



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



Department of the Premier and Cabinet

# Annual Report **2014–2015**

**Produced and published by**  
The Department of the Premier and Cabinet

Principal address:  
Dumas House  
2 Havelock Street  
WEST PERTH WA 6005

Postal address:  
Locked Bag 3001  
WEST PERTH WA 6872

Telephone: (08) 6552 5000  
Fax: (08) 6552 5001  
Email: [admin@dpc.wa.gov.au](mailto:admin@dpc.wa.gov.au)  
Internet: [www.dpc.wa.gov.au](http://www.dpc.wa.gov.au)

ISSN (Print): 1448-7306  
ISSN (Online): 1448-7314

# Contents

---

Statement of Compliance	5
Director General's Foreword	6
About the Department	8
Performance Management Framework	20
Working with the Public Sector and Community	21
Agency Performance	23
Service 1: Administration of Executive Government Services	23
Service 2: Government Policy Management	37
Actual Results versus Budget Targets	57
Anzac Centenary Commemoration	58
Significant Issues	62
Disclosures and Legal Compliance	63
Opinion of the Auditor General	63
Financial Statements	66
Notes to the Financial Statements	76
Audited Key Performance Indicator Information	132
Other Financial Disclosures	141
Governance Disclosures	142
Other Legal Requirements	146
Government Policy Requirements	150



# Statement of Compliance

---

**For the year ended 30 June 2015**

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 the Parliament, the Annual Report for the Department of the Premier and Cabinet for the financial year ended 30 June 2015.

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



Peter Conran  
**DIRECTOR GENERAL**

17 September 2015

# Director General's Foreword

---



2014–15 has been a busy year for the Department which has seen many achievements for the State Government and the Western Australian community.

A significant project during the year was the facilitation and coordination of major commemorative events to mark the departure of troops from Western Australia for battles in the First World War.

In October and November 2014 a number of events commenced in Albany, some of which included the Royal Australian Navy Ceremonial Sunset, a troop march, symbolic ship departure, community concert and the official opening of the National Anzac Centre by the Premier and the Australian and New Zealand Prime Ministers.

The Department also coordinated events that commemorated the two ships that departed Fremantle with most of WA's troops onboard, escorted by the Japanese naval vessel the *Ibuki*. Events included an overnight cadet

bivouac at the site of the Blackboy Hill training ground, cadet marches at Blackboy Hill and Fremantle along with a commemorative service in Fremantle.

All of these events received widespread praise from attending dignitaries and the community members who participated. I would like to thank the dedicated team of staff who have assisted in coordinating these very special events.

Throughout 2014–15 the Department continued its important role in delivering support services to all Ministerial Offices, from general recruitment and air charter services to the relocation of two Ministerial Offices into Dumas House. This latter achievement has presented considerable savings as Ministerial Offices are consolidated in the building. The staff who work with Ministerial and Parliamentary Electorate Offices in delivering those support services deserve special mention for their efforts over the year.

The Office of Science has made significant inroads in supporting government agencies on science related issues and facilitating cross-government linkages across the science community. The Science Statement for Western Australia, launched by the Premier in April 2015 provides a strategic focus for the future of science for Western Australia, and I look forward to the many exciting initiatives to be progressed by the Office of Science.

The Department's policy teams have been working hard to progress various policy reforms in conjunction with other community and business groups, which have included the coordination and implementation of the Government's shark mitigation strategy, Indigenous over-representation in the legal system, reforms to improve landholder property rights and the South West Native Title settlement. It takes a great deal of drive and motivation to achieve reform across

the many activities of government and I congratulate all policy staff for their efforts.

Once again the Department has achieved its goals in supporting the Premier as head of the Western Australian Government and the Minister for Science, and in providing quality policy and administrative advice and support to enable the Premier and Government to serve the WA community well.



Peter Conran  
**DIRECTOR GENERAL**



# About the Department

---

## Overview

---

### Responsible Minister

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

### 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 is 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 in 2001 under the *Public Sector Management Act 1994*.

### Our Vision

- » Improving outcomes through leadership, collaboration and innovation.

### Our Purpose

- » We provide quality policy and administrative advice and support to enable the Premier and Government to serve the Western Australian community well.

### Our Values

The Department is committed to the Public Sector Code of Ethics and will be guided by its Code of Conduct and the following values:

- » Working with integrity
- » Focused on results
- » Collaborating with others
- » Leading improvement

## 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.

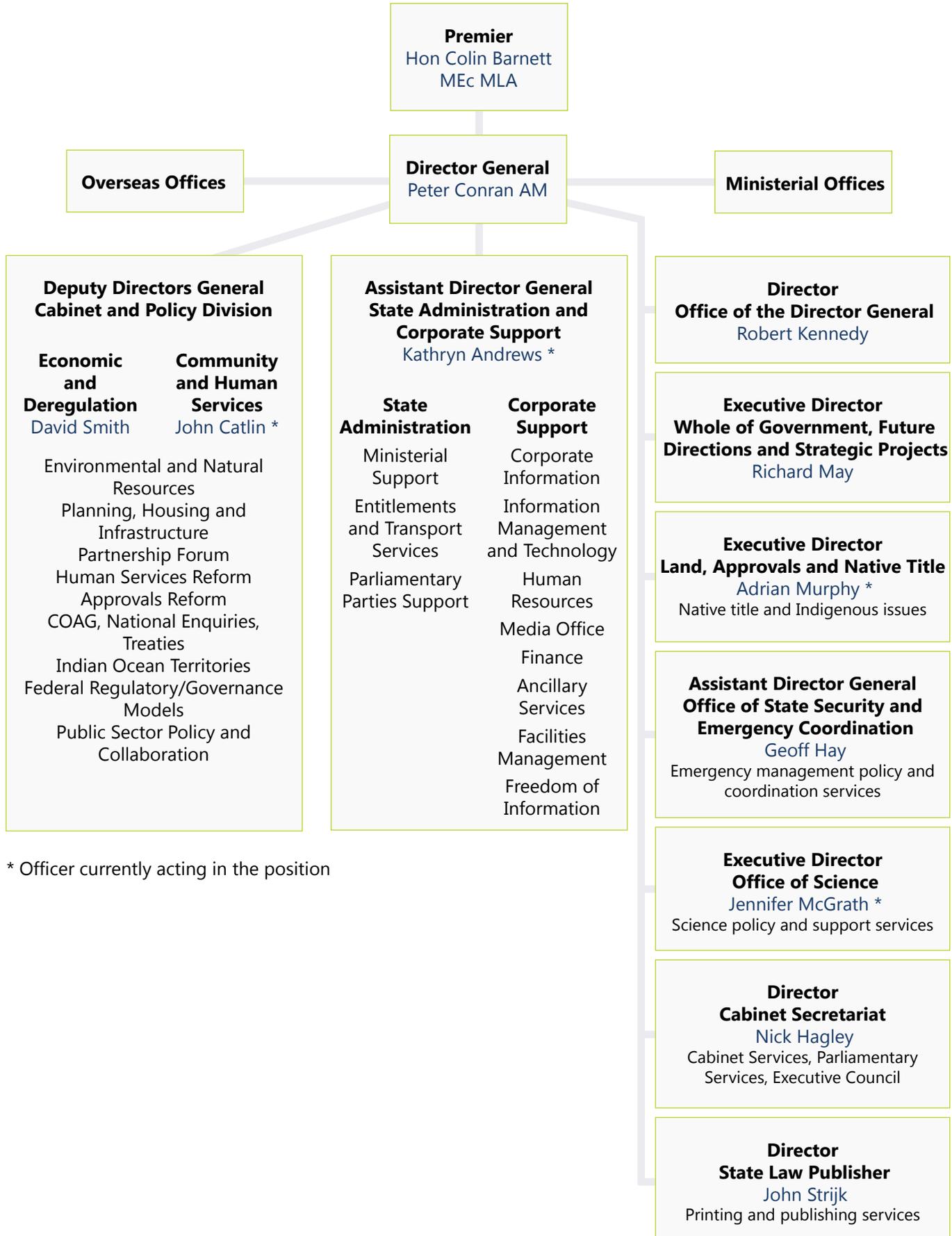
*Agent General Act 1895*  
*Alteration of Statutory Designations Act 1974*  
*Armorial Bearings Protection Act 1979*  
*Constitution Act 1889*  
*Constitution Acts Amendment Act 1899*  
*Daylight Saving Act 2006*  
*Deputy Governor's Powers Act 1911*  
*Discharged Servicemen's Badges Act 1967*  
*Election of Senators Act 1903*  
*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 2010*  
*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*  
*Western Australia Day (Renaming) Act 2012*

## Other key legislation impacting on the Department's activities

*Corruption, Crime and Misconduct Act 2003*  
*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*

# Our Structure



\* Officer currently acting in the position

## Senior Officers



*From top left: Lyn Genoni, Tom Leeming, Richard May, Robert Kennedy, Nick Hagley, Angela Boland, Geoff Hay, John Strijk, Jennifer McGrath, Peter Conran, Kathryn Andrews, David Smith.*

### Director General Mr Peter Conran



Mr Peter Conran AM commenced as Director General of the Department of the Premier and Cabinet in November 2008 and was re-appointed for five years in May 2013. In this

capacity, he has led the Department in advising and serving the Premier and Cabinet. Mr Conran has over 30 years of 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 - Economic and Deregulation Mr David Smith



Mr Smith has been the Deputy Director General since August 2008. Prior to this, he was a member of the Corporate Executive of the Department of Treasury and Finance (DTF), with

responsibility for economic policy. Mr Smith was in the DTF in a variety of positions over a 12-year period. In addition, he has over 20 years of experience in the Commonwealth public service, including 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.

## About the Department

### Deputy Director General - Community and Human Services

#### Mr John Catlin



Mr Catlin has a lengthy background in social and economic policy, including extensive experience in Indigenous policy. Mr Catlin returned to the Department of the Premier and Cabinet

in May 2010 after a 10-year absence during which he spent six years as a Member of the National Native Title Tribunal, two years in the Victorian Department of Justice and a year in the resource industry in Queensland. During the 1990s he worked in the Western Australian Departments of the Premier and Cabinet, the Department of Indigenous Affairs, and the Department of Mines and Petroleum.

### Assistant Director General - State Administration and Corporate Support

#### Ms Kathryn Andrews



Ms Andrews initially joined the Western Australian public service as part of the Graduate Programme in January 1984. She has worked in the human resources field in a number

of departments including the State Housing Commission, the Department of Conservation and Land Management and Department of Treasury and Finance before coming to work for the Department of the Premier and Cabinet in January 1994. Ms Andrews was previously the Manager, Human Resource Services, within the Department prior to being appointed as Director, State Administration, in January 2012.

### Assistant Director General - Office of State Security and Emergency Coordination

#### Mr Geoff Hay



Mr Hay was appointed to this position in July 2005, following periods in the positions of Assistant Director General, State Administration, and

Assistant Director General,

Public Sector Management. Mr Hay previously held the position of Assistant Under Treasurer at the Treasury Department. Mr Hay has over 30 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.

### Executive Director - Economic and Deregulation

#### Ms Lyn Genoni



Ms Genoni joined the Department of the Premier and Cabinet in 1997, and was appointed an Executive Director in 2010. She has over 30 years of public sector experience, with more

than a decade working on State policy priorities with colleagues in the Commonwealth and other states and territories. Ms Genoni commenced her career in education, and went on to a succession of policy leadership and management roles in a number of government agencies. She has a wide interest in all areas of public sector policy, and was awarded life membership of the Institute of Public Administration Australia WA in 2007, having served as an elected member of the State Council for 10 years.

## Director - Office of the Director General

### Mr Robert Kennedy



Mr Kennedy has worked in public sector agencies for over 15 years in both the State and Commonwealth Governments. Most of this time has been in central agencies in policy and

administration roles. He joined the Department in 2003 and was appointed Director, State Administration, in 2008, when he joined the Corporate Executive. Mr Kennedy was appointed Director, Office of the Director General, in 2011 and is responsible for the Department's corporate governance functions and supporting the Director General.

## Executive Director - Whole of Government, Future Directions and Strategic Projects

### Mr Richard May



Mr May has over 25 years of experience in the State public service in a range of policy, funding, corporate services and ministerial liaison positions in the Disability Services

Commission (DSC); senior management experience in the Department of Indigenous Affairs (DIA), primarily in the delivery of services in regional locations; and senior management policy and corporate services experience in the Office of the Public Sector Standards Commissioner. Mr May has also worked on restructures in DSC and DIA, and was seconded to work on the creation of the Department for Child Protection and Department for Communities. He has also held a number of positions in the Department of the Premier and Cabinet and ministerial offices.

## Executive Director - Community and Human Services

### Tom Leeming



Mr Leeming has been Executive Director, Community and Human Services, since September 2011. He was previously in the Department of Treasury for five years in a variety of positions. Prior to moving to Western Australia in 2006, Mr Leeming worked in international development with the British and European Governments, advising southern and central African Governments on economic and social policy.

## Executive Director

### Mr Tony Rutherford



Mr Rutherford was appointed to the position of Executive Director in May 2011. Prior to this appointment, he had extensive experience in senior policy advisory roles in both State and Commonwealth Government offices and the Institute of Public Affairs, as a public affairs columnist for The West Australian newspaper, and in a private consulting practice.

## Director - State Law Publisher

### Mr John Strijk



Mr Strijk was appointed to this position, which also has the designation of 'Government Printer', in 1996. He was previously in the Department of State Services and State Print in a number of roles including marketing and sales, planning and support, and has over 44 years of public sector experience.

## About the Department

### Executive Director - Office of Science

#### Jennifer McGrath



Ms Jennifer McGrath has worked in State Government for the past 13 years, holding senior executive positions in the Departments of Child Protection, Communities,

Corrective Services and Finance-Building Management and Works. Successfully implementing significant reform agendas across government has been a highlight of her career in recent years. Ms McGrath's early career consisted of accounting, finance and business analyst roles, across a number of businesses including a multinational steel manufacturing company, and then with James Cook University. In November 2014 Ms McGrath was seconded to the Department of the Premier and Cabinet to take on the position of Executive Director Office of Science. Ms McGrath has a Bachelor of Commerce and is a Certified Practising Accountant.

### Director - Cabinet Secretariat

#### Mr Nick Hagley



Mr Hagley commenced as a Senior Parliamentary Officer in 1989, before moving to the Office of the former Minister for Police as Executive Officer in 1995.

Returning to the Department of the Premier and Cabinet, he was appointed Manager of the Parliamentary Services Branch and has also acted as Cabinet Secretary. In 2010, he was appointed Director of the Cabinet Secretariat and also Clerk of the Executive Council in May 2011.

### Executive Director - Land, Approvals and Native Title Unit

#### Mr Adrian Murphy



Mr Murphy has over 20 years of experience in the resource sector, indigenous affairs and land approvals. He has worked for Commonwealth and State government agencies, as

well as in the non-government and private sectors. His experience has primarily been in the areas of strategic policy and systems development, and major project negotiations. Mr Murphy joined the Department of Mines and Petroleum in 2009, transferring to the Department of the Premier and Cabinet at the beginning of 2011.

### Director - State Administration

#### Ms Angela Boland



Angela Boland has been employed with the Western Australian Government for over 26 years. She has been the acting Director of State Administration since October 2014 and employed

with the Department of the Premier and Cabinet since June 2012. Prior to this Angela was a member of the Corporate Executive at the Department of Mines and Petroleum. She has managed ministerial business across several government portfolios including Agriculture and Food, Water and Environment. Angela has also worked in the Office of the Racing, Gaming and Liquor and the Department of Planning.

## Our Workplace

Our critical function is to provide the Premier and his Ministers, quality policy and administrative advice and support to enable the Government to serve the community well. On behalf of the President of the Legislative Council and the Speaker of the Legislative Assembly, this Department also supports the employment of parliamentary research and electorate officers to assist in the administration of 95 Member of Parliaments' electorate offices.

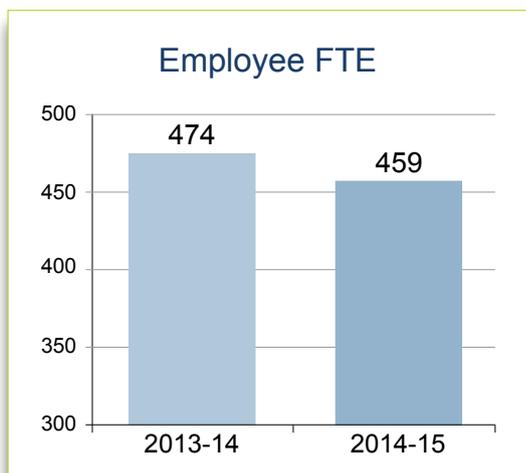
Other functions the Department provides include direct education services to the community through the Constitutional Centre and corporate support services to the Office of the Leader of the Opposition.

### 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, graduates and school-based trainees.

The graduate and trainee programmes have provided excellent opportunities for successful applicants to learn about, and work in a central government agency.

In 2014–15, the Department recruited two school-based trainees and five graduates.



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

In 2014–15 there were 1,743 applications for 41 advertised positions. People who expressed interest in working for the Department were encouraged to visit our internet page to find out more about our agency and the 'Work for Us' page where links to vacancies are published.

### Employee Health, Safety and Wellbeing

The Department supports the health and wellbeing of our employees through a range of activities. Some of these activities include on-site flu vaccinations, health checks, mole scans, Mental Health First Aid training and lunch time seminars on health topics.

Employees and their immediate family members have access to professional counselling services through the Employee Assistance Programme (EAP). The EAP service providers also deliver critical incident response services when required.

The Department promotes the importance of a safe workplace by ensuring all managers and supervisors complete occupational safety and health (OSH) training. The well-established OSH Committee continues to meet regularly and OSH representatives conduct regular inspections of all Department offices.

The Department pledges to support the One Life Suicide Prevention Strategy and continuously aims to increase awareness of, and consequently reduce, the stigma surrounding people with mental health issues. To maintain this pledge, the Department regularly organises activities and provides information to staff on relevant topics.

## About the Department

### Graduate Programme



*Peter Conran, Director General (third from left), David Smith (sixth from left), John Catlin (ninth from left) with current and former graduates*

The Graduate Development Programme continues to provide the Department with a pool of talented and enthusiastic individuals keen to forge a career in the Western Australian public sector. The Department's Programme has been operating since 2001 and has seen 62 graduates enter the Department to gain experience across a range of policy contexts through quarterly rotations in areas such as Land, Approvals and Native Title, Community and Human Services, Strategic Projects, Economic and Deregulation and the Office of State Security and Emergency Coordination.

The Department works hard to identify the best opportunities that will develop the capability of its graduates and extends this to encouraging short term secondments out to various line agencies so they can learn the business from a different perspective, returning a more well-rounded policy officer.

The Department is committed to continuing the Programme to ensure all participants are provided with a challenging and rewarding career in the public sector with the knowledge that the Programme benefits both the individual, the Department and the wider public sector.

## Supporting People with Disabilities

The Department is committed to providing employment opportunities for people with disabilities and has successfully appointed a number of permanent staff members and continuously maintained the Supported Work Team Programme since 2007.

The Supported Work Team consists of six employees who work part-time and carry out administrative duties under the supervision of a coordinator. The tasks assigned to each employee are based on the level of individual capability and skills.

The key objectives of the Programme are to provide on-the-job training and development opportunities for people with disabilities, expand possibilities for future employment and provide opportunities for participants to interact with others in an office environment.

Over the years, a number of employees initially engaged in this Team have successfully gained permanent employment within the Department or other public sector agencies.

## Supporting the Community

In April 2015, the Department pledged its support to Defence Force Reservists by joining the Supportive Employer Programme with the Defence Reserves Support Council. Defence Force Reservists called to serve their obligations are provided immediate access to leave.

The Department is also committed to supporting the Aboriginal community. In May 2015, one of the Department's employees was successful in receiving a six-week scholarship to participate in the Jawun Indigenous Corporate Partnerships programme offered by the Public Sector Commission.

This programme offers the opportunity for individuals from both the private and public sector to participate in secondments to Aboriginal communities to support innovative programmes of change. The selected employee will be assisting Nyamba Buru Yawuru Ltd in Broome to develop a housing policy that supports growing the housing stock in Broome for increased indigenous private home ownership and greater rental options.



*The Supported Work Team*

## Our Goals

---

- » Providing leadership in all facets of policy development, from the progression of key sector reforms to developing innovative solutions to complex policy issues
- » Leading and supporting our people through providing development opportunities and an engaging work environment to produce the best services, and leaders for today and the future
- » Providing implementation support through coordinating, monitoring and partnering
- » Providing quality and timely policy advice to support the Premier and Cabinet
- » Delivering quality and timely services to support the administration of Government

## Key Service Areas

---

### Government Goal: Results-Based Service Delivery

- » Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians

### Agency-level Outcomes

- » Executive Government receives appropriate support
- » The Premier and Ministers receive high quality, rigorous and timely policy advice

### Services

- » Administration of Executive Government Services
- » Government Policy Management

The agency-level outcomes directly relate to the purpose and goals set out in the Department's Strategic Plan 2013–17, and the service structure to deliver these outcomes has been designed around the administrative and policy functions of the Department.

The Department's activities also contribute to the Government Goals:

- » Financial and Economic Responsibility
- » Social and Environmental Responsibility
- » State Building – Major Projects

The key effectiveness and efficiency indicators report on the agency-level outcomes achieved by these services.

### Service 1 Administration of Executive Government Services

- » Administrative support to the Premier
- » Administrative policy advice and support to Ministerial offices and the Leader of the Opposition
- » Promotion of Western Australia's interests overseas
- » Communication of Government policies and activities
- » Support for the Executive Council
- » Administration of entitlements for Members and former Members of Parliament
- » Management of the State occasions and official visits programme
- » A secure, confidential and time-critical printing and publishing service for Parliament and Government
- » Management of exhibitions and programmes at the Constitutional Centre

### Service 2 Government Policy Management

- » Strategic policy advice and coordination to the Premier and Cabinet
- » Strategic policy advice and coordination to the Minister for Science
- » 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 the Council of Australian Governments and the Council for the Australian Federation
- » Strategic, cross portfolio advice on land, State and Commonwealth approvals and Indigenous issues
- » Support for the functions of Cabinet and Parliament
- » Emergency management policy advice to the Premier, Ministers and Government agencies, and whole-of-government management and coordination of significant security incidents and emergencies

# Performance Management Framework

The Department operated under the guidance of its strategic vision, purpose and goals, which set the direction necessary to achieving the Government Goal of Results-Based Service Delivery. Key performance indicators (KPIs) allow the Department to assess and monitor performance in areas identified as critical to our business. These KPIs are used to measure the Department's performance both on a quarterly and annual basis, ensuring the delivery and achievement of the relevant services, outcomes, and Government Goal as outlined in the table below.

## Outcome Based Management Structure

### Relationship to Government Goals

The following table demonstrates the relationship between the Department's services and desired outcomes, and the high-level Government Goal of Results-Based Service Delivery. Key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes, and key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service. Collectively, the achievement of the outcomes and services will demonstrate how the Department contributes to achieving the Government Goal.

Government Goal	Desired Outcomes	Services
<b>Results-Based Service Delivery:</b> Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians	Executive Government receives appropriate support	Administration of Executive Government Services
	The Premier and Ministers receive high quality, rigorous and timely policy advice	Government Policy Management

Further detail relating to the audited KPI information is located on page 132. Results in this section show a comparison of key efficiency and key effectiveness targets and outcomes, forming part of the Department's Outcome Based Management structure.

## Changes to the Outcome Based Management Structure

The Department of the Premier and Cabinet's outcome based management structure did not change in 2014–15.

# Working with the Public Sector and Community

---

## Building a sustainable not-for-profit sector

- » Supporting the Partnership Forum, a group of public and not-for-profit sector chief executive officers, to steer reforms to the policy, planning and delivery of community services
- » Progressing reforms to the way the public sector contracts with the not-for-profit sector, in order to improve services delivered to the community
- » Coordinating the development and implementation of Aboriginal Youth Services Investment Priorities and Principles
- » Leading negotiations with the Commonwealth Government on the State's participation in the National Disability Insurance Scheme, working with the Disability Services Commission, Mental Health Commission and Department of Treasury

## Approvals

- » Assisting the Ministerial Taskforce on Approvals, Development and Sustainability. Reducing excessive environmental regulation
- » Leading agency negotiations with the Commonwealth on proposed new bilateral agreements to streamline environmental approvals
- » Coordinating the implementation of the Kimberley Science and Conservation Strategy's key deliverables by a number of agencies and leading the native title negotiations related to the new marine and national parks

## Strategic assessment of the Perth-Peel region

- » Leading the strategic assessment in close collaboration with the Departments of Planning, Parks and Wildlife, Mines and Petroleum, Water, Environment Regulation and the Office of the Environmental Protection Authority
- » Chairing the Peel Harvey Estuary Management Committee

## Infrastructure

- » Participates on the Commissioning and Reconfiguration Taskforces for the new Fiona Stanley and Perth Children's Hospitals
- » Participates in the Infrastructure Coordination Committee and the related Senior Officers Group
- » Coordinated State input to Infrastructure Australia
- » Assisted the Department of Regional Development with input on the Northern Australia White Paper
- » Assisting the Department of Housing with the National Partnership Agreement on Remote Indigenous Housing and essential services for remote Indigenous communities including membership of the Joint Standing Committee with the Commonwealth

## About the Department

### Deregulation and red-tape reduction

- » The Department collaborated with Department of Finance to develop whole-of-government Regulatory Reform Policy, a new 'Reinvigorated Regulatory Reform Plan', and a suite of agreed regulatory reform and red-tape reduction priorities for 2015–16

### Strategic projects

- » Working closely with the Department of Fisheries in the development of shark hazard mitigation policy and activities
- » Working with the Department of Parks and Wildlife and the Department of Fisheries to clarify the policy on responding to whale carcass incidents along the WA coastline
- » Participating on the Steering Committee for the local events associated with the International Cricket Commission World Cup in February and March 2015

### Land, approvals and native title

- » Coordinating input by State Government agencies into native title claims negotiation and resolution (via the Government Indigenous Land Use Agreement), including the South West Native Title Settlement
- » Joint action with the Department of State Development, Department of Land, Landcorp and other agencies on town site expansion, including for Onslow and Exmouth, and Port Hedland
- » Coordinating the Strategic Land Initiatives Group involving all key State land management agencies, and developing efficient strategies to address native title and heritage for major projects and land releases

### Whole-of-Government skills consultation and training:

- » Interagency Reference Group on Native Title and Aboriginal Heritage comprises all WA Government department agencies involved in either native title and/or Aboriginal Heritage matters (meetings in November 2014 and April 2015)
- » Regional training workshops in the Pilbara (July 2014), Goldfields (October 2014) and Geraldton-Mid West (May 2015) regions and attended by officers from regionally-based departments and government corporations with the Department of Aboriginal Affairs and assisting implementing associated native title and related policies, including the Aboriginal Heritage Due Diligence Guidelines, Guidelines for Engagement of Aboriginal Heritage Monitors, Guide to the Government Indigenous Land Use Agreement and Government Standard Heritage Agreement

### Working with other government agencies

- » Developed and delivered the Western Australian Open Data Policy
- » Delivered ICT strategic workshops with Chief Information Officers from across the sector

# Agency Performance

---

## Service 1: Administration of Executive Government Services

---

### Administrative support to the Premier, Ministers, the Leader of the Opposition, and Members (and former Members) of Parliament

» Administrative support to the Premier	24
» Administrative policy advice and support to Ministerial offices and the Leader of the Opposition	24
» Promotion of Western Australia's interests overseas	26
» Communication of Government policies and activities	31
» Administration of entitlements for Members and former Members of Parliament	32
» Management of the State occasions and official visits programme	32
» A secure, confidential and time-critical printing and publishing service for Parliament and Government	34
» Management of exhibitions and programmes at the Constitutional Centre	35

# Administrative support to the Premier; Administrative policy advice and support to Ministerial offices and the Leader of the Opposition



*Premier and Cabinet Room Building*

## Premier's Office

Administrative support is provided to the Premier's Office which 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.

