken to deliver these services. These indicators are new and fundamentally different to those reported under the former structure. Consequently, no prior period comparative data and information to support meaningful targets, is available. Explanations for these new indicators follow the table shown on the following page.

DISCLOSURES AND LEGAL COMPLIANCE

		2008/09 Actual (\$'000s)	2009/10 Target (\$'000s)	2009/10 Actual (\$'000s)
2.4	Average cost per Cabinet submission assessed.	n/a	n/a	19
2.5	Average cost per agreement where Cabinet agreed positions are incorporated in final national agreements.	n/a	n/a	153

Key Efficiency Indicators Explanatory Notes

2.4 *Average cost per Cabinet submission assessed*

This efficiency indicator reports the cost of resources allocated to the assessment and processing of Cabinet submissions, provision of advice and support to agencies and the review and commentary on Cabinet submissions. The average cost reported includes a proportion of the cost of executive support and corporate services allocated on an FTE basis

2.5 *Average cost per agreement where Cabinet's agreed positions are incorporated in final national agreements.*

The Department's objective is to ensure, to the extent possible, that national agreements signed by Western Australia are consistent with Cabinet's agreed position on the subject matter. While from time-to-time there will be national agreements that are accepted and signed by Western Australia that may not completely follow Cabinet's agreed position; decisions about the content of these agreements made by Ministers at COAG take into account circumstances that might not have been evident in earlier negotiations. In such cases, the agreement is included in those counted for this indicator. The average cost reported includes a proportion of the cost of executive support and corporate services allocated on an FTE basis.

MINISTERIAL DIRECTIVES

Treasurer's Instruction 902 (12) requires disclosing information on any Ministerial directives relevant to the setting of desired outcomes or operational objectives, the achievement of desired outcomes or operational objectives, investment activities, and financing activities.

The Department did not receive any Ministerial directives during the period 2009/10.

OTHER FINANCIAL DISCLOSURES

Pricing Policies

Fees and charges for publications, Government Gazette advertising and subscription services are generally increased in line with the consumer price index as advised by DTF. Rates are structured to recover all costs including overheads, and are part of the budget process with increases being approved by the responsible Minister and DTF.

Capital Works Expenditure

The Department's capital works program is principally focused on asset replacement and maintenance. In 2009/10 expenditure on capital works totaled \$2.05 million.

Most of the expenditure was directed to the fit-out of parliamentary electorate offices where \$1.48 million was spent to complete the program of establishing offices following the State General Election in 2008/09. A further \$250,000 was spent on the equipment for electorate offices.

Where possible all fit-out works undertaken by the Department incorporate improved access in accordance with the *Disability Discrimination Act*.

Employment and Industrial Relations

Staff Profile

A breakdown of the actual number of full-time, part-time and seconded employees employed as at the 30 June 2010 is provided in the table below.

Number of Employees by Categories - Department

	2009/10 ¹	2008/09 ¹
Full-time Permanent	236	251
Part-time Permanent	20	27
Full-time Contract	158	170
Part-time Contract	18	27
On Secondment - In	27	69
Sub-Total – Actual Staff	459	544
On Secondment - Out	16	23
Total – Actual Staff	443	521

⁽¹⁾ The reduction of employee numbers in all categories in 2009-10 is due principally to the Targeted Severance Offer 2009, Targeted Employee Separation Offer 2010 and the transfer of the Office of Road Safety on 1 July 2009.

Number of Employees by Categories - Electorate Offices¹

	2009/10	2008/09
Full-time Contract	111	110
Part-time Contract	173	142

⁽¹⁾ While the Department provides administrative support to Electorate Office employees, they are employed by the Presiding Officers of Parliament.

The Department commenced implementation of its *Workforce Plan 2010-2014* in late June 2010. The Plan is designed to assist the Department in identifying its current and future workforce needs.

Analysis of the results of a Retirement Intention Survey conducted in April 2010 is also being undertaken to identify priority areas for succession planning within the Department.

Staff Development

DPC's Human Resource Services staff organised the following training during 2009/10:

- Job Application and Interview Skills Course,
- Recruitment and Selection,
- Accountable and Ethical Decision Making in the WA Public Sector,
- Senior First Aid Training, and
- Occupational Health and Safety Training for Managers and Supervisors.

Policies

Significant amendments were made to the following policies and procedures:

- Leave Management Policy and Procedure,
- Occupational Safety and Health Policy and Procedure, and
- Performance and Development Policy and Procedure.

GOVERNANCE DISCLOSURE

Conflicts of Interest

The Department has a Policy and Operational Procedures in relation to Conflicts of Interest. This requires all employees to declare any perceived, potential or real conflicts of interest as they arise.

In addition, in accordance with the requirements of the *Public Sector Management Act 1994*, the Department's policy and procedures on engagement in activities unconnected with employment require all employees to seek permission to engage in both paid and unpaid activities unrelated to their duties. Any conflicts of interest must be identified and addressed by the applicant in their submission to the Director General.