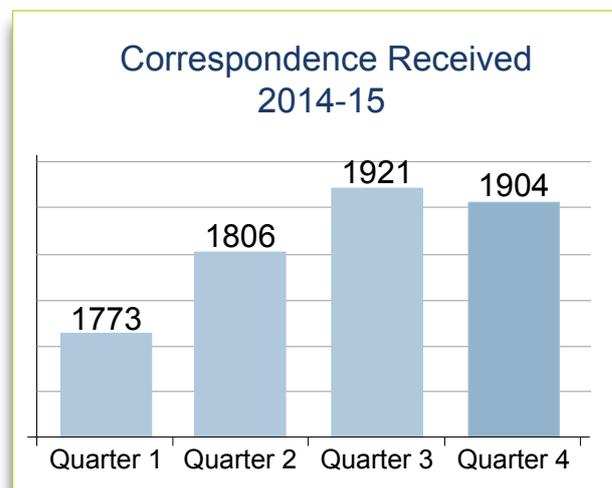
Premier's Office staff are the contact and liaison points for matters directly involving the Premier, attending meetings with him or on his behalf, and following up matters arising from those meetings.

## Ministerial Support

Ministerial Support, Ministerial Air Charter, Correspondence and the Community Comment Line collectively comprise the Ministerial Support Unit (MSU). These sections provide strategic advice and services to the Office of the Premier and all Ministerial Offices regarding human resource matters and other

operational issues. The operation of the Ministerial Air Charter service is also managed by the MSU.

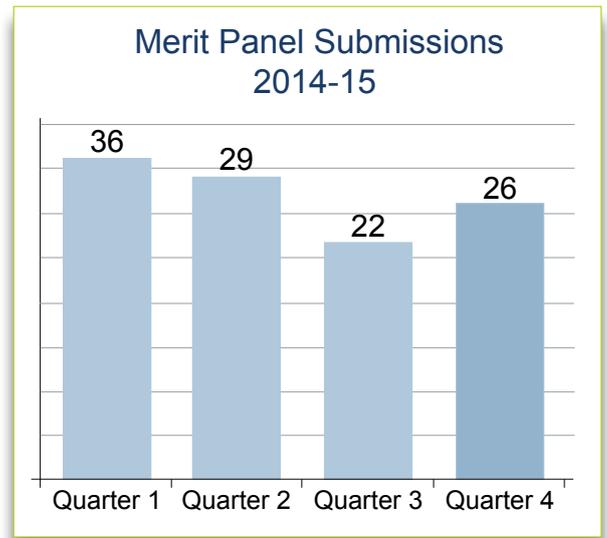
Through the services provided by the Community Comment Line and Correspondence staff, community organisations, private businesses and members of the public convey their views to the Premier and Ministers via telephone, email and letters. Throughout 2014–15, MSU staff responded to 684 telephone calls received by the Community Comment Line and actioned 7,404 items of correspondence.



## Ministerial Merit Panel

The Ministerial Merit Panel assesses the merits of all proposed staff to be seconded or appointed to a Ministerial Office. In order to maintain a consistent approach to the appointment process across all Ministerial Offices, the Ministerial Merit Panel provides advice regarding classification and salary matters. During 2014–15, the Ministerial Merit Panel considered 113 submissions in both formal and out-of-session meetings.

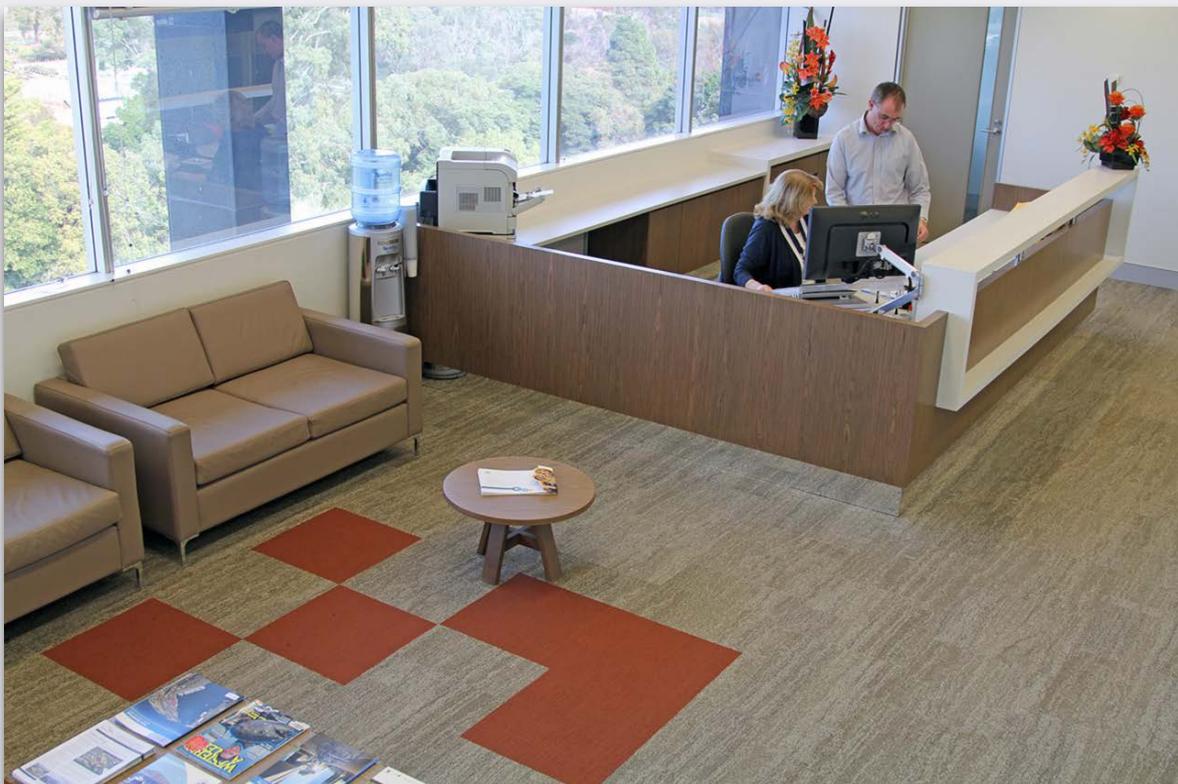
Merit Panel submissions include requests for appointment on contract, secondments and higher duties allowances.



## Facilities Management

The Facilities Management Branch:

- » completed internal moves to facilitate the construction of two Ministerial offices in Dumas House; and
- » relocated Ministerial offices from commercial accommodation, subsequently surrendering two commercial leases to achieve a rental saving of approximately \$1 million per year.



*The shared reception area for Ministers Baston, Francis and Nalder.*

### Promotion of Western Australia's interests overseas

The Department has direct responsibility for overseas offices in three countries. These offices are responsible for identifying trade and investment opportunities for Western Australia, and monitoring business developments and activities that are likely to have an impact on Western Australia's overseas interests.

The overseas offices 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, agriculture, resources 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 interests in the Middle East and Africa.

### European Office

The European Office in association with the Department of State Development, the Australian Marine Complex, City of Perth and Clough WA participated and exhibited at the Offshore Northern Seas (ONS) exhibition in Stavanger, Norway, 2014, promoting the State as an investment and business development location and continuing to raise the State's profile in the oil and gas service support sector and in particular in the LNG arena.

During ONS 2014, the Agent General, who chaired the INTSOK Australia session briefing with co-chair Mr Håkon Skretting, Regional Director INTSOK, addressed the Smart Metro and CBTC World Congress London 2014, presenting "A Western Australia Rail Opportunities Project Overview" with support from Perth's Public Transport Authority.

The Agent General also hosted two roundtable discussions — 'Opportunities in Western Australia', London at Metro Rail Europe 2015 and 'The Future of Urban Mobility', to promote rail infrastructure business development opportunities in WA, with support from the Public Transport Authority.

The European Office attended the 26th World Gas Conference Paris 2015, the largest conference in the global gas industry calendar, with more than 4,000 conference delegates from 100 countries and 500 speakers discussing current and future industry developments. The European Office promoted LNG18 at the conference and together with the Director General from the WA Department of State Development held separate meetings with ENGIE (formerly GDF Suez), Technip and Subsea 7.



*Left to right: Kevin Skipworth CVO, Agent General Government of Western Australia European Office, with HE Damien Miller, Australian Ambassador to Denmark and Norway; and a West Australian business representative at Offshore Northern Seas, Norway, 2014, in front of the WA stand.*

The Office also worked with Western Australian companies in the agriculture sector to develop export opportunities for their products including;

- » three WA wineries seeking European distributors (Flametree, Fraser Gallop and Talijancich);
- » The WA Chia Company;
- » WA Wine and Truffle Company; and
- » Lupin Foods Australia Pty Ltd.

The European Office hosts two State Government departments within its office in London. The Department of Training and Workforce Development undertakes functions associated with migration and education attraction activities. The Department undertakes migration seminars as well as attending a number of commercial migration expos in the United Kingdom and Ireland. The European Office's skilled migration manager also assisted with the on-going recruitment campaign for the WA Police. Exams were coordinated and run by the Office and facilities and support provided to WA Police when they travelled to London later in the year to interview shortlisted candidates.

The Department of Health operates its International Workforce Supply Bureau (IWSB) from the European Office. The Bureau is staffed by a full-time programme officer based in London and a full-time manager operating between Perth and London, who works in the UK during the peak expo periods of March/April and September/November each year.

The role of the IWSB is to attract, advise and refer the specific skilled health professionals from the UK and Ireland needed to supplement staffing required for 'in-demand' roles, in public sector hospitals and health services, throughout Western Australia.

The Bureau's London based operations have been effective in responding to an unprecedented number of requests to meet workforce needs across the system.

45 in-demand and specialty roles were targeted in 2014–15. Of these, 23 were medical, 15 were nursing, and seven health professional roles.

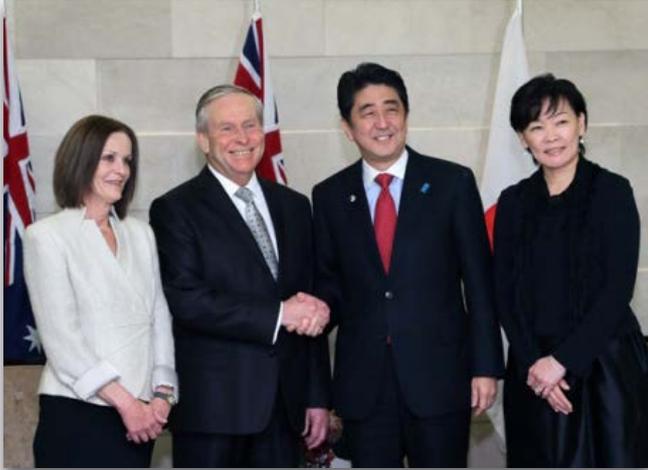
IWSB staff engaged with many hundreds of potential candidates considering moving to WA both imminently and within the next few years. Of these, approximately 285 registered and clinical nursing and midwifery specialists, 390 medical practitioners and 53 allied health professionals were individually processed and referred to WA Hospital workforce teams for recruitment and selection into area of need and in-demand vacancies.

## North Asia Office

During 2014 the North Asia Office hosted a visit by the Minister for Mines and Petroleum and delegations from the Legislative Assembly and the Legislative Council. All of these visits met with high level executives in both the private and public sectors and reaffirmed Western Australia's commitment to its relationship with Japan. Energy and food security are key to the WA-Japan relationship and these visits furthered the confidence Japan has in Western Australia as a stable and long term supplier of minerals, energy and food products.

Major achievements of the Office included a prominent role in the successful conclusion of Australia's free trade agreement with Japan and a successful invitation to visit Western Australia by the Prime Minister of Japan, His Excellency Mr Shinzo Abe. Mr Abe's visit was significant in that it covered both the resources and the increasingly important agribusiness sectors. A visit by the wife of the Prime Minister to one of WA's noodle wheat development facilities served to focus attention on the fact that WA is Japan's number one supplier of noodle wheat.

Japanese investment in the value chain that our wheat supply represents is an ongoing area of promotion for the Office and continued success is expected.



*Left to right: Mrs Lyn Barnett, Premier Colin Barnett, Prime Minister of Japan Shinzo Abe and Mrs Akie Abe.*

The Office also hosted visits by WA Treasury Corporation and more than 30 in-market visits by WA companies. The Office acts as an important link between the Treasury Corporation and the Japanese financial sector and produces a monthly newsletter in Japanese that has become a valuable tool in dispersing information on the WA economy and opportunities for investment.

In-market visits covered a range of industry sectors including resources, finished products and agricultural produce. The latter has benefited greatly from the conclusion of the free trade agreement and the business matching services of the Office have allowed WA companies to reach successful export contracts with Japanese buyers.

The Office continued to liaise with major airlines on the re-establishment of a direct flight between Tokyo and Perth and was assisted in this effort by Tourism WA and the Lord Mayor of Perth. Establishment of direct flights is an important goal the Office is seeking to achieve, as it will serve as a vital conduit in business, tourism and live seafood exports.

The promotion of education remains a priority for the Office and once again a

successful mission to WA for Japanese agents was conducted. This served to identify opportunities for both public and private education institutions in WA, and promoted increased links. A rise in the number of student visas issued to Japan for study in WA was attributed to the promotional work the Office conducts in this sector.

## Middle East and Africa

The WATO (Western Australia Trade Office) in Dubai is headed by a Commissioner with a team of three focusing on the Middle East market while providing support to the fourth member of the team based in Kenya. The Africa based representative reports directly to the Commissioner and caters for all activities in the region.

The WATO's focus markets are the Gulf Cooperation Council (GCC) which comprises of Saudi Arabia, the United Arab Emirates (UAE), Oman, Bahrain, Kuwait and Qatar. The focus for the African region is the East Africa bloc. It is the most rapidly developing region in Africa with recent discoveries of oil and gas and increased emphasis on mining provide the greatest opportunities for Western Australian companies. Kenya, Tanzania, Uganda/Rwanda, Mozambique and Zambia are the countries most viable for Western Australian interest for their membership in COMESA and the Commonwealth and IOR-ARC.

## Annual CBH Middle East Growers Study Tour

The WATO once again had the pleasure of receiving the CBH Middle East Grower Study Tour in September 2014. The third annual visit to the region saw the growers travel to Saudi Arabia, UAE, and Oman. This group was the first ever delegation to have female members visit Saudi Arabia. Among the various meetings with industry leaders in each country, the Tour visited the 33rd International Agriculture, Water & Agri-Industry Show in Riyadh, Saudi Arabia.



*CBH Middle East Growers Study Tour 2014 in Saudi Arabia*

## Director General DAFWA visit to Saudi Arabia

The 40th Session of the International Grains Council (IGC) held on 10 December 2014 in Jeddah Saudi Arabia, was a high level public forum where senior private sector representatives and government policy makers discussed topical issues affecting the global grains and oilseeds industry. Participants can obtain and exchange first-hand information and assessments, and establish contacts with major players in the world grain markets.

Through the facilitation of the WATO, the Director General of the Department of Agriculture and Food, Mr Rob Delane was officially invited to speak at the forum. This was a significant achievement at this prestigious event. The IGC featured two presentations from Western Australia, one by Mr Delane and the other by an AEGIC representative.

While in Saudi Arabia Mr Delane included visits to key industry and ministerial meetings in Saudi Arabia as well as a day-trip to Dubai, UAE. Western Australia's agricultural interests were promoted at a major grain conference and in meetings with leading agribusiness companies such as United Feed Company, Arasco, AlMarai, and Indomie as well as a site

visit to the new Jeddah abattoir. In Riyadh, an industry networking luncheon was organised with top industry contacts including Al Dahra Agriculture Company, Choithrams, Barakat Foods, Hakan Foods, Emirates Sky Cargo, MLA, Coca-Cola and others.

## NADEC - DAFWA Australia joint project

The WATO Office has been working with the National Agricultural Development Company (NADEC) for the past five years and has coordinated a number of inward missions to NADEC offices and farms. A number of meetings were held with the NADEC executives to understand company requirements. With the support from the Department of Agriculture and Food Western Australia (DAFWA) a joint feasibility study was initiated last year.

A visit by a DAFWA technical representative to Saudi Arabia was conducted to obtain on site information. The exchange of knowledge has since resulted in several reports currently under review by the technical and management department in NADEC.

## Agency Performance - Service 1

### Mediation Assistance (WA Client-Middle East Customer)

The Office assisted in the introduction of a customer with the sale of 14 containers of lupins to one of the biggest grain importers in Egypt. In first quarter of 2015, the WATO had further provided comprehensive assistance to assist a WA client in resolving an issue with a Middle East customer on demurrage charges incurred due to delays at Egyptian Port. Mediation assistance was provided on ground in Alexandria achieving a successful outcome.

### Deputy Premier Visit, Dubai UAE

The WATO organised and coordinated the one day stopover in Dubai, UAE by the WA Deputy Premier and Chief of Staff on 4 June 2015.

The visit programme included;

- » Dubai Tourism — meeting with the Director General;
- » site visits of world famous iconic tourism infrastructure projects in Dubai; and
- » a business luncheon event as hosted by the WATO. Attendees include Australian government representatives, airline and industry representative for semi-formal tourism centred discussion.



*On 4 June 2015 the Australian Ambassador to the UAE, Hon Pablo Kang and Australian Consul General, Gerard Seeber, welcomed Hon Dr Kim Hames, Western Australian Deputy Premier; Minister of Tourism; Health at the business luncheon hosted by Pankaj Savara, Commissioner of Western Australian Trade Office in Dubai. The event was attended by key tourism industry players in the UA.*

## Communication of Government policies and activities

### Media Services

The Department of the Premier and Cabinet's Media Services comprises the Government Communications Unit (GCU), the Media Monitoring Unit (MMU) and the Administrative Support Unit (ASU).

The GCU manages the advertising and communication approval process, through the Independent Communications Review Committee (ICRC). A new Premier's Circular regarding government advertising and communications was issued in November 2014 and the revised policy and guidelines are available on the Department's website.

The MMU caters for the media monitoring needs of the Premier, Ministers and a select range of government departments and agencies.

The ASU coordinates and distributes information to media outlets, and provides support to ministerial media advisers.

It maintains the Ministerial Media Statements website ([www.mediastatements.wa.gov.au](http://www.mediastatements.wa.gov.au)) and the Premier of Western Australia and Cabinet Ministers' website ([www.premier.wa.gov.au](http://www.premier.wa.gov.au)).

The ASU also arranges and hosts media conferences in the Dumas Media Room to meet the need for fast and effective communications.

**1,487**  
statements  
published on  
Media Statements  
website

**1,392,317**  
visitors to  
Media  
Statements  
website



*Western Australian State Budget 2015–16 media lock-up.  
Photograph taken and supplied by Mr Graham Mason.*

### Administration of entitlements for Members and former Members of Parliament

The Entitlements and Transport Branch provide support to all Members of Parliament to conduct their parliamentary and electorate duties.

Site visits at electorate offices are regularly conducted, liaising with Members and their staff to assist with maintenance requirements, furniture and equipment and conducting occupational safety and health inspections.

The Branch continues to administer and provide advice about travel, motor vehicle and other entitlements for Members of Parliament.

The Department's vehicle fleet is coordinated by the Branch.

### Management of the State occasions and official visits programme

The State Ceremonial and Events team continued its role of planning and coordinating official visits to the State, arranging and managing State hospitality functions as well as ceremonial and special events, arranging official gifts for presentation by the Premier, providing advice to the Premier/Government and the public, liaising with the WA Consular Corps, facilitating requests for diplomatic and official passports and managing the State's flag allocation scheme.

For the period 1 July 2014 to 30 June 2015, the State Ceremonial and Events Branch coordinated 16 ambassadorial visits to Western Australia (five of which were cancelled at late notice). In addition, the following significant visits were managed by the Branch:

- » Commonwealth Guest of Government visit by His Excellency Mr Shinzo Abe, Prime Minister of Japan and Mrs Akie Abe, July 2014
- » His Royal Highness Prince Edward, Earl of Wessex, November 2014 (provided support)
- » Commonwealth Guest of Government visit by Their Majesties, King Harald V and Queen Sonja of Norway, February 2015



*State Ceremonial and Events team at the swearing-in ceremony of Her Excellency the Honourable Kerry Sanderson AO, Governor of Western Australia*



*Visit by His Excellency Mr Shinzo Abe, Prime Minister of Japan and Mrs Akie Abe*

Arrangements for ten State hospitality events associated with ambassadorial visits were made by the Branch (two of which were cancelled at late notice).

The following six special events were also arranged during this period:

- » Dinner in honour of His Excellency Mr Shinzo Abe, Prime Minister of Japan and Mrs Akie Abe (July 2014), co-hosted with the Commonwealth (approx. 250 guests)
- » Welcome Reception for the 2014 Council of Ministers Meeting of the Indian Ocean Rim, October 2014 (approx. 300 guests)
- » Swearing-in Ceremony of Mrs Kerry Sanderson AO, to the Office of the Governor and Reception, October 2014 (280 guests)
- » Centenary of Australian Submarines Reception, November 2014 (235 guests)
- » Morning Tea and Presentation of Awards for the Young People Who Care, December 2014 (70 guests)
- » State Reception in Honour of Their Majesties King Harald V and Queen Sonja of Norway, February 2015 (150 guests)

Three Regional Cabinet receptions were managed by the State Ceremonial and Events Branch with approximately 150 to 200 guests each in Manjimup (August 2014), Kununurra (October 2014) and Kalgoorlie-Boulder (June 2015).

One Community Cabinet Reception was held in Armadale, March 2015.



*Swearing-in ceremony of of Her Excellency the Honourable Kerry Sanderson AO, Governor of Western Australia*

# A secure, confidential and time-critical printing and publishing service for Parliament and Government

As the Government's official publisher, the State Law Publisher publishes 'under authority' of the Government Printer, all State legislation and legislation materials.

State Law Publisher provides support for the Parliament of Western Australia with the printing and processing of all Chamber documents required for the operation of both Houses of Parliament. Support and assistance is also provided with the Bills and Tabled Papers databases.

Copies of these legislative publications can be ordered by telephone, mail, email, or an online service is available on the State Law Publisher website at [www.slp.wa.gov.au](http://www.slp.wa.gov.au). Free online access is also available on this site to databases of various current and archived legislation materials.

## Electronic Uptake of the Government Gazette

The Government Gazette database now contains copies of published Gazettes dating back to 1847. The database also includes text searchable indexes dating back to 1836 which is when the Gazette commenced being published in Western Australia.

The Gazette digitisation project commenced in 2006 and was initiated due to the deterioration of old paper copies of the Government Gazette held by the State Law Publisher. A number of organisations including State and local government, and private sector organisations also donated paper copies of Gazettes which enabled the better quality copies to be selected for scanning and achieving the best possible reproduction for the database. Based on current processing rates, this project is anticipated to be completed within the 2015–16 financial year with all Gazettes published since 1836 being available.

## Reprints Programme

The reprints programme continued during the year with resources provided by the State Law Publisher to assist the Parliamentary Counsel's Office. A total of 109 titles of legislation were consolidated and reprinted.

High demand titles that have extensive amendments are fast-tracked through the reprint process. As a result of this process titles become more user friendly with less volume and reduced purchase costs for users of these publications.



## Management of exhibitions and programmes at the Constitutional Centre

The Constitutional Centre is unique in Australia. Its role includes educating the community on the Commonwealth and Western Australian Constitutions and also the Federal system of Government.

The Constitutional Centre provides:

- » school education programmes — metropolitan and regional; and
- » public/legal profession lectures, seminars and forums.

### School education programmes

In addition to the programmes conducted in the metropolitan area, the Centre took programmes to regional areas of the State with education officers visiting areas not covered by current regional staffing.

Programmes are targeted at primary and secondary students and include free civics education and teacher resources. Since opening in 1997 in excess of 530,000 students have participated in these programmes.

In 2014–15 education officers visited the Kalgoorlie and Geraldton regions with 1,800 students participating in programmes. Materials and programmes for remote and regional schools continued to be distributed on a loan basis throughout the state. 575 students and their teachers accessed programmes in this format.

Two one-day Schools Constitutional Conventions were held attended by 190 students. Fifteen of these students were then selected to be Western Australia's representatives at the National Schools Constitutional Convention held in Canberra in March 2015.

A joint programme held in conjunction with Government House has seen the Governor's residence be used by the Centre's education

officers as the venue for a week of sessions per term for upper primary students. This programme investigates the change in the role of the Governor from Governor Stirling to now.

From March 2015 a puppet programme, 'Rules are Cool', specifically written and produced by Centre education staff for our remote and regional early years students went to air via the Westlink satellite TV channel for the first time. Schools and Community Resource Centres can tune in to watch how a set of rules can improve life in our imaginary town. Teacher notes and follow up activities can be accessed via our website. Rules are Cool will continue to be broadcast on a semi regular basis, alongside other similar programmes on Westlink.



### Public programmes

During the year, the Centre hosted a number of public forums and seminars, which included:

- » The Sir John Forrest State of the Federation Address, by Professor Greg Craven Vice Chancellor of Australian Catholic University Sydney
- » The DisUnited Kingdom: The Scottish Independence Referendum and the Future of the UK by Professor Matthew Flinders, University of Sheffield
- » Can Judges have legal opinions? Recusal and pre-judicial legal advice by Dr Gabrielle Appleby University of Adelaide

## Agency Performance - Service 1

- » The First Homefront Western Australia's War 1914–1918 by Professor Deborah Gare University of Adelaide
- » Dividing the GST Pie: Western Australia's slice?
- » Recent High Court cases: CPCF and Tajorur
- » Inside Magna Carta
- » Bieke Laws: Constitutional questions and political consequences

## Constitutional Centre Advisory Board

The Constitutional Centre Advisory Board is comprised of eleven members appointed for a three year term.