Contracts with Senior Officers

At the date of reporting, other than normal contracts of employment of service, no senior officers, or firms of which the senior officers are members, or entities in which senior officers have substantial interests, had any existing or proposed contracts with the Department and senior officers.

Internal Audit

The internal audit services are contracted to an external service provider with the operations being 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, with copies forwarded to the Office of the Auditor General.

The Department's Internal Audit Committee met twice during the financial year. Seventeen audits were scheduled and 19 completed during the financial year 2009/10 (including three audits carried over from 2008/09).

Risk Management

In conjunction with the endorsed Business Continuity Framework, a draft risk management framework was developed and considered by the Corporate Executive. Risk Coordinators have been nominated for most functional areas, and RiskCover has been requested to provide access to the RiskBase software product, and conduct risk assessment workshops for those functional areas.

OTHER LEGAL REQUIREMENTS

Statement of Compliance with the *State Records Act 2000* - section 19 and State Records Commission Standards, Standard 2, Principle 6

Section 19 of the *State Records Act 2000* requires all agencies to have an approved Recordkeeping Plan (RKP) that must be complied with by the organisation and its officers.

At its meeting on 7 April 2010, the State Records Commission approved the revised RKP for the Department. Included are Recordkeeping Programs that have been prepared for Cabinet, the Executive Council and all Ministers. Bureau services are provided to the Public Sector Commission and the Office of the Public Sector Standards Commissioner.

In accordance with State Records Commission Standard 2, Principle 6 the following compliance information is provided:



Ms Anna Ngo, one of the Department's school-based trainees, working in the Corporate Information Branch.

State Records Commission Requirement	Department Compliance Action
<p>Whether the efficiency and effectiveness of the organisation's recordkeeping systems has been evaluated or alternatively when such evaluation is proposed.</p>	<ul style="list-style-type: none"> ➤ Recordkeeping systems have been established to manage paper and selected electronic records. Recordkeeping policy documents have been prepared and recently evaluated by the State Records Commission. The RKP primarily focuses on improving compliance with State Records Commission Standard 8 (Digital Recordkeeping). ➤ To support compliance with Standard 8, the Department is continuing to implement a system to capture electronic records; this year 171 sessions and 222 hours of training were provided to support a general records system user base of 154 people; ➤ Records management procedures and the controlled vocabulary are reviewed annually and approved before use; and ➤ Disposal authorities (the Department, Ministers and Inquiries) are current and a review is not required until 2011.
<p>The nature and extent of the recordkeeping training program conducted by or for the organisation.</p>	<ul style="list-style-type: none"> ➤ The Department uses the online self paced Records Awareness Training system (RAT) endorsed by the State Records Office. Training is offered to all staff to give them a standardised understanding of record keeping roles and responsibilities; ➤ Participation statistics for the Department are 208 enrolled and 86% complete, while statistics for Ministerial Offices are 146 enrolled and 72% complete; and ➤ This year 35 records related documents were produced and published online and in print including induction books, service updates and training manuals.
<p>Whether the efficiency and effectiveness of the recordkeeping training program has been reviewed or alternatively when this is planned to be done.</p>	<ul style="list-style-type: none"> ➤ The RAT includes a feedback process to assist in improving course content. To date participants have indicated a 93% approval of content and 93% of participants have indicated an improved understanding of recordkeeping roles and responsibilities; and ➤ A survey of Archives and Recordkeeping was conducted to qualitatively determine awareness of and satisfaction-with services. Results indicated an approval rating of 87.5% in the Department and 86% in Ministerial Offices.
<p>Assurance that the organisation's induction program addresses employee roles and responsibilities in regard to their compliance with the organisation's recordkeeping plan.</p>	<ul style="list-style-type: none"> ➤ In addition to the RAT, the record keeping induction book is revised and new versions released annually. This induction book is included in the Department's staff induction package and intranet; and ➤ Recordkeeping roles and responsibilities are also included in accountability and ethical decision making training and the Department's Code of Conduct.

Statement of Compliance with the *Electoral Act 1907* – section 175ZE (Advertising)

Section 175ZE of the *Electoral Act 1907* requires the inclusion of a statement detailing all expenditure incurred by, or on behalf of, the agency in the reporting period in relation to advertising agencies, market research, polling, direct mail and media advertising organizations. Detailed compliance information is provided at Appendix 1.

Statement of Compliance with the *Disability Services Act 1993* and *Disability Services Regulations 2004*

The Department's initial Disability Access and Inclusion Plan (DAIP) 2007-2011 was developed and lodged with the Disability Services Commission in July 2007.

Specific strategies related to the six DAIP outcomes have been completed and are subject to review when necessary. DAIP information has been included in the Induction Sessions conducted for new commencements during 2009/10 and a DAIP Committee has been re-formed during 2009/10 in accordance with the requirements of the Department's DAIP. Details of the DAIP Committee were communicated to all staff via a staff circular in June 2010.

The Department participates in the Supported Work Teams Program and encourages people with disabilities to apply for vacant positions and other more specific recruitment programs such as the Graduate Development Program.