The three year term for nine members expired on 31 October 2014. Chairperson Hon Bill Hassell resigned after 18 years. Mr Hassell was a founding member of the Board and was the Chairperson since 2011.

## Community programmes

A number of civics and citizenship partnership forums were held focussing on promoting participation in a diverse democracy. These events were conducted at the Constitutional Centre in conjunction with the WA Electoral Commission, Office of Multicultural Interests and the Department of Local Government and Communities. The focus of the partnership was targeting culturally and linguistically diverse community leaders. This project was very well received and is planned to continue and widen in its scope.



*Constitutional Centre of Western Australia*

# Agency Performance

---

## Service 2: Government Policy Management

---

### Policy advice and coordination for the Premier and Cabinet

» Strategic policy advice and coordination to the Premier and Cabinet	38
» Strategic policy advice and coordination to the Minister for Science	40
» Leadership and coordination of cross-agency solutions to complex issues	44
» Managing and coordinating Western Australian Government input into intergovernmental negotiations	50
» Strategic, cross portfolio advice on land, State and Commonwealth approvals and Indigenous issues	51
» Support for the functions of Cabinet and Parliament	52
» Emergency management policy advice	55

# Strategic policy advice and coordination to the Premier and Cabinet

## Whole of Government Strategic Projects

The Whole of Government Strategic Projects branch comprises State Ceremonial Events, support to the Minister for Veterans and support and advice on a diverse range of projects and initiatives across Government.

What follows is an overview of the significant projects worked on by the Branch, of which the Anzac Centenary Commemoration was perhaps the most significant in 2014–15 (see page 58).

## WA Day

The Department funds Celebrate WA to assist with the activities that occur over the WA Day long weekend.

From Saturday, 30 May 2015 to Monday, 1 June 2015, the WA Day Programme featured 23 programmes of over 329 event elements. These included The Western Australian of the Year Awards, State of the Art Music Festival, WA Day – Come out & Play, WA Day Plate, Long Lunch and Indigenous programmes. Free events took place in regional sites of Albany, Geraldton, Kalgoorlie and Port Hedland.

The number of people reached by or participating in WA Day events increased 86.9% from 98,439 in 2014 to 184,009 in 2015.

## Duyfken Foundation

The Department funds the Duyfken 1606 Replica Foundation to manage the Duyfken replica sailing ship as an ongoing tourist and education attraction, encompassing the early maritime history of Australia and Western Australia.

From October 2014 to late March 2015, the Duyfken moved upriver from Fremantle to the

Royal Freshwater Bay Yacht Club. Highlights of Duyfken's summer home on the Swan River include 51 day sails conducted on the Swan River, sailing between Mosman Bay and the Old Swan Brewery. The season started with six volunteer crew who were experienced in sailing Duyfken, by the end of the season they had trained 30 more to a high level of competency.

Negotiations are taking place with the Foundation for the Duyfken to be seasonally moored at Elizabeth Quay once construction is complete. The Duyfken will also participate in the Dirk Hartog 400th anniversary in 2016.

## Sharks

The Department provided ongoing oversight of the Government's Shark Hazard Mitigation Strategy, including submission of a Public Environmental Review for a three-year drum line programme to the Environmental Protection Authority (EPA) and an update to the Guidelines for Taking Sharks Posing a Serious Threat to Public Safety.

In September 2014 the EPA recommended that the three-year drum line programme not be implemented due to a high degree of scientific uncertainty on the impacts on the south-western white shark population.

In March 2015 the EPA found that a third party referral of the Guidelines in January 2015 was not a valid referral as the Guidelines will not have a significant environmental impact.

## Beach enclosures

In September 2014 the Premier announced \$200,000 to the City of Busselton for an additional beach enclosure. The enclosure is anticipated to be deployed in time for the 2015–16 summer season. The enclosure at Old Dunsborough was re-deployed for the 2014–15 summer season following a successful trial the previous year.

## Veterans

Provided the secretariat function for the Veterans Advisory Council's quarterly meetings. The ten member Council serves as a panel of experts for the Minister for Veterans and as a strategic level communication channel for the veterans' community with the State Government.

Progressed the development of a veterans website to ensure that information is communicated to the wider veterans community who may not be members of ex-service organisations.

In partnership with the Office of the Minister for Veterans, produced a booklet entitled *The Gallant Company of Brave Men*. As an initiative to commemorate the Centenary of Anzac, the booklet serves to highlight the courageous actions of Western Australia's Victoria Cross and George Cross recipients. Copies of the booklet were distributed to all Western Australian schools, parliamentarians and local libraries. The booklet is available online at the following location:

<http://www.anzac.dpc.wa.gov.au/CommemorativeActivities/Pages/VictoriaCrossandGeorgeCrossRecipients.aspx>



*Hon Joe Francis MLA Minister for Veterans (right) presenting a copy of 'The Gallant Company of Brave Men' to Mr Jan Norberger MLA, Member for Joondalup.*

## Surf Life Saving WA

In September 2014 the Premier announced an additional \$650,000 for extended aerial patrols in the South West for the 2014–15 summer season.

In January 2015 the SLSWA installed two new life guard stations on Cottesloe Beach (funded by the Western Australian Government). The stations give lifesavers the capacity to look out for not only sharks, but also rips, dumping swells and swimmers in distress.

## Coastal Towns and Settlements Cabinet Sub-Committee

The Department provided secretarial and administrative support to the Coastal Towns and Settlements Cabinet Sub-Committee between July 2014 and June 2015 and involvement in a whole-of-Government working group, coordinated by the Department of Fisheries, to provide advice on the sustainable development of the Abrolhos Islands.



*Veterans Advisory Council.*

*Back row, left to right: Mr Shane Moyle; Mr Kevin Trent OAM; Mr Alex Cheeseman; Mr Philip Smith BEM; Mr Frank Sear OAM. Front row, left to right: Mr Jack Le Cras OAM; Mr Vincent Connelly; Mr Maxwell Ball (Chairman); Mrs Lesley Westlake (Absent, Mr Graeme Bland)*

*Photo by Donald Gibbs.*

## Agency Performance - Service 2

### Dirk Hartog

Planning for the Dirk Hartog 400-year anniversary in 2016 got underway during the year with the approval of funding through Royalties for Regions for specific projects to complement those already implemented and others that have commenced. The Department is working closely with Dutch Government representatives, the Shire of Shark Bay, the Gascoyne Regional Development Commission, Department of Parks and Wildlife and the WA Museum to deliver this significant commemorative event in October 2016.

### Pregnancy and Infant Loss Remembrance Day

Support was provided to the Parliamentary Secretary to the Premier, the Hon Donna Faragher MLC who assisted the Premier in formulating a special motion for both Houses of Parliament for the establishment of 15 October as Pregnancy and Infant Loss Remembrance Day.

## Strategic policy advice and coordination to the Minister for Science

The Office of Science provides a long term strategic context for the delivery of science across Western Australia. Key focus areas include supporting government agencies to understand their science needs and facilitating cross-government linkages across the science community.

Throughout 2014–15 the Office of Science consulted broadly with stakeholders, including industry, universities and government, to identify significant research and innovation activities underway across Western Australia. The Office continued to lead the State Government's involvement in the Square Kilometre Array (SKA) project, managed a total of 32 State Government science investments (totalling more than \$20 million for the year), delivered initiatives that raised the profile of science in the State and supported the activities of the Chief Scientist of Western Australia.

### Major achievements

- » Developed and produced 'A Science Statement for Western Australia', launched by the Premier in April 2015. The Science Statement outlines five science priority areas based on the State's comparative advantages: mining and energy; medicine

and health; agriculture and food; biodiversity and marine science; and radio astronomy. The Science Statement also identifies areas of opportunity that cut across each of the priorities: education and engagement initiatives; data intensive science; water science; and effective collaboration.

- » Continued to lead the State's involvement in the SKA project:
  - » Established the State's position on key issues including land tenure through consultation and coordination with State Government agencies
  - » Influenced the ongoing development of national and international SKA policies and governance instruments to maximise the benefits and minimise the risks of the project to the State
  - » Established a new funding agreement for the International Centre for Radio Astronomy Research (ICRAR) comprising \$26 million over five years from 2014–15
  - » Supported the Premier in welcoming 300 scientists and engineers across 15 countries to the international SKA Engineering Conference held in Fremantle in September 2014

- » Secured the continuation of State funding support for the Pawsey Supercomputing Centre, comprising \$21.6 million over five years commencing in 2016–17
- » Continued to manage research activities under the \$12 million Kimberley Marine Science Research Programme being delivered by the Western Australian Marine Science Institution, to support the objectives of the \$81.5 million Kimberley Marine Science and Conservation Strategy
- » Participated in the Project Steering Group that oversaw the development of the Blueprint for Marine Science 2050, an independent and objective assessment of end-user priorities for future marine research in Western Australia
- » Progressed initiatives to establish a new institute that will align and coordinate Western Australia's significant terrestrial biodiversity knowledge and research activity, to ensure that funding and research effort are prioritised towards the areas of greatest conservation need and that responsible decisions are being made around the economic development of the State
- » Continued to manage the State's investment in Scitech, including supporting the planning for Scitech's new home
- » Continued to manage research activities under the State Government's Applied Research Programme – Shark Hazard Mitigation. Three research projects under round one of the programme have been completed
- » Completed an independent review of the beach enclosure trial (to protect swimmers from sharks) at Old Dunsborough Beach
- » Contributed to the planning and delivery of key science engagement strategies, awards and events, including:
  - » Premier's Science Awards, Perth Science Festival and other events associated with National Science Week;



*The Hon Donna Faragher MLC and Professor Peter Klinken with Pawsey Chair John Langoulant AO and Pawsey Executive Director Dr Neil Stringfellow, at the official launch of the 'Magnus' supercomputer and Pawsey Supercomputing Centre. Photo credit: Pawsey Centre.*

- » FameLab Australia science communication competition, held at the Western Australian Maritime Museum;
- » Perth Big Data Week, which included an event for State Government employees on maximising opportunities with government data;
- » the inaugural Science on the Swan Conference (April 2015), which showcased medical science and health research in Western Australia; and
- » Governor's School STEM Awards, which recognised support and leadership in development of school STEM (science, technology, engineering and mathematics) education programmes.



*Her Excellency the Honourable Kerry Sanderson, AO, hosted an evening reception, as part of the Science on the Swan Conference, which showcased medical science and health research in Western Australia.*

### Future directions

In 2015–16 the Office of Science will continue to work with government agencies and stakeholders across the science community to:

- » support the development of strategies for the State Government's science priority areas and strengthen existing links with the Commonwealth Government, international science organisations and across the Asia-Pacific region;
- » coordinate the Premier's Round Table on Marine Science to build consensus on a genuine across-sector collaboration in order to progress the strategic research priorities for the marine sector identified in the Blueprint for Marine Science 2050;
- » support the establishment of a new institution to coordinate terrestrial biodiversity science;
- » progress the establishment of the Australian SKA site in accordance with agreed international timeframes;
- » develop a strategy to maximise the benefits of big data analytics for Western Australia;

- » develop a data linkage model that builds on the existing capability and expertise in Western Australia's health sector;
- » support the identification of a new location for Scitech and strategic planning for the future of the organisation; and
- » lead and facilitate collaboration across science education and engagement providers to maximise the impact of their activities in Western Australia.

### Chief Scientist of Western Australia

Professor Peter Klinken was re-appointed to the role of Chief Scientist of Western Australia for a further two years on 8 June 2015. The Chief Scientist provides independent, scientific advice to Government and the Premier as Minister for Science, and works closely with the Office of Science to advance Western Australian science.

Throughout 2014–15 the Chief Scientist performed a range of activities including contributing to the development of A Science Statement for Western Australia — providing input on key consultations and as a member of different working groups and committees and chairing the assessment panels for the 2014 Premier's Science Awards.

### Major achievements

- » Extensive engagement with stakeholders across the science community at the State, national and international levels from industry, research institutions and government agencies. To date there have been over 250 briefings and meetings.
- » Addressed various groups on a vision for science in Western Australia and participated in engagement activities with industry, academia and the community. To date there have been over 35 keynote and other presentations given.

- » Provided advice on shark research and agricultural research and input into the Strategic Assessment of the Perth and Peel Regions (SAPPR), including examination of the estuary's conditions and providing advice to the SAPPR State Steering Committee
- » Represented Western Australia in the world's first International Conference for Chief Scientists
- » Contributed to national thinking on science through participation in three Forums of Australian Chief Scientists as well as hosting the Forum in Perth for the first time
- » Contributed to the programme of activities as part of the European Union to Australia Counsellors' visit to Perth in March 2015
- » Convened a series of meetings with over 100 attendees in total across industry, academia and government on ways science and innovation can be used to diversify and strengthen Australia's economy



*Professor Peter Klinken with members of the Peel Harvey Catchment Council at Lake Goegrup.  
Photo credit: Peel Harvey Catchment Council*

# Leadership and coordination of cross-agency solutions to complex issues

## Economic and Deregulation

The Economic and Deregulation (EaD) area provides a focus on key priorities and pressure points for Government and Ministers with respect to the economy, industry, infrastructure, planning and the environment. Priorities include responding to the impacts of the State's reduced revenue, particularly declining Commonwealth contributions, and rising service demands and expenditure, including for infrastructure.

In 2014–15, support to the Premier and Cabinet was focussed on pressures on State finances resulting from diminishing Commonwealth transfers and the lowest ever share of GST — Western Australia's relativity was assessed by the Commonwealth Grants Commission for 2015–16 at 0.30.

Other priorities were reducing regulatory red tape, including reforms to streamline and reduce duplication with Commonwealth environmental approvals, the Strategic Assessment of the Perth Peel Region (page 48), and the next phase of the Kimberley Science and Conservation Strategy (page 46).

## Major achievements

### State Budget and Finance

- » Support was provided to the Premier and Cabinet in the development and implementation of measures to meet pressures on the State Budget, including working with the Department of Treasury in the announced programme of asset sales

### Federal influence

- » At the Council of Australian Governments (COAG) meeting in April 2015, secured additional Commonwealth assistance of \$499 million for roads projects to

effectively maintain WA's GST share at the levels of 2014–15. The Premier and Prime Minister signed the *National Partnership Agreement on Infrastructure Projects in Western Australia* on 16 June 2015.

- » Provided support to the Premier to ensure a Western Australian perspective to the Commonwealth's white papers including those on the Federation, Tax Reform and Developing Northern Australia. In particular, the Department:
  - » used Commonwealth Federation and Tax Reform processes to continue to push for reform of Horizontal Fiscal Equalisation and a fairer distribution of the GST; and
  - » used Commonwealth Northern Australia processes to promote State priorities for diversified economic development and infrastructure support.
- » Facilitated the extension of equivalent Western Australian instruments to the Commonwealth's Letters Patent establishing the *Royal Commission into Institutional Responses to Child Sexual Abuse* and the issuing of equivalent instruments to the *Royal Commission into Trade Union Governance and Corruption*. Complementary legislative instruments are intended to ensure there are no gaps between Commonwealth and State laws when the royal commissions operate in Western Australia
- » Facilitated a State Bill to enact a coordinated Australian national response to the United Kingdom's changes to the rules of Royal Succession, and coordinated the commencement of the Western Australian *Succession to the Crown Act* to align with corresponding Australian and United Kingdom legislation in March 2015

- » Coordinated engagement with the Commonwealth on national infrastructure issues, including the *National Infrastructure Audit* and *Northern Australia Infrastructure Audit*. The Premier signed *The National Partnership Agreement* on Land Transport Infrastructure under which the Commonwealth will contribute approximately \$4.3 billion for transport infrastructure in Western Australia in October 2014.
- » Progressed new agreements with the Commonwealth for environmental assessments and approvals to reduce duplication of regulatory processes and cut costs and delays for businesses (see 'Environmental Deregulation')

### Infrastructure

- » The Department continued to provide advice to the Premier on opportunities to optimise existing infrastructure, and to ensure the effective management of major new infrastructure including involvement in inter-agency oversight of the commissioning of the Perth Children's Hospital, Fiona Stanley Hospital and the reconfiguration of Royal Perth and Fremantle Hospitals as well as completion of the new Perth Stadium

### Deregulation

- » Worked with Department of Finance to develop a new whole-of-government plan to reinvigorate regulatory reform featuring a Cabinet endorsed policy statement and annually agreed reform priorities. It also includes strengthened leadership and governance arrangements (including a lead Minister who reports progress six-monthly to Cabinet, Premiers' Circular, annual Red Tape Reduction report cards for release by Ministers during Repeal Week, and new key performance indicators for Directors General). The Plan also includes strategies for building regulatory best practice and capacity

within agencies, and strategies for monitoring, reporting and recognition.

- » Second annual repeal week in Parliament on 18 November 2014 highlighted red tape reductions and streamlining of regulation
- » Continued to oversee the State's participation in the national and trans-Tasman mutual recognition schemes. The Department represents the State on the Cross-Jurisdictional Review Forum (CJRF), which comprises members from the Commonwealth, State and New Zealand Governments. The CJRF monitors the operation of the national and trans-Tasman mutual recognition schemes.

### Environmental Deregulation

- » A new one stop shop environmental assessment bilateral with the Commonwealth was signed in October 2014 and is now operating successfully. A draft approvals bilateral agreement was released for public comment in December 2014 and is awaiting passage of amendments to Commonwealth legislation before being finalised.
- » Continued to progress the Strategic Assessment of the Perth and Peel Regions and finalise the draft impact assessment report and draft strategic conservation plan for public consultation by the end of 2015 which, in concert with the Western Australian Planning Commission's Perth and Peel@3.5 million, will deliver integrated land use planning and environmental management as the region grows. The Commonwealth's endorsement of the Strategic Assessment, anticipated in 2016–17 will also significantly reduce the requirement for Commonwealth environmental approvals for the next 20 years for urban, industrial, infrastructure and rural residential development as well as basic raw material extraction in the region. See further detail of this initiative on page 48.

## Agency Performance - Service 2

### Indian Ocean Territories

The Department continued to play a key role in negotiations with the Commonwealth and relevant State public sector agencies for the provision of diverse State services to the citizens of the Indian Ocean Territories. Services include, for example, access to the justice system, public health and hospital services, family support, consumer protection, offender management and community justice services, education and training, training to emergency service volunteers, and a range of advisory and support services. These are delivered in the Commonwealth Indian Ocean Territories under Western Australian laws applied as Commonwealth laws, by State agencies mostly under service delivery agreements and at no cost to the State Government.

2014–15 achievements included:

- » agreement on a common template 'head' arrangement for all future Service Delivery Agreements (SDAs); and
- » commencement of an intensive three-year programme to review and renegotiate all 39 existing SDAs, with the first tranche to be completed by mid-2015.

### Future directions

During 2015–16, the Department will continue to:

- » provide input to the Commonwealth's White Papers on the reform of Australia's Federation and system of tax, with a view to rebalancing State and Commonwealth revenue raising capacities and spending responsibilities, and possibly culminating in a 'Heads of Agreement' Federation reform package. Reform of the distribution of the GST will remain a central focus for the State in these discussions;

- » focus on the streamlining of environmental reforms, without sacrificing environmental outcomes, particularly between the Commonwealth and State;
- » contribute advice to the Premier and Government on a wide range of policy issues, with a focus on the implementation of Government priorities, especially where this requires additional coordination effort across agencies. This will include performance of the Western Australian economy, through better productivity and coordination of infrastructure planning and implementation; and
- » a continued focus on removing and reducing red tape.

### Kimberley Science and Conservation Strategy

The Kimberley Science and Conservation Strategy is designed to protect the Kimberley's natural and cultural heritage while allowing the region to fulfil its economic potential. It is a multi-agency programme across seven government agencies co-ordinated by the Department of the Premier and Cabinet. The Department leads negotiations of related Indigenous Land Use Agreements and Joint Management Agreements with native title parties, which are central to achieving the Strategy's initiatives.

The main deliverables of the KSCS include:

- » Kimberley Wilderness Parks Initiative — the establishment of the State's largest interconnected system of marine and terrestrial parks, including:
  - » five new marine parks at Camden Sound, Horizontal Falls and North Kimberley (collectively referred to as the Great Kimberley Marine Park), and Roebuck Bay and Eighty Mile Beach;
  - » new terrestrial parks, including the Horizontal Falls National Park and the Kimberley National Park;

- » Landscape Conservation Initiative — to manage fire, feral animals and weeds across the Kimberley landscape with traditional owners, pastoralists and other land managers;
- » training and employment for Aboriginal people as rangers to manage traditional land and sea country, and increased business and employment opportunities to service the Parks and benefit from increased visitation to the region;
- » Kimberley Marine Research Programme being undertaken by the Western Australian Marine Science Institute to improve management and help protect marine ecosystems and wildlife, both inside and outside the new marine parks; and
- » recreational fishing initiatives including the purchase of the two commercial gillnet licences in Roebuck Bay, stocking of Lake Kununurra with barramundi and promotion of nature and culture-based tourism through the development of the 'Saltwater Tales' app and a Marine Tourism Accreditation Programme.
- » Establishment of formal joint management arrangements with Dambimangari, Ngarla, Nyangumarta and Karajarri native title holders
- » Introduction of the *CALM Act Amendment Bill 2015* into Parliament that will enable the joint vesting of new National Parks with native title groups
- » Removal of over 20,000 feral cattle and reduction in cattle numbers by up to 44% in areas of high biodiversity value
- » Halved the area of country burnt by destructive late dry season fires from 36% to 17% across more than 6.5 million hectares of the north Kimberley
- » Worked with over 200 traditional owners on the Landscape Conservation Initiative to help protect country and manage threats such as fire and weeds
- » Commencement of 25 marine research projects being delivered through the Western Australian Marine Science Institution (WAMSI) to inform management of the Kimberley marine park network, and guide future development opportunities including tourism, resource development, fisheries and aquaculture — a \$12 million commitment over six years that has leveraged an additional \$18 million from WAMSI partners
- » Successfully completed the Kimberley geophysical and soil and rock sampling programmes generating the first systematic soil and rock composition datasets in the Kimberley
- » Completed new visitor facilities and walk trail upgrades at Geikie Gorge, Tunnel Creek and Purnululu national parks
- » Roebuck Bay closed to commercial gillnetting to ensure a quality local fishing experience for threadfin salmon in the bay and protect threatened species that reside in the Bay

### Major achievements

- » Introduction of the Mitchell Plateau State Agreement Termination Bill into Parliament to protect the Mitchell Plateau's ecological and cultural values from mining — a key milestone towards the creation of the Kimberley National Park
- » Protecting adjacent areas from mining through the creation of an exemption under section 19 of the *Mining Act 1978*
- » Creation of Lalang-garram/Camden Sound and Eighty Mile Beach Marine Parks
- » Creation of the Class A Prince Regent National Park

## Agency Performance - Service 2

- » Commenced a \$700,000 four-year project to restock Lake Kununurra with barramundi
- » Release of the 'Saltwater Tales' app and a Marine Tourism Accreditation Programme for Kimberley marine tour operators

### Future directions

Our priorities are:

- » Finalisation of remaining Indigenous Land Use Agreements with native title parties to enable the creation and joint management of the Great Kimberley Marine Park, Horizontal Falls National Park and Kimberley National Park
- » Release of Indicative Management Plans for statutory three-month public comment period for the Roebuck Bay, Horizontal Falls and North Kimberly marine parks
- » Implementation of joint management arrangements for new parks and reserves, including establishment of Joint Management Bodies, employment of Aboriginal rangers and commencement of joint management activities on new and existing reserves
- » Passage of *Mitchell Plateau State Agreement Termination Bill* and *CALM Act Amendment Bill* through Parliament

### Strategic Assessment of the Perth and Peel Region

The Western Australian Ministers for Planning and Environment signed an agreement in July 2011 with the Commonwealth Minister for Environment to undertake the Strategic Assessment of the Perth and Peel Regions (SAPPR) under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act).

The SAPPR will deliver class approvals for the future development required to support the expansion of the Perth and Peel regions to 3.5 million people as envisaged under the

Western Australian Planning Commission's (WAPC) Perth and Peel @3.5million draft Planning Framework documents. These class approvals will cover urban, industrial, rural-residential and infrastructure development, basic raw materials extraction as well as harvesting of the pine plantations at Pinjar, Yanchep and Gnangara.

The SAPPR is the largest environmental approvals streamlining reform undertaken to date in WA and will significantly reduce the delays and costs that are currently commonplace in Perth and Peel as a result of ad hoc project-by-project referral to the Commonwealth under the EPBC Act.

The SAPPR is led by the Department of the Premier and Cabinet, in collaboration with the Departments of Planning, Parks and Wildlife, Environment Regulation, Water, Mines and Petroleum, the Office of the Environment Protection Authority as well as several other agencies.

A key part of the SAPPR is the development of a Strategic Conservation Plan that will deliver a long term and comprehensive approach for protecting the environmental values across the Perth and Peel regions, including Carnaby's Cockatoos, the Peel-Harvey estuary and threatened flora. The Strategic Conservation Plan will replace the inefficient and ad hoc approach to project-by-project offset conditions that is currently in place, delivering greater certainty of environmental outcomes in the region.

It is anticipated that the package of draft SAPPR documents will be released for a three month public consultation period by the end of 2015.

### Major achievements

- » Completion of master planning for development footprints for each class of action (urban, industrial, rural-residential, infrastructure, basic raw materials and pine harvesting)

- » A number of long term land use conflicts have been resolved through undertaking SAPPR in conjunction with the WAPC sub-regional structure planning process
- » Whole-of-government development and refinement of strategic land use and policy options to support Ministerial and Cabinet decision making in relation to SAPPR
- » Identified opportunities for greater efficiency in infrastructure spending and land use through an emphasis on sharing and colocation of future infrastructure corridors:
  - » Shared and collocated corridors reduce acquisition costs to the tax payer, minimise environmental impacts and reduce impacts on private property rights
  - » The groundwork for an across-Government infrastructure policy is being undertaken to support implementation of colocation and sharing of infrastructure corridors
- » Extensive engagement with the key stakeholders, including the development industry, local government, environmental groups and the basic raw materials industry. To date, there have been 51 stakeholder briefings and meetings

### Community and Human Services

The Community and Human Services Unit facilitates the reform of community and human services across the Western Australian public sector. Key policy areas include disability services, Aboriginal affairs, justice, youth, child protection and community safety.

The Unit has developed strong relationships with other government agencies and not-for-profit service providers to drive collaboration in the policy, design and delivery of community and human services. Common themes across the Unit's work are enhancing coordination of

services across multiple government agencies, providing choice and control for service users, devolving decision making and providing flexibility to the front-line.

### Major projects and achievements

- » In 2014–15 the Department developed and commenced the implementation of the Aboriginal Youth Services Investment Priorities and Principles, designed to transform the way the State Government funds Aboriginal youth services. This policy translates the findings of the Aboriginal Youth Expenditure Review into action, based on extensive engagement with internal and external stakeholders.
- » The Department also facilitated the development of the Regional Services Reform agenda, based on the Location Based Expenditure Review of Roebourne and Martu communities
- » The Department led the formulation of an Aboriginal justice package to deliver on the Premier's commitment to reduce Aboriginal over-representation in the justice system, resulting in a balanced package of actions
- » The Department provided oversight for the first year of the comparative trials of the National Disability Insurance Scheme in Western Australia, which will inform the future roll-out of disability reform in Western Australia and nationally
- » In 2014–15, the Department continued to support the Partnership Forum, a group of public and not-for-profit sector chief executive officers, to steer reforms to the policy, planning and delivery of community services. This includes ongoing reforms to the way the public sector contracts with the not-for-profit sector, in order to improve services delivered to the community.

### Partnership Forum

The Department provides executive support to the Partnership Forum, which was established in April 2010. The Forum's mandate is to bring together leaders from State Government agencies and the not-for-profit (NFP) community sector to improve outcomes for all Western Australians through a genuine partnership in the policy, planning and delivery of community services.

The Partnership Forum has 21 members, comprising leaders from State Government agencies, the NFP community sector, and two consumer advocates. The Forum is currently chaired by Ms Robyn Kruk AM.

The Partnership Forum's strategic directions for 2014–15 included a continued focus on collaboration in policy and planning, reducing the administrative burden on the NFP community sector and continued oversight of the roll-out of the \$604 million Sustainable Funding and Contracting for the NFP Community Sector initiative and associated reforms. Priorities included developing greater innovation in the delivery of community

human services and to support individuals, families and communities in the design and delivery of these services.

### Major achievements

- » Successful scenario planning exercise focussing on the housing and homelessness portfolio
- » Progression of four projects in the areas of housing for seniors — early years; case studies under the Delivery Community Services in Partnership Policy, including development of Good Practice Guidelines for Engagement and Collaboration; and youth-at-risk
- » Successful third-year evaluation of the Sustainable Funding and Contracting initiative. Findings included that the Delivering Community Services in Partnership Policy and associated funding and contracting reforms continue to be well received by both the public and NFP community services sector
- » Engagement with the Commonwealth Government on the Reform of the Federation White Paper

## Managing and coordinating Western Australian Government input into intergovernmental negotiations

The Council of Australian Government (COAG) Secretariat works across the public sector to ensure the Premier, Cabinet and the Department's senior officials are provided with high quality advice regarding intergovernmental matters from a whole-of-government perspective. This includes COAG, meetings of senior officials, Council for the Australian Federation, review of government services, treaties and free trade agreements. The COAG Secretariat also designs, develops, implements and supports key initiatives and reforms aimed at building a Western Australian public sector for the future.

In 2014–15, the COAG Secretariat supported two meetings of COAG and the Council for the Australian Federation, and eight meetings of

COAG senior officials. The COAG Secretariat also provided support and advice to the Premier for other significant events such as the G20 meeting held in Brisbane and the Australia-China Leaders Forum, both held November 2014.

The COAG Secretariat continued to act as the formal point of contact for Western Australia's implementation of COAG agreements, national inquiries, and reporting and consultation requirements regarding government services, treaties and free trade agreements. The COAG Secretariat also provides ongoing support to the Executive Coordinating Committee, ensuring high level strategic coordination in the delivery of government business.

## Strategic, cross portfolio advice on land, State and Commonwealth approvals and Indigenous issues

The Land, Approvals and Native Title Unit (LANTU) provides strategic advice on multiple land use policies and projects, and is the State's primary manager of all Western Australian compliance with the *Commonwealth Native Title Act 1993* (NTA).

### Major achievements

- » Three native title claims resolved over a total area of 138,748 square kilometres. There are now 92 outstanding claims in Western Australia
- » Ongoing case management of 51 native title claims across WA
- » Completion of six South West Settlement Indigenous Land Use Agreements (ILUA). Subject to the completion of all legal procedures, the implementation of all agreements could commence in July 2016
- » Completion of the Esperance Nyungar-State Government ILUA in November 2014
- » Ongoing direct consultation with native title groups about Government agreements designed to increase their economic independence
- » Joint action with the Department of State Development, Department of Land, Landcorp and other agencies on:
  - » town site expansion in Onslow and the Ashburton North Strategic Industrial Area; and
  - » tenure reform over the Fitzroy Crossing town site including Aboriginal Lands Trust divestment and the offset of the State's native title compensation liabilities.
- » A leading role with other States and the Northern Territory in the development of native title policy reforms for the Native Title Ministers' Meetings (August and December 2014)



*The Premier, Ministers Marmion, Jacob, Redman and Collier and senior Noongars and staff from the South West Aboriginal Land and Sea Council.*

## Agency Performance - Service 2

- » Submissions to the Commonwealth Government, including:
  - » The Australian Law Reform Commission's Native Title Inquiry;
  - » The COAG Investigation into Indigenous Land Administration and Use;
  - » The Commonwealth-State native title compensation agreement;
  - » Commonwealth input to the South West Settlement of native title claims;
  - » Commonwealth positions on Indigenous Leaders' Roundtable in Broome (19 to 20 May 2015); and
  - » The impact of the Commonwealth's *Carbon Credits (Carbon Farming Initiative) Act 2011* on WA land management, notably with respect to addressing public safety risks arising from savanna burning practices in northern WA.
- » Whole-of-government skills consultation and training:
  - » Interagency Reference Group on Native Title and Aboriginal Heritage comprises all WA government department agencies involved in either native title and/or Aboriginal heritage matters (meetings in November 2014 and April 2015)
  - » Regional training workshops in the Pilbara (July 2014), Goldfields (October 2014), and Geraldton-Mid West (May 2015) regions and attended by officers from regionally based departments and Government corporations
  - » The Aboriginal Heritage and Native Title Industry Liaison Committee comprising peak mining and petroleum bodies and relevant government agencies, meets quarterly

## Support for the functions of the Premier and Cabinet

### Cabinet Secretariat

Cabinet Secretariat staff continued to provide procedural, operational and other services to the Cabinet, including:

- » programming Cabinet business and setting agendas;
- » supporting the operation of the Executive Council;
- » supporting the management of parliamentary business and the legislative programme of the Government; and
- » administrative support to Cabinet Sub-Committees, including the Economic and Expenditure Reform Committee (EERC).

### Cabinet Services

The Cabinet Services area continued to:

- » monitor submissions presented to Cabinet to ensure that they conform with the guidelines set down in the Cabinet Handbook;
- » ensure that Cabinet members have information relating to issues that may impact on one or more of their agencies through the Cabinet referral process;
- » provide advice to Ministers, departments and agencies on Cabinet operations and requirements;
- » record and distribute Cabinet submissions and decisions in a secure manner; and
- » monitor and record appointments to government boards and committees and maintain a register of people who have expressed an interest in being appointed to a government board or committee.

Support was provided for 44 Cabinet meetings, including regional and community Cabinet meetings in Manjimup, Kununurra, Armadale and Kalgoorlie. Cabinet considered a total of 768 submissions.

### Parliamentary Services

Assistance in managing the Government's legislative programme, including administrative support for the Legislation Standing Committee of Cabinet was provided.

A total of 34 Bills were passed by the Western Australian Parliament in 2014–15.

The 2014 Spring Sittings commenced on 12 August 2014 and concluded on 3 December 2014. Seventeen Government Bills were passed in this period. The 2015 Autumn Sittings commenced on 17 February 2015. Seventeen Government Bills were passed to 30 June 2015.

Staff also managed the Parliamentary Questions database and coordinated the responses.

**3,684**  
Parliamentary  
Questions  
on  
Notice

**2,489**  
Parliamentary  
Questions  
without  
Notice



*Top to bottom: Regional and community Cabinet meetings in Kununurra, Kalgoorlie and Boulder.*

## Executive Council

26 regular Executive Council meetings and 13 extraordinary meetings were held, with 794 submissions approved. Staff assisted in formalities for the appointment in September 2014, of Her Excellency the Honourable Kerry Sanderson AO, Governor of Western Australia. Assistance was also provided for one reconstitution of the Ministry on 8 December 2014.

Committee	Meetings	Reports Considered
Economic and Expenditure Reform Committee	23	369
Aboriginal Affairs Cabinet Subcommittee	9	41
Ministerial Committee on Approvals	1	11
Coastal Towns and Settlements Cabinet Subcommittee	8	36



*Ms Kathryn Andrews is sworn in as a Clerk of the Executive Council at the meeting held on 6 May 2015. Left to right: Robert Kennedy, Clerk of the Executive Council, Hon Albert Jacob, Minister for Environment; Heritage, Kathryn Andrews, A/Assistant Director General, Her Excellency the Hon Kerry Sanderson AO Governor of Western Australia, Hon Terry Redman, Minister for Regional Development; Lands; Minister assisting the Minister for State Development and Carol Buckley, Official Secretary*

## Emergency management policy advice

The Office of State Security and Emergency Coordination provides advice and support to the Premier on matters associated with security policy and planning and emergency management policy in Western Australia.

### Management and Coordination of Security Incidents and Emergencies

The Department works in partnership with Western Australia Police and other agencies to ensure that the State meets its obligations under national counter-terrorism arrangements.

In addition, the Department provides representation on:

- » the Australia-New Zealand Counter-Terrorism Committee;
- » the Australia-New Zealand Emergency Management Committee (ANZEMC);
- » the State Emergency Management Committee (SEMC); and
- » a number of related working groups.

### Counter-Terrorism Arrangements

Through the Australia New Zealand Counter-Terrorism Committee the Department has participated in the development of a National Counter-Terrorism Strategy. It has also facilitated policy work associated with approaches to countering violent extremism in Western Australia.

The Department has also provided the Premier with advice in relation to Commonwealth Government consultations on amendments to the Criminal Code as part of packages of national security legislation. In this context the Department has chaired the Australia New Zealand Counter-Terrorism Committee's Legal Issues Working Group which was tasked with developing a draft response to the COAG Review of Counter-Terrorism Laws

and reviewing the operation of preventative detention orders and control orders.

The Department also facilitated counter-terrorism discussion exercises involving senior Government officials and the owners and operators of critical infrastructure.

### Emergency Management Arrangements

The Department represented Western Australia on the ANZEMC, together with a representative of the SEMC.

It also contributed to the annual preparedness report produced by the SEMC.

Support was provided to the Director General in his role as the Department's representative on the SEMC and the Department also participated in SEMC's Risk Sub-Committee, policy review groups and workshops as required.

### State Recovery Coordinator

The State Recovery Coordinator (SRC) supports a whole-of-government approach to recovery coordination. Since establishing the position within the Department, the SRC has been involved in the commencement of recovery activities following several emergencies. The main functions include:

#### **Preparedness**

Coordinating the maintenance of State recovery plans, reviewing local government arrangements, maintaining the contact details of local government recovery coordinators and representing the State on national and other recovery committees.

#### **Response/Recovery Transition**

Participating in the State Emergency Coordination Group, and ensuring that local recovery arrangements were established.

## Agency Performance - Service 2

Overseeing the collection, collation and distribution of impact/damage assessments for recovery purposes, reporting to the Minister for Emergency Services, and supervising the handover of recovery from controlling agencies to the relevant local governments.

Liaising with controlling agencies during the response phase of emergencies, and considering the requirement for the establishment of a State Recovery Coordination Group.

### **Recovery**

Supporting the local recovery coordinators, and providing reports and advice on the recovery process.

Contributing to controlling agencies' post operational reports for consideration by the SEMC. Monitoring and reporting on recovery activities including preparedness.

Events requiring the attention of the SRC included:

- » Bushfires in the Shires of Manjimup and Boddington – 30 January 2015
- » Trough and flooding in the north and central parts of the State – 28 February to 8 March 2015
- » Tropical Cyclone Olwyn and associated flooding – 12 March 2015

### **Western Australia Natural Disaster Relief and Recovery Arrangements**

Western Australia Natural Disaster Relief and Recovery Arrangements (WANDRRA) are the State's measures to assist communities to recover from the effects of a natural disaster. The measures mirror the national arrangements and ensure the maximum possible contribution by the Commonwealth Government.

The measures are designed to address the following community impacts: individuals, families, small businesses, primary producers, local government and State infrastructure.

The Department's role is to assess whether these measures should be activated in line with agreed criteria and then to provide the eligible assistance through its stakeholder bodies.

Stakeholder bodies include:

- » Main Roads WA
- » Department for Child Protection and Family Support
- » Department of Agriculture and Food

Eligible costs must exceed \$240,000 and eligible events include bushfire, earthquake, flood, storm, cyclone, tornado, storm surge, landslide, tsunami and meteor strike.

In this financial year, the measures available under WANDRRA have been activated for the following six events:

- » Bushfires — Shires of Manjimup and Boddington (30 January 2015)
- » Tropical Low and Associated Flooding (2–10 January 2015)
- » Thunderstorms and Associated Flooding — Shires of Gnowangerup and Kent (27 November 2014)
- » Surface Trough and Associated Flooding (28 February–8 March 2015)
- » Severe Tropical Cyclone Olwyn and Associated Flooding (12 March 2015)
- » Surface Trough and Associated Flooding (1–3 February 2015)

A total of 27 local government authorities have been affected by the above events and the expenditure for this year is \$64,192,800.

## Actual results versus budget targets

	<b>2014–15 Target \$000</b>	<b>2014–15 Actual \$000</b>	<b>Variance \$000</b>
Total cost of services	180,368	169,728	10,640
Net cost of services	176,745	165,893	10,852
Total equity	71,329	75,639	4,310
Net increase/(decrease) in cash held	(4,589)	795	5,384

	<b>2014–15 Target</b>	<b>2014–15 Actual</b>	<b>Variance</b>
Approved FTE	722	658	64

### Explanation of Significant Variances

#### Total cost of services

The total cost of services is lower than the 2014–15 target predominately due to the delay in Native Title and Office of Science grant settlements. Where possible, unspent grants were repositioned to later years.

#### Net cost of services

Delays in Native Title and Office of Science grant settlements resulted in lower than target expenditure for 2014–15.

#### Total equity

Total equity is higher than the 2014–15 target due to the surplus generated through the funding of a non-disbursement of Native Title and Office of Science grants that were funded and not repositioned.

#### Net increase/(decrease) in cash held

The increase in cash held is mainly a result of the delayed disbursement of Native Title and Office of Science grants compared to the target for 2014–15.

#### Approved FTE (full-time equivalent)

The FTE level for 2014–15 was lower than the target resulting from severances offered during the year and delayed recruitment processes.

# Anzac Centenary Commemoration

---



*Troops from the 11th Battalion aboard the London, 24 April 1915 before landing at Gallipoli*  
State Library of Western Australia 4439B

# Western Australia Remembers

From 2014 to 2018 Australia is commemorating 100 years since the First World War started and finished for Australian servicemen and women. This is one of the most significant commemorations in our State's and nation's history and Western Australia has marked this important moment in history with public events as well as private remembrance.

Australian commemorations commenced on 1 November 2014 in Albany and Fremantle to mark the departure of troops for the First World War and will conclude on 11 November 2018, the 100th Anniversary of Armistice Day.

It was from Albany that almost all Australian and New Zealand troops departed for Egypt and then Turkey in 1914. Most of the Western Australian troops left from Fremantle after training at Blackboy Hill near Midland.

The Department worked closely with the Returned and Services League WA Branch, Federal Government, Cities of Albany and Fremantle and Shire of Mundaring on a programme of events to mark the departures.

The Department facilitated and coordinated major commemorative events across the period of 30 October to 2 November in Blackboy Hill, Fremantle and Albany.

More than 1,000 Western Australians died during the Gallipoli campaign and another 6,000 would die before the war's end. Almost one in 25 Western Australian men were killed or died of wounds or disease in the Great War.



*Flame of Remembrance at dawn, Kings Park. Photo credit: Donald Gibbs.*

# Albany

The events programme included:

- » 31 October – Royal Australian Navy Ceremonial Sunset; Princess Royal Harbour Lights show
- » 1 November – troop march; commemorative service; opening of the National ANZAC Centre; a symbolic ship departure; and a large Community Concert
- » 2 November – Royal Australian Navy ship open day
- » Stirling Terrace Mess Hall and Projections and Storytelling — all weekend, moving stories were projected onto several buildings in Albany

**40,000**  
people attended  
events across  
the weekend  
in Albany

These events were well attended and received widespread praise from attending dignitaries, participants and media. Many dignitaries attended including the Governor General, the Governor of Western Australia, Prime Minister of Australia, Prime Minister of New Zealand, Premier of Western Australia and representatives from the French and Japanese Governments and other consular representatives.

## National Anzac Centre

On 1 November 2014 the Premier joined the Australian and New Zealand Prime Ministers to officially open the National Anzac Centre.

The National Anzac Centre has surpassed all expectations. It was nominated by Lonely Planet as one of the top 26 places to visit worldwide in 2015 and has been visited by more than 50,000 people since it opened — more than double the number anticipated over that period. All end of financial year financial targets have already been reached and exceeded.



*The Premier at the opening of the National Anzac Centre*

## Blackboy Hill and Fremantle

From 30 to 31 October 2014, Western Australia commemorated the two ships that departed Fremantle with most of Western Australia's troops, escorted by the Japanese naval vessel the Ibuki (and later met up with the Albany convoy at sea).

The events programme included:

- » 30 October – Overnight cadet bivouac with 75 Army cadets at Greenmount Primary School (the site of the Blackboy Hill training ground) and a large community event in the evening with activities and storytelling
- » 31 October – Departure service at Blackboy Hill; cadet marches at Blackboy Hill and Fremantle; a heritage train journey from Blackboy Hill to Fremantle; and a commemorative service in Fremantle

**2,000**  
people attended  
the service at  
Fremantle Port  
31 October

## Events in 2015

In February this year more than 1.4 million people watched The Giants enact a tale across the Perth CBD inspired by the Anzac story of the young girl in the Breaksea Island lighthouse who became the last human contact in Australia for troops leaving for Gallipoli. It was a spectacular way to remind us all of the sacrifices of the ANZACs and tell an Anzac story to the children of today.



*1.4 million people watched the Giants enact an Anzac-inspired story across the Perth CBD*

The Western Australian Government, through Lotterywest, provided funding to the Returned & Services League of Australia WA Branch to support Anzac Day 2015 commemorations across Western Australia. Crowds estimated at between 70,000 and 80,000 people attended the Kings Park Dawn Service and CBD march aided by free public transport provided by the State Government.

In 100 metropolitan and regional communities throughout the State larger than normal numbers of people paused to remember Australia's servicemen and women — those who were lost, as well as those who served and suffered.

Lotterywest funding also enabled "100 Years of Anzac", a three day, day-time community event to occur in the Perth Cultural Centre between 25 and 27 April.

Meanwhile 32 students from Years 8 to 11 from Western Australia were among 8,000 Australians and 2,000 New Zealanders to attend the 2015 dawn service in Turkey as part of the Premier's Anzac Student Tour.

# Significant Issues

---

The Department coordinated the Aboriginal Youth Expenditure Review during the year which is now being translated into the implementation of the **Aboriginal Youth Services Investment Priorities and Principles**. This work will continue into 2015–16 as the State Government seeks to transform the way Aboriginal Youth services are delivered.

The **Kimberley Science and Conservation Strategy** will continue to be a focus of the Department's work as implementation of the joint management arrangements for new parks and reserves progresses and legislative changes are achieved to create a series of new national parks in this very special part of the State.

The extensive work completed so far for the **Strategic Assessment of the Perth and Peel Region** will start to be seen in late 2015 and into 2016 with the release of draft documents for public consultation. These documents will help set the development and conservation environment for the Perth and Peel regions for the immediate and long term future.

The Department's three overseas trade and investment offices have worked hard in 2014–15 to diversify and support the State's economy whether by **attracting foreign investment** or allowing **Western Australian companies to expand into foreign markets**. This work will continue with a priority focus on agribusiness, mining support services, education and tourism.

The Department's strong track record in **delivering events of great significance to the State** was continued with the Anzac commemorations. Work will continue on the celebrations for the 400th anniversary of the landing at Dirk Hartog Island.

With the launch of the **'A Science Statement for Western Australia'** in 2015, the Department is now engaged in building on the priorities identified in the document. This will occur in a number of ways including coordinating the Premier's Round Table on Marine Science and the establishment of a new institution to coordinate terrestrial biodiversity science. The Square Kilometre Array project comes closer to finalisation as Western Australia takes its important place in this global scientific achievement.

# Disclosures and Legal Compliance

## Opinion of the Auditor General



Auditor General

### INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

### DEPARTMENT OF THE PREMIER AND CABINET

#### Report on the Financial Statements

I have audited the accounts and financial statements of the Department of the Premier and Cabinet. The financial statements comprise the Statement of Financial Position as at 30 June 2015, 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, and Notes comprising a summary of significant accounting policies and other explanatory information, including Administered transactions and balances.

#### *Director General's Responsibility for the Financial Statements*

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 for such internal control as the Director General determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements based on my audit. The audit was conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Department's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Director General, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Opinion**

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the Department of the Premier and Cabinet at 30 June 2015 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

### **Report on Controls**

I have audited the controls exercised by the Department of the Premier and Cabinet during the year ended 30 June 2015.

Controls exercised by the Department of the Premier and Cabinet are those policies and procedures established by the Director General to ensure 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.

#### *Director General's Responsibility for Controls*

The Director General is responsible for maintaining an adequate system of internal control to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities are in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions, and other relevant written law.

#### *Auditor's Responsibility*

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the controls exercised by the Department of the Premier and Cabinet based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit performing procedures to obtain audit evidence about the adequacy of controls to ensure that the Department complies with the legislative provisions. The procedures selected depend on the auditor's judgement and include an evaluation of the design and implementation of relevant controls.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Opinion**

In my opinion, the controls exercised by the Department of the Premier and Cabinet are sufficiently adequate to 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 the legislative provisions during the year ended 30 June 2015.

### **Report on the Key Performance Indicators**

I have audited the key performance indicators of the Department of the Premier and Cabinet for the year ended 30 June 2015.

The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide information on outcome achievement and service provision.

#### *Director General's Responsibility for the Key Performance Indicators*

The Director General is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such controls as the Director General determines necessary to ensure that the key performance indicators fairly represent indicated performance.

### *Auditor's Responsibility*

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the key performance indicators. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments the auditor considers internal control relevant to the Director General's preparation and fair presentation of the key performance indicators in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the relevance and appropriateness of the key performance indicators for measuring the extent of outcome achievement and service provision.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Opinion**

In my opinion, the key performance indicators of the Department of the Premier and Cabinet are relevant and appropriate to assist users to assess the Department's performance and fairly represent indicated performance for the year ended 30 June 2015.

### **Independence**

In conducting this audit, I have complied with the independence requirements of the *Auditor General Act 2006* and Australian and Assurance Standards, and other relevant ethical requirements.

### **Matters Relating to the Electronic Publication of the Audited Financial Statements and Key Performance Indicators**

This auditor's report relates to the financial statements and key performance indicators of the Department of the Premier and Cabinet for the year ended 30 June 2015 included on the Department's website. The Department's management is responsible for the integrity of the Department website. This audit does not provide assurance on the integrity of the Department's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may be hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



COLIN MURPHY  
AUDITOR GENERAL  
FOR WESTERN AUSTRALIA  
Perth, Western Australia  
31 July 2015

# Financial Statements

---

Department of the Premier and Cabinet  
for the year ending 30 June 2015

## Contents

---

» Certification of Financial Statements	67
» Statement of Comprehensive Income	68
» Statement of Financial Position	69
» Statement of Changes in Equity	70
» Statement of Cash Flows	71
» Schedule of Income and Expenses by Service	72
» Schedule of Assets and Liabilities by Service	73
» Summary of Consolidated Account Appropriations and Income Estimates	74
» Notes to the Financial Statements	76
» Audited Key Performance Indicator Information	132
» Other Financial Disclosures	141
» Ministerial Directions	141
» Governance Disclosures	142
» Other Legal Requirements	146
» Government Policy Requirements	150

# Department of the Premier and Cabinet

## Certification of Financial Statements

---

for the year ending 30 June 2015

The accompanying financial statements of the Department of the Premier and Cabinet have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2015 and the financial position as at 30 June 2015.

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.



P E PRIDE  
CHIEF FINANCIAL OFFICER

30 July 2015



PETER CONRAN  
DIRECTOR GENERAL

30 July 2015

## Financial Statements

### Statement of Comprehensive Income for the year ended 30 June 2015

	Note	2015 \$000	2014 \$000
<b>COST OF SERVICES</b>			
<b>Expenses</b>			
Employee benefits expense	6	78,441	81,316
Supplies and services	7	33,422	34,065
Depreciation and amortisation expense	8	2,009	1,766
Accommodation expenses	9	21,175	21,666
Grants and subsidies	10	31,957	54,706
Loss on disposal of non-current assets	14	17	20
Losses on Foreign operation translation		-	20
Losses on Hedging		112	362
Loss on Other Financial Assets	42	1,990	886
Other expenses	11	605	415
<b>Total cost of services</b>		<b>169,728</b>	<b>195,222</b>
<b>Income</b>			
<i>Revenue</i>			
User charges and fees	12	891	859
Sales		1,573	1,726
Commonwealth grants and contributions	13	452	420
Interest revenue		854	486
Gains on Foreign operation translation		66	-
<b>Total Revenue</b>		<b>3,836</b>	<b>3,491</b>
<b>Total income other than from the State Government</b>		<b>3,836</b>	<b>3,491</b>
<b>NET COST OF SERVICES</b>		<b>165,892</b>	<b>191,730</b>
<b>INCOME FROM STATE GOVERNMENT</b>			
Service appropriation		155,903	211,286
Services received free of charge		7,040	7,298
Royalties for Regions Fund		85	121
<b>Total Income from State Government</b>	15	<b>163,028</b>	<b>218,705</b>
<b>(DEFICIT)/SURPLUS FOR THE PERIOD</b>		<b>(2,864)</b>	<b>26,975</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Items not reclassified subsequently to profit or loss</b>			
Gains/(Losses) on Foreign exchange recognised directly in equity		1,529	495
<b>Total other comprehensive income</b>		<b>1,529</b>	<b>495</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>(1,335)</b>	<b>27,470</b>

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

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

## Statement of Financial Position for the year ended 30 June 2015

	Note	2015 \$000	2014 \$000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	27	30,162	30,729
Inventories	17	39	58
Receivables	18	1,497	2,436
Amounts receivable for services	19	3,422	2,124
Other current assets	29	528	916
<b>Total Current Assets</b>		<b>35,648</b>	<b>36,263</b>
<b>Non-current Assets</b>			
Restricted cash and cash equivalents	16, 27	34,651	33,261
Amounts receivable for services	19	24,342	24,936
Other financial assets	42	124	114
Property, plant and equipment	20	4,528	3,431
Intangible assets	21	776	790
<b>Total Non-current Assets</b>		<b>64,421</b>	<b>62,532</b>
<b>TOTAL ASSETS</b>		<b>100,069</b>	<b>98,795</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	23	3,815	4,624
Provisions	24	17,542	15,430
Other current liabilities	25	3	1,420
<b>Total Current Liabilities</b>		<b>21,360</b>	<b>21,474</b>
<b>Non-current Liabilities</b>			
Provisions	24	3,070	3,347
<b>Total Non-current Liabilities</b>		<b>3,070</b>	<b>3,347</b>
<b>TOTAL LIABILITIES</b>		<b>24,430</b>	<b>24,821</b>
<b>Net Assets</b>		<b>75,639</b>	<b>73,974</b>
<b>Equity</b>			
Contributed Equity	26	39,117	36,117
Hedging reserves		(434)	(1,963)
Accumulated surplus/(deficiency)		36,956	39,820
<b>Total Equity</b>		<b>75,639</b>	<b>73,974</b>

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

The *Statement of Financial Position* should be read in conjunction with the accompanying notes.