Statement of Compliance with the *Public Sector Management Act 1994* - section 31 (1)

In the administration of the Department of the Premier and Cabinet, I have complied with the Public Sector Standards in Human Resource Management, the Western Australian Public Sector Code of Ethics and our Code of Conduct.

I have put in place procedures designed to ensure such compliance and conducted appropriate internal assessments to satisfy myself that the compliance statement above is correct.

The applications made for breach of standards review and the corresponding outcomes for the reporting period are:

Number Lodged	1
Number of breaches found, including details of multiple breaches per application	0
Number still under review	0
Number Withdrawn	0
Number Dismissed	1

There were four complaints lodged in 2009/10 relating to non-compliance of the Code of Conduct and/or Code of Ethics. Two resulted in disciplinary investigations.



Peter Conran
DIRECTOR GENERAL

GOVERNMENT POLICY REQUIREMENTS

Substantive Equality

The Department is committed to eliminating systemic racial discrimination in the provision of Public Sector services. The Department has limited direct contact with the community however, it is committed to developing strategies in 2010/11 in the areas in which the Department has community contact.

Occupational Safety and Health (OH&S) and Injury Management

The Department is committed to providing a healthy, safe, and accident free workplace for all its employees, contractors and visitors by complying with the *Occupational Safety and Health Act 1984 and Worker’s Compensation and Injury Management Act 1981*. The Department’s OH&S Policy and Procedure provides for a documented and verifiable set of plans, actions and procedures that assist the Department and employees to clearly identify their occupational safety and health responsibilities.

The Policy and Procedures were reviewed and updated during 2009/10 to include information regarding accident/incident reporting and alcohol and drugs in the workplace. The updated policy was communicated to all staff.

An OH&S Committee was formed during 2009/10. OH&S training was conducted for managers and supervisors, and Departmental OH&S representatives. Information on OH&S was also provided to new staff during their induction training.

The Department has a documented injury management system and return to work program in place in accordance with the *Workers’ Compensation and Injury Management Act 1981*. Return to work programs are developed where necessary in consultation with the employee, medical practitioner and the Department. The OH&S management system has been self-evaluated and the Department is achieving the required standards.

Occupational Safety and Health Performance Indicators

Indicator	Target 2009-2010	2008/09	2009/10	Variance
Number of fatalities	Zero	0	0	0
Lost time injury/diseases incidence rate	Zero or 10% reduction on previous year	1	0	-1
Lost time injury severity rate	Zero or 10% improvement on previous year	0	0	0
Percentage of injured workers returned to work within 28 weeks	Zero		N/A	-
Percentage of managers trained in occupational safety, health and injury management responsibilities	50 % or more		Less than 50 %	-

OTHER CORPORATE INFORMATION

Freedom of Information (FOI)

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

Eighty seven new valid applications were received during the year. Of these, eight applications were transferred in full to another public sector agency for processing and three applications were withdrawn by the applicant. A further seven 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 2 of this report.

In 2009/10 the Department continued to provide FOI support to the Salaries and Allowances Tribunal and Public Sector Commission as a bureau service and training and advice to FOI Coordinators in Ministerial Offices.

FOI Applications

	2009/2010			2008/2009		
	Total			Total		
Carried Over	7	-	-	5	-	-
Received	87	-	-	79	-	-
Total handled	94	-	-	84	-	-
Applications Decided in Year		Personal Information	Non-Personal Information		Personal Information	Non-Personal Information
Full Access	9	2	7	11	0	11
Edited Access	45	1	44	31	2	29
Deferred Access	1	0	1	0	0	0
Section 28 Access	0	0	0	0	0	0
Access Refused	23	1	22	23	0	23
TOTAL DECISIONS	78	4	74	65	2	63
Transfer to other Agencies	8	-	-	7	-	-
Withdrawn	3	-	-	5	-	-
Total Applications Finalised	89	-	-	77	-	-
<i>Carried Forward</i>	5	-	-	7	-	-

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	\$266,541
	Freeway Design	Impact Communications
	Adcorp	Marketforce
(b)	Expenditure with Market Research Agencies	Nil
(c)	Expenditure with Polling Agencies	\$ 39,944
	Synovate Pty Ltd	
(d)	Expenditure with Direct Mail Agencies	Nil
(e)	Expenditure with Media Advertising Agencies	Nil
	TOTAL EXPENDITURE	\$306,485

FREEDOM OF INFORMATION – 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/Pages/Default.aspx> 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 opposite:

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, quick links) or by telephoning the Department's Freedom of Information Unit on (08) 9222 9409 or (08) 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.

How to Apply to Amend Your Personal Information

You can apply to the FOI Coordinator for correction or amendment of any documents containing your personal information.

The application must be in writing, and you must give as much information as you can to show how or why the Department's records are inaccurate, incomplete, out of date or misleading.

If the Department decides to amend the information it will usually alter the record, or add a further note in relation to the record.

The Department will inform you of its decision, and reasons, together with your right of review if you are not satisfied.