## Financial Statements

### Statement of Changes in Equity for the year ended 30 June 2015

	Note	Contributed Equity	Reserves	Accumulated Surplus/ (Deficit)	Total Equity
<b>Balance at 1 July 2013</b>	26	36,479	(2,458)	12,844	46,865
Surplus/(deficit)				26,976	26,976
Other comprehensive income for the year		-	495	-	495
Total comprehensive income for the year		-	495	26,976	27,471
Transactions with owners in their capacity as owners:					
Capital appropriations		-	-	-	-
Other contributions by owners		(362)	-	-	(362)
Distribution to owners		-	-	-	-
Total		(362)	-	-	(362)
<b>Balance at 30 June 2014</b>		36,117	(1,963)	39,820	73,974
<b>Balance at 1 July 2014</b>		36,117	(1,963)	39,820	73,974
Surplus/(deficit)		-	-	(2,864)	(2,864)
Other comprehensive income for the year		-	1,529	-	1,529
Total comprehensive income for the year		-	1,529	(2,864)	(1,335)
Transactions with owners in their capacity as owners:					
Capital appropriations		3,000	-	-	3,000
Total		3,000	-	-	3,000
<b>Balance at 30 June 2015</b>		39,117	(434)	36,956	75,639

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

## Statement of Cash Flows

for the year ended 30 June 2015

	Note	2015 \$000	2014 \$000
<b>CASH FLOWS FROM STATE GOVERNMENT</b>			
Service appropriation		153,075	208,936
Holding accounts drawdowns		2,124	619
Capital contributions		3,000	-
Royalties for Regions Fund		85	121
<b>Net cash provided by State Government</b>		<u>158,284</u>	<u>209,676</u>
<b>Utilised as follows:</b>			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Employee benefits		(77,655)	(80,504)
Supplies and services		(26,859)	(26,896)
Accommodation		(20,700)	(22,112)
Grants and subsidies		(31,866)	(54,645)
GST payments on purchases		(7,583)	(9,120)
GST payments to taxation authority		(182)	(227)
Other payments		(165)	(138)
<b>Receipts</b>			
User charges and fees		967	1,174
Sales of goods and services		1,555	1,702
Commonwealth grants and contributions		452	633
Interest received		879	266
GST receipts on sales		178	264
GST receipts from taxation authority		8,226	8,909
Other receipts		163	154
<b>Net cash provided by/(used in) operating activities</b>		<u>(152,590)</u>	<u>(180,539)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Payments</b>			
Proceeds from the sale of non-current physical assets		-	27
<b>Receipts</b>			
Purchase of non-current physical assets		(2,899)	(2,427)
Investment in Other financial assets		(2,000)	(1,000)
<b>Net cash provided by/(used in) investing activities</b>		<u>(4,899)</u>	<u>(3,400)</u>
Net increase/(decrease) in cash and cash equivalents		795	25,737
Cash and cash equivalents at the beginning of the period		63,990	38,273
Effects of exchange rate changes on cash balances held in foreign currency		28	(20)
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	27	<u>64,813</u>	<u>63,990</u>

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

## Financial Statements

### Schedule of Income and Expenses by Service

for the year ended 30 June 2015

	Administration of Executive Government Services		Government Policy Management		Total	
	2015 \$000	2014 \$000	2015 \$000	2014 \$000	2015 \$000	2014 \$000
<b>COST OF SERVICES</b>						
<b>Expenses</b>						
Employee benefits expense	72,093	74,498	6,348	6,818	78,441	81,316
Supplies and services	26,834	26,781	6,588	7,285	33,422	34,066
Depreciation and amortisation expense	1,955	1,711	54	54	2,009	1,765
Accommodation expenses	20,366	20,809	809	857	21,175	21,666
Grants and subsidies	6,823	14,017	25,134	40,689	31,957	54,706
Loss on disposal of non-current assets	17	20	-	-	17	20
Loss on foreign exchange and hedging	112	382	-	-	112	382
Loss on other financial assets	-	-	1,990	886	1,990	886
Other expenses	546	355	59	60	605	415
<b>Total cost of services</b>	<b>128,746</b>	<b>138,573</b>	<b>40,982</b>	<b>56,649</b>	<b>169,728</b>	<b>195,222</b>
<b>Income</b>						
User charges and fees	634	604	257	255	891	859
Sales	1,573	1,726	-	-	1,573	1,726
Commonwealth grants and contributions	452	420	-	-	452	420
Interest revenue	-	-	854	486	854	486
Gains on foreign operation translation	66	-	-	-	66	-
<b>Total income other than income from State Government</b>	<b>2,725</b>	<b>2,750</b>	<b>1,111</b>	<b>741</b>	<b>3,836</b>	<b>3,491</b>
<b>NET COST OF SERVICES</b>	<b>126,021</b>	<b>135,823</b>	<b>39,871</b>	<b>55,908</b>	<b>165,892</b>	<b>191,731</b>
<b>INCOME FROM STATE GOVERNMENT</b>						
Service appropriation	118,258	129,481	37,645	81,805	155,903	211,286
Resources received free of charge	4,852	4,524	2,188	2,774	7,040	7,298
Royalties for Regions Fund	80	113	5	8	85	121
<b>Total income from State Government</b>	<b>123,190</b>	<b>134,118</b>	<b>39,838</b>	<b>84,587</b>	<b>163,028</b>	<b>218,705</b>
<b>SURPLUS/(DEFICIT) FOR THE PERIOD</b>	<b>(2,831)</b>	<b>(1,705)</b>	<b>(33)</b>	<b>28,679</b>	<b>(2,864)</b>	<b>26,974</b>

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

## Schedule of Assets and Liabilities by Service at 30 June 2015

	Administration of Executive Government Services		Government Policy Management		Total	
	2015 \$000	2014 \$000	2015 \$000	2014 \$000	2015 \$000	2014 \$000
<b>ASSETS</b>						
Current assets	12,917	11,860	22,731	24,402	35,648	36,262
Non-current assets	29,410	24,218	35,011	38,315	64,421	62,533
<b>Total assets</b>	<u>42,327</u>	<u>36,078</u>	<u>57,742</u>	<u>62,717</u>	<u>100,069</u>	<u>98,795</u>
<b>LIABILITIES</b>						
Current liabilities	19,862	14,659	1,498	6,815	21,360	21,474
<b>Total non-current liabilities</b>	2,708	2,344	362	1,003	3,070	3,347
<b>Total liabilities</b>	<u>22,570</u>	<u>17,003</u>	<u>1,860</u>	<u>7,818</u>	<u>24,430</u>	<u>24,821</u>
<b>NET ASSETS</b>	<u>19,757</u>	<u>19,075</u>	<u>55,882</u>	<u>54,899</u>	<u>75,639</u>	<u>73,974</u>

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

## Financial Statements

### Summary of Consolidated Account Appropriations and Income Estimates

for the year ended 30 June 2015

	2015 Estimate \$000	2015 Actual \$000	Variance \$000	2015 Actual \$000	2014 Actual \$000	Variance \$000
<b>Delivery of Services</b>						
Item 5 Net amount appropriated to deliver services	163,099	153,615	(9,484)	153,615	181,800	(28,185)
<b>Section 25 Transfer of service appropriation <sup>(a)</sup></b>						
Office of Science transferred from the Department of Commerce at 1 July 2013	-	-	-	-	27,656	(27,656)
Western Australia Natural Disaster Relief and Recovery Arrangements (WANDRRA) transferred from the Department of Fire and Emergency Services at 1 April 2014	-	-	-	-	65	(65)
Office of State Security transfer of accommodation to State Emergency Management Committee Secretariat at 29 November 2013	-	-	-	-	(455)	455
<b>Amount Authorised by Other Statutes</b>						
Salaries and Allowances Act 1975	2,288	2,288	-	2,288	2,220	68
<b>Total appropriations provided to deliver services</b>	<u>165,387</u>	<u>155,903</u>	<u>(9,484)</u>	<u>155,903</u>	<u>211,286</u>	<u>(53,383)</u>
<b>Capital</b>						
Item 116 Capital Appropriation	3,000	3,000	-	3,000	-	3,000
<b>Administered transactions</b>						
Item 6 Administered grants, subsidies and other transfer payments	15,000	45,000	30,000	45,000	46,105	(1,105)
<b>Total Administered transactions</b>	<u>15,000</u>	<u>45,000</u>	<u>30,000</u>	<u>45,000</u>	<u>(46,105)</u>	<u>(1,105)</u>
<b>GRAND TOTAL</b>	<u>183,387</u>	<u>203,903</u>	<u>20,516</u>	<u>203,903</u>	<u>257,391</u>	<u>(53,488)</u>

## Summary of Consolidated Account Appropriations and Income Estimates

for the year ended 30 June 2015 (continued)

	2015 Estimate \$000	2015 Actual \$000	Variance \$000	2015 Actual \$000	2014 Actual \$000	Variance \$000
<b>Details of Expenses by Service</b>						
Administration of Executive Government Services	106,614	128,746	22,132	128,746	138,573	(9,827)
Government Policy Management	73,754	40,982	(32,772)	40,982	56,649	(15,667)
Total Cost of Services	180,368	169,728	(10,640)	169,728	195,222	(25,494)
Less total income	(3,623)	(3,836)	(213)	(3,836)	(3,491)	(345)
Net Cost of Services	176,745	165,892	(10,853)	165,892	191,731	(25,839)
Adjustments	(11,358)	(9,989)	1,369	(9,989)	19,555	(29,544)
<b>Total appropriations provided to deliver services</b>	<b>165,387</b>	<b>155,903</b>	<b>(9,484)</b>	<b>155,903</b>	<b>211,286</b>	<b>(55,383)</b>
<b>Capital Expenditure</b>						
Purchase of non-current physical assets	5,124	2,899	(2,225)	2,899	2,427	472
Adjustment for other funding sources	(2,124)	101	2,225	101	(2,427)	2,528
<b>Capital Contribution (appropriation)</b>	<b>3,000</b>	<b>3,000</b>	<b>-</b>	<b>3,000</b>	<b>-</b>	<b>3,000</b>
<b>Details of Income Estimates</b>						
<b>Income disclosed as Administered Income</b>	<b>15,000</b>	<b>45,000</b>	<b>30,000</b>	<b>45,000</b>	<b>46,105</b>	<b>(1,105)</b>

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

Note 34 'Explanatory statement' provides details of any significant variations between estimates and actual results for 2015 and between the actual results for 2014 and 2015.

(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.

# Notes to the Financial Statements

for the year ending 30 June 2015

## 1. Australian Accounting Standards

### General

The Department's financial statements for the year ended 30 June 2015 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' includes 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. There has been no early adoption of Australian Accounting Standards that have been issued or amended (but not operative) by the Department for the annual reporting period ended 30 June 2015.

## 2. Summary of significant accounting policies

### a. General Statement

The Department is a not-for-profit reporting entity that prepares general purpose financial statements in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB 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 impose legislative provisions governing the preparation of financial statements and take precedence over Australian 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).

Note 3 'Judgements made by management in applying accounting policies' discloses 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.

Note 4 'Key sources of estimation uncertainty' discloses key assumption made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### c. Reporting entity

#### Purpose

The Department's purpose is to provide quality policy and administrative advice and support to enable the Premier and Government to serve the Western Australian community well.

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 - The Department provides administrative support to the Premier and Cabinet, Leader of the Opposition, Members of Parliament and Executive Council
- » Service 2: Government Policy Management - The Department provides Strategic policy advice and Coordination to the Premier and Cabinet

The Department administers assets, liabilities, income and expenses on behalf of Government which are not controlled by, nor integral, to the function of the Department. These administered balances and transactions are not recognised in the principal financial statements of the Department but schedules are prepared using the same basis as the financial statements and are presented at note 41 'Disclosure of administered expenses and income' and note 39 'Administered assets and liabilities'.

### 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.

The 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 26 'Equity'.

### e. Income

#### Revenue recognition

Revenue is recognised and 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.

#### Provision 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

## Notes to the Financial Statements

deposited into the Department's bank account or credited to the amounts receivable for services held at Treasury.

See note 15 'Income from State Government' for further detail.

### Net appropriation determination

The Treasurer may make a determination providing for prescribed receipts to be retained for services under the control of the Department. In accordance with the determination specified in the 2014–2015 Budget Statements, the Department retained \$12,419 million in 2015 (\$13,102 million in 2014) 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.

Royalties for Regions funds are recognised as revenue at fair value in the period in which the Department obtains control over the funds. The Department obtains control of the funds at the time the funds are deposited into the Department's bank account.

### Revenue

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 and foreign exchange.

## 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 statement of comprehensive income (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 5 years
- » Plant and equipment 5 - 10 years
- » Computer hardware 3 years
- » Office establishment 4 to 10 years

## g. Intangible assets

### Capitalisation/Expensing of assets

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$50,000 or more are capitalised. The cost of utilising the assets is expensed (amortised) over their useful lives. Costs incurred below these thresholds are immediately expensed directly to the statement of comprehensive income.

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

### 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.

### Website 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 website that can be reliably measured, are capitalised to the extent that they represent probable future economic benefits.

## 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. Where an asset measured at cost is written down to recoverable amount, an impairment loss is recognised in profit or loss. Where a previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income. 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 the end of each reporting period irrespective of whether there is any indication of impairment.

The Department does not have any intangible assets with an indefinite life.

## Notes to the Financial Statements

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 the end of each reporting period.

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

See note 2(o) 'Receivables' and note 18 'Receivables' for impairment of receivables.

### i. Leases

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

### j. Financial instruments

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

- » Receivables; and
- » Financial Liabilities measured at amortised cost

Financial Instruments have been disaggregated into the following classes:

- » Financial Assets
  - » Cash and cash equivalents
  - » Restricted cash and cash equivalents
  - » Receivables

- » Amount Receivable for services
- » Financial Liabilities
  - » Payables
  - » Other liabilities
  - » Other liabilities – Derivatives

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 36 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 36 contains details of the fair values of the derivative instruments used for hedging purposes. Movements in the hedging reserve in equity are also detailed in note 26.

### 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 16 '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 to note 23 '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 income from the State Government partly in cash and partly as an asset (holding account receivable). The holding account receivable balance, resulting from service appropriation funding, is accessible on the emergence of the cash funding requirement to cover leave entitlements and asset replacement.

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

# Notes to the Financial Statements

## n. Inventories

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

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

See note 17 'Inventories'.

## o. Receivables

Receivables are recognised and carried at original invoice amount less an allowance for uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off against the allowable amount. 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 18 'Receivables'.

## p. Payables

Payables are recognised when the Department becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as they are generally settled within 30 days.

See note 2(j) 'Financial Instruments' and note 23 'Payables'.

## q. 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 the end of each reporting period.

See note 24 'Provisions'.

### i. Provisions - employee benefits

All annual leave and long service leave provisions are in respect of employees' services up to the end of the reporting period.

#### *Annual leave*

Annual leave not expected to be settled wholly within 12 months after the end of the reporting period and is therefore considered to be 'other long-term employee benefits'. The annual leave liability is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

The provision for annual leave is classified as a current liability as the Department does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

#### *Long service leave*

Long service leave not expected to be settled within 12 months after the end of the reporting period is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

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 end of reporting period. Pre-conditional and Conditional long service leave provisions are classified as non-current liabilities because the Department has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

### *Sick leave*

Liabilities for sick leave are recognised when it is probable that sick leave paid in the future will be greater than the entitlement that will accrue in the future.

Past history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised. As sick leave is non-vesting, an expense is recognised in the Statement of Comprehensive Income for this leave as it is taken.

### *Deferred leave*

The provision for deferred leave relates to Public Service employees who have entered into an agreement to self-fund an additional 12 months leave in the fifth year of the agreement. The provision recognises the value of salary set aside for employees to be used in the fifth year. This liability is measured on the

same basis as annual leave. Deferred leave is reported as a current provision as employees can leave the scheme at their discretion at any time.

### *Purchased leave*

The provision for purchased leave relates to Public Service employees who have entered into an agreement to self-fund up to an additional ten weeks leave per calendar year. The provision recognises the value of salary set aside for employees and is measured at the nominal amounts expected to be paid when the liabilities are settled. This liability is measured on the same basis as annual leave.

### **Superannuation**

The Government Employees Superannuation Board (GESB) and other funds administers public sector superannuation arrangements in Western Australia in accordance with legislative requirements. Eligibility criteria for membership in particular schemes for public sector employees varies according to commencement and implementation dates.

Eligible employees contribute to the Pension Scheme, a defined benefit pension scheme closed to new members since 1987, or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme closed to new members since 1995.

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

The Department has no liabilities under the Pension Scheme or the GSS. The liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer.

## Notes to the Financial Statements

All other GSS obligations are funded by concurrent contributions made by the Department to the GESB.

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension Scheme or the GSS 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). From 30 March 2012, existing members of the WSS or GESBS and new employees became able to choose their preferred superannuation fund. The Department makes concurrent contributions to GESB or other funds 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 employees who are not members of the Pension Scheme or GSS.

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

See also note 2(r) '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 also note 11 'Other expenses and note 24 'Provisions'.

### r. Superannuation expense

Superannuation expense is recognised in the profit or loss of the Statement of Comprehensive Income and comprises employer contributions paid to the GSS (concurrent contributions), the WSS, the GESBS, or other superannuation funds. The employer contribution paid to the GESB in respect of the GSS is paid back into the Consolidated Account by the GESB.

### s. Assets and services received free of charge or for nominal cost

Assets or services received free of charge or for nominal cost, the Department would otherwise purchase if not donated, are recognised as income at the fair value of the assets or services where they can be reliably measured. A corresponding expense is recognised for services received. Receipts of assets are recognised in the Statement of Financial Position.

Assets or services received from other State Government agencies are separately disclosed under Income from State Government in the Statement of Comprehensive Income.

### t. Joint operations

The Department has interests in joint arrangements that are joint operations. A joint arrangement is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. A joint operation involves the use of assets and other resources of the operators rather than the establishment of a separate entity. The Department recognises its interests in the joint operations by recognising the assets it controls and the liabilities that it incurs in respect of the joint arrangement. The Department also recognises the expenses that it incurs and its share of the income that it earns from the sale of goods or services by the joint operations.

The assets that the Department has employed in the joint operations are disclosed in note 42 'Joint operations'.

### 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 using the average exchange rates or closing rates in accordance with AASB 121. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange prevailing on 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 preparation of financial statements requires management to make judgements about the application of accounting policies that have a significant effect on the amounts recognised in the financial statements. The Department evaluates these judgements regularly.

## 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 change in Accounting Policy and Estimates

### Initial application of an Australian Accounting Standard

The Department has applied the following Australian Accounting Standards effective for annual reporting periods beginning on or after 1 July 2014 that impacted on the Department.

#### Int 21 Levies

This Interpretation clarifies the circumstances under which a liability to pay a government levy imposed should be recognised. There is no financial impact for the Department at reporting date.

#### AASB 10 Consolidated Financial Statements

This Standard, issued in August 2011, supersedes AASB 127 Consolidated and Separate Financial Statements and Int 112 Consolidation – Special Purpose Entities, introducing a number of changes to accounting treatments. The adoption of the new Standard has no financial impact for the Department as it does not impact accounting for related bodies and the Department has no interests in other entities.

#### AASB 11 Joint Arrangements

This Standard, issued in August 2011, supersedes AASB 131 *Interests in Joint Ventures*, introduces new principles for determining the type of joint arrangement that exists, which are more aligned to the actual rights and obligations of the parties to the arrangement.

There is no financial impact for the Department as the new standard continues to

## Notes to the Financial Statements

require the recognition of the Department's share of assets and share of liabilities for the unincorporated joint operation.

### AASB 12 Disclosure of Interests in Other Entities

This Standard, issued in August 2011, supersedes disclosure requirements in AASB 127 *Consolidated and Separate Financial Statements*, AASB 128 *Investments in Associates* and AASB 131 *Interests in Joint Ventures*. There is no financial impact.

### AASB 127 Separate Financial Statements

This Standard, issued in August 2011, supersedes AASB 127 *Consolidated and Separate Financial Statements* removing the consolidation requirements of the earlier standard whilst retaining accounting and disclosure requirements for the preparation of separate financial statements. There is no financial impact.

### AASB 128 Investments in Associates and Joint Ventures

This Standard supersedes AASB 128 *Investments in Associates*, introducing a number of clarifications for the accounting treatments of changed ownership interest. The adoption of the new Standard has no financial impact for the Department as it does not hold investments in associates and joint ventures.

### AASB 1031 Materiality

This Standard supersedes AASB 1031 (February 2010), removing Australian guidance on materiality not available in IFRSs and refers to guidance on materiality in other Australian pronouncements. There is no financial impact.

### AASB 1055 Budgetary Reporting

This Standard requires specific budgetary disclosures in the general purpose financial statements of not-for-profit entities within the General Government Sector. The Department will be required to disclose additional budgetary information and explanations of

major variances between actual and budgeted amounts, though there is no financial impact.

**AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Int 5, 9, 16 & 17].**

This Standard gives effect to consequential changes arising from the issuance of AASB 10, AASB 11, AASB 127 *Separate Financial Statements* and AASB 128 *Investments in Associates and Joint Ventures*. There is no financial impact for the Department.

**AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132]**

This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement. There is no financial impact.

**AASB 2013-3 Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets**

This Standard introduces editorial and disclosure changes. There is no financial impact.

**AASB 2013-4 Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting [AASB 139]**

This Standard permits the continuation of hedge accounting in circumstances where a derivative, which has been designated as a hedging instrument, is novated from one counterparty to a central counterparty as a consequence of laws or regulations. The Department does not routinely enter into derivatives or hedges, therefore there is no financial impact.

### AASB 2013-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities - Control and Structured Entities [AASB 10, 12 & 1049]

The amendments, issued in October 2013, provide significant guidance in determining whether a not-for-profit entity controls another entity when financial returns are not a key attribute of the investor's relationship. The Standard has no financial impact in its own right, rather the impact results from the adoption of the amended AASB 10.

### AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments

Part B of this omnibus Standard makes amendments to other Standards arising from the deletion of references to AASB 1031 in other Standards for periods beginning on or after 1 January 2014. It has no financial impact.

### AASB 2014-1 Amendments to Australian Accounting Standards

Part A of this Standard consists primarily of clarifications to Accounting Standards and has no financial impact for the Department.

Part B of this Standard has no financial impact as the Department contributes to schemes that are either defined contribution plans, or deemed to be defined contribution plans.

Part C of this Standard has no financial impact as it removes references to AASB 1031 Materiality from a number of Accounting Standards.

### 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

Department has not applied early any of the following Australian Accounting Standards that have been issued that may impact the Department. Where applicable, the Department plans to apply these Australian Accounting Standards from their application date.

## Notes to the Financial Statements

		Operative for reporting periods beginning on/ after
<p>AASB 9 <i>Financial Instruments</i></p>	<p>This Standard supersedes <i>AASB 139 Financial Instruments: Recognition and Measurement</i>, introducing a number of changes to accounting treatments.</p> <p>The mandatory application date of this Standard is currently 1 January 2018 after being amended by AASB 2012-6, AASB 2013-9 and AASB 2014-1 Amendments to Australian Accounting Standards. The Department has not yet determined the application or the potential impact of the Standard.</p>	<p>1-Jan-2018</p>
<p>AASB 15 <i>Revenue from Contracts with Customers</i></p>	<p>This Standard establishes the principles that the Department shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.</p> <p>The Department has not yet determined the application or the potential impact of the Standard.</p>	<p>1-Jan-2017</p>
<p>AASB 2010-7 <i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)</i> [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 &amp; 1038 and Int 2, 5, 10, 12, 19 &amp; 127]</p>	<p>This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010.</p> <p>The mandatory application date of this Standard has been amended by AASB 2012-6 and AASB 2014-1 to 1 January 2018.</p> <p>The Department has not yet determined the application or the potential impact of the Standard.</p>	<p>1-Jan-2018</p>
<p>AASB 2013-9 <i>Amendments to Australian Accounting Standards Conceptual Framework, Materiality and Financial Instruments</i></p>	<p>Part C of this omnibus Standard defers the application of AASB 9 to 1 January 2017. The application date of AASB 9 was subsequently deferred to 1 January 2018 by AASB 2014-1.</p> <p>The Department has not yet determined the application or the potential impact of AASB 9.</p>	<p>1-Jan-2015</p>

		Operative for reporting periods beginning on/ after
<i>AASB 2014-1 Amendments to Australian Accounting Standards</i>	Part E of this Standard makes amendments to AASB 9 and consequential amendments to other Standards.  It has not yet been assessed by the Department to determine the application or potential impact of the Standard.	1-Jan-2018
<i>AASB 2014-3 Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations [AASB 1 &amp; 11]</i>	The Department establishes Joint Operations in pursuit of its objectives and does not routinely acquire interests in Joint Operations.  Therefore, there is no financial impact on application of the Standard.	1-Jan-2016
<i>AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15</i>	This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15.  The Department has not yet determined the application or the potential impact of the Standard.	1-Jan-2017
<i>AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)</i>	This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 9 (December 2014).  The Department has not yet determined the application or the potential impact of the Standard.	1-Jan-2018
<i>AASB 2014-8 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) – Application of AASB 9 (December 2009) and AASB 9 (December 2010) [AASB 9 (2009 &amp; 2010)]</i>	This Standard makes amendments to AASB 9 <i>Financial Instruments</i> (December 2009) and AASB 9 <i>Financial Instruments</i> (December 2010), arising from the issuance of AASB 9 <i>Financial Instruments</i> in December 2014.  The Department has not yet determined the application or the potential impact of the Standard.	1-Jan-2015

## Notes to the Financial Statements

		Operative for reporting periods beginning on/ after
<p><i>AASB 2014-9</i></p> <p><i>Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements [AASB 1, 127 &amp; 128]</i></p>	<p>This Standard amends AASB 127, and consequentially amends AASB 1 and AASB 128, to allow entities to use the equity method of accounting for investments in subsidiaries, joint ventures and associates in their separate financial statements.</p> <p>The Department has not yet determined the application or the potential impact of the Standard.</p>	<p>1-Jan-2016</p>
<p><i>AASB 2014-10</i></p> <p><i>Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture [AASB 10 &amp; 128]</i></p>	<p>This Standard amends AASB 10 and AASB 128 to address an inconsistency between the requirements in AASB 10 and those in AASB 128 (August 2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.</p> <p>The Department has not yet determined the application or the potential impact of the Standard.</p>	<p>1-Jan-2016</p>
<p><i>AASB 2015-1</i></p> <p><i>Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012–2014 Cycle [AASB 1, 2, 3, 5, 7, 11, 110, 119, 121, 133, 134, 137 &amp; 140]</i></p>	<p>These amendments arise from the issuance of International Financial Reporting Standard Annual Improvements to IFRSs 2012–2014 Cycle in September 2014, and editorial corrections.</p> <p>The Department has not yet determined the application or the potential impact of the Standard.</p>	<p>1-Jan-2016</p>
<p><i>AASB 2015-2</i></p> <p><i>Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101 [AASB 7, 101, 134 &amp; 1049]</i></p>	<p>This Standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrow-focus amendments to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements.</p> <p>There is no financial impact.</p>	<p>1-Jan-2016</p>

		Operative for reporting periods beginning on/ after
<p><i>AASB 2015-3</i></p> <p><i>Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality</i></p>	<p>This Standard completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing that Standard to effectively be withdrawn.</p> <p>There is no financial impact.</p>	<p>1-Jan-2015</p>
<p><i>AASB 2015-6</i></p> <p><i>Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, 124 &amp; 1049]</i></p>	<p>The amendments extend the scope of AASB 124 to include application by not-for-profit public sector entities. Implementation guidance is included to assist application of the Standard by not-for-profit public sector entities.</p> <p>The Department has not yet determined the application of the Standard, though there is no financial impact.</p>	<p>1-Jan-2016</p>

## Notes to the Financial Statements

### 6. Employee Benefit Expense

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Wages and salaries <sup>(a)</sup>	72,360	75,071
Superannuation - defined contribution plans <sup>(b)</sup>	6,081	6,245
	<u>78,441</u>	<u>81,316</u>

(a) Includes the value of the fringe benefit to the employee plus the fringe benefits tax component, leave entitlements including superannuation contribution component.

(b) Defined contribution plans include West State, Gold State, GESB Super Scheme and other eligible funds.

Employment on-costs expenses, such as workers' compensation insurance are included at note 11 'Other expenses'. The employment on-costs liability is included at note 24 'Provisions'.

### 7. Supplies and Services

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Professional services	13,807	14,254
Travel	3,044	2,956
Other staff costs	161	260
Communications	2,415	2,688
Consumables	2,769	2,207
Lease of aircraft	6,585	6,398
Lease of motor vehicle	1,419	1,766
Computer software licences	743	632
Contract – security	740	932
Contract – cleaning services	474	430
Other administration costs	1,265	1,542
	<u>33,422</u>	<u>34,065</u>

## 8. Depreciation and amortisation expense

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
<b>Depreciation</b>		
Computer hardware	328	351
Furniture and fittings	16	16
Motor vehicles	11	11
Office equipment	305	436
Office establishment	890	454
Total depreciation	<u>1,550</u>	<u>1,268</u>
<b>Amortisation</b>		
<i>Intangible assets</i>		
Software	459	497
Total amortisation	<u>459</u>	<u>497</u>
Total depreciation and amortisation	<u><u>2,009</u></u>	<u><u>1,766</u></u>

## 9. Accommodation expenses

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Lease rentals and outgoings	21,175	21,666
	<u>21,175</u>	<u>21,666</u>

## 10. Grants and subsidies

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
<b>Recurrent</b>		
Subsidies and community grants	24,536	34,962
Government agency grants	4,952	15,376
External grants	2,469	4,368
	<u>31,957</u>	<u>54,706</u>

## Notes to the Financial Statements

### 11. Other Expenses

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Employment on-cost <sup>(a)</sup>	353	208
Audit Fees - Internal/External	252	207
	<u>605</u>	<u>415</u>

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

### 12. User charges and fees

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Contributions by senior officers to the Government Vehicle Scheme	114	114
Provision of services	9	22
Recoups	428	378
Overseas offices	249	191
Miscellaneous funding	91	114
Other revenue	1	39
	<u>891</u>	<u>859</u>

### 13. Commonwealth grants and contributions

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Indian Ocean Territories	452	420
	<u>452</u>	<u>420</u>

The funding received from the Commonwealth Department of Regional Australia, Local Government, Arts and Sport is to fund the salaries and on-costs for a State Coordinator and an Administrative Officer. The arrangement between the Department of the Premier and Cabinet (the Department) and the Commonwealth Department of Regional Australia requires the Department to:

- » protect the State's legal, financial and political interests;
- » provide a first point of contact in Indian Ocean Territories (IOT) matters for State Agencies; and to
- » facilitate the Commonwealth Government's objective of comparability of rights, standards and services in the IOT consistent with those of Western Australia.

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

	2015 \$000	2014 \$000
<b>Cost of Disposal on Non-current Assets</b>		
Furniture and fittings	-	-
Office equipment	16	7
Office establishment	1	42
	<u>17</u>	<u>49</u>
<b>Proceeds from Disposal of Non-current Assets</b>		
Office establishment	-	29
	<u>-</u>	<u>29</u>
Net gain/(loss)	<u>17</u>	<u>(20)</u>

## 15. Income from State Government

	2015 \$000	2014 \$000
Appropriation received during the year:		
Service appropriations <sup>(a)</sup>	155,903	211,286
Services received free of charge from other State Government agencies during the period. Determined on the basis of the following estimates provided by agencies:		
Department of Finance - lease administration services	4,157	3,945
Department of the Attorney General - legal services	2,692	3,136
Department of Finance - procurement services	176	210
Landgate - spatial and valuation services	15	7
	<u>7,040</u>	<u>7,298</u>
Royalties for Regions Fund <sup>(b)</sup>		
Regional Community Services Account	85	121
	<u>85</u>	<u>121</u>
	<u>163,028</u>	<u>218,705</u>

(a) Service appropriations fund the net 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) This is a sub-fund within the over-arching 'Royalties for Regions Fund'. The recurrent funds are committed to projects and programmes in WA regional areas.

## 16. Restricted cash and cash equivalent assets

	<b>2015</b> <b>\$000</b>	<b>2014</b> <b>\$000</b>
<u>Non-current</u>		
Accrued salaries suspense account <sup>(a)</sup>	2,606	2,095
Browse LNG Precinct Agreement	32,045	31,166
	<u>34,651</u>	<u>33,261</u>

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

## 17. Inventories

	<b>2015</b> <b>\$000</b>	<b>2014</b> <b>\$000</b>
<u>Current</u>		
Inventories held for resale:		
Publications	27	18
Inventories not held for resale:		
Stationery stores and material	12	40
	<u>39</u>	<u>58</u>

## 18. Receivables

	<b>2015</b> <b>\$000</b>	<b>2014</b> <b>\$000</b>
<u>Current</u>		
Receivables	1,170	1,361
GST receivable	327	1,076
	<u>1,497</u>	<u>2,436</u>

Reconciliation of changes in the allowance for impairment of receivables:

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

See also note 2(o) 'Receivables' and note 36 'Financial Instruments'.

## 19. Amounts receivable for services (Holding Account)

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Current	3,422	2,124
Non-current	24,342	24,936
	<u>27,764</u>	<u>27,060</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.

## 20. Property, plant and equipment

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
<b>Computer hardware</b>		
At cost	2,084	1,926
Accumulated depreciation	(1,656)	(1,376)
	<u>428</u>	<u>550</u>
<b>Furniture and fittings</b>		
At cost	543	455
Accumulated depreciation	(386)	(370)
	<u>157</u>	<u>85</u>
<b>Motor vehicles</b>		
At cost	55	54
Accumulated depreciation	(45)	(34)
	<u>10</u>	<u>20</u>
<b>Office equipment</b>		
At cost	2,108	2,358
Accumulated depreciation	(1,565)	(1,706)
	<u>543</u>	<u>652</u>
<b>Office establishment</b>		
At cost	8,550	7,081
Accumulated depreciation	(5,160)	(4,958)
	<u>3,390</u>	<u>2,123</u>
<b>Total</b>	<u>4,528</u>	<u>3,430</u>

## 20. Property, plant and equipment (continued)

### 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:

<b>2015</b>	<b>Computer Hardware \$000</b>	<b>Furniture and Fittings \$000</b>	<b>Motor Vehicles \$000</b>	<b>Office Equipment \$000</b>	<b>Office Establishment \$000</b>	<b>Total \$000</b>
Carrying amount at start of year	550	85	21	652	2,123	3,431
Additions	206	88	-	171	2,197	2,662
Disposals	-	-	-	(16)	-	(16)
Depreciation	(328)	(16)	(11)	(263)	(931)	(1,549)
Carrying amount at end of year	428	157	10	544	3,389	4,528

<b>2014</b>	<b>Computer Hardware \$000</b>	<b>Furniture and Fittings \$000</b>	<b>Motor Vehicles \$000</b>	<b>Office Equipment \$000</b>	<b>Office Establishment \$000</b>	<b>Total \$000</b>
Carrying amount at start of year	653	148	32	947	816	2,596
Additions	247	(47)	-	147	1,797	2,144
Disposals	-	-	-	(5)	(36)	(41)
Depreciation	(351)	(16)	(11)	(436)	(454)	(1,268)
Carrying amount at end of year	550	85	21	652	2,123	3,431

## 21. Intangible assets

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Computer software		
At cost	2,293	1,862
Accumulated amortisation	(1,516)	(1,072)
	<u>776</u>	<u>790</u>
<u>Reconciliations:</u>		
Computer software		
Carrying amount at start of year	790	1,000
Additions	446	287
Reclassifications	-	-
Disposals	(1)	-
Amortisation expense	(458)	(497)
Carrying amount at end of year	<u>776</u>	<u>790</u>

## 22. Impairment of assets

There were no indications of impairment of property, plant and equipment, and intangible assets at 30 June 2015.

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

## 23. Payables

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
<b>Current</b>		
Trade payables	1,388	2,262
Revenue in advance	90	505
Accrued salaries	1,979	1,755
Accrued expenses	359	102
	<u>3,815</u>	<u>4,624</u>

See also note 2(p) Payables and note 36 'Financial instruments.'

## 24. Provisions

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
<u>Current</u>		
Employee benefits provision		
Annual leave <sup>(a)</sup>	8,422	7,657
Long service leave <sup>(b)</sup>	9,065	7,731
	<u>17,487</u>	<u>15,388</u>
Other provisions		
Employment on-costs <sup>(d)</sup>	56	42
	<u>56</u>	<u>42</u>
	<u>17,542</u>	<u>15,430</u>
<u>Non-current</u>		
Long service leave <sup>(b)</sup>	3,040	3,256
Deferred salary scheme <sup>(c)</sup>	20	82
	<u>3,060</u>	<u>3,338</u>
Other provisions		
Employment on-costs <sup>(d)</sup>	10	9
	<u>10</u>	<u>9</u>
	<u>3,070</u>	<u>3,347</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 the reporting period. Assessments indicate that actual settlement of the liabilities will occur as follows:

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Within 12 months of the end of the reporting period	5,265	4,962
More than 12 months after the end of the reporting period	3,157	2,695
	<u>8,422</u>	<u>7,657</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 the reporting period. Assessments indicate that actual settlement of the liabilities will occur as follows:

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Within 12 months of the end of the reporting period	3,402	3,129
More than 12 months after the end of the reporting period	8,703	7,858
	<u>12,105</u>	<u>10,987</u>

(c) Deferred salary scheme liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Actual settlement of the liabilities will occur as follows:

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Within 12 months of the end of the reporting period	-	-
More than 12 months after the end of the reporting period	20	82
	<u>20</u>	<u>82</u>

(d) 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'.

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Movement in Other Provisions		
<u>Employment on-cost provision</u>		
Carrying amount at start of year	51	8
Additional provisions recognised	352	208
Payments/other sacrifices of economic benefits	(338)	(165)
Carrying amount at end of year	<u>65</u>	<u>51</u>

## 25. Other liabilities

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
<b>Current</b>		
Derivative Financial Liability	3	1,420
Other liability	-	-
	<u>3</u>	<u>1,420</u>

See also note 36 'Financial Instruments'.

## 26. Equity

Equity represents the residual interest in the net assets of the Department. The Government holds the equity interest in the Department on behalf of the community.

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
<b>Contributed equity</b>		
Balance at the start of the year	36,117	36,479
<b>Contributions by owners:</b>		
Capital Contributions <sup>(a)</sup>	3,000	-
Transfer of net assets/(liabilities) from other agencies - Office of Science <sup>(b)</sup>	-	(349)
Transfer of net assets/(liabilities) from other agencies - WANDRRA <sup>(b)</sup>	-	(13)
Total contributions by owners	<u>3,000</u>	<u>(362)</u>
<b>Distributions to owners:</b>		
Transfer of net assets to other agencies <sup>(b)</sup>	-	-
Total distributions to owners	<u>-</u>	<u>-</u>
Balance at the end of the year	<u><u>39,117</u></u>	<u><u>36,117</u></u>

(a) Capital appropriations

TI 955 *Contributions by Owners Made to Wholly Owned Public Sector Entities* designates capital appropriations as contributions by owners in accordance with AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities*.

(b) Transfer of net assets from other agencies

Restructures of administrative arrangements resulted in the function of the Office of Science being transferred from the Department of Commerce with effect from 1 July 2013 and the function of the Western Australian Natural Disasters Relief and Recovery Arrangements being transferred from the Department of Fire and Emergency Services with effect from 1 April 2014 to the Department of the Premier and Cabinet. The amounts reflected in equity are \$349,000 and \$13,000 respectively.

AASB 1004 Contributions requires transfers of net assets as a result of a restructure of administrative arrangements to be accounted for as contributions by owners and distributions to owners.

Where activities are transferred from one agency to another agency as a result of a restructure of administrative arrangements, AASB 1004 (paragraph 57) requires the transferee agency to disclose the expenses and income attributable to the transferred activities for the reporting period, showing separately those expenses and income recognised by the transferor agency

during the reporting period. Furthermore, AASB 1004 (paragraph 58) requires disclosures by class for each material transfer of assets and liabilities in relation to a restructure of administrative arrangements, together with the name of the counterparty transferor/transferee agency. In respect of transfers that are individually immaterial, the assets and liabilities are to be disclosed on an aggregate basis.

Under TI 955 non-discretionary and non-reciprocal transfers of 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 and non-reciprocal transfer of net assets as a contribution by owners, the transferor agency accounts for the transfer as a distribution to owners.

	<b>2015</b> <b>\$000</b>	<b>2014</b> <b>\$000</b>
<b>Hedging Reserve</b>		
Balance at the start of the year	(1,963)	(2,458)
Net revaluations increments/(decrements)	1,529	495
Restated balance at the end of the year	<u>(434)</u>	<u>(1,963)</u>

	<b>2015</b> <b>\$000</b>	<b>2014</b> <b>\$000</b>
<b>Accumulated surplus/(deficit) (Retained Earnings)</b>		
Balance at the start of the year	39,820	12,844
Transfer to Contributed Equity	-	-
Result for the period	(2,864)	26,976
Restated balance at the end of the year	<u>36,956</u>	<u>39,820</u>

## 27. 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 Statement of Financial Position:

	<b>2015</b> <b>\$000</b>	<b>2014</b> <b>\$000</b>
Cash and cash equivalents	30,162	30,729
Restricted cash and cash equivalents (refer to note 16)	34,651	33,261
	<u>64,812</u>	<u>63,990</u>

## Notes to the Financial Statements

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

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Net cost of services	(165,892)	(191,730)
<u>Non-cash items:</u>		
Depreciation and amortisation expense	2,009	1,766
Resources received free of charge	7,040	7,298
Net (gain)/loss on disposal of plant and equipment	(17)	20
Net (gain)/loss on foreign exchange and hedging	112	382
<u>(Increase)/decrease in assets:</u>		
Current receivables <sup>(a)</sup>	191	(510)
Current inventories	19	19
Other current assets	2,390	119
<u>(Increase)/decrease in liabilities:</u>		
Current payables(a)	(809)	651
Current provisions	2,112	881
Non-current provisions	(277)	413
Other current liabilities		
Change in GST in receivables/payables <sup>(b)</sup>	531	153
Net cash provided by/(used in) operating activities	<u>(152,590)</u>	<u>(180,539)</u>

(a) 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.

(b) This reverses out the GST in receivables and payables.

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.

## 28. Services 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.

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Department of Finance – Library Services	131	201
Department of Treasury – Library Services	71	134
Public Sector Commission	912	1,079
Parliamentary Commissioner for Administrative Investigation	91	114
	<u>1,205</u>	<u>1,528</u>

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

## 29. Other assets

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Prepayments	527	916
	<u>527</u>	<u>916</u>

## 30. 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:

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Within 1 year	25,086	21,839
Later than 1 year but not later than 5 years	52,614	71,307
	<u>77,700</u>	<u>93,146</u>

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

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Within 1 year	651	765
Later than 1 year but not later than 5 years	182	233
	<u>833</u>	<u>998</u>

Accommodation leases occupied by the Department:

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Within 1 year	19,655	18,213
Later than 1 year but not later than 5 years	50,812	66,632
	<u>70,467</u>	<u>84,845</u>

Aircraft leases used by the Department:

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Within 1 year	4,780	2,861
Later than 1 year but not later than 5 years	1,620	4,442
	<u>6,400</u>	<u>7,303</u>

These commitments are all inclusive of GST.

## Notes to the Financial Statements

The Department has entered into a property lease which is a non-cancellable lease with a five year term, with rent payable monthly in advance. Contingent rent provisions within the lease agreement require that the minimum lease payments shall be increased by the lower of CPI or 4% per annum. An option exists to renew the lease at the end of the five year term for an additional term of five years. Existing Memorandums of Understanding (MOUs) for Dumas House, the Constitutional Centre and Hale House expire on 30/6/2015, 30/6/2015 and 31/10/2015 respectively. As it is likely these MOUs will be renewed, estimated amounts have been included for the years 2016, 2017 and 2018.

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Capital Expenditure	-	1,857

## 31. 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:

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
50,001 - 60,000 <sup>(a)</sup>	1	-
160,001 - 170,000	1	1
170,001 - 180,000	-	1
180,001 - 190,000 <sup>(c)</sup>	1	1
190,001 - 200,000	1	2
200,001 - 210,000	1	1
210,000 - 220,000	-	1
220,001 - 230,000	1	1
230,001 - 240,000	2	2
240,001 - 250,000 <sup>(b)</sup>	2	-
250,001 - 260,000	-	-
260,001 - 270,000	1	2
270,001 - 280,000	2	1
340,001 - 350,000	-	1
360,001 - 370,000	1	-
410,001 - 420,000	1	-
450,001 - 460,000	-	1
510,001 - 520,000	1	1
Total remuneration of senior officers is:	<u>\$4,047</u>	<u>\$4,151</u>
Base remuneration and superannuation	\$3,737	\$3,770
Annual Leave and Long Service Leave accruals	\$84	\$161
Other benefits	\$226	\$220
	<u>\$4,047</u>	<u>\$4,151</u>

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

- (a) One Executive Director is included for the period 1 July 2014 to 11 October 2014.
- (b) An additional Executive Director has been included from 3 November 2014.
- (c) Includes a Director from 30 September 2014.

No senior officers are members of the Pension Scheme.

### 32. Remuneration of Auditor

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

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Auditing the accounts, financial statements and performance indicators	151	147

### 33. Supplementary financial information

#### Write-offs

During the financial year there were no amounts written off under the authority of section 48 of the *Financial Management Act 2006*.

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Amounts written off by the Accountable Authority	-	-

#### Gifts of public property

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Gifts of public property provided by the Department	3	7

## 34. Explanatory statement

Significant variations between estimates and actual results for income and expenditure 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 \$10 million.

### Statement of Comprehensive Income (Controlled Operations)

	Variance Note	Original Budget <sup>(a)</sup> 2015 \$000	Actual 2015 \$000	Actual 2014 \$000	Variance between estimate and actual \$000	Variance between actual results 2015 and 2014 \$000
<b>Expenses</b>						
Employee benefits expense		80,900	78,441	81,316	(2,459)	(2,875)
Supplies and services	1	28,101	33,422	34,066	5,321	(644)
Depreciation and amortisation expense	2, A	2,828	2,009	1,765	(819)	244
Accommodation expenses	3	19,031	21,175	21,666	2,144	(491)
Grants and subsidies	4, B	49,339	31,957	54,706	(17,382)	(22,749)
Loss on disposal of non-current assets	5, C	-	17	20	17	(3)
Losses on foreign operation translation	D	-	-	20	-	(20)
Losses on hedging	6, E	-	112	362	112	(250)
Loss on other financial assets	7, F	-	1,990	886	1,990	1,104
Other expenses	8, G	169	605	415	436	190
<b>Total cost of services</b>		<u>180,368</u>	<u>169,728</u>	<u>195,222</u>	<u>(10,640)</u>	<u>(25,494)</u>
<b>Income</b>						
<i>Revenue</i>						
User charges and fees		959	891	859	(68)	32
Sales	9	2,220	1,573	1,726	(647)	(153)
Commonwealth grants and contributions		444	452	420	8	32
Interest revenue	10, H	-	854	486	854	368
Gains on foreign operation translation		-	66	-	66	66
<b>Total Revenue</b>		<u>3,623</u>	<u>3,836</u>	<u>3,491</u>	<u>213</u>	<u>345</u>
<b>NET COST OF SERVICES</b>		<u>176,745</u>	<u>165,893</u>	<u>191,731</u>	<u>(10,852)</u>	<u>(25,838)</u>

Statement of Comprehensive Income  
(Controlled Operations) continued.

	Variance Note	Original Budget <sup>(a)</sup> 2015 \$000	Actual 2015 \$000	Actual 2014 \$000	Variance between estimate and actual \$000	Variance between actual results 2015 and 2014 \$000
<b>Income from State Government</b>						
Service appropriation	11, I	165,387	155,903	211,286	(9,484)	(55,383)
Services received free of charge	12	5,784	7,040	7,298	1,256	(258)
Royalties for Regions Fund	13, J	483	85	121	(398)	(36)
<b>Total income from State Government</b>		<u>171,654</u>	<u>163,028</u>	<u>218,705</u>	<u>(8,626)</u>	<u>(55,677)</u>
<b>SURPLUS/(DEFICIT) FOR THE PERIOD</b>		<u>(5,091)</u>	<u>(2,865)</u>	<u>26,974</u>	<u>2,226</u>	<u>(29,839)</u>
<b>OTHER COMPREHENSIVE INCOME</b>						
Items not reclassified subsequently to profit or loss						
Gain/(Losses) on Foreign exchange recognised directly in equity	14, K	-	1,529	495	1,529	1,034
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<u>(5,091)</u>	<u>(1,336)</u>	<u>27,469</u>	<u>3,755</u>	<u>(28,805)</u>

(a) The budget estimates have been reclassified to align with the financial statement classification of income and expenditure items.

## Notes to the Financial Statements

### Statement of Financial Position

	Variance Note	Original Budget <sup>(a)</sup> 2015 \$000	Actual 2015 \$000	Actual 2014 \$000	Variance between estimate and actual \$000	Variance between actual results for 2015 and 2014 \$000
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	15	25,210	30,162	30,729	4,952	(567)
Inventories	16, L	77	39	58	(38)	(19)
Receivables	M	1,416	1,497	2,436	81	(939)
Amounts receivable for services	17, N	2,022	3,422	2,124	1,400	1,298
Other current assets	18, O	1,193	528	916	(665)	(389)
<b>Total Current Assets</b>		<u>29,918</u>	<u>35,648</u>	<u>36,263</u>	<u>5,730</u>	<u>(615)</u>
<b>Non-current Assets</b>						
Restricted cash and cash equivalents		33,867	34,651	33,261	784	1,389
Amounts receivable for services		25,741	24,342	24,936	(1,399)	(594)
Other financial assets	19	-	124	114	124	10
Property, plant and equipment	20, P	3,798	4,528	3,431	730	1,097
Intangible assets	21	997	776	790	(221)	(14)
<b>Total Non-current Assets</b>		<u>64,403</u>	<u>64,421</u>	<u>62,532</u>	<u>18</u>	<u>1,889</u>
<b>TOTAL ASSETS</b>		<u>94,321</u>	<u>100,069</u>	<u>98,795</u>	<u>5,748</u>	<u>1,274</u>
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
Payables	22, Q	4,634	3,815	4,624	(819)	(809)
Provisions	23, R	13,856	17,542	15,430	3,686	2,112
Other current liabilities	24, S	1,568	3	1,420	(1,565)	(1,417)
<b>Total Current Liabilities</b>		<u>20,058</u>	<u>21,361</u>	<u>21,474</u>	<u>1,303</u>	<u>(113)</u>
<b>Non-current Liabilities</b>						
Provisions		2,934	3,070	3,347	136	(277)
<b>Total Non-current Liabilities</b>		<u>2,934</u>	<u>3,070</u>	<u>3,347</u>	<u>136</u>	<u>(277)</u>
<b>Total Liabilities</b>		<u>22,992</u>	<u>24,431</u>	<u>24,821</u>	<u>1,439</u>	<u>(390)</u>

## Statement of Financial Position (continued)

	Variance Note	Original Budget <sup>(a)</sup> 2015 \$000	Actual 2015 \$000	Actual 2014 \$000	Variance between estimate and actual \$000	Variance between actual results for 2015 and 2014 \$000
<b>Net Assets</b>		<u>71,329</u>	<u>75,638</u>	<u>73,974</u>	<u>4,309</u>	<u>1,664</u>
Equity						
Contributed equity	T	39,058	39,117	36,117	59	3,000
Hedging reserves	25, U	(2,458)	(434)	(1,963)	2,024	1,529
Accumulated surplus (deficiency)		34,729	36,956	39,820	2,227	(2,864)
<b>Total Equity</b>		<u>71,329</u>	<u>75,639</u>	<u>73,974</u>	<u>4,310</u>	<u>1,665</u>

(a) The budget estimates have been reclassified to align with the financial statement classification of balance sheet items.

## Notes to the Financial Statements

### Statement of Cash Flows

	Variance Note	Original Budget <sup>(a)</sup> 2015 \$000	Actual 2015 \$000	Actual 2014 \$000	Variance between estimate and actual \$000	Variance between actual results for 2015 and 2014 \$000
<b>CASH FLOWS FROM STATE GOVERNMENT</b>						
Service appropriation	11, I	162,559	153,075	208,936	(9,484)	(55,861)
Holding account drawdowns	V	2,124	2,124	619	-	1,505
Capital contributions	T	3,000	3,000	-	-	3,000
Non-retained revenue distributed to owners		-	-	-	-	-
Royalties for Regions Fund	13, J	483	85	121	(398)	(36)
<b>Net cash provided by State Government</b>		<u>168,166</u>	<u>158,284</u>	<u>209,676</u>	<u>(9,882)</u>	<u>(51,392)</u>
<b>Utilised as follows:</b>						
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
<b>Payments</b>						
Employee benefits		(80,400)	(77,655)	(80,504)	2,745	2,849
Supplies and services	1	(22,316)	(26,859)	(22,112)	(4,543)	37
Accommodation	3	(19,031)	(20,700)	(22,896)	(1,669)	1,412
Grants and subsidies	4, B	(49,339)	(31,866)	(54,645)	17,473	22,779
GST payments on purchases		(7,713)	(7,583)	(9,120)	130	1,537
GST payments to taxation authority		(8)	(182)	(227)	(174)	45
Other payments		(562)	(165)	(138)	397	(27)
<b>Receipts</b>						
User charges and fees		973	967	1,174	(6)	(207)
Sales of goods and services	9	2,200	1,555	1,702	(645)	(147)
Commonwealth grants and contributions	W	444	452	633	8	(181)
Interest received	10, H	-	879	266	879	613
GST receipts on sales	26, X	329	178	264	(151)	(86)
GST receipts from taxation authority		7,785	8,226	8,909	441	(683)
Other receipts	27	7	163	154	156	9
<b>Net cash provided by/ (used in) operating activities</b>		<u>(167,631)</u>	<u>(152,590)</u>	<u>(180,540)</u>	<u>15,041</u>	<u>27,950</u>

## Statement of Cash Flows (continued)

	Variance Note	Original Budget <sup>(a)</sup> 2015 \$000	Actual 2015 \$000	Actual 2014 \$000	Variance between estimate and actual \$000	Variance between actual results for 2015 and 2014 \$000
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
<b>Payments</b>						
Proceeds from the sale of non-current physical assets	Y	-	-	27	-	(27)
<b>Receipts</b>						
Purchase of non-current physical assets	28, Z	(5,124)	(2,899)	(2,427)	2,225	(472)
Investment in Other financial assets	7, F	-	(2,000)	(1,000)	(2,000)	(1,000)
<b>Net cash provided by/ (used in) investing activities</b>		<u>(5,124)</u>	<u>(4,899)</u>	<u>(3,400)</u>	<u>225</u>	<u>(1,499)</u>
Net increase/(decrease) in cash and cash equivalents	29, AA	(4,589)	795	25,737	5,384	(24,942)
Cash and cash equivalents at the beginning of the period	AB	63,666	63,990	38,273	324	25,717
Effects of exchange rate changes on cash balances held in foreign currency	30, AC	-	28	(20)	28	48
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<u>59,077</u>	<u>64,813</u>	<u>63,990</u>	<u>5,736</u>	<u>823</u>

(a) The budget estimates have been reclassified to align with the financial statement classification of receipts and payments.

# Notes to the Financial Statements

## Major Variance Narratives (Controlled Operations)

### **Variations between estimate and actual**

1. The increase in supplies and services expense of \$5.32 million (18.94%) is due to an increase of \$1.3 million for resources received free of charge, increases in professional services for the Strategic Assessment of the Perth Peel Region, ANZAC centenary commemorations, land tenure search fees in the Native Title Unit and electorate office ICT upgrade.
2. The decrease in depreciation expense of \$0.82 million (30.0%) is due to lower than budget capital expenditure.
3. The increase in accommodation expense of \$2.14 million (11.27%) is due to above CPI increases and variable outgoings annual adjustments including repairs and maintenance, cleaning, water rates, gardening, lift and air-conditioning running costs in electorate offices and Dumas House.
4. The decrease in grant expenses of \$17.38 million (35.2%) is due to repositioning Native Title Unit financial incentive grants \$7.4 million, repositioning of Native Title Unit Land & Equity Fund grants \$3.2 million, repositioning of Office of Science grants of \$2.2 million together with reclassification of Office of Science grant expenditure of \$2 million for the WA Marine Science institution to joint venture investment.
5. The 2015 Budget did not provide for a loss on disposal of assets on the assumption that assets are mainly fully written down on disposal.
6. The 2015 Budget did not provide for anticipated losses on hedging in relation to forward foreign exchange contracts.
7. Loss on other financial assets of \$2.0 million relate to joint venture investment in the WA Marine Science Institution (WAMSI) that was budgeted as a grant.
8. The increase in other expenses of \$0.44 million (258.0%) is due to higher than budget audit fees and workers compensation insurance premium not separately provided for in the budget.
9. The decrease in sales revenue from the State Law Publisher of \$0.65 million (29.1%) is due to increased electronic access to publications, closure of sales outlet and reduced demand due to Agency budget cuts.
10. Interest income of \$0.85 million relates to interest on the Browse interest bearing trust Account that was not provided for as a separate line item in the budget.
11. The decrease in Service Appropriation of \$9.48 million (5.7%) is mainly due to repositioning of funding for Native Title Unit financial incentive grants of \$4.9 million, repositioning of grant funding for the Office of Science \$2.2 million and efficiency dividend savings of \$1.2 million.
12. The increase in services received free of charge of \$1.26 million (21.7%) is due to increases in legal charges from State Solicitors and increased charges from the Department of Finance for depreciation on Dumas House accommodation fit out.

## Major Variance Narratives (Controlled Operations) continued

13. The decrease in Royalties for Regions funding of \$0.4 million (82.40%) is due to repositioning of \$0.4 million funding in the 2015–16 Bilateral Budget Process to 2016-17 for the Great Kimberley Marine Park due to delays with joint management agreement negotiations.
14. Gains on foreign exchange of \$1.53 million recognised directly in equity relate to the reduction in unrealised losses under forward foreign exchange contracts deferred in the hedging reserve (cash flow hedges deferred in equity) in relation to exposure of anticipated future transactions in relation to aircraft leases payable in US Dollars.
15. The increase in cash balances of \$4.95 million (19.5%) is mainly due to the deferral of expenditure on Native Title Unit grants which were to have been paid out of cash reserves.
16. The decrease in inventories of \$0.04 million (49.35%) is due to small movements in publications stock on hand for the State Law Publisher.
17. The increase in current amounts receivable for services of \$1.40 million (69.2%) is due to the deferral of draw-downs from the holding account for the purchase of a high speed copier for the State Law Publisher from 2015 to 2016.
18. The decrease in other current assets of \$0.67 million (55.83%) is due to a decrease in prepayments.
19. The increase in other financial assets of \$0.12 million (100%) represents the Departments 11% net investment in the WAMSI joint venture that was budgeted as a grant.
20. The increase in property, plant and equipment of \$0.73 million (19.24%) is due to a decrease in depreciation expense due to deferred capital expenditure.
21. The decrease in intangible assets of \$0.22 million (22.17%) is due to a lower than anticipated expenditure on software.
22. The decrease in payables of \$0.82 million (17.67%) represent mainly a reduction in accrued salary recoups.
23. Increases in current leave provisions of \$3.69 million (26.60%) is due mainly to the impact of increases in indexation of salary rates due to the budget being capped at 2012 balances and slight reduction in the discount rate.
24. The decrease in other current liabilities of \$1.57 million (99.81%) is due to a reduction in derivative financial liability in relation to the foreign exchange hedge for the aircraft lease contract.
25. The movement in hedging reserves of \$2.02 million (82.34%) represents the reduction in unrealised losses under forward foreign exchange contracts deferred in the hedging reserve. The budget was based on 2013 actual closing balance of the hedging reserve.
26. The decrease in GST receipts on sales of \$0.15 million (45.9 %) is mainly due to a decrease in sales.
27. The increase in other receipts of \$0.16 million (2225.0%) is due to higher than budget paid parental leave receipts from the Commonwealth.

### Major Variance Narratives (Controlled Operations) continued

28. The decrease in purchase of non-current assets of \$2.23 million (43.42%) is due to the deferral of budgeted capital expenditure including the purchase of a high speed printer for the State Law Publisher to 2016.
29. The increase in the net increase in cash of \$5.38 million (117.32%) is mainly due to the deferral of expenditure on Native Title Unit grants which were to have been paid out of cash reserves.
30. The increase in cash balances held in foreign currency from the effects of exchange rate changes of \$0.03 million is due to no budget being provided for this as it is unable to be estimated until the end of the financial year and is not material.

### Variances between actual results for 2015 and 2014

- A. The increase in depreciation and amortisation expense of \$0.24 million (13.82%) is mainly due to depreciation on Ministerial office accommodation establishment costs during 2015.
- B. The decrease in grants expense of \$22.75 million (41.6%) is due to decreases in Native Title Unit grants for Yawaru implementation \$2 million, South West Settlement Implementation \$2.4 million, Land & Equity Fund ILUA negotiations \$2.6 million together with decreases in Community grants for the ANZAC Centenary \$5.6 million, Parkerville Bushfire \$1.5 million and decreases in Office of Science grants of \$5.3 million for Scitech and \$1.6 million for the Integrated Marine Observing System.
- C. The decrease in the loss on disposal of assets of \$0.003 million (15.0%) is due to lower written down value of assets disposed.
- D. The decrease in loss on foreign operation translation of \$0.02 million (100%) is due to a gain being recognised on foreign operation translation in 2015 and classified as a revenue item.
- E. The decrease in losses on hedging of \$0.25 million (69.06%) are in relation to changes to forecasted foreign currency exposures.
- F. The increase in loss of other financial assets of \$1.10 million (124.60%) is due to an additional investment of \$1 million in the WAMSI joint venture compared to the previous year.
- G. The increase in other expenses of \$0.19 million (45.78%) is mainly due to an increase in workers compensation insurance premiums.
- H. The increase in interest revenue of \$0.37 million (75.7%) is due to the Browse Trust Account being opened in December 2014 and accruing interest for six months only in the prior year.
- I. The decrease in Service Appropriation of \$55.38 million (26.2%) is mainly due to reduction in funding for Browse LNG Precinct Project \$30.9 million, Community grants \$8.7 million, Native Title Unit grants \$9.3 million, Office of Science grants \$5.7 million.

## Major Variance Narratives (Controlled Operations) continued

- J. The decrease in Royalties for Regions funding of \$0.04 million (29.75%) is due to a revised expenditure profile for Regional Workers Incentives Allowance Payments resulting in decreased funding from 2014–15 as part of the 2014–15 Budget Bilateral Process.
- K. The increase in gains on foreign exchange of \$1.03 million (208.9%) is due to reductions in cash flow hedges deferred in equity in relation to aircraft leases denominated in US dollars and due to expire in 2017 (refer Note 36).
- L. The decrease in inventories of \$0.02 million (32.76%) is due to small movements in publications stock on hand for the State Law Publisher.
- M. The decrease in current receivables of \$0.94 million (38.8%) is mainly due to a reduction in GST receivable.
- N. The increase in current amounts receivable for services of \$1.3 million (61.1%) is due to approved increases in 2016 draw-downs from the holding account to fund increases in 2016 projected ICT capital expenditure including SAN replacement and relocation of the secondary data centre to Dumas House.
- O. The decrease in other current assets of \$0.39 million (42.6%) is due to a decrease in prepayments for electorate office accommodation expenses.
- P. The increase in property, plant and equipment of \$1.09 million (32.0%) is mainly due to an increase in office establishment costs for the relocation of two Ministers to Dumas House.
- Q. The decrease in payables of \$0.81 million (17.50%) represents a decrease in accrued expenses.
- R. Increases in current leave provisions of \$2.11 million (13.69%) is mainly due to the impact of increases in indexation of salary rates and lower than expected leave taken in 2015.
- S. The decrease in other current liabilities of \$1.42 million (99.79%) is due to a reduction in derivative financial liability in relation to the foreign exchange hedge for the aircraft lease contract.
- T. The increase in contributed equity of \$3.0 million (8.31%) is due to a capital contribution received for the relocation and fit out of two ministerial offices at Dumas House.
- U. The movement in hedging reserves of \$1.53 million (77.89%) represents the reduction in unrealised losses under forward foreign exchange contracts deferred in the hedging reserve.
- V. The increase in holding account draw-downs of \$1.5 million (243.13%) is mainly due to increased capital funding for the replacement of the high speed copier for the State Law Publisher.
- W. The decrease in receipts from Commonwealth grants of \$0.18 million (28.59%) is due to an additional two quarterly payments in 2014 for the Indian Ocean Territories relating to the prior year due to delays receiving payment from the Commonwealth.
- X. The decrease in GST receipts on sales of \$0.09 million (32.58%) is mainly due to a decrease in sales.

## Notes to the Financial Statements

### Major Variance Narratives (Controlled Operations) continued

- Y. The decrease in proceeds from the sale of non-current assets of \$0.03 million (100%) is due to no proceeds received during 2015.
- Z. The decrease in the payments for the purchase of non-current assets of \$0.47 million (19.45%) is mainly due to reductions in capital expenditure on refurbishments of electorate offices.
- AA. The decrease in net movement of cash of \$24.94 million (96.91%) is mainly due to appropriation received during 2014 for the Browse LNG precinct project of \$30.9 million, transferred to a Trust account, that will not be expensed until 2017.
- AB. The increase in opening cash balances of \$25.72 million (67.19%) is mainly due to appropriation received during 2014 for the Browse LNG precinct project, transferred to a Trust account, that will not be expensed until 2017.
- AC. The small increase in cash balances held in foreign currency from the effects of exchange rate changes of \$0.05 million (240%) is due to movements in exchange rates for the three overseas offices.

## 35. 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 Union to visit Western Australia and/or young persons from Western Australia to visit countries within the European Union to undertake approved educational activities for the purpose of promoting and enhancing the social, cultural, historical and economic ties between Western Australia and Europe.

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Balance at the start of the year	214	201
Receipts	-	1
Payments	(5)	(8)
Unrealised gain/(loss) on translation	25	20
Balance at the end of the year	<u>234</u>	<u>214</u>

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

## Murchison Radio-astronomy Observatory ILUA - Benefits Package

### Purpose of the Trust

The purpose of this account is to hold moneys on behalf of the WY Claim Group pending execution of a Trust Deed under the Murchison Radio-astronomy Indigenous Land Use Agreement.

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Balance at the start of the year	-	9,296
Receipts	-	114
Payments	-	(9,410)
Balance at the end of the year	<u>-</u>	<u>-</u>

## DPC Esperance Nyungar Government Indigenous Land Use Agreement

### Purpose of the Trust

The purpose of this account is to hold the State's contribution of \$2.4m in an interest bearing trust account for and on behalf of the Native Title Claim Group or the Prescribed Body Corporate until such time as the Prescribed Body Corporate has submitted a budget and that budget is approved in accordance with clause 19.2 of the Agreement.

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Balance at the start of the year	2,400	-
Receipts	63	2,400
Payments	-	-
Balance at the end of the year	<u>2,463</u>	<u>2,400</u>

The account was set up in April 2014.

## DPC - Browse LNG Precinct Project Agreement Native Title Beneficiaries' Interest Bearing Trust A/C

### Purpose of the Trust

The purpose of this account is to hold \$30m being the State's contribution of \$10m to the Economic Development Fund and \$20m to the Indigenous Housing Fund pursuant to the Browse LNG Precinct Project Agreement.

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Balance at the start of the year	31,166	-
Receipts	879	31,166
Payments	-	-
Balance at the end of the year	<u>32,045</u>	<u>31,166</u>

The account was set up in December 2013.

## Notes to the Financial Statements

### Exmouth Land Agreement - Gnulli Claim Group

#### Purpose of the Trust

The purpose of this account is to hold monies pursuant to clauses 7 and 9(1)(c) of the Exmouth Land Agreement (the Agreement) dated 24 May 2014. All monies required to be paid by the body corporate Minister for Lands and Western Australian Land Authority (LandCorp) (Government Parties) and the Developer under the Agreement are to be held in trust in an interest-bearing account until such time as a Favourable or Unfavourable Final Determination is made, at which time moneys are to be disbursed under clauses 9.2 or 9.3 of the Agreement, as is applicable. No monies have been paid into the trust account as at 30 June 2015.

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
Balance at the start of the year	-	-
Receipts	-	-
Payments	-	-
Balance at the end of the year	<u>-</u>	<u>-</u>

The account was set up in November 2014.

## 36. 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, receivables, 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 programme 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 the end of the reporting period 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 36(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 in client credit ratings. For financial assets that are either past due or impaired, refer to note 36(c) "Financial Instrument Disclosures".

### 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

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Department income or the value of its holdings of financial instruments. 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 36(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.

### 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.

## Notes to the Financial Statements

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.

### 2015 Recycled from Equity to Profit or Loss

Balance	<1 year	1-2 years	2-3 years	3-4 years	4-5 years
DR 439	299	140	0	0	0

### 2014 Recycled from Equity to Profit or Loss

Balance	<1 year	1-2 years	2-3 years	3-4 years	4-5 years
DR 1,968	832	772	364	0	0

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 \$439,324 (2014: DR \$1,968,292). It is anticipated that the purchases will take place during the next 2 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:

Outstanding Contracts	Average Exchange Rate		Foreign Currency Purchased		Contract Value		Fair Value	
	2015 \$000	2014 \$000	2015 \$000	2014 \$000	2015 \$000	2014 \$000	2015 \$000	2014 \$000
<1 year	0.7569	0.7610	3,289	2,601	4,346	3,417	(21)	(611)
1 to 2 years	0.7610	0.7586	1,121	2,917	1,473	3,845	18	(603)
2 to 3 years		0.7610		1,121		1,473		(206)
3 to 4 years								
4 to 5 years								
>5 years								

## b. Categories of Financial Instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the balance sheet date are as follows:

	<b>2015</b> <b>\$000</b>	<b>2014</b> <b>\$000</b>
Financial Assets		
Cash and cash equivalents	30,162	30,729
Restricted Cash and cash equivalents	34,652	33,261
Receivables <sup>(a)</sup>	1,169	1,361
Derivatives – Cash Flow	22	-
Amount receivable for services	3,422	27,060
	<u>69,427</u>	<u>92,411</u>
Financial Liabilities		
Payables	3,815	4,624
Derivatives – Cash Flow	8	1,223
Derivatives – FVTPL	17	197
	<u>3,840</u>	<u>6,044</u>

(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.

## Notes to the Financial Statements

### Interest rate exposures and ageing analysis of financial assets<sup>(a)</sup>

	Weighted average effective interest rate %	Interest Rate exposure					Past due but not impaired				
		Carrying amount \$000	Fixed interest rate \$000	Variable interest rate \$000	Non-interest bearing \$000	Up to 3 months \$000	3-12 months \$000	1-2 years \$000	2-5 years \$000	More than 5 years \$000	Impaired financial assets \$000
<b>30-Jun-15</b>											
<b>Financial Assets</b>											
Cash and cash equivalents		30,162	-	-	30,162	-	-	-	-	-	-
Restricted cash and cash equivalents	2.71	34,652	-	32,045	2,607	-	-	-	-	-	-
Receivables		1,169	-	-	1,169	1,169	-	-	-	-	-
Derivatives - Cash Flow		22	-	-	22	-	22	-	-	-	-
Amount receivable for services		3,422	-	-	3,422	-	-	-	-	-	-
		<u>69,427</u>	<u>-</u>	<u>32,045</u>	<u>37,382</u>	<u>1,169</u>	<u>22</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>30-Jun-14</b>											
<b>Financial Assets</b>											
Cash and cash equivalents		30,729	-	-	30,729	-	-	-	-	-	-
Restricted cash and cash equivalents	2.80	33,261	-	31,166	2,095	-	-	-	-	-	-
Receivables		1,361	-	-	1,361	1,361	-	-	-	-	-
Amounts receivable for services		27,060	-	-	27,060	-	-	-	-	-	-
		<u>92,411</u>	<u>-</u>	<u>31,166</u>	<u>61,245</u>	<u>1,361</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

## Notes to the Financial Statements

### Interest rate exposure and maturity analysis of financial liabilities<sup>(a)</sup>

	Interest Rate exposure					Maturity Date						
	Weighted average effective interest rate %	Carrying amount \$000	Fixed interest rate \$000	Variable interest rate \$000	Non-interest bearing \$000	Adjustment for discounting \$000	Total Nominal Amount \$000	Up to 3 months \$000	3-12 months \$000	1-2 years \$000	2-5 years \$000	More than 5 years \$000
<b>30-Jun-2015</b>												
<b>Financial Liabilities</b>												
Payables		3,815	-	-	3,815	-	-	3,815	-	-	-	-
Other liabilities - Derivatives		25	-	-	25	(1)	-	-	25	1	-	-
		<u>3,840</u>	<u>-</u>	<u>-</u>	<u>3,840</u>	<u>(1)</u>	<u>-</u>	<u>3,815</u>	<u>25</u>	<u>1</u>	<u>-</u>	<u>-</u>
<b>30-Jun-2014</b>												
<b>Financial Liabilities</b>												
Payables		4,624	-	-	4,624	4,624	-	4,624	-	-	-	-
Other liabilities - Derivatives		1,420	-	-	1,420	(74)	-	-	629	639	226	-
		<u>6,044</u>	<u>-</u>	<u>-</u>	<u>1,420</u>	<u>(74)</u>	<u>-</u>	<u>4,624</u>	<u>629</u>	<u>639</u>	<u>226</u>	<u>-</u>

## Notes to the Financial Statements

### Interest rate and foreign exchange rate sensitivity analysis

The following tables represent 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
<b>30-Jun-15</b>					
<b>Financial Assets</b>					
Restricted Cash and cash equivalents	32,045	(320)	(320)	320	320
Receivables	-	-	-	-	-
Other Financial Assets	-	-	-	-	-
	<u>32,045</u>	<u>(320)</u>	<u>(320)</u>	<u>320</u>	<u>320</u>
<b>Financial Liabilities</b>					
Payables	-	-	-	-	-
Other liabilities	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>30-Jun-14</b>					
<b>Financial Assets</b>					
Restricted Cash and cash equivalents	31,166	(312)	(312)	312	312
Receivables	-	-	-	-	-
Other Financial Assets	-	-	-	-	-
	<u>31,166</u>	<u>(312)</u>	<u>(312)</u>	<u>312</u>	<u>312</u>
<b>Financial Liabilities</b>					
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
<b>30-Jun-15</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	589.0	65.0	65.0	(54.0)	(54.0)
Receivables	18.0	2.0	2.0	(0.1)	(1.0)
Other Financial Assets - Derivatives	22.3	0.0	394.5	0.0	(321.9)
	<u>629.3</u>	<u>67.0</u>	<u>461.5</u>	<u>(55.0)</u>	<u>(376.9)</u>
<b>Financial Liabilities</b>					
Payables	13	(1)	(1)	1.1	1.1
Provisions	370	(41)	(41)	33.6	33.6
Other Financial Liabilities - Derivatives	(25)	86	109	(70.2)	(88.9)
	<u>357.7</u>	<u>43.8</u>	<u>67.1</u>	<u>(35)</u>	<u>(54)</u>
<b>30-Jun-14</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	603	60	60	(60)	(60)
Receivables	171	17	17	(17)	(17)
	<u>774</u>	<u>77</u>	<u>77</u>	<u>(77)</u>	<u>(77)</u>
<b>Financial Liabilities</b>					
Payables	4.0	(0.4)	(0.4)	0.4	0.4
Other Financial Liabilities - Derivatives	1,420.0	(82.0)	(689.0)	66.0	(563.0)
	<u>1,424.0</u>	<u>(82.4)</u>	<u>(689.4)</u>	<u>66.4</u>	<u>(562.6)</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. Foreign exchange contracts, are classified as Level 2 within the fair value hierarchy. The valuation technique is a discounted cash flow method where future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

### 37. Events occurring after the balance sheet date

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

### 38. Contingent liabilities and contingent assets

#### Contingent Liabilities

There were no contingent liabilities at the report date.

#### Contingent Assets

There were no contingent assets 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 Regulation (DER). In accordance with the Act, DER 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.

### 39. Administered assets and liabilities

	<b>2015</b> <b>\$000</b>	<b>2014</b> <b>\$000</b>
<b>Current Assets</b>		
Cash and cash equivalents - WANDRRA <sup>(a)</sup>	17,059	9,388
Overseas Offices - cash and cash equivalents	133	112
	<u>17,192</u>	<u>9,500</u>
<b>Current Liabilities</b>		
Payables - WANDRRA <sup>(a)</sup>	<u>26,568</u>	<u>9,224</u>

(a) The Department administers the payment of claims from government agencies and local authorities with funding of such claims being processed pursuant to the Western Australian Natural Disaster Relief and Recovery Arrangements.

## 40. Disclosure of administered income and expenses by service

	Administration of Executive Government Services		Government Policy Management		Total	
	2015 \$000	2014 \$000	2015 \$000	2014 \$000	2015 \$000	2014 \$000
<b>COST OF SERVICES</b>						
<b>Income</b>						
Administration appropriation <sup>(a)</sup>	-	-	45,000	46,105	45,000	46,105
Refund of prior year expenditure received from Main Roads WA (MRWA) <sup>(b)</sup>	-	-	5,308	-	5,308	-
	<u>-</u>	<u>-</u>	<u>50,308</u>	<u>46,105</u>	<u>50,308</u>	<u>46,105</u>
<b>Expenses</b>						
Grants and subsidies	-	-	59,981	45,941	59,981	45,941
<b>Total cost of services</b>	<u>-</u>	<u>-</u>	<u>59,981</u>	<u>45,941</u>	<u>59,981</u>	<u>45,941</u>

- (a) The Department administers the payment of claims from government agencies and local authorities with funding of such claims being processed pursuant to the Western Australian Natural Disaster Relief and Recovery Arrangements.
- (b) Income received includes a refund of prior year expenditure of \$5.308 million incorrectly paid to MRWA as a reimbursement of National Disaster and Relief and Recovery Arrangements (NDRRA) expenditure by both Department of Fire and Emergency Services and Department of the Premier and Cabinet (DPC). This amount was paid by DPC in 2013–14 and refund received from MRWA in 2014–15.

## 41. Explanatory Statement for Administered items

	Variance Note	Original Budget 2015 \$000	Actual 2015 \$000	Actual Restated 2014 \$000	Variance between estimate and actual \$000	Variance between actual results for 2015 and 2014 \$000
<b>INCOME FROM ADMINISTERED ITEMS</b>						
<b>Income</b>						
Administered appropriation <sup>(a)</sup>	1	15,000	45,000	46,105	30,000	(1,105)
<b>Total Administered Income</b>		<u>15,000</u>	<u>45,000</u>	<u>46,105</u>	<u>30,000</u>	<u>(1,105)</u>
<b>Expenses</b>						
Grants and subsidies <sup>(a)</sup>	2, A	15,000	59,981	45,941	44,981	14,040
<b>Total Administered Expenses</b>		<u>15,000</u>	<u>59,981</u>	<u>45,941</u>	<u>44,981</u>	<u>14,040</u>
<b>NET INCOME FROM ADMINISTERED ITEMS</b>		<u>-</u>	<u>(14,981)</u>	<u>164</u>	<u>(14,981)</u>	<u>(15,145)</u>

(a) The Grants and Subsidies have been restated for the year 2014. It excludes \$5.3 million of overpayment made in prior year reported under Grants and Subsidies.

### Major Variance Narratives (Administered Items)

#### Variations between estimate and actual

1. The increase in Administered Appropriation of \$30.0 million (300%) is due to supplementation funding to top up base finding of \$15 million, for natural disaster events that occur during the year.
2. The increase in Administered Grants of \$44.98 million (299.87%) is mainly due to additional claims for the restoration of public infrastructure as a result of natural disaster events.

#### Variations between actual results for 2015 and 2014

- A. The increase in Administered Grants of \$19.35 million (47.62%) is mainly due to additional claims for the restoration of public infrastructure as a result of natural disaster events.

## 42. Joint operations

Name of operation:

The Western Australian Marine Science Institution (WAMSI)

Output Interest

11%

Principal Activity:

To establish Western Australia as a world-leading centre in marine science, education, innovation-based regional marine enterprise generation and knowledge-based marine resource management

The following amounts represent the Department's assets employed in the above jointly controlled operations, which are included in the financial statements.

	<b>2015</b>	<b>2014</b>
	<b>\$000</b>	<b>\$000</b>
<b>Current Assets</b>		
Other financial assets <sup>(a)</sup>	124	114
During the reporting period the Department recognised a loss as follows:		
Loss on other financial assets	1,990	886
(a) Net investment in Joint Venture		
Opening Balance	114	-
Investment in Joint Venture	2,000	1,000
Loss on Joint Venture	(1,990)	(886)
Net Investment	<u>124</u>	<u>114</u>

# Audited Key Performance Indicator Information

---

## Certification of Key Performance Indicators

Department of the Premier and Cabinet  
for the year ending 30 June 2015

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 2015.



PETER CONRAN  
**ACCOUNTABLE AUTHORITY**

30 July 2015

### Performance Indicators

The Department delivers services to achieve the following Government Goal, which is:

- » Results-based service delivery — Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.

The Department's Outcome Based Management (OBM) structure consists of two agency-level outcomes, and two agency-level services, which are:

- » Outcome 1: Executive Government receives appropriate support.
- » Outcome 2: The Premier and Ministers receive high quality, rigorous and timely policy advice.
  
- » Service 1: Administration of Executive Government services.
- » Service 2: Government Policy Management.

### Key Effectiveness Indicators

The key effectiveness indicators reported were chosen for their ability to enable assessment to be made of the extent to which the Department's activities are achieving, or have made substantial progress towards achieving Outcome 1 and Outcome 2. Results are following. Further explanation is provided where there are significant variances between Actual and Target indicators. Variances greater than 10% are considered significant.

## Audited Key Performance Indicator Information

### Outcome 1 - Executive government receives appropriate support

	2012–13 Actual	2013–14 Actual	2014–15 Actual	2014–15 Target
1.1 Targets for support services are met or exceeded	96%	97%	99%	94%
1.2 Service recipient's confirmation that services provided enable them to meet Executive Government's obligations	3.7	4.0	4.0	3.8

### Outcome 1 - Key Effectiveness Indicators Explanatory Notes

#### 1.1 Targets for support services are met or exceeded - *Target 94%*

This indicator reports the percentage of essential services delivered within designated timeframes. 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, all of which bear equal importance. The timeliness of service targets has been determined based on: a) resources available to deliver each service, and b) client expectations.

#### 1.2 Service recipient's confirmation that services provided enable them to meet Executive Government's obligations – *Target 3.8*

This indicator reports the satisfaction levels of services delivered to the Premier's Office, Ministerial Offices and the Leader of the Opposition's Office. Service recipients are provided with the option to provide their responses as ratings via either an online survey or hard copy survey. Responses measure the extent to which the expectations of service delivery by the Department were met. 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, while a value of three indicates that services met expectations. The data is reported in accordance with recommendations of the Australian Bureau of Statistics.

Responses were received from the Office of the Premier and 14 of the 16 Ministerial Offices, as well as the Leader of the Opposition's Office. Responses from each respondent were averaged, with the final result being the aggregation of all averages from across the total number of respondents. The Department is unaware of any circumstances that might have caused the non-respondents to respond differently to those that did.

## Outcome 2: The Premier and Ministers receive high quality, rigorous and timely policy advice

	2012–13 Actual	2013–14 Actual	2014–15 Actual	2014–15 Target
2.1 Service recipient's confirmation that high quality and timely policy advice is provided	3.7	4.0	4.0	4.3

### Outcome 2 - Key Effectiveness Indicators Explanatory Notes

#### 2.1 Service recipient's confirmation that high quality and timely policy advice is provided

This indicator reports the satisfaction levels of services delivered to the Premier's Office and Ministerial Offices. Service recipients are provided with the option to provide their responses as ratings via either an online survey or hard copy survey. Responses measure the extent to which the expectations of service delivery by the Department were met. 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, while a value of three indicates that services met expectations. The data is reported in accordance with recommendations of the Australian Bureau of Statistics.

Responses were received from the Office of the Premier and 14 of the 16 Ministerial Offices, as well as the Leader of the Opposition's Office. Responses from each respondent were averaged, with the final result being the aggregation of all averages from across the total number of respondents. The Department is unaware of any circumstances that might have caused the non-respondents to respond differently to those that did.

## Audited Key Performance Indicator Information

### Agency Services and Key Efficiency Indicators

The following two services directly support the delivery of agency-level outcomes and the Department's strategic goals:

- » Service 1: Administration of Executive Government Services
- » Service 2: Government Policy Management

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 an FTE basis and incorporated in reported key efficiency indicators. Grants and donations administered, and employee severances paid, are excluded from key efficiency indicators (as appropriate) where these expenses are not considered to be a cost of service delivery.

The following expenditures have been excluded in calculating efficiency indicators as they do not directly relate to the services provided by the Department.

<b>Excluded Expenditures</b>	<b>2012–13 Actual \$000</b>	<b>2013–14 Actual \$000</b>	<b>2014–15 Actual \$000</b>	<b>2014–15 Target \$000</b>
Services provided free of charge	1,365	1,529	1,212	1,363
Community service obligations	385	393	563	857
Grants and donations	27,070	54,706	31,957	45,068
Non-core operations	3,870	3,545	7,445	3,871
End of contract excluded	3,312	-	-	-
<b>Total</b>	<b>36,002</b>	<b>60,173</b>	<b>41,177</b>	<b>51,159</b>

The corporate services costing allocation methodology applied since 1999–2000, 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 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 for the Executive Council;
- » administration of entitlements for Members and former Members of Parliament;
- » management of the State occasions and official visits programme;
- » a secure, confidential and time-critical printing and publishing service for Parliament and Government; and
- » management of exhibitions and programmes at the Constitutional Centre.

The major activities undertaken in Service 1 are reflected in the following key efficiency indicators. Explanations for each indicator follow the table.

### Service 1: Administration of Executive Government Services

		<b>2012–13</b>	<b>2013–14</b>	<b>2014–15</b>	<b>2014–15</b>
		<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Target</b>
		<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
1.1	Average operating cost per Ministerial Office (including Premier's Office and Leader of the Opposition)	2,537	2,626	2,657	2,557
1.2	Average cost of support provided per Ministerial Office (including Premier's Office and Leader of the Opposition)	500	1,692	1,434	393
1.3	Average cost representing Western Australia's interests overseas (per region)	1,478	1,491	1,663	1,411
1.4	Average cost of entitlements per Member of Parliament	370	391	401	371
1.5	Average cost of support provided per Member of Parliament	18	16	18	17

## Audited Key Performance Indicator Information

### Service 1: Key Efficiency Indicators Explanatory Notes

#### **1.1 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.

This efficiency indicator includes all costs associated with the day-to-day operation of the ministerial offices including the Premier's Office and the Leader of the Opposition.

#### **1.2 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.

Support to Ministerial Offices includes ceremonial and event advice; executive transport; and services related to Ministerial Office coordination, government media, correspondence, and the community access line.

The increase in the average cost of support provided to Ministerial Offices is as a result of the reclassification of costs previously attributable to performance indicators no longer reported, an approach which is consistent with prior years.

#### **1.3 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.

Western Australia is represented in three regions: Europe, the Middle East and North Asia. The key efficiency indicator is average cost per region (the total cost divided by the number of regions). Expenditure for 2014–15 is greater than target primarily due to increased costs associated with maintaining the European office.

#### **1.4 Average cost of entitlements per Member of Parliament**

This indicator reports the average cost of entitlements per Member of Parliament. Entitlements are determined by the Salaries and Allowances Tribunal and include Electorate Office staffing and operational expenses, 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 an FTE basis.

The efficiency indicator has increased from target as a technological refresh was undertaken during the year earlier than originally planned.

## 1.5 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.

Average cost of support provided per Member of Parliament includes administration of entitlements, management of accommodation, and the salary of the assistant to the party whip, divided by the number of Members.

## Service 2: Government Policy Management

The Premier as the Head of Government and Minister for Science 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 Council for Australian Federation; and
- » strategic, cross-portfolio advice on land, State and Commonwealth approvals and Indigenous issues.

### Service 2: Government Policy Management

	2012–13 Actual \$000	2013–14 Actual \$000	2014–15 Actual \$000	2014–15 Target \$000
2.1 Average cost per Government Indigenous Land Use Agreement (ILUA) managed	256	427	502	282
2.2 Average cost per Project ILUA managed	463	1,195	908	216

## Service 2: Key Efficiency Indicators Explanatory Notes

### 2.1 Average cost per Government Indigenous Land Use Agreement (ILUA) managed

The objectives of the Government ILUA process is consistent with the State's strategic goal of Social and Environmental Responsibility: Ensuring that economic activity is managed in a socially and environmentally responsible manner for the long-term benefit of the State. It is anticipated that the Government ILUA will create greater efficiencies within Native Title approval processes, which in turn will promote economic activity and delivery of services to remote and regional areas of the State.

This efficiency indicator reports the cost of resources committed to the Department's efforts in negotiating with native title claim groups towards an outcome, where a registered Government ILUA is anticipated.

## Audited Key Performance Indicator Information

A Government ILUA is an ILUA that addresses government business and specific future acts through the claims settlement process which are negotiated by the Land, Approvals and Native Title Unit.

The increase in the average cost per Government ILUA was primarily due to a decrease in the number of ILUAs managed from a target of 12 to an actual of 5 as at 30 June 2015. An additional increase resulted from a reallocation of costs attributed to the Native Title functions of the Department, an approach which is consistent with prior years.

### **2.2 Average cost per Project ILUA managed**

The Project ILUA process represents specific agreements negotiated with Native Title parties for either State significant projects or over smaller project areas.

This efficiency indicator reports on the cost of resources committed to:

- a. The negotiation of new Project ILUAs; and
- b. The management of existing Project ILUAs.

A Project ILUA is:

- a. a Government ILUA that has been registered by the National Native Title Tribunal, including as part of a claims settlement process;
- b. an ILUA related to a strategic project being negotiated by the State that involves a future act process; and/or
- c. an existing ILUA related to a strategic project that involves a future act process.

The increase in the average cost per project ILUA is as a result of a reallocation of costs attributed to the Native Title functions of the Department which is consistent with prior years.

# 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 the Department of Treasury. Rates are structured to recover all costs including overheads and labour, and are part of the budget process with increases being approved by the responsible Minister (Premier) and Department of Treasury.

## Capital Works

The Department incurred capital expenditure of \$2.899 million during the financial year, predominately on ministerial office fit-outs.

# Ministerial Directions

---

No Ministerial directions were received during the financial year.

## Employment and Industrial Relations

### Employee Profile

The Department's annual average full-time equivalent (FTE) employee figure for 2014–15 was 459, compared to the previous year's average of 474.

As at 30 June 2015, our workforce was comprised of 86 per cent permanent employees, 11 per cent fixed term employees and 3 per cent casual employees.

In the Parliamentary Electorate Offices, an average of 191 FTE were engaged to support the State Members of Parliament during 2014–15, the same as the average of FTE in the 2013–14 financial year.

# Governance Disclosures

---

## Conflicts of Interest

The Department placed a strong emphasis on the need for staff to comply with the Conflicts of Interest Policy, a commitment which has assisted in maintaining the Department's impartiality and transparency of its business activities.

The Department educated and guided staff in the declaration and management of all actual, perceived and potential conflicts of interest.

## 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 Department engaged an external contractor to undertake internal audit services for the year, activities which were overseen by the Internal Audit Committee and the Office of the Director General. The external contractor delivered eight internal audit reports on various aspects of the Department's business.

## External Audit

During 2014–15, the Department worked on addressing findings arising from a range of external audits conducted by the Office of the Auditor General, with a focus on improving processes and practices across the organisation.

## Risk Management

The Department introduced a new risk management database and reporting tool. The new tool replaced the previous RiskBase system, owned and administered by RiskCover, and which is scheduled to be decommissioned in 2016. The reporting tool improves the way in which risk information is stored and reported across the organisation.

## Contact with a Lobbyist

The Department ensured compliance with the Public Sector Commission's Contact with Lobbyist Code.

## Board and Committee Remuneration

### Constitutional Centre Advisory Board

Position	Name	Type of remuneration	Period of membership	Gross/actual remuneration
Chair	Hon Bill Hassell to 31 Oct 2014	Sitting Fee	3 years	\$306.00
Chair/Deputy Chair	Hon Cheryl Edwardes	Sitting Fee	3 years	\$815.00
Deputy Chair/Member	Prof Colleen Hayward	Sitting Fee	3 years	\$609.00
Member	Mrs Anne Conti to 31 Oct 2014	Sitting Fee	3 years	\$0.00
Member	Prof Harry Phillips	Sitting Fee	3 years	\$609.00
Member	Prof David Black	Sitting Fee	3 years	\$609.00
Member	Dr Janice Dudley *	Sitting Fee	3 years	\$669.90
Member	Ms Diana Warnock	Sitting Fee	3 years	\$609.00
Member	Hon John Cowdell	Sitting Fee	3 years	\$406.00
Member	Dr Sarah Murray from 1 Nov 2014	Sitting Fee	3 years	\$406.00
Member	Hon Ray Halligan from 1 Nov 2014	Sitting Fee	3 years	\$406.00
Member	Hon Christine Wheeler	N/A	3 years	\$0.00
Member	Mr Grant Donaldson SC	N/A	3 years	\$0.00
			<b>Total</b>	<b>\$5,444.90</b>

\* Fees paid to Murdoch University and incurs GST.

Partnership Forum

Position	Name	Type of remuneration	Period of membership	Gross/actual remuneration
Chair	Ms Robyn Kruk	Annual	2 years	\$24,137.00
Deputy Chair	N/A	N/A	N/A	N/A
Member	Ms Sue Ash AO	N/A	2 years	-
Member	Mr Michael Barnes	N/A	2 years	-
Member	Ms Rebecca Brown	N/A	2 years	-
Member	Mr Ian Carter AM	N/A	2 years	-
Member	Ms Irina Cattalini	N/A	2 years	-
Member	Dr Ron Chalmers	N/A	2 years	-
Member	Mr Peter Conran AM	N/A	2 years	-
Member	Mr Chris Hall	N/A	2 years	-
Member	Ms Taryn Harvey	N/A	2 years	-
Member	Ms Deborah Karasinkski	N/A	2 years	-
Member	Professor Greg Lewis	N/A	2 years	-
Member	Ms Lyn Mahboub	Sitting Fee	2 years	\$921.83
Member	Mr Timothy Marney	N/A	2 years	-
Member	Ms Jennifer Mathews	N/A	2 years	-
Member	Ms Joan McKenna Kerr	N/A	2 years	-
Member	Ms Emma White	N/A	2 years	-
Member	Mr Ashley Reid	N/A	2 years	-
Member	Mr Grahame Searle	N/A	2 years	-
Member	Mr Gordon Trewern	N/A	2 years	-
Member	Ms Debra Zanella	N/A	2 years	-
			<b>Total</b>	<b>\$25,058.38</b>

## Strategic Assessment Stakeholder Reference Group

Position	Name	Type of remuneration	Period of membership	Gross/actual remuneration
Chair	Dr Jim Limerick	Per meeting	2.5 years	\$10,698.00
Member	Ms Debra Goostrey	-	2.5 years	-
Member	Mr John Gelavis	-	2.5 years	-
Member	Mr Frank Arangio	-	2.5 years	-
Member	Mr Harry Backes	-	2.5 years	-
Member	Mr Jason Hick	-	2.5 years	-
Member	Ms Barbara Pederson	-	2.5 years	-
Member	Ms Jan Star	-	2.5 years	-
Member	Mr Piers Verstegen	-	2.5 years	-
Member	Mr Mark Batty	-	2.5 years	-
Member	Mr Mick McCarthy	-	2.5 years	-
Member	Mr Mike Foley	-	2.5 years	-
Member	Mr Brett Flugge	-	1.5 years	-
Member	Mr Paul Sanders	-	3 months	-
Member	Ms Merril Halley	-	3 months	-
			<b>Total</b>	<b>\$10,698.00</b>

# Other Legal Requirements

---

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

Corporate Information Branch is responsible for delivering high quality advice and support in best practice recordkeeping to support the Office of the Premier Government Ministers and the Department to achieve compliance with the *State Recordkeeping Act 2000*.

The Branch focusses on information sharing, research and knowledge management, employing experienced practitioners with a mix of experience and knowledge.

Consistent with this responsibility, the Branch strives to meet high standards in all areas of recordkeeping administration.

Records are managed according to their significance to business, the State and the community relative to their administrative, facilitative, fiscal, historical or legal value.

Significant electronic records are saved directly into approved records systems and if necessary, printed and attached to corporate folders.

The recordkeeping system in use is an electronic document and records management system. It is an automated software application designed to facilitate the creation, management, use, storage and disposal of a range of both physical and digital documents and records in an integrated way.

Metadata is applied at the point of capture of documents and records and when actions are performed on them, which aids their useability and accountability.

Major achievements include a 95% success rate in the on-line records awareness training (RAT) induction for all new departmental and ministerial staff.

Recordkeeping system training is available and offered to all staff to meet their responsibilities in capturing significant corporate documents, in all format types. End user training effectively gives clients a better understanding of documents management within the Department and effectively utilises the approved recordkeeping system.

The Branch has embarked on a programme of digitising the most important and iconic departmental archival records including Cabinet, Executive Council, Royal Commission and Special Inquiry record types.

Legally disposing of ephemeral and temporary hard copy records is consistent with best practice recordkeeping and is carried out on a regular basis.

## Statement of Compliance with the State Records Commission Standards Standard 2 Principle 6

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

SRC Requirement	Department Compliance Action
The efficiency and effectiveness of the organisation's recordkeeping systems is evaluated not less than once every five years	The Record Keeping Plan was approved in 2010 a subsequent review has been completed in 2015 and is currently waiting on formal approval from the State Records Commission.  External audits are conducted every four years.
The organisation conducts a recordkeeping training programme.	It is a requirement that all staff complete the on-line training course in record awareness. One-on-one and group training in the use of the records management system is also provided.
The efficiency and effectiveness of the recordkeeping training program is reviewed from time to time.	The high completion rate of the records awareness on-line training module would indicate the effectiveness of the records training programme.
The organisation's induction programme addresses employee roles and responsibilities in regard to their compliance with the organisation's recordkeeping plan.	All new employees are required to read the Department's on-line induction. Section 6 refers to their role and responsible in respect to recordkeeping. This section reinforces the recordkeeping component Principle 6 of the Department's Code of Conduct.

## Other Legal Requirements

### 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.

#### **Expenditure**

a) Advertising agencies:	\$22,014
- Adcorp Australia Ltd	
- Facebook	
- Rare Creative Thinking	
- Freeway Design	
b) Market research	
c) Polling agencies	
d) Direct mail	
e) Media advertising agencies	
<b>Total Expenditure</b>	<b>\$22,014</b>

### Statement of Compliance with Disability Access and Inclusion Plan Outcomes (*Disability Services Act 1993* – section 29 and Schedule 3 of the *Disability Services Regulations 2004*)

In 2011, the Department's Disability Access and Inclusion Plan (DAIP) was established setting out a number of initiatives scheduled to be implemented over a period of time until June 2016. The Department sought the views of existing employees with disability to assist in development of the planned initiatives taking into consideration priority and appropriateness for use. This Plan is reviewed annually and outcomes are monitored periodically to ensure the initiatives are still relevant and the level of accessibility continues to be suitable.

As part of new requirements under the Act and Regulations, the Department has updated its DAIP this year, to incorporate Outcome 7: 'People with disability have the same opportunities as other people to obtain and maintain employment with a public authority'. This change was published in the West Australian and the Department's internet website for public comment.

### Statement of Compliance with the Public Sector Standards and Ethical Codes (*Public Sector Management Act 1994*, section 31[1])

The Department is committed to promoting integrity in official conduct in the Public Service and achieving compliance with the Public Sector Standards, the Western Australian Code of Ethics and the Department's Code of Conduct. These guidelines are endorsed by the Corporate Executive and senior management and are practised within the Department.

To support the application of the Public Sector Standards, the Western Australian Code of Ethics and the Commissioner's Instructions, the Department has a number of formal policies, procedures and guidelines which are reviewed on a regular basis.

The following outlines the significant action taken to monitor and ensure compliance in each of the following areas:

#### Significant Actions Undertaken to Promote Compliance with the Public Sector Standards in Human Resource Management and Commissioner's Instructions

To ensure compliance with the Commissioner's Instructions *No. 1 Employment Standard* and *No. 2 Filling a Public Sector Vacancy*, the Department has in place a process to ensure merit, equity, interest and transparency principles are maintained. Each recruitment, selection and appointment process is reviewed and considered in light of the four principles and open merit selection processes were undertaken.

The Department ensures performance and development plans are completed for all employees to support staff individual progress and assign role responsibilities that are in line with the agency's corporate plans. Regular review of the plans are monitored and reported to the Corporate Executive.

#### **Compliance Issues**

There were no breaches in the Employment Standard in the 2014–15 financial year.

#### Significant Actions Undertaken to Promote Compliance with the Western Australian Public Sector Code of Ethics and the Department's Code of Conduct

The Department's Code of Conduct sets out the standards of conduct and integrity that are to be followed by the Department and all its employees. The Code is also developed in line with the minimum standards of conduct and integrity set out by the Western Australian Public Sector Code of Ethics.

The Department provides all new staff with a copy of the Code of Conduct along with training and guidelines on ethical and accountable decision making to ensure staff have the means to deal with situations relating to conduct and integrity. The Department's induction also covers these topics to support understanding.

# Government Policy Requirements

---

## Substantive Equality (Implementation of the Policy Framework for Substantive Equality)

The Department's commitment to the Substantive Equality Policy Framework is reflected in the Department's Elimination of Discrimination and Harassment Policy which is available to all staff via the Department's Intranet and as part of the Department's induction.

The Department ensures that the principles of the policy framework are upheld and management decisions are made taking into consideration equity, parity and fairness to the community.

## Occupational Safety, Health and Injury Management

The Department, through the Corporate Executive, 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 the *Workers' Compensation and Injury Management Act 1981*.

The Department's Occupational Safety and Health (OSH) Committee is the fundamental mechanism for consultation on OSH matters between employees and the Corporate Executive. The Committee is comprised of employee and management representatives and meets every quarter to discuss and resolve safety and health issues, and review objectives, plans and procedures, in line with the Department's OSH Management Plan.

The Department is committed to continuous review and improvement of workplace safety and health.

The Department undertook an internal assessment of its OSH management systems in 2011 and progress is underway to achieve the agreed outcomes. The Department has a documented injury management system in place in accordance with the *Workers' Compensation and Injury Management Act 1981* and this system assists the Department in providing injury management support to those who have sustained a work related injury or illness. This process involves identifying return to work goals and injury management interventions which are fundamental to a successful return to work programme.

## Performance against OSH targets

Measure	Actual Results		Results against Target	
	2013–14	2014–15	Target	Comment on Results
Number of fatalities	0	0	0	
Lost time injury (LTI)/disease incidence rate	0.2%	0.9%	0 or 10% reduction	4 LTIs
Lost time injury (LTI)/disease severity rate	100%	0%	0 or 10% reduction	
Percentage of injured workers returning to work:				
- within 13 weeks	0%	100%	Actual result to be stated	
- within 26 weeks	0%	0%	Greater or equal to 80%	
Percentage of managers trained in occupational safety, health and injury management responsibilities	Less than 80%	82%	Greater or equal to 80%	

## Freedom of Information

The Department's Freedom of Information (FOI) Unit aims to assist the public to access available documents held by this agency at the least possible cost.

62 new valid applications were received during 2014–15. Of these, two applications were withdrawn by the applicant. A further ten applications were carried over from the previous year.

The table opposite 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.

In 2014–15 the Department continued to provide assistance to Ministerial Offices in dealing with their FOI applications.

## Freedom of Information Applications

	2013–14			2014–15		
Carried over			12			10
Received			81			62
<b>Total handled</b>			<b>93</b>			<b>72</b>
Applications decided	Personal Information	Non Personal Information	Total	Personal Information	Non Personal Information	Total
Full access	0	3	3	1	4	5
Edited access	1	41	42	0	41	41
Deferred access	0	0	0	0	0	0
Section 26 refused access	1	13	14	0	11	11
Refused access	0	9	9	0	8	8
Withdrawn	0	10	10	1	1	2
<b>Total decisions</b>	<b>2</b>	<b>76</b>	<b>78</b>	<b>2</b>	<b>65</b>	<b>67</b>
Transfer to other agency	0	0	0	0	0	0
<b>Total applications</b>	<b>0</b>	<b>0</b>	<b>83</b>	<b>0</b>	<b>0</b>	<b>67</b>
Carried forward	0	0	10	0	0	